Rogers

Uniting Energy

INTEGRATED REPORT

2019

Dear Shareholder,

Your Board of Directors is pleased to present the Integrated Report of Rogers and Company Limited for the year ended 30 June 2019. This report was approved by the Board on 13 September 2019, and is available on our website https://www.rogers.mu

Jean-Pierre Montocchio
Chairman

Philippe Espitalier-Noël
Director & CEO

About this Report

Integrated Reporting

This year, we continue progressing along the Integrated Reporting (<IR>) path introduced in 2016-17. The overall aim is to provide a more comprehensive reporting to our shareholders and other stakeholders on our strategy, business model, operating context, sectors' performance, risk management and governance. This document is the product of our efforts to embed integrated thinking throughout Rogers in line with the <IR> Framework. We focus on five of the six <IR> capitals that are relevant to our Group and explore their relevance and significance in terms of creating value and achieving our strategic objectives. We have also combined Social and Natural capitals for the purpose of this report.

Our capitals are illustrated in the report as follows:

Financial	Human	Intellectual	Social & Natural

Compliance Reporting

This report is in compliance with the:

- International Financial Reporting Standards ('IFRS');
- International <IR> Framework of the Integrated Reporting Council ('IIRC');
- Companies Act 2001;
- The National Code of Corporate Governance for Mauritius (2016); and
- Financial Reporting Act 2004.

Targeted Audience

This report has been prepared primarily for the shareholders of Rogers and Company Limited but is also relevant to other stakeholders, including the Government, regulatory bodies, prospective investors, providers of capital, customers and clients, suppliers and service providers, communities and any other stakeholder who has an interest in the performance of the Group.

Forward-Looking Statements

Our report contains certain forward-looking statements with respect to the Group's financial conditions, results, operations and businesses. These statements and forecasts involve risk and uncertainty and are based on management assumptions which may change in the future. Actual performance could differ from the information expressed or implied by these statements.

External Audit and Assurance

An independent audit of the Group's financial statements was performed by BDO & Co. They also report on the extent of compliance with the Code of Corporate Governance. The rest of this integrated report has not been subject to an independent audit or review and is derived from the Group's internal sources or from information available in the public domain.

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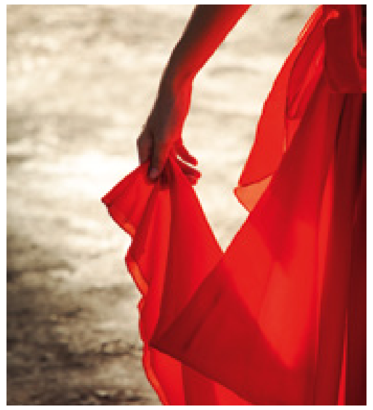
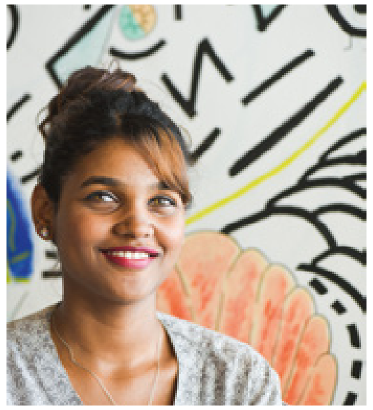
CORPORATE PROFILE



LEADERSHIP



SERVED MARKET PERFORMANCE

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Rogers at a Glance

Who we are

When the Rogers Group started business in 1899, it understood that entrepreneurial spirit as a leap of faith is not only a mindset, but also an attitude. From a diversified conglomerate, we have now grown into one of the leading international services and investment company and forming part of the 10 top listed companies on the Stock Exchange of Mauritius. The Group has been a major player in the tourism industry and participated actively in 1962 in the creation of Beachcomber, the leading hotel group on the island. Rogers was also involved in setting up the national airline, Air Mauritius, in 1967.

Today, our Group operates in four served markets namely FinTech, Hospitality, Logistics and Property across 11 countries including Mauritius. We believe that Energy creates the spirit of entrepreneurship of our people to make a meaningful impact in the world of our clients, employees, partners, local communities and stakeholders.

Having been forerunners in various sectors, including aviation and tourism, we continue to be driven by our entrepreneurial spirit and energies.

Total Revenue
Rs m **10,297**
(↑10%)

PAT*
Rs m **1,121**
(↑24%)

EBITDA*
Rs m **2,458**
(↑19%)

*Excluding exceptional items

Our edge

Over the years, we have built a sound asset base as well as a quality network of contacts and partners. The expertise of our united, competent and balanced team is widely recognised and our Group maintains a significant market share in each of its served markets.

Our capabilities

We build on our expertise to grow our brand and expand our business at an international level, while ensuring that the expected benchmarks are delivered. We also continuously seek meaningful growth opportunities to further develop the markets that we serve.

Our values

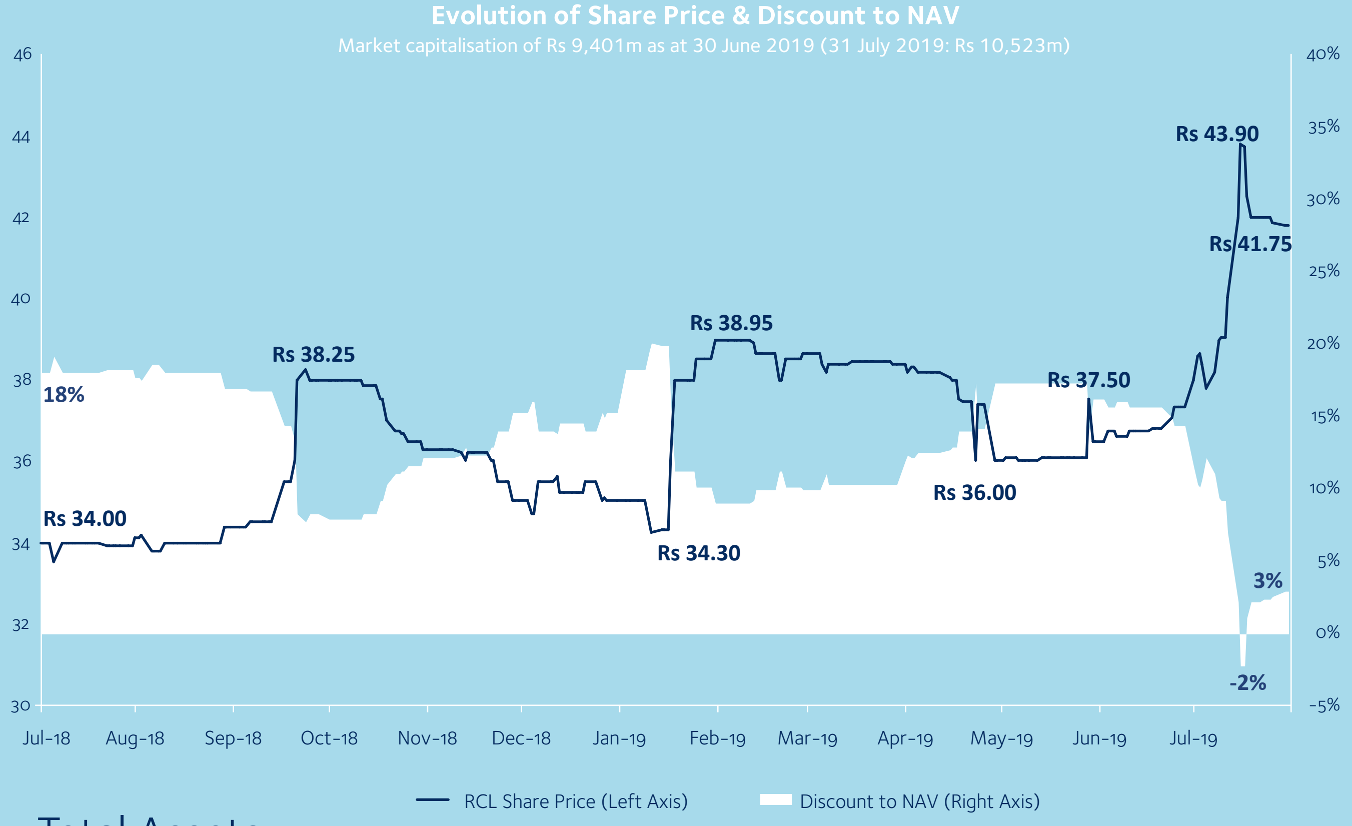
The Rogers values are:

1. **Leadership** - Our audacity & engagement to co-create sustainable success
2. **Agility** - Our ability to anticipate changes, adapt and improve
3. **Excellence** - Our commitment to deliver promised quality on time

These values are the foundation of our Company culture and help permeate 'The Rogers Way' of being and of doing things within the organisation.

Leadership + Agility + Excellence
=
Entrepreneurial Spirit

The synergy of these three values drives the spirit of entrepreneurship of our people to co-create meaningful opportunities with and for our clients, employees, local communities and partners.



Total Assets
Rs m
36,685
(↑9%)

DPS
Rs **1.02**
(↑5%)

EPS*
Rs **2.29**
(↑45%)

*Excluding exceptional items

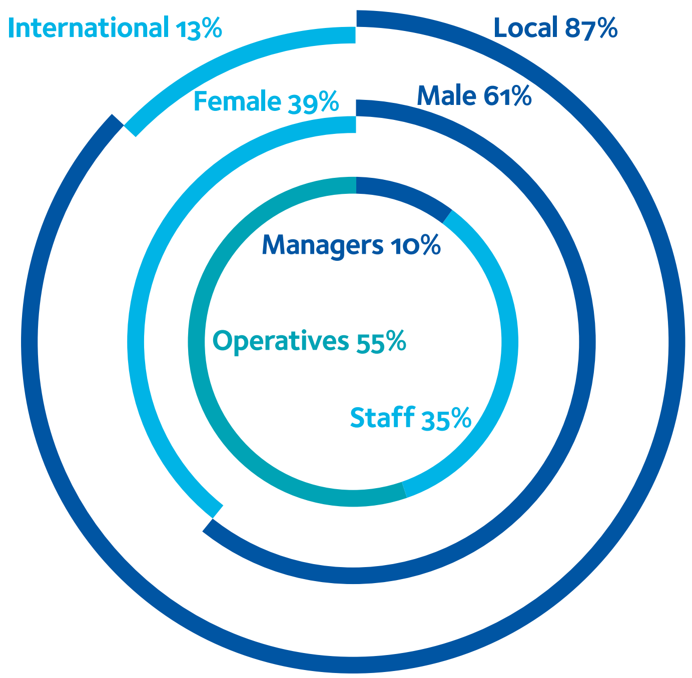
Demographics

5,028
Employees

11
Countries

110+
Workplaces

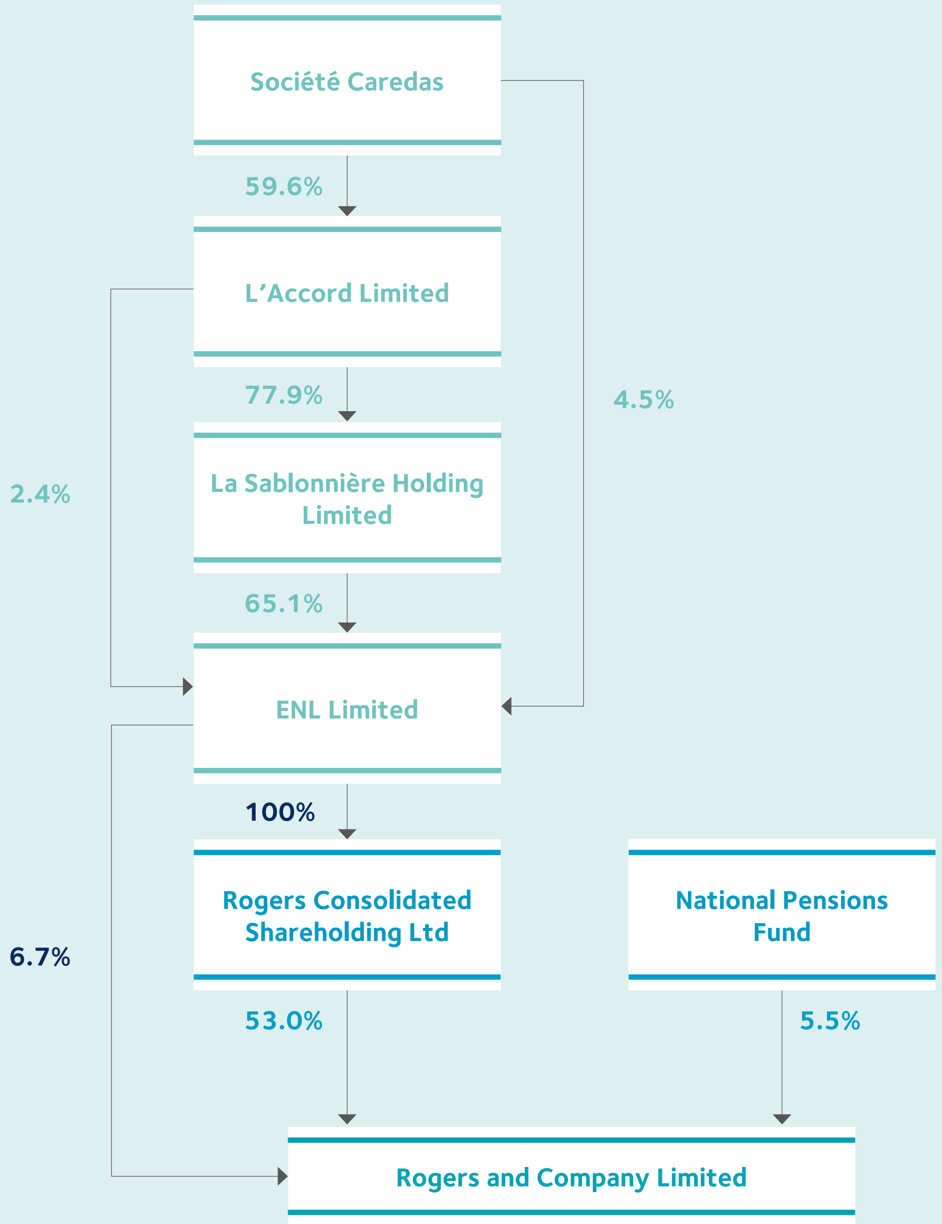
4
Served Markets

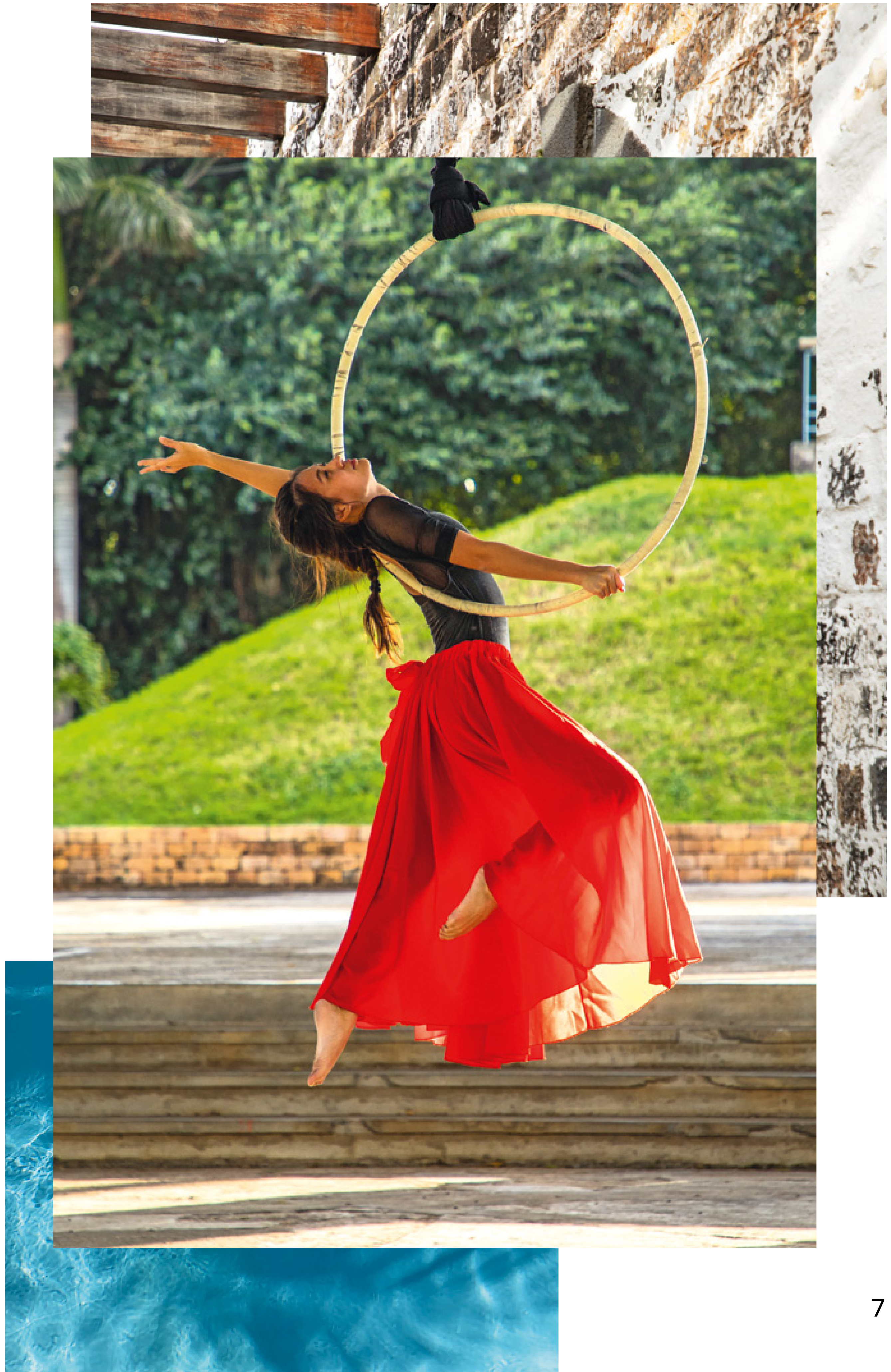


Geography		Gender		Category		
Local	International	Male	Female	Managers	Staff	Operatives
4,376	652	3,087	1,941	488	1,783	2,757

Voting Rights

as at 30 June 2019





Organisational Chart

CHIEF EXECUTIVE OFFICER
Philippe Espitalier-Noël

ROGERS EXECUTIVE TEAM

CHIEF HUMAN RESOURCES EXECUTIVE
Manish Bundhun

HEAD OF INTERNAL AUDIT & RISK MANAGEMENT
Eric Cotry

CHIEF FINANCE EXECUTIVE
Damien Mamet

CHIEF LEGAL AND COMPLIANCE EXECUTIVE
Aruna Radhakeesoon

CHIEF PROJECTS AND SUSTAINABILITY EXECUTIVE
Belinda Vacher

	FINTECH	HOSPITALITY	LOGISTICS	PROPERTY
SERVED MARKETS	Operating under the Rogers Capital brand, our FinTech platform provides services in three lines of service. Rogers also directly holds a 29.37% stake in Swan General and a 20% shareholding in Swan Financial Solutions.	The Hospitality served market provides a vertical integration of services including Hotels, Travel and Leisure. Through our operations in VLH and a 22.93% equity investment in NMH, Rogers is a major player in the tourism industry, accounting for more than 20% of total rooms available in Mauritius.	Our Logistics arm, Velogic provides an integrated logistics platform with services consolidated under Port and Haulage Services, Freight Forwarding, Shipping and Sugar Packaging.	The property portfolio includes our 36.19% equity investment in Ascencia, the largest domestic property fund listed on the Stock Exchange of Mauritius, as well as our agricultural, property and leisure activities carried out in Bel Ombre and Case Noyale.
SECTORS	Corporate Technology Financial	Hotels Travel Leisure	Logistics Solutions	Property Investments Property Development & Agribusiness
MAIN COMPANIES	Rogers Capital	Veranda Leisure & Hospitality Rogers Aviation Island Living	Velogic	Ascencia Compagnie Sucrière de Bel Ombre Case Noyale Les Villas de Bel Ombre
KEY INVESTMENTS	Swan General Swan Financial Solutions	New Mauritius Hotels Air Mauritius Mautourco		Le Morne Development Corporation ('LMDC')
	Leveraging on its 120 years of existence and expertise, Rogers has a solid footprint in Mauritius as well as a strong international presence via its offices and affiliates around the world. The offices are led by a team of talented experts and we continuously seek opportunities to further build sustainable and successful business partnerships.			
INTERNATIONAL PRESENCE	• Rogers Capital has three representative offices in South Africa, Singapore and Seychelles.	• VLH currently has sales teams in France, UK and Germany. • Rogers Aviation has 19 overseas offices based in six countries namely Comoros, Madagascar, Mozambique, Mayotte, Reunion Island and South Africa.	• Velogic is established in countries such as France, India, Madagascar, Reunion Island, Bangladesh, Singapore and Kenya. It also represents the UPS brand through agents in Seychelles, Comoros and Mayotte.	
MAIN LOGOS	Rogers Capital › Keep evolving	VLH Island Living Rogers Aviation	VELOGIC	Ascencia Heritage Villas Valriche CSBO
CHIEF EXECUTIVE OFFICER	Ashley Coomar Ruhee	Hotels François Eynaud* Travel Alexandre Fayd'herbe de Maudave Leisure Richard Stedman	Nayendranath Nunkoo	Property Investments Frédéric Tyack Property Development & Agribusiness Michel Pilot
CHIEF FINANCE OFFICER	Yashinn Bhoyroo	Hotels Thierry Montocchio Travel Stéphane Langlois Leisure Reshmee Boodhooa	Naveen Sangeelee	Property Investments Eric Weirich Property Development & Agribusiness Bruno Pydiah (Finance Manager)

*Resigned and replaced by Thierry Montocchio as from 01 September 2019

Value Creation Map

CAPITAL INPUT

Financial
- Equity raising
- Debt financing
- Reinvestment

Human
- Strong leadership team
- Skills and career development
- Engaged workforce

Intellectual
- Culture shaping
- Brand and reputation
- Systems

Social & Natural
- Customer relationships
- Stakeholders' confidence
- Corporate Social Responsibility

STRATEGIC MAP

BUILDING A LEADING SERVICES AND INVESTMENT BUSINESS FOCUSED ON FOUR SERVED MARKETS

Served Markets	Strategic Objectives	Achievements in 2018-19	Targets in 2019-20	Main Risks impacting objectives (Refer to page 71)
FinTech	Enhance customer experience with structured and innovative solutions	**Corporate** • Revenue growth despite persistent turbulence in the Global Business sector; and • New leadership for our two Management Companies. **Technology** • Launch of Information Security Advisory capability; and • Setting up of new Data Centre in Ebene with enhanced capacity for cloud services. **Financial** • Volume targets exceeded for leasing and hire purchase services; and • Successful completion of 2nd round of funding.	**Corporate** • Full amalgamation of RCCS and GMS; • Growth of existing Corporate and Trust services; and • Launch of Private Client services and Accounting Outsourcing services. **Technology** • Implementation of new digital projects; and • Growth of international presence through enhanced IPLC capacity and Points of Presence (POPs). **Financial** • Enhancement of customer-centricity through sophisticated digital tools; and • Additional merchant onboarding.	A B C D E G H I J
Hospitality	Enhance the customer experience and scale-up our Leisure & Hotel businesses	**Hotels** • Successful renovation, extension and repositioning of Veranda Tamarin as a 3*+; • First edition of the Mauritius Wellness Festival by Heritage Resorts; • Creation of Heritage Resorts Academy in Bel Ombre; and • Guest experience enrichment at Heritage Bel Ombre with new activities, product offerings and events. **Travel** • Consolidation of ground handling activities in Mozambique and Madagascar; • Launch of the new online tour operating concept, Islandian; • Turnaround of BlueSky Reunion; and • New GSA representations in Mauritius and Mozambique. **Leisure** • Launch of Domino's Pizza with the opening of a commissary facility and three stores; • New Welcome Centre for Heritage Nature Reserve and Racing Republic; • Rebranding and positioning of Chamarel 7 Coloured Earth as a Geopark destination; • Launch of unique picnic nature experiences at Heritage Nature Reserve; • Setting up of a sports events management company, Racing Republic; • Launch of the Seeloy Island Club brand; and • Launch of a website with online booking capabilities for Heritage Nature Reserve, Chamarel 7 Coloured Earth Geopark and Le Chamarel Panoramic Restaurant.	**Hotels** • Construction of Heritage second 18-hole signature golf course and sales of memberships; • Renovation and re-opening of Heritage C Beach Club; and • Lagoon management plan. **Travel** • Opening of new territory for GSA; • Particular focus on and monitoring of Islandian's operational activities to improve conversion rates and move towards profitability; • Leverage on Amex franchise for corporate travel; and • Expansion of ground handling activities in Africa. **Leisure** • Acquisition of Croisières Australes; • Opening of the Kaz'alala hosted B&B; • Development of Voilà Apart' Hotel; • Roll-out of new stores for Domino's Pizza; • Refurbishment of Ocean Basket at Grand Baie La Croisette; • Leisure development at Bel Ombre; and • Upgrading of digital performance dashboards.	A B C D E F G H I J
Logistics	Improve performance of our existing service lines	• Completion of the turnaround for the haulage business; and • Stabilisation of businesses in Kenya following the disruption caused by the Mombasa-Nairobi railway line.	• Turnaround of operations in France; • Development of new lines of services in Kenya; and • Continuation of development of the regional courier business.	A B C D G H I J
Property	Consolidate Ascencia's portfolio in the retail segment and secure new avenues of expansion Re-invent our Agribusiness operations	**Property Investments** • Construction of Bo'Valon Mall well on track with opening planned for November 2019; • Successful planning of the new access to Phoenix Mall to adapt to the Metro Express route, which should be fully operational by October 2019; • Installation of the largest rooftop photovoltaic farm (2 MWp) in the Southern wing at Bagatelle Mall; and • Successful 'Trash is Treasure' initiative with the participation of our staff members alongside our tenants whereby we have manage to collect 3,274 kg of waste over four chosen regions. **Property Development & Agribusiness** • Installation of new server; and • Innovative beach rehabilitation project.	**Property Investments** • Opening of Bo'Valon Mall and ensuring that KPIs are on target; • Extension of Bagatelle Mall with an incremental GLA of approximately 13,000 sqm; and • New ASCE project initiative to improve Customer Focus and Operational Excellence. **Property Development & Agribusiness** • Boosting the agricultural diversification programme; and • Improved infrastructure at Chamarel 7 Coloured Earth Geopark precinct.	A B C D E F G H I J

STRATEGIC PILLARS: DIGITALISATION / INTERNATIONALISATION / OPERATIONAL EXCELLENCE / SUSTAINABLE DEVELOPMENT & INCLUSIVE GROWTH

GROUP LEVERAGE: BRANDING / CORPORATE GOVERNANCE / FINANCING / HR / LEADERSHIP / MARKETING / RISK MANAGEMENT / VALUES

CAPITAL OUTPUT

Financial
- Access to competitive financial capital
- Optimisation of resources towards served markets
- Delivering shareholders' return

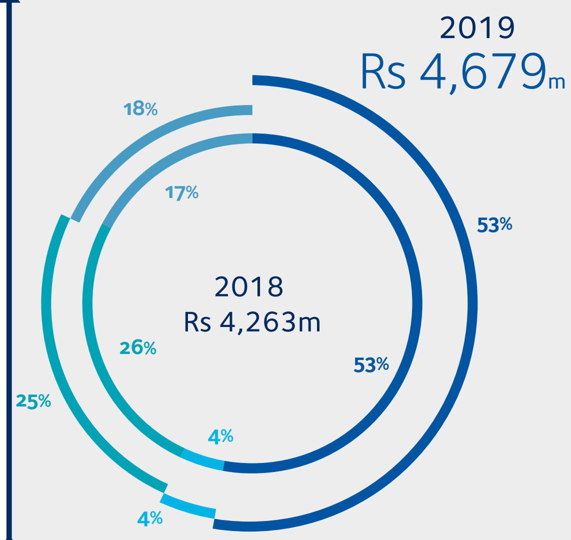
Human
- Top-of-mind employer
- People development (skilled and engaged employee base)
- Positive and empowering climate

Intellectual
- Enabling organisation culture which drives Leadership, Agility and Excellence
- Strong brand image
- Robust systems supporting our operations

Social & Natural
- Sustainable protection of natural resources
- Focused support and monitoring of projects
- Caring community development

OUTCOMES

Consolidated Value Added Statement



Rs m	2019	2018
Revenue	10,297	9,390
Bought-in materials & services	(5,618)	(5,127)
Total value added	4,679	4,263
EMPLOYEES, 53%		
Wages, salaries, bonuses, pensions & other benefits	2,491	2,253
GOVERNMENT, 4%		
Income Tax	204	190
PROVIDERS OF CAPITAL, 25%		
Dividends paid to:		
- Shareholders of Rogers and Company Limited	257	245
- Outside shareholders of Subsidiary Companies	296	291
Banks & other lenders	568	550
REINVESTED, 18%		
Depreciation & amortisation	565	424
Retained Profit	298	310

Note: The above statement excludes any amount of Value Added tax paid or collected.

Stakeholder Engagement

Stakeholders	Expectations	Responses	Outcomes	Capital Impacted
Shareholders, Investors, Regulatory Bodies and Providers of Capital	• Sustainable growth in shareholders' equity; • Responsible management with transparency; and • Sustainable interest cover and debt levels.	• An experienced Board of Directors consisting of Executive, Non-Executive and Independent Non-Executive Directors to encompass the whole spectrum of the Group's activities; • An established Risk Management and Audit Committee ('RMAC') which oversees the soundness of financial, operational, compliance and strategic risk management; • A Corporate Governance Committee ('CGC'), also acting as Nomination and Remuneration Committees, ensures that the Group complies with the provisions of the National Code of Corporate Governance; • Rogers has no formal dividend policy. Payment of dividend is subject to the profitability of Rogers, its foreseeable investment, capital expenditure and working capital requirements; • Financial performance is reported in a timely manner to the authorities and to the public on a quarterly basis. Additional resources have been deployed in the Sustainability and Communication Department to enhance communication through our website and other forms of media; • Rogers organises Investors Briefing twice a year to present analysts, stockbrokers, fund managers, bankers and other financial experts its half-yearly and yearly results and to discuss the Group's strategy and outlook; and • An updated medium-term strategic plan that guides the resource allocation to sectors, both in terms of investment and working capital needs.	**Events during the year** • Sep-18: Investors Briefing (Presentation of 30 June 2018 results); • Oct-18: Annual Meeting of Shareholders; • Nov-18: Publication of first quarter results and declaration of interim dividend (Rs 0.36 per share); • Dec-18: Payment of interim dividend; • Feb-19: Publication of second quarter results and Investors Briefing (Presentation of half-yearly results for financial year 2018-19); • May-19: Publication of third quarter results; • Jun-19: Approval by the Board of the 4-year strategic plan 2023 and declaration of final dividend (Rs 0.66 per share); and • Jul-19: Payment of final dividend. **Committee meetings held in 2018-19** • 7 Board meetings; • 6 RMAC; • 3 CGC; and • 1 SIC. **Key Performance Metrics** • Profit attributable to shareholders of Rs 555m (2018: Rs 554m); • A growth of 5% in total dividends paid (Rs 1.02 per share) representing a total of Rs 257m; • Share price appreciation of 10% to Rs 37.30 yielding a market capitalisation of Rs 9,401m as at 30 June 2019; • A debt to equity ratio of 0.64 against 0.56 last year; and • Interest cover of 3.3x against 3.0x in 2018.	Financial Social & Natural
Our Workforce	• Career growth opportunities; • Professional development (Training, coaching and cross-exposure); • Job engagement and satisfaction; • Recognition and rewards; • Competitive compensation and benefits; • Safe and enabling work environment; and • Meaningful employee experience.	• The Rogers management model focuses on the performance and development of its People; • Internal mobility and career progression philosophy; • Culture building programmes across sectors; • Group-wide skills development initiatives; • Structured development programs-ACE Management Development Program (Curtin University), RISE-Sales program (Stafford & Chan training); • Market remuneration benchmarking every 2 years: Total rewards approach to compensation and benefits aligned to market practices; • Pension benefits, Medical plan and Insurance cover provided to employees; • Group code of ethics and personal conduct; • Positive employee relations climate across the Group, with collaborative and cordial relationships with trade unions and established collective agreements (in applicable sectors); • Annual Health and Wellness events; • Rogers Summit - conference focusing on key aspects of leadership and business; • Group-wide engagement surveys and action plans; • Rogers Leaders Award and sector specific recognition programmes (e.g. Kudos–for recognising tenure and achievements); and • Executive Directors are not remunerated for serving on the Board and its committees. Their remuneration package as employees of Rogers, including their performance bonus, which are aligned to market rate are disclosed in the table set out on page 33. Such package is reviewed and approved by the Corporate Governance Committee of Rogers on an annual basis.	**People Development and Value-add** • 3,265 employees trained (2018: 2,698); • 3 man days per trained employee; • Rs 50m training investment (2018: Rs 31m); • Training investment of Rs 15,245 per employee (2018: Rs 11,587); • Investments in training covered 75% of employee base (2018: 66%); and • Comprehensive list of key people metrics including Engagement, Retention rate and Productivity. **Top 3 People Development Areas** • Technical skills; • Leadership skills; and • Customer service.	Human Intellectual

Stakeholder Engagement

Stakeholders	Expectations	Responses	Outcomes	Capital Impacted
Customers and Clients	• Strong brand image and reputation; • Representation of internationally recognised brands; • Customer satisfaction through interacting processes; • Innovating capabilities; • Adherence to intellectual property rights such as patents and trade marks; • Staff competencies and skills; • Trust in products and services; and • Consistent and transparent quality of products and services.	• Strengthen Rogers brand's visibility locally and internationally; • Focus on communication with coordination at all levels; • Establishment of a process to obtain useful information on brand image and customer loyalty; • Enlarged offering through our integrated services, such as a one-stop shop for Travel, Accommodation and Leisure provided for in the Hospitality served market; • Customer Relationship Management in place; • Investment in skills, processes and technology; • Review of customer feedback and satisfaction; and • Engagement with customers on online platforms.	• Strong sub-brands that are closer to the market through regular market research and more thorough use of technology and social media; • Enhanced brand image through various campaigns during the year (e.g. the "Hip Hip Hip, No waste" campaign in 2018 and the "World Ocean Day Campaign" in June 2019); • Digitalisation of offerings to enhance customers' experience (e.g. revamped websites for Islandian, ResaMaurice and Velogic; online booking system for Chamarel 7 Coloured Earth Geopark and Le Chamarel Panoramic Restaurant and a new mobile app for Rogers Aviation); • Organisation and participation in Seminars, Conferences and Events (e.g. Rogers Aviation participated in the "Salon du Prêt à Partir" and Rogers Capital in the "Salon de l'Automobile" and the "Salon de la Maison" whereas Islandian was present at the "Salon IFTM Top Resa", in Paris); • Communication through our magazines (such as Presence, Network and E-network) and our website; and • Strengthened customer-centric service (setting up of four Rogers Capital counters at Rogers House, Bagatelle Mall, Phoenix Mall and Riche Terre Mall. Partnerships signed with more than 200 merchants and 100 vehicle dealers).	Financial Intellectual
Suppliers and Service Providers	• Promoting joint growth opportunities in a responsive and mutually respectful manner; • Fairness in contracting their goods and services; and • Favourable contract terms and timely payment.	• Regular communication with major suppliers; • Develop sustainable business relationships; and • Opportunities for cross-selling across the Group.	• Roadshows and other events organised with partners (e.g. Rogers Capital held roadshows with car dealers and home appliance dealers in malls); • Focus on long-term partnerships, for instance by celebrating milestones (e.g. Rogers Aviation and South African Airways celebrated their 70-year long collaboration); and • Partnership with other industry stakeholders in the organisation of major sports events (AfrAsia Bank Mauritius Open and Heritage Trail).	Financial Intellectual
Government and Authorities	• Support to Government initiatives; • Consultative dialogue and propositions; • Participate in the development of the country in a sustainable way; and • Promotion of national and international dialogue and partnerships.	• Regular dialogue conducted with Ministers and relevant authorities; • Participation in pre-budgetary consultations; • Contribution to national welfare and national events; • National events sponsorship; • Responsible management with transparency; and • Engagement in Environmental, Social and Governance.	• Our recommendations for National Budget were taken into consideration; • Setting up of a Sustainability and Inclusiveness Committee headed by an Independent Director to spearhead the sustainability agenda and strategy within the Group; • Sponsorship for the Indian Ocean Islands Games; • Tax contribution of Rs 204m for financial year 2018-19; • Improved our score on the Stock Exchange of Mauritius Sustainability Index 72% in 2019 (2015: 61%); • Participation in several campaigns aiming at raising public awareness on waste managements; • Active participation in the national campaign towards cleaning up the island; • Setting up waste management systems across the subsidiaries; • Sponsorship of conferences at national level (namely on marine science, addictions & health and climate change); • Participation in various projects supporting the inclusion of vulnerable groups in mainstream activities such as financial literacy, arts, sports, zero hunger and quality education; and • Other initiatives are elaborated in the Sustainability Section on pages 16 to 21.	Financial Human Social & Natural
Communities, Authorities and NGOs	• Responsible corporate citizenship, integral to the community and the environment in which our businesses operate; • Responsiveness to (both local and international) concerns and impacts on social and environmental issues; • Operations conducted in a safe and lawful manner; • Investment in community infrastructure and development; and • Contributing responsibly and transparently to broader societal interests.	• Cooperation and networking with the authorities and private sectors; • Promoting the inclusion and education of vulnerable groups related to poverty and other social shortfalls; • Commitment to finding beneficial solutions to identified social concerns like poverty and education; and • Effective coordination of our CSR initiatives with the aim of improving the socio-economic conditions within neighbouring communities.	• Supported NGOs and groups in the fields of education, literacy, nutrition, employability, smart agriculture, sports and arts; • Engaged with and supported a list of social enterprises in the field of waste recycling and transport; • Through our sectorial waste management programme, we contributed to strengthening and supporting the circular economy of recycled resources; and • Refer to the Sustainability section on pages 16 to 21 for initiatives on social and natural capital.	Financial Human Social & Natural

Adopting a Sustainable Business Model

Rogers is committed to operate in an inclusive and sustainable way.

Our core purpose is to co-create meaningful opportunities by:

- Sensing with an outward mindset, the needs of our markets & clients;
- Collaborating with local communities to create a purposeful impact;
- Seeking growth opportunities to grow our footprint beyond our shores; and
- Writing together our growth story with our employees & partners.

Our core purpose is the catalyst, that creates the spirit of entrepreneurship of our people to make a meaningful impact in the world of our clients, employees, partners, local communities and stakeholders.

In our commitment towards Sustainable & Inclusive Development, we ensure that our actions and their impacts are aligned with fundamental needs of the community and our employees wherever we operate, without depleting our natural resources. We want to:

- Enhance the quality of life of the community and our employees: **Social**
- Rehabilitate, preserve and educate: **Ecology**
- Strengthen responsible business practices: **Economic**

We strongly believe that we cannot be successful if the community, the environment and our natural resources are depleting. As a company, we depend on the economic, environmental and social sustainability of our ecosystems As such, it is in our best interest to contribute to a sustainable world.

Following all of the 17 Sustainable Development Goals (SDGs) is quite ambitious but with the dedication of our sectors, we have been able to integrate a few of them in our business operations. Rogers has set up a Committee to spearhead the Sustainability & Inclusiveness dimensions of the Group. We integrate the SDGs into our Strategic Pillars and Business Objectives as follows:

Sustainability and Inclusiveness Committee
under the chairmanship of Deonanan (Raj) Makoond

Served Markets Representatives

FinTech	Hospitality	Logistics	Property

Adopting a Sustainable Business Model

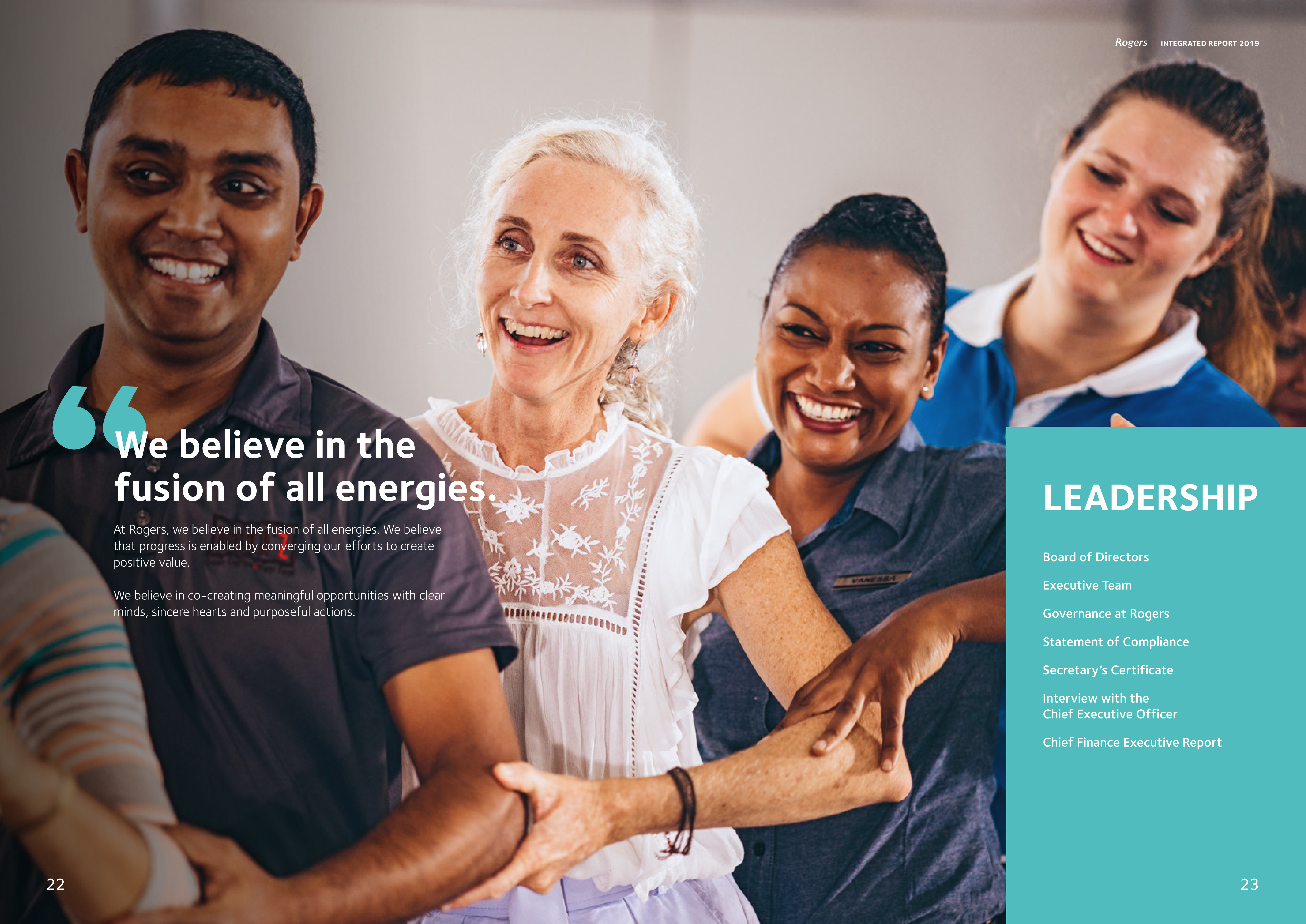
Key Social and Environmental Initiatives 2018-19*

Served Market	Sector	Applicable SDGs
FINTECH A few initiatives were set up by **Rogers Capital** during the year: • An environmental policy that includes recycling and reducing paper consumption, recycling waste, batteries and plastic bottles. This initiative aims at having an efficient waste management program and to go paperless; • Endemic plants have been planted at La Citadelle; and • Support to young people through the Junior Achievement Mascareignes (JAM). JAM's mission is to educate and inspire young Mauritians and to help them in developing entrepreneurial and life skills through their 'Learn by Doing' programs.	Corporate Technology Financial	
HOSPITALITY **Veranda Leisure & Hospitality** (VLH) has developed several initiatives within its hotels: • Implementing a policy to source locally and sustainably. This initiative aims to encourage local farmers and to improve quality of life and service levels, thanks to quality products; • Implementing a water management strategy, which helps to reduce the water flow of taps and the treatment of 100% of Waste Water, which is re-used for irrigation; and • Monitoring energy usage by installing detectors in all rooms. **Heritage Resorts** implemented a number of social and environmental initiatives throughout the year: • Setting up of a Heritage Resorts Academy, to increase intake of local people and to create a pool of trained and employable people in the region. This academy aims to help alleviate the unemployment rate and to create a hospitality culture in the region; • Promoting awareness on marine life in the Bel Ombre region for the community at large, staff and guests via the Yellow Submarine, Timomo Kids Club and the Lagoon Directory; • Collaboration with the NGO Foodwise to avoid food wastage and help in recycling leftover food. This collaboration assists in maximizing access to nutritious food and resources that support food security for vulnerable children; • Supporting the local community, e.g. by organising job fairs and by promoting local artisans; and • Installation of solar panels in view of producing and utilising renewable energies.	Hotels	
A number of activities have been carried out by **Rogers Aviation** namely: • Recycling plastic caps; and • Beach clean-ups.	Travel	
Island Living has set up: • Educational tours such as the Bay2Bay Tour and the Biosphere Tour to raise awareness on environmental issues and educate people about endemic plants; and • A waste management system in order to segregate waste during disposal and to promote an eco-friendly environment.	Leisure	

Adopting a Sustainable Business Model

Served Market		Sector	Applicable SDGs
LOGISTICS **Velogic** has put in place a number of initiatives namely: • A policy minimizing the use of harmful chemicals in the vicinity of the harbour; and • An environmental policy as well as a Sustainability Committee.		Logistics Solutions	11, 12
PROPERTY **Ascencia has:** • Organised Green Markets in order to provide shoppers with responsible and healthy consumption alternatives through diverse exhibitors giving sustainable and responsible consumption alternatives; and • Opened its doors to local artisans and NGOs in order to educate visitors about social topics affecting our island, create awareness on waste impact and the means to reduce, reuse and recycle.		Property Investments	2, 11, 12, 13, 14, 15
CSBO has set-up: • A compost farm, the objective being to collect all of the green waste from hotels and to transform it into compost; and • A smart agriculture and bio garden production of vegetables and fruits in a controlled environment in order to stop the use of chemicals. This initiative aims at producing healthy and good products free from chemicals.		Property Development & Agribusiness	3, 11, 12, 13, 14, 15
Les Villas de Bel Ombre have set up various social initiatives: • Support and assist local populations like Lovebridge and support to Bel Ombre "Centre d'Eveil"; • Energy-saving projects such as the central monitoring of water consumption of 160 individual villas; and • Reuse of water of dedicated Villas Valriche Sewage Treatment Plant to irrigate the golf course in order to save water and extend natural green spaces.		Property Development & Agribusiness	1, 2, 4, 6, 7, 8, 10, 11, 12, 13, 14, 15

*For more details on our social and environmental initiatives, please visit our website https://www.rogers.mu



“We believe in the fusion of all energies.

At Rogers, we believe in the fusion of all energies. We believe that progress is enabled by converging our efforts to create positive value.

We believe in co-creating meaningful opportunities with clear minds, sincere hearts and purposeful actions.

LEADERSHIP

Board of Directors

	1	2	3	4
NAME	**ADAM, Guy (GA) (Born in 1950)**	**ESPITALIER-NOËL, Eric (EEN) (Born in 1959)**	**ESPITALIER-NOËL, Gilbert (GEN) (Born in 1964)**	**ESPITALIER-NOËL, Hector (HEN) (Born in 1958)**
TITLE	**Non-Executive Director**	**Non-Executive Director**	**Non-Executive Director**	**Non-Executive Director**
QUALIFICATIONS / CONTINUING PROFESSIONAL DEVELOPMENT	• Doctor of Medicine (MD); and • Fellowship of the Royal College of Surgeons (FRCS).	• Bachelor's degree in Social Sciences (University of Natal, South Africa); and • Master's degree in Business Administration (University of Surrey, UK).	• BSc (University of Cape Town, South Africa); • BSc (Hons) (Louisiana State University, USA); and • Master's in Business Administration (INSEAD Fontainebleau, France).	• Member of the Institute of Chartered Accountants in England and Wales; and • Leadership Course – INSEAD Business School.
APPOINTMENT	• 05 October 1994; and • Member of Corporate Governance Committee since 18 January 2012.	• 02 February 1994; • Member of Corporate Governance Committee since 18 January 2012; and • Member of Risk Management and Audit Committee since 26 April 2017.	• 15 July 1999	• 22 December 1987
EXPERTISE	**B/G/BU/F/HR/C/E**	**B/G/R/BU/F/HR/C/E/S/I/HB/LB/PB**	**A/B/G/R/BU/F/HR/C/E/S/I/HB/PB**	**A/B/G/R/BU/F/HR/L/C/E/S/I/HB/PB**

KEY:
A: Accounting, B: Board Matters, BU: Business skills, C: Communication skills, E: Entrepreneurial skills, F: Financial skills, FB: Knowledge of the FinTech Business,
G: Governance skills, HB: Knowledge of the Hospitality Business, HR: HR skills, I: International Exposure, L: Legal skills, LB: Knowledge of the Logistics Business,
PB: Knowledge of the Property Business R: Risk & Audit Issues, S: Strategic Dimension

	5	6	7	8
NAME	**ESPITALIER-NOËL, Philippe (PEN) (Born in 1965)**	**HUGNIN, Thierry (TH) (Born in 1966)**	**MAKOOND, Deonanan (MD) (Born in 1952)**	**MAMET, Damien (DM) (Born in 1977)**
TITLE	**Chief Executive Officer and Executive Director**	**Independent Director**	**Independent Director**	**Executive Director and Chief Finance Executive**
QUALIFICATIONS / CONTINUING PROFESSIONAL DEVELOPMENT	• BSc in Agricultural Economics (University of Natal, South Africa); and • MBA (London Business School).	• Master's Degree in Computer Science and Management, University of Paris Dauphine, France; • Institute of Chartered Accountants England and Wales; and • Various professional qualifications in Investment Management industry, including IMC, UK.	• BA (Hons) in Economics; and • MSc in Tourism Planning.	• Member of the Institute of Chartered Accountants in England and Wales; • Executive Programs at London Business School; • INSEAD Business School, Singapore; • Strengthening Marketing Capability; • Rogers Summit 2018; • IFRS 9 – Financial Instruments & IFRS 16 – Leases Workshop; • Crafting a Compelling Strategy for a Sustainable Future; and • Strengthening Marketing Capabilities 2019.
APPOINTMENT	• 06 February 2004; • Member of Corporate Governance Committee since 18 January 2012; and • Member of Sustainability and Inclusiveness Committee since 13 February 2019.	• 12 February 2018; and • Member of Risk Management and Audit Committee since 10 May 2018.	• 02 May 2018; and • Chairman of Sustainability and Inclusiveness Committee since 13 February 2019.	• 10 May 2017; and • Member of Sustainability and Inclusiveness Committee since 13 February 2019.
EXPERTISE	**B/G/R/BU/F/HR/C/E/S/I/HB/LB/PB**	**A/B/G/BU/F/HR/E/S/I/FB**	**B/G/R/BU/F/E/S/I/FB/HB**	**A/B/R/BU/F/HR/E/S/HB/PB**

	9	10	11	12
NAME	**MASSON, Vivian (VM) (Born in 1956)**	**MONTOCCHIO, Jean Pierre (JPM) (Born in 1963)**	**RADHAKEESOON, Aruna (AR) (Born in 1970)**	**RUHEE, Ashley Coomar (ACR) (Born in 1977)**
TITLE	**Independent Director**	**Chairman and Non-Executive Director**	**Executive Director, Chief Legal and Compliance Executive.**	**Executive Director and Chief Executive Officer - FinTech**
QUALIFICATIONS / CONTINUING PROFESSIONAL DEVELOPMENT	• Masters in Economics (University of Paris-Assas); • Diplôme d'Etudes Comptables Supérieures (DECS, France); and • Consulting in MedTech industry.	• Notary in Mauritius.	• BA (Hons) in Jurisprudence (Balliol College, Oxford University); • Solicitor of England and Wales (NP); • Attorney-at-law (Mauritius); • Executive Programs at London Business School; • INSEAD Business School, Singapore; • 1st Mauritius Compliance Risk & Economic Crime Conference; • Strengthening Marketing Capability; • Blockchain Technology: Introducing new market perspectives for financial markets practitioners; • Game-Changing Presentation Skills; • Co-Creating/Laying the foundations for a circular economy in Mauritius; and • Crafting a Compelling Strategy for a Sustainable Future.	• First Degree – Mathematics and Physics (Faculté des Sciences de Luminy, Marseilles); • Masters In Engineering – Automatic Control, Electronics and Computer Engineering with specialisation in Real Time Engineering and Systems (Institut National des Sciences Appliquées, Toulouse); and • Executive education programmes at London Business School, INSEAD Singapore and IMD Lausanne.
APPOINTMENT	• 10 September 2015; • Member of Risk Management and Audit Committee since 10 December 2015; and • Chairman of Risk Management and Audit Committee since 10 May 2018.	• Chairman since 9 November 2012; and • Chairman of Corporate Governance Committee since 19 January 2012.	• 18 October 2012	• 20 July 2017
EXPERTISE	**A/B/R/BU/F/HR/C/E/S/I**	**B/G/BU/HR/L/S/I/HB/PB**	**B/G/BU/HR/L/C/E/S/FB/HB/PB**	**B/BU/F/HR/C/E/S/I/K**

KEY:
A: Accounting, B: Board Matters, BU: Business skills, C: Communication skills, E: Entrepreneurial skills, F: Financial skills, FB: Knowledge of the FinTech Business, G: Governance skills, HB: Knowledge of the Hospitality Business, HR: HR skills, I: International Exposure, L: Legal skills, LB: Knowledge of the Logistics Business, PB: Knowledge of the Property Business R: Risk & Audit Issues, S: Strategic Dimension

Executive Team

1

BUNDHUN, MANISH
Chief Human Resources Executive

QUALIFICATIONS

- BSc (Hons) Management;
- Masters in Business Administration;
- Executive Programs at London Business School; and
- INSEAD Business School, Singapore.

EXPERIENCE
- He joined Rogers in the Logistics sector in January 2006 as Division Manager-Human Resources and was subsequently appointed Chief Human Resources Executive of Rogers in September 2008;
- He holds a Certified Masters in NLP (Neuro Linguistic Programming) and in Neuro Semantics, and is a certified Agility Coach and Trainer. Manish is also a Co-active Coach from the Coach Training Institute (CTI) and a Certified Executive Coach from the International Association of Coaching Institutes (ICI); and
- He regularly facilitates and delivers executive leadership and team coaching workshops. Manish also practices as adjunct professor in Human Resources Management and Organisation Development at post graduate level.

2

COTRY, ERIC
Head of Internal Audit & Risk Management

QUALIFICATIONS

- Association of Chartered Certified Accountants (FCCA).

EXPERIENCE
- He has over 17 years' experience in the audit field;
- He started his career as external auditor with De Chazal du Mée in 1997;
- He has an extensive audit experience in various sectors such as Property Investments, Hotels, sugar, retail, Logistics and Financial;
- He has also worked in Rwanda as acting CFO in a commercial bank in Bermuda and Guernsey in the hedge fund industry;
- Before joining Rogers, Eric was a Senior Manager at BDO & Co in the audit division; and
- He was appointed Head of Internal Audit & Risk Management of Rogers Group in April 2017.

3

ESPITALIER-NOËL, PHILIPPE
Chief Executive Officer and Executive Director
- Please refer to page 25.

4

EYNAUD, FRANÇOIS*
Chief Executive Officer - Hotels

QUALIFICATIONS

- "Diplôme d'école de commerce" (Institut Commercial de Nancy).

EXPERIENCE
- He started his career with Sagem (France) as Export Director and was subsequently appointed successively Country Manager of Sagem in the Caribbean Islands and in England;
- He returned to Mauritius in 1991 to join Ciel Textile as Marketing Director and was promoted as Executive Director of Tropic Knits in 2000;
- He was appointed Managing Director of Veranda Resorts in August 2008 and Chief Executive Officer of VLH Group in October 2010; and
- He was President of l'Association des Hoteliers et Restaurateurs de l'Ile Maurice (AHRIM) in 2013 and 2014.

5

FAYD'HERBE DE MAUDAVE, ALEXANDRE
Chief Executive Officer – Travel & Aviation

QUALIFICATIONS

- BCom (Hons) and is a qualified Chartered Accountant from the South African Institute of Chartered Accountants.

EXPERIENCE
- He joined Rogers Aviation in 2001 as General Manager - Finance & Administration;
- Prior to joining Rogers, he worked in South Africa for a period of 7 years with Arthur Andersen; and
- He was appointed Managing Director of Rogers Aviation in October 2006 and Chief Executive Officer in October 2010.

6

MAMET, DAMIEN
Executive Director and Chief Finance Executive
- Please refer to page 25.

*Resigned and replaced by Thierry Montocchio as from 01 September 2019

7

NUNKOO, NAYENDRANATH
Chief Executive Officer – Logistics

QUALIFICATIONS

- MSc in Engineering from the Odessa Technological Institute of Food Industry;
- Master's degree in Business Administration from the University of Mauritius;
- Executive Programs at the London Business School; and
- INSEAD Business School, Singapore.

EXPERIENCE
- He joined Rogers in 1993 and has since been involved in a number of business activities in the Group, which allowed him to develop a wide-ranging managerial capability;
- He has worked as Project Manager, Deputy General Manager of RIDS Madagascar , General Manager of EIS Ltd, the IT subsidiary of the Rogers Group, and Corporate Manager - Strategic Planning; and
- In July 2011, he was appointed Chief Executive Officer of Velogic which is a logistics company employing 1500 people in Mauritius, Reunion Island, Madagascar, Kenya, India and France.

8

PILOT, MICHEL
Chief Executive Officer – Agribusiness

QUALIFICATIONS

- Bcom in Finance and Management and a Master of Finance from Curtin University (Australia); and
- In 2014 he also obtained an Masters in Business Administration (INSEAD Business School, France).

EXPERIENCE
- He started his career in the financial service industry and was Portfolio Manager for High Net Worth Individuals before joining Rogers in 2016 as Corporate Manager; and
- He was promoted to Senior Manager of the Groups Agribusiness activities and is now the Chief Executive Officer.

9

RADHAKEESOON, ARUNA
Executive Director, Chief Legal and Compliance Executive
- Please refer to page 26.

10

RUHEE, ASHLEY COOMAR
Executive Director and Chief Executive Officer - FinTech
- Please refer to page 26.

11

STEDMAN, RICHARD
Chief Executive Officer – Leisure

QUALIFICATIONS

- "Ecole Hotelière de Lausanne" in 1983.

EXPERIENCE
- He had a 21-year career with Hyatt International;
- After holding various senior operational positions, he became a General Manager, specialising in openings as well as Resort management under the Hyatt brand;
- He joined the Food and Allied group in 2004 as the opening General Manager for Le Telfair Golf & Spa Resort;
- As from 2008, he joined ENL Property as a Development Manager; and
- From 2011 up to now, Richard has spearheaded the development and growth of Island Living Ltd, an operational cluster that manages 13 Lifestyle, Leisure & Hospitality Brands (including Voilà Hotels, Kaz'alala B&B's, Ocean Basket Mauritius, MOKA'Z, Domino's Pizza, Seeloy Island Clubs, Le Chamarel Panoramic Restaurant, Savinia Bistrot, Chamarel 7 Coloured Earth Geopark and Heritage Nature Reserve).

12

TYACK, FRÉDÉRIC
Chief Executive Officer – Ascencia

QUALIFICATIONS

- Graduated from the London School of Economics; and
- Member of the Institute of the Chartered Accountants in England and Wales.

EXPERIENCE
- His experience spans a number of industries having occupied senior positions in the Logistics, Manufacturing and Property sectors; and
- He is the Chief Executive Officer of Ascencia and the Managing Director of EnAtt, the Asset, Development and Property Management arm of Ascencia.

13

VACHER, BELINDA
Chief Projects and Sustainability Executive

QUALIFICATIONS

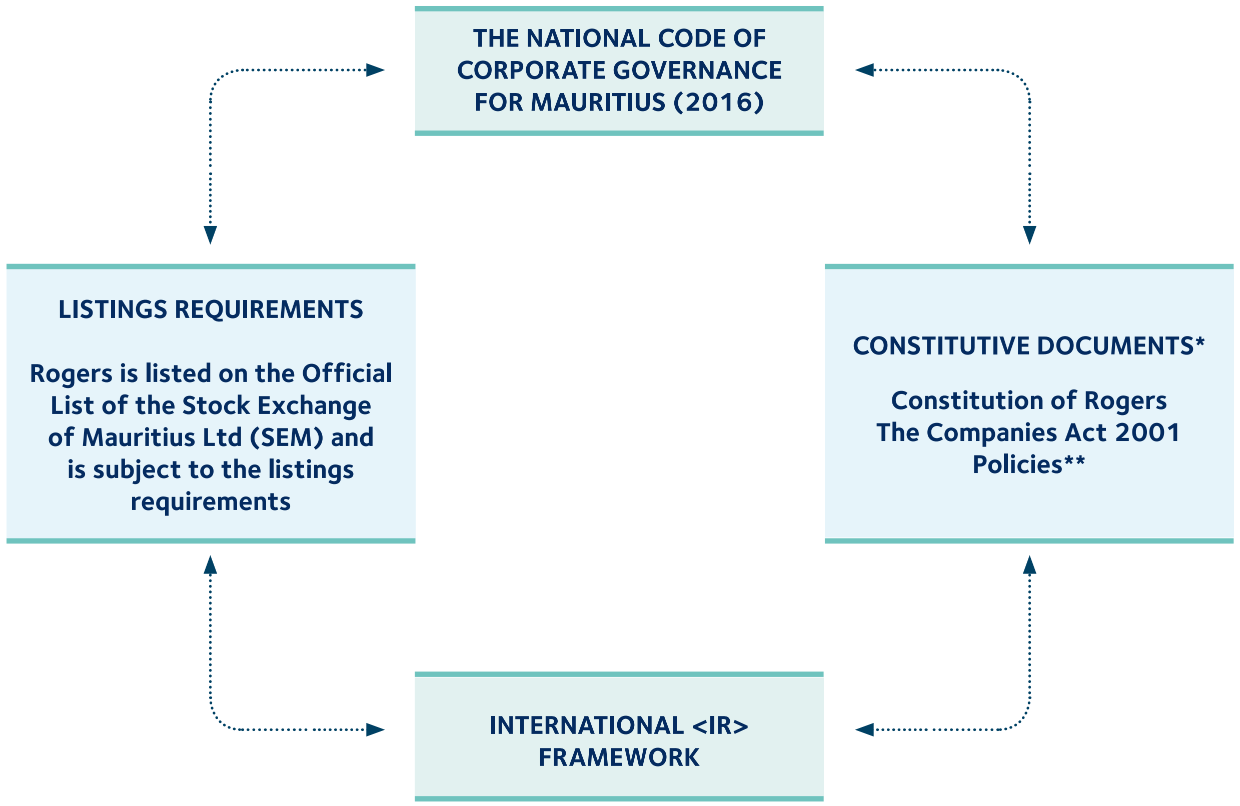
- Master in Business Administration and a BSc (Hons) Finance, both from the University of Mauritius;
- Certificate in Business Accounting; and
- Chartered Institute of Management Accountants (CIMA).

EXPERIENCE
- Belinda has extensive experience in corporate finance, valuation, investment appraisal, investor relations, fund management, capital raising, project management and business development.

Governance at Rogers

Rogers and Company Limited ('Rogers') continues to review its governance structures in line with the Code of Corporate Governance to ensure that they support effective decision-making, establish a corporate culture aligned with its purpose, foster sustainable growth and align to evolving global good practice. In the last years, the financial arm of the Group has grown considerably in size, thus challenging the established governance framework of the Group. The financial sector being an increasingly regulated environment and given the size of the Group, the Board of Rogers resolved in February 2018 to create two Board Committees at the level of Rogers Capital Ltd ('Rogers Capital'), namely the Corporate Governance Committee and the Risk Management and Audit Committee. It then became necessary to create the linkages between the Rogers Board Committees and the Rogers Capital Committees. The Chairman of the Rogers Risk Management and Audit Committee has a standing invitation to attend the Rogers Capital Risk Management and Audit Committee meetings. The CEO of Rogers and the Secretary ensure the flow of information between the Rogers Corporate Governance Committee and the Rogers Capital Corporate Governance Committee.

1. The Context



*Available on: https://www.rogers.mu/content/policies

**For the year ended 30 June 2019, the Board has adopted a Board Charter and an Information Security and Technology Policy

2. Governance Framework

*Available on: https://www.rogers.mu/content/governance

Governance at Rogers

3. Board of Directors

The Board of Rogers assumes responsibility for leading and controlling the organisation and meeting all legal and regulatory requirements. Rogers is headed by a unitary Board comprising of 12 Directors. The profiles of Directors including their areas of expertise and their full directorship lists are available on: https://www.rogers.mu/content/board-directors

a. Composition of the Board

The composition of the Board and the category of directors are set out on page 24 of the Integrated Report. At 30 June 2019, there were four Executive Directors, five Non-Executive Directors and three Independent Non-Executive Directors, who satisfied the criteria tests of Principle 2 of the Code of Corporate Governance. The size of the Board is in line with s.79 of the Constitution of Rogers. Furthermore, all Directors reside in Mauritius.

b. Nomination Process and Appointment of Directors

The nomination process and appointment of directors is available on https://www.rogers.mu/sites/default/files/nomination_process_0.pdf.

A Directors' and Officers' liability insurance policy has been subscribed to and renewed by Rogers. The policy provides cover for the risks arising out of the acts or omissions of the Directors and Officers of Rogers Group. The cover does not provide insurance against fraudulent, malicious or wilful acts or omissions.

c. Induction Process and Continuing Professional Development

Upon appointment to the Board and/or its committees, the new Director receives a comprehensive induction pack. The induction programme and orientation process is supervised by the Group CEO and the Senior Executives of Rogers.

The Terms and Conditions relating to the appointment of Non-Executive and Independent Non-Executive Directors (including contents of Induction pack) are available on: https://www.rogers.mu/content/board-directors

Furthermore, Directors have access to the records of Rogers and they have the right to request independent professional advice at the expense of Rogers. The Board and its committees also have the authority to secure the attendance at meetings of third parties with relevant experience and expertise as and when required.

Directors are further encouraged to attend courses to refresh their knowledge and to keep abreast of latest developments relating to their duties, responsibilities, powers and potential liabilities. Regulatory and legislative updates are communicated accordingly by the in-house Legal Counsel.

d. Committees

The Board is assisted in the performance of its duties by three Board Committees, namely the CGC (acting also as Nomination Committee and Remuneration Committee), the RMAC and the newly set up Sustainability and Inclusiveness Committee ('SIC'). The governance and risk and audit issues relating to the businesses of the subsidiaries of Rogers operating in the Hospitality, Logistics and Property (excluding Ascencia Limited and Rogers Capital) are overseen by the CGC and RMAC. The membership and terms of reference of these committees are available on: https://www.rogers.mu/content/governance

On 14 August 2019 and 10 September 2019, the CGC and RMAC reviewed their terms of reference and noted that they had met their objectives.

During the year under review, the Board also set up its SIC. Its terms of reference is being finalised and will be approved subsequently.

e. Board and committee meetings

The composition and attendance of Board, committee meetings and Annual Meeting of Shareholders as well as Remuneration and Benefits are set out in Table 1.

Table 1: Composition and attendance at Board, committee meetings and Annual Meeting of Shareholders, Remuneration and Benefits

Directors	Category	Board	Corporate Governance Committee ('CGC')	Risk Management & Audit Committee ('RMAC')	Sustainability and Inclusiveness Committee ('SIC')	Annual Meeting of Shareholders	Remuneration and benefits (in Rs)
Dr Guy Adam	NED	5/7	3/3	n/a	n/a	1/1	460,000
Eric Espitalier-Noël	NED	6/7	2/3	5/6	n/a	1/1	610,000
Gilbert Espitalier-Noël	NED	6/7	n/a	n/a	n/a	1/1	380,000
Hector Espitalier-Noël	NED	6/7	n/a	n/a	n/a	0/1	340,000
Philippe Espitalier-Noël	ED	7/7	3/3	n/a	1/1	1/1	18,516,417
Thierry Hugnin	INED	6/7	n/a	4/6	n/a	0/1	460,000
Damien Mamet	ED	6/7	n/a	n/a	1/1	1/1	7,893,217
Jean-Pierre Montocchio *(Chairman of the Board and CGC)*	NED	6/7	3/3	n/a	n/a	1/1	880,000
Deonanan Makoond *(Chairman of the SIC)*	INED	7/7	n/a	n/a	1/1	1/1	380,000
Vivian Masson *(Chairman of the RMAC)*	INED	6/7	n/a	6/6	n/a	1/1	700,000
Aruna Radhakeesoon	ED	5/7	n/a	n/a	n/a	0/1	8,380,783
Ashley Coomar Ruhee	ED	4/7	n/a	n/a	n/a	1/1	8,604,149

INED: Independent Non-Executive Director **NED**: Non-Executive Director **ED**: Executive Director

Remuneration of Independent Non-Executive Directors and Non-Executive Directors (which was last reviewed in December 2012) is composed of a basic monthly fee and an attendance fee. The committee members are paid a monthly fee only and the Chairman of the Board and Chairmen of committees are paid a higher monthly fee.

For remuneration of Executive Directors, please refer to Stakeholder Engagement's section.

f. Mandatory Disclosures

For the year under review, dealing in the shares of Rogers by Director is set out in Table 2.

Table 2: Dealings in the Shares by Director

Names	No. of shares acquired
Hector Espitalier-Noël	2,700

For the year under review, instances where Directors were conflicted were duly noted and conflicts of interest arising from transactions were effectively managed using the same process as for Related Party Transaction process. The said process is available on: https://www.rogers.mu/content/board-directors

The related party transactions approved by the Board using the Related Party Transaction ('RPT') process for the year under review were as follows:

- the acquisition by Ascencia Limited ('Ascencia'), a subsidiary of Rogers, of 50% stake in Floreal Commercial Centre Limited ('So'flo') from ENL Property Limited ('ENLP'). ENLP and Rogers are subsidiaries of ENL Limited ('ENL'); and
- the purchase of a plot of land by the Chief Executive Officer of Rogers, at Heritage Villas Valriche which is managed by Les Villas de Bel Ombre Ltée ('LVBO'), an indirect subsidiary of Rogers. The transaction is being completed.

Furthermore at the time of approving this report, the Board approved the following related party transactions using the RPT process:

- the acquisition of a plot of land by Ascencia from Moka City Limited, a subsidiary of ENLP for the development of a commercial unit; and
- the disposal of all shares held by Rogers Capital Specialist Services Ltd, an indirect subsidiary of Rogers to Swan Life Ltd, a subsidiary of Swan General Ltd which in turn is an associate of Rogers.

g. Board and Individual Evaluation

A Board evaluation exercise was carried out in July 2019 in the form of a web-based questionnaire covering the main recommendations of the Code of Corporate Governance and the Board dynamics of Rogers. The analysis of the outcome of the exercise will be considered by the Corporate Governance Committee and thereafter by the Board.

Furthermore, the individual director evaluation is yet to be finalised as appropriate timing and suitable technique to conduct same remain to be agreed.

h. Succession Planning

The CGC acting as Nomination Committee, together with the Chairman of the Board deals with succession planning for Non-Executive Directors and Independent Non-Executive Directors and monitors the succession planning for Executive Directors.

i. Company Secretary

All Directors have access to the services and advice of the Company Secretary, whose position statement is available on: https://www.rogers.mu/content/governance.

j. Relations with Shareholders and Other Key Stakeholders

Please refer to page 12 of the Integrated Report.

4. Other Matters

For the year under review, the Board adopted a Board Charter and an Information Security and Technology Policy. Same are available on: https://www.rogers.mu/content/policies.

The Board is satisfied that the Integrated Report and accounts of the Group taken as a whole are fair, balanced and understandable.

Statement of Compliance

Name of PIE: Rogers and Company Limited

We, the directors of Rogers and Company Limited, confirm that to the best of our knowledge, Rogers has complied with all its obligations and requirements under the principles of the Code of Corporate Governance for Mauritius (2016).

Signed by

Jean-Pierre Montocchio
Chairman

Philippe Espitalier-Noël
Director & CEO

13 September 2019

Secretary's Certificate

Secretary's Certificate

In my capacity as Company Secretary of Rogers and Company Limited (the "Company"), I hereby confirm that, to the best of my knowledge and belief, the Company has filed with the Registrar of Companies, for the financial year ended 30 June 2019, all such returns as are required of the Company under the Companies Act 2001.

Sharon Ah-Lin
Company Secretary

13 September 2019

Interview with the Chief Executive Officer

The CEO of Rogers and Company Limited, Philippe Espitalier-Noël comments on the Group's developments in the 2018-19 period and the strategy for the coming years.

How would you reflect on the Group's performance in the prevailing economic environment?

During the review year, the world economy was faced with a slowdown resulting from issues like the implications of the US-China trade war, the Brexit process, the "yellow vests" movement in France, or again the Hong Kong protests.

On the local scene, economic growth stood at 3.8%, headline inflation was 1% and the CPI increased by 0.6%. Over the same period, the tourism sector registered 3% growth in arrivals with a slowdown leading to tepid 1% growth in the second semester.

In our FinTech served market, Rogers Capital Corporate continued to diversify its product offering. At the local level, there were further gains in purchasing power with GDP per capita reaching US$ 11,282. This benefited the retail sector and local consumption, supporting our consumer finance business. On the other hand, the global business sector operated in an environment perturbed by unfounded attacks from certain interested quarters and the coming into effect of less favourable provisions of the new Mauritius-India Double Taxation Avoidance Agreement.

The sugar industry remains in a challenging position with reduced tonnage and sugar prices affecting our agricultural operations and negative effects felt at the level of our Logistics served market.

Overall, Group revenue for the year improved by 10% to Rs 10,297 m, while EBITDA and PAT before exceptional items were bolstered by healthy growth of 19% to Rs 2,458m and 24% to Rs 1,121m respectively.

What were the main developments that characterised the 2018-19 financial year?

Our Group continued to invest in new developments across all our served markets during the year. With regard to FinTech, Rogers Capital captured market share in its main lines of business. In Financial Services, we now have a presence in 200 shops across the country with 39 desks at strategic partners' locations. Furthermore, a one-stop service is available at Rogers House, which enjoys substantial goodwill, and a new application was launched to reduce processing time for customers while curbing paper use. Additionally, Rogers Capital Corporate is in the process of finalising the amalgamation of its two Management Companies to improve synergies and efficiency.

The highlights of the year in our Hospitality served market include, on the Hotels front, the reopening of Veranda Tamarin with 116 rooms. The signing of a golf management contract for Avalon Golf Estate in Bois Chéri is another strategic move that will enable us to leverage our recognised expertise and occupy a leadership position for our golf offering on the island. In May 2019, Island Living, our Leisure arm, was amalgamated with our hotel business, and has become a 100% subsidiary of VLH. During the year, the leisure sector continued to gain impetus with the opening of three Domino's Pizza outlets and the launch of Kaz'alala, a new hosted B&B offering in Bel Ombre. Another step in our consolidation strategy to bring all our leisure activities under one roof was the acquisition of Croisières Australes from the Travel sector.

In the Logistics served market, we managed to rekindle our business operations in Kenya, which were impacted by the implementation of the Mombasa-Nairobi Standard Gauge Railway. Our French operations remained challenged in the wake of the impact of the continued "yellow vests" protests on shopping and garment consumption in France. In Mauritius we benefited from the Metro Express Project, with significant growth in the volume of containers handled.

And finally, the Group's Property Investments sector moved forward with the acquisition of the remaining 50% stake in So'flo. With a 50% participation in Bo'Valon Mall, a new project at the entrance of Mahebourg, in the South-East of Mauritius, Ascencia is participating in this property development initiative led by EnAtt. On the Property Development & Agribusiness side, our Bel Ombre, Chamarel and Case Noyale estates are confirming their transition from a sugarcane-driven business to an agritourism and real estate focus. The "Protect" and "Produce" philosophy of CSBO and Case Noyale is permeating every aspect of the development of our operations, with the infusion of a shift towards a circular economy. Local production and consumption of tropical products with an inclusive participation model from the local and island communities is gaining traction.

Philippe Espitalier-Noël
Chief Executive Officer

Interview with the Chief Executive Officer

What are your specific strategic priorities beyond 2019?

During the review period, our listed company has developed a new four-year strategic plan to 2023, with the support of a special committee and EY-Parthenon from Paris. Our strategic plan is focused on six main dimensions, namely marketing, digitalisation, operational excellence, internationalisation, sustainable development and inclusive growth as well as human resources.

We will apply a structured marketing strategy with an outside-in market approach. Through digitalisation, we will strengthen our technological capability using tools of the digital world to innovate and drive customer centricity. Additionally, we will promote operational excellence through further optimising of our resources, processes and systems to drive efficiency and productivity.

Internationalisation is another key dimension and the Group aims at growing its footprint by strengthening and expanding its presence overseas.

Our commitment to fostering sustainable development and inclusive growth remains a strategic priority as we work together to leave the world a better place than the one we inherited. The implementation, monitoring and follow-up will be carried out by a dedicated committee operating under the aegis of the Board of Directors.

And finally, a supportive HR strategy is essential. We will leverage our strong employer brand to attract talent, include the younger generation and consolidate capabilities in our sectors through structured development and engagement programmes.

How does this strategy translate into objectives and challenges for Rogers?

This plan sets clear goals for each business unit, and we have already put our strategy in motion.

In our FinTech served market, Rogers Capital will continue to expand in consumer finance through leveraging new digital technologies. The Corporate Services sector will pursue its market diversification strategy and introduce new value-added services.

Effective 1st July 2019, the Private Equity Fund Amethis became a shareholder of VLH at 12.7% via a cash injection. This injection will enable us to further develop our activities, especially in Bel Ombre, and in VLH will allow us to secure new opportunities and further grow our hospitality and leisure businesses. In the short and medium term, we will expand our Hospitality inventory further, with enhanced efforts to further enrich our product offering celebrating the Unique Selling Points of our local specificities. Local talent, our tropical environment, our history and culture will all be brought to bear on deepening the attractiveness and customer experience of our promises.

A number of key initiatives have been earmarked by VLH. In September, Heritage has hosted the first GKA Kite World Cup in Bel Ombre. In December, we will also be hosting the 5th edition of the tri-sanctioned AfrAsia Bank Mauritius Open, and we are starting work on our second championship golf course in Bel Ombre, co-designed by the golf professional, Louis Oosthuizen and the designer and architect Peter Matkovich. As we keep "Embracing the Extraordinary" natural features of Bel Ombre, the new "La Reserve" golf course will be spectacularly set in the magnificent highlands. The awaited possibility of membership of the Bel Ombre golfing facilities, with an innovative offer, will be launched during the 2019-20 financial year, allowing our guests to enjoy the unique and attractive features of the accommodation, residential and leisure offering of the Domaine. As we emphasise our commitment to swift customer service, we are setting up the "Heritage Resorts Academy" to address the skills mismatch in the hospitality industry and enrol more personnel from the local surroundings.

Besides, our Leisure sector is set to roll out three additional Domino's Pizza stores, the launch of other hosted B&B under the Kaz'alala brand and the future development of Voilà Apartments, a 48-room facility targeting guests who book extended stays. In addition, we will revamp our existing outdoor leisure offering at Chamarel and Bel Ombre. Within the next twelve months, the Leisure team will be working on improving the attractiveness of Heritage Le Château, its gardens and Place du Moulin to reinforce the current features and offer unique day packages to the market.

Our Property Development & Agribusiness activity will pursue its reorientation, and a new brand will be launched by December 2019 to replace the current CSBO label and uphold our strategic orientation. This is part of an integrated and sustainable approach that provides for the inclusion of surrounding communities. For some time, efforts have been under way to develop an agritourism offering that continues to transform the landscape of the region and benefits all stakeholders in the Bel Ombre region. Additionally, we continue with our environmentally-friendly initiatives like a coral rehabilitation programme and other nature-related activities.

In our Travel Services operations, we are fine-tuning Islandian's operating model to enhance the online tour operator's market penetration. Other initiatives include taking our GSA business into new territory, leveraging the Amex franchise for corporate travel and expanding our ground handling activities in Africa.

In the Logistics served market, Velogic is expected to benefit from the port's expansion in Mauritius as announced in the National Budget. We continue to decrease our cost base to complete the turnaround of our operations in France. In Kenya, we will strengthen our refocused business and develop new service lines.

At the level of the Property Investments sector, we will continue to expand our GLA with an additional 23,000 sqm. This will include 10,000 sqm at Bo'Valon Mall, which is due for delivery in November 2019 and around 13,000 sqm at Bagatelle Mall for 2020. We are also investing in infrastructure to improve access to Phoenix Mall.

Rogers has shown its commitment to sustainability in Mauritius. You mentioned a dedicated committee operating under the aegis of the Board of Directors...

In recent years, in line with our commitment to the United Nations Sustainable Development Goals, we have taken special measures to make sure that our activities were aligned with the fundamental needs of the community and our employees wherever we operate. We have strived to respond to the challenges of development and growth in Mauritius by addressing both socioeconomic and environmental challenges, which are interconnected in practice and require a holistic approach.

This is the rationale behind the creation of a Sustainability and Inclusiveness Committee under the aegis of the Board of Directors in early 2019. Steered by an Independent Director, this committee has the core responsibility of driving the Group's sustainability agenda and strategy. This involves ensuring the sustainability of our projects, minimising the negative impact of our ongoing operations on the environment and maximising our influence on the quality of life of our citizens.

How has Rogers' sustainability philosophy permeated the Group's operations?

I believe our successes stem from our continuous and numerous efforts to achieve our goals. Rogers and its subsidiaries recurrently contribute to the national efforts to create a better Mauritius where no one is kept away from the positive benefits of development. In addition to ongoing actions, we have introduced electronic waste recycling, implemented a smart agriculture programme in Bel Ombre and phased out single-use plastics in our hotel and leisure operations this year.

In the Hotels sector, significant efforts are carried out on a daily basis to reduce electricity and water consumption, as well as to diminish food wastage through donating surpluses via the FoodWise network. Our Heritage Resorts' five-star hotels have obtained the Green Key Certificate (which is awarded to hotels promoting sustainable tourism) for the third consecutive year thanks to their environmental policy which focuses on waste management, among other themes.

Ascencia has equipped four of its shopping malls with photovoltaic farms. The programme was introduced at Phoenix Mall and expanded a few months later to Kendra, Les Allées and Bagatelle Mall, to the extent that Ascencia can now utilise clean and renewable energy to address ecological concerns while saving on electricity bills. The company has adopted a package of measures, including water, paper and oil recycling to reduce its carbon footprint. A green campaign branded Ini'Vert was also rolled in its malls to raise awareness about our waste journey as individuals.

Awareness campaigns have remained one of our go-to solutions in our endeavour to protect, preserve and restore the environment, particularly in Bel Ombre. In 2018, our year-long "Hip Hip Hip, No Waste" campaign helped muster up group dynamics to encourage our fellow countrymen to tackle wastage on a daily basis and live by the three Rs principle – Reduce, Reuse, Recycle. In June 2019, in the wake of the World Oceans Day, we launched a campaign to encourage Mauritians to reflect on the impact of plastic waste on marine life, and ultimately on human health. The majority of our subsidiaries have jumped on the bandwagon, carrying out beach clean-ups, awareness days, trash challenges or waste sorting projects.

Unfortunately, some of our best efforts are challenged in the face of global warming. In March 2019, various initiatives to protect and rejuvenate the Bel Ombre lagoon have been squashed by the heat waves that hit our ocean. The permanent state of stress imposed on live corals has reduced their resistance, and we are engaging with other local and international bodies to heighten the agenda of coral and associated marine life preservation.

The Group recently embarked on a major project to map out the Rogers way for the next four years. How does the new "Rogers, Uniting Energy" communication campaign embrace this new vision?

The new four-year strategic plan to lead Rogers into the future required that we enter a new phase and refine our core purpose in the light of changing socioeconomic conditions. This means that we address identified issues and act as "architects of opportunity" to secure projects with attributes that fit our values. This decisive process of introspection has led us to spell out our vision to "co-create meaningful opportunities".

We also reflected on the ingredients that are required to materialise our aspirational vision. These include an outward mindset; a "can-do attitude"; understanding the needs of our markets and clients; collaborating with local communities to create a purposeful impact; being on the lookout for opportunities to grow our footprint beyond our shores; and writing our growth story together with our employees and partners. The result is the energy and creative efforts that all our team members put into their collaborative work of generating value for the Group, its clients, shareholders and the community at large.

This explains our new tagline, "Rogers, Uniting Energy" which comes across as a natural extension of our 2016 campaign, "Focused Energy, Every day". It consolidates the momentum created three years ago and embodies our revisited values of Leadership, Agility and Excellence.

This new campaign has put in the spotlight employees of the Rogers Group and its subsidiaries who created the communication campaign material. They were actors of their own story and I thank them for their demonstrative sense of belonging and leadership.

To conclude, I would like to extend my heartfelt thanks and sincere appreciation to all employees across the Group and to my colleagues on the Management Team, with whom we have crossed many value-enhancing milestones.

We also value the support and trust of all our shareholders and stakeholders at large. Their support and trust demonstrate their assurance that we are heading in the right direction as we strive for additional value creation, enhancement of the quality of life of all Mauritians, and improve the voyage visitors experience on the island.

Chief Finance Executive Report

Damien Mamet
Chief Finance Executive
and Executive Director

Earnings per share excluding exceptional items grew by 45%

Group Performance Highlights 2018-19

Revenue for the Group improved by 10% to Rs 10,297m, driven mainly by the Hospitality and Property served markets;

EBITDA excluding exceptional items for the year increased by 19% to Rs 2,458m;

PAT excluding exceptional items increased by 24% to Rs 1,121m compared to Rs 901m in 2018. The improved results were largely attributable to the Hospitality served market and Ascencia, which reported significant increases in operating profit. The Group's PAT was slightly impacted by the implementation of new accounting standards;

Earnings per share excluding exceptional items grew by 45% to Rs 2.29;

Attributable earnings remained stable at Rs 555m due to an exceptional loss of Rs 12m recorded this year, against an exceptional profit of Rs 221m last year, mainly on the sale of bare land by CSBO and the amalgamation of Mall of Mauritius into Moka City;

Dividends per share increased by 5% to Rs 1.02;

Return on equity excluding exceptional items was 5.3% (2018: 3.8%);

Share price for the year improved by 10% to Rs 37.30 with a market capitalisation of Rs 9,401m as at 30 June 2019. The share price further increased after the financial year reaching Rs 41.75 as at 31 July 2019, representing a market capitalisation of Rs 10,523m; and

Net asset value (NAV) increased by 4% to Rs 10,826m as at 30 June 2019. This represented a discount to NAV of 13% as at 30 June 2019.

Served Market Highlights 2018-19

FinTech

- Revenue for Rogers Capital Financial Services significantly increased to Rs 153m, with the volume of hire purchase and leasing as main driver;
- The PAT of Rogers Capital Corporate Services dropped slightly from Rs 104m to Rs 96m due to the impact of one-off costs relating to reorganisation of the Group's FinTech activity and increasing pressure on margins; and
- The share of profit from the associate companies, Swan General and Swan Financial Solutions improved by 29% to Rs 123m.

Hospitality

Hotels

- VLH recorded an increase of Rs 189m in revenue with good occupancy rates in the first half of the financial year;
- PAT for the Group's hotels business improved by 40% to Rs 291m on the back of a full year of operation for Heritage Resorts and its treasury management; and
- NMH's performance was dampened by 28% mainly against the backdrop of a weaker EUR and no sales recorded yet for the 2nd phase development in Marrakech which was recently launched.

Travel

- The excellent performance of Ground Handling activities and turnaround of Travel Agencies were the backbone of an improvement in PAT to Rs 56m (2018: Rs 42m).

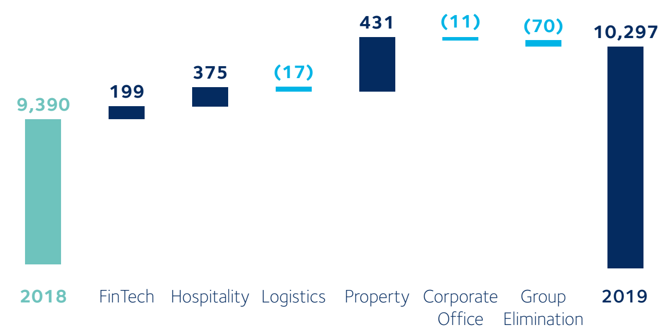
Leisure

- Revenue for the year improved by 14% on an as-is basis; and
- PAT on an as-is basis was similar to last year. Overall results were impacted by expansion losses relating to the launch of Domino's Pizza, Racing Republic and Seeloy Island Club.

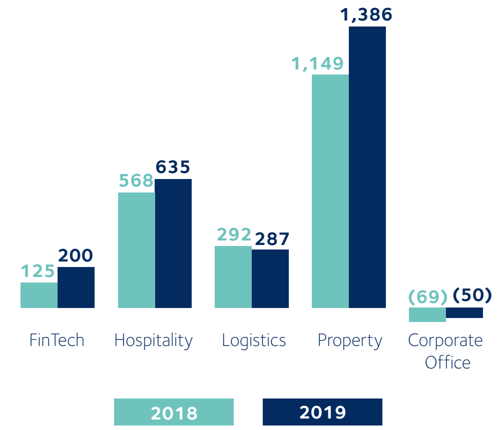
Logistics

- Haulage activities registered an increase in PAT to Rs 76m (2018: 28m) arising from renewed dynamism in the construction sector, with new infrastructure projects such as the Metro Express;
- On the other hand, Freight Forwarding activities remained under pressure across all geographies; and
- Overall PAT for the sector improved by 12% to Rs 115m.

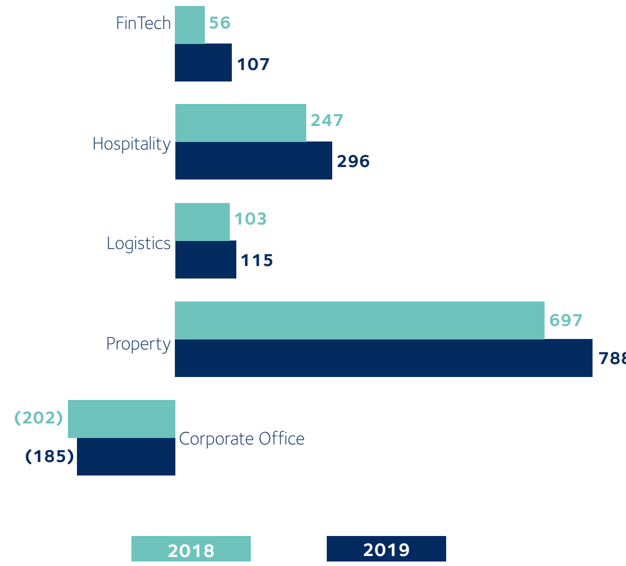
Movement in Group Revenue (Rs m)



EBITDA excluding exceptional items (Rs m)



PAT excluding exceptional items (Rs m)



Chief Finance Executive Report

Property

Property Investments

- Ascencia improved its profit from operations mainly from successful annual contractual increase in leases and full contribution from So'flo; and
- Overall PAT for the year increased by 6% despite lower fair value gains of Rs 400m (2018: Rs 496m).

Property Development & Agribusiness

- Property Development achieved a 62% increase in revenue to Rs 567m (2018: Rs 349m) following the sale of 14 plots of land (2018: 1) and the positive impact of new accounting standards;
- Agribusiness activities recorded slightly increased losses compared to last year due to reorganisation costs; and
- Leisure continues to experience a notable increase in PAT on the back of improved penetration at Chamarel 7 Coloured Earth Geopark.

Financial Management and Group Treasury

Group Borrowings

- A 19% increase to Rs 12bn was recorded, mainly on the back of additional loans contracted by the FinTech and Hospitality served markets for Rogers Capital Financial Services, the renovation of VLH hotels and Domino's Pizza development costs respectively.

Finance Costs

- Amounted to Rs 568m, reflecting 3% growth over the previous financial year.

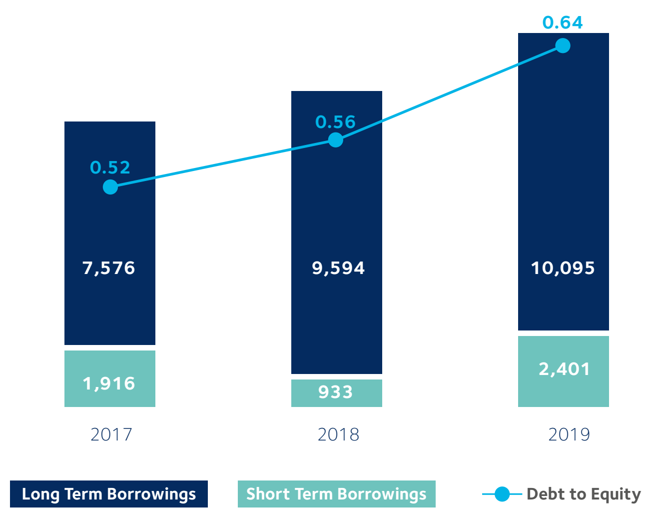
Treasury Management

- For the financial year ended 30 June 2019, the Company's current liabilities exceeded its current assets by Rs 1,431m (2018: Rs 702m) mainly due to the excess cash generated by its subsidiaries and deposited on an at call basis. In addition, the Company has taken short term facilities with banks to finance the development of the Group. These facilities will be converted into equities and long term debt in the forthcoming financial year.

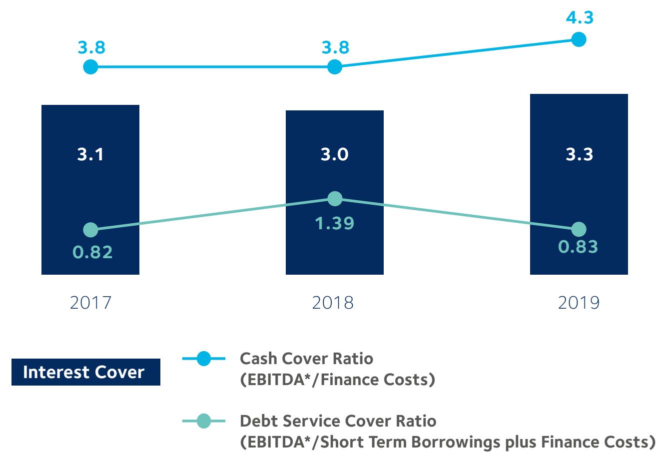
Foreign Currency Loans

- The Group is exposed to foreign currency loans, mainly EUR and USD. These loans have been contracted on a medium term to hedge against currency fluctuation. On a shorter-term basis, currency forward contracts are entered into and as at 30 June 2019, the Group's net exposure was Rs 2bn (2018: Rs 2bn).

Total Borrowings (Rs m) and Debt to Equity (x)



Coverage Ratios



*Excluding exceptional items

> Discount to NAV fell to 13% (2018: 17%)

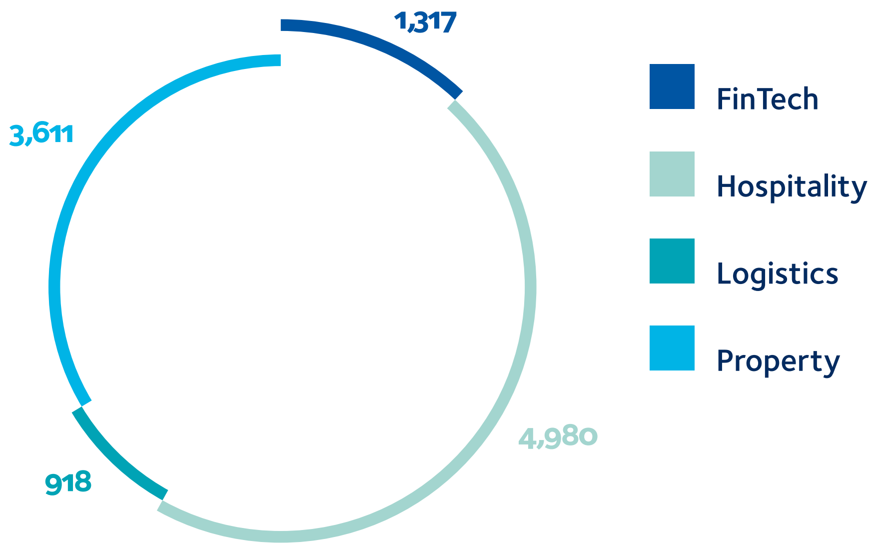
Outlook

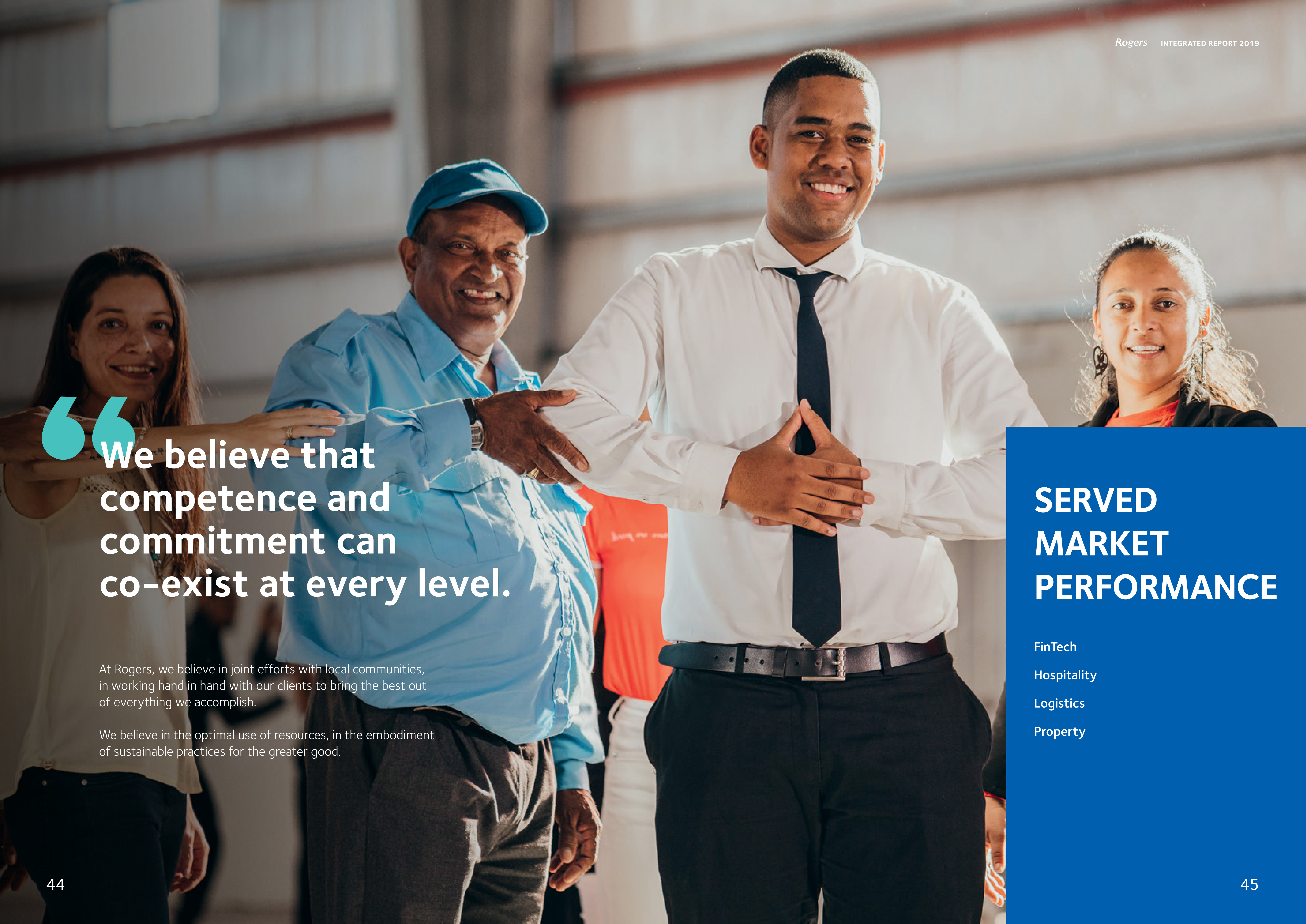
The Group will continue to invest in consolidating foundations for future growth within its four served markets. During the year under review, we prepared a 4-year strategic plan to 2023. This document focuses on 6 main areas of development, including marketing, digitalisation, operational excellence, internationalisation, sustainable development & inclusive growth and HR.

Over the coming months, we will launch a corporate analytics tool to improve our reporting process and provide management with in-depth financial and performance data. This new tool will also allow us to enhance the measurement and monitoring of the objectives set in our 2023 strategic plan.

The progress achieved by the Group would not have been possible without the unflinching support and involvement of all our stakeholders. I would thus like to extend my appreciation to our valued customers for partnering with us and to our shareholders for their faith in our ability to create sustainable value for them. Furthermore, my gratitude goes to all our staff members and management teams for their hard work and dedication to execute our strategy and for their commitment to our shared values.

NAV by Served Market (Rs m)





“We believe that competence and commitment can co-exist at every level.

At Rogers, we believe in joint efforts with local communities, in working hand in hand with our clients to bring the best out of everything we accomplish.

We believe in the optimal use of resources, in the embodiment of sustainable practices for the greater good.

SERVED MARKET PERFORMANCE

FinTech

Hospitality

Logistics

Property

FinTech

Sectors
Corporate
Technology
Financial

Company
Rogers Capital

Key Investments
Swan General
Swan Financial Solutions

Revenue
Rs m **956**

EBITDA*
Rs m **200**

PAT*
Rs m **107**

* Excluding exceptional items

Served Market Overview

The Rogers Group is engaged in three core sectors in the FinTech served market through the Rogers Capital brand.

Rogers Capital Corporate Services ('RCCS') is a leading Management Company in Mauritius with assets under administration in excess of US$ 30bn. Clients with primary investment interests in Africa and Asia have access to corporate and trust services as well as fund administration, outsourcing and tax advisory services.

Rogers Capital Technology Services ('RCTS') offers comprehensive IT Enabled Services ('ITES') and niche connectivity solutions to the B2B market in Mauritius and the Indian Ocean region. RCTS supplies cloud and enterprise infrastructure solutions, information security advisory services, digital and data, endpoint and managed connectivity services.

Rogers Capital Financial Services ('RCFS') is a non-bank financial institution providing consumer finance products, i.e. hire purchase, leasing and credit finance on the domestic market.

Market Overview

While the Global Business industry has been resilient to past turbulence, recent changes require a significant shift in the way the Mauritius International Financial Centre operates. Immediate issues that are still to be overcome include pressure from the EU to amend its partial tax exemption regime and the significant sudden drop in India-related business.

The ITES industry is being impacted by technological waves similar to those experienced by more advanced economies. Digital transformation, data analytics, cloud services and cybersecurity are now key requirements to gain and maintain a competitive business advantage.

Consumer Finance continues to cater to increasingly sophisticated consumer needs in Mauritius. Economic growth domestically has been driven by internal demand and household expenditure, with an average increase of circa 3.2% p.a. Debt has been fundamental in financing this increase in demand. Consumer Finance continues to play a pivotal role in achieving a higher standard of living for a cross-section of the Mauritian society.

> Hire purchase and leasing inflows surpassed expected volumes in an expanding consumption environment

31%
EBITDA/Revenue
for RCCS

Performance Review

RCCS and its wholly owned subsidiary Globefin Management Services ('GMS') reported an 8% shortfall in PAT to Rs 96m. While revenue increased by 6%, their performance was adversely impacted by one-off re-engineering costs, relocation costs and margin erosion in an increasingly price-sensitive environment.

There was also a marked slowdown in new incorporations towards the third quarter. The deceleration in new business capture was explained by uncertainty surrounding the implementation of new legislation combined with the coming into effect of less favourable provisions of the new Mauritius-India Double Taxation Avoidance Agreement ('DTAA').

RCTS improved its top line by 13% whereas EBITDA and PAT decreased by 64% and 60% respectively compared to 2018. Growth in revenue arose from completion of large-scale infrastructure deployment projects domestically. Heavy investment, including the recruitment of high calibre resources, capacity enhancement in commercial development and marketing as well as capability building in new development areas (e.g. information security advisory) adversely impacted after-tax earnings. During the year, Rogers Capital's shareholding in AXA Customer Services was disposed to its former JV partner, AXA Partners.

RCFS ended the financial year with Rs 153m revenue. Hire purchase and leasing inflows surpassed expected volumes in an expanding consumption environment. Rogers Capital's consumer finance business maintained its significant market share acquisition momentum thanks to a well-entrenched brand along with its value proposition of a Fair, Fast and Friendly credit finance provider. Losses reported by this 18-month-old business were in line with its business plan save for the impacts of the adoption of IFRS 15 and IFRS 9.

Rogers' Group share of results of associated companies, Swan General and Swan Financial Solutions accounted for a PAT of Rs 123m.

More than
66,000
financing contracts signed during financial year ended June 2019

FinTech

Rs m	REVENUE		PAT	
	2019	2018	2019	2018
Rogers Capital Corporate Services	446	422	96	104
Rogers Capital Technology Services	357	315	4	10
Rogers Capital Financial Services	153	20	(87)	(70)
Rogers Capital Head Office	-	-	(29)	(83)
Subtotal	**956**	**757**	**(16)**	**(39)**
Investments (Swan General and Swan Financial Solutions)	-	-	123	95
Total	**956**	**757**	**107**	**56**

Outlook

The amalgamation of Rogers Capital's two Management Companies will be effective early in the new financial year and will unfold enhanced synergies and efficiencies. While accelerating the consolidation of existing corporate and trust businesses, RCCS will diversify its market presence towards high-growth jurisdictions and introduce niche wealth management offerings.

A new state-of-the-art data centre in Ebene with enhanced capacity for cloud and managed infrastructure services will further enhance RCTS' position and new market share acquisition is expected in recently introduced offerings, i.e. information security advisory and digital transformation.

The consumer finance business is expected to maintain its growth impetus while capturing additional market share in hire purchase and leasing. Customer experience, at the core of its differentiation strategy, will be enhanced through the use of increasingly sophisticated digital technologies in line with RCFS' value proposition.

The 2019-20 financial year constitutes the first year of implementation of Rogers Capital's Strategic Plan to 2023. The entity has mobilised unique competencies and earmarked significant investment in four strategic growth drivers, i.e. digitalisation, operational excellence, marketing and human capital development to become a significant contributor to the Group's development.

New opportunities include the possibility for Management Companies and Funds from Mauritius to operate in the Gujarat International Finance Tech-City as well as Government's focus on the development of private banking and wealth management activities.

> RCCS will diversify its market presence towards high-growth jurisdictions and introduce niche wealth management offerings

Main Risks and Mitigating Actions

Sectors	Risks	Actions
Corporate	**Legal and Jurisdictional** Changes in laws, regulations and International tax agreements.	Close monitoring and assessment of new legislations and treaties to identify potential issues and take appropriate measures.
Technology	**Skills attraction, performance and retention** Scarcity of adequate resources and loss of key personnel.	Emphasis on talent management and human capital development as well as implementation of employer value proposition.
Financial	**Credit**	Continuous debtors monitoring/Mauritius Credit Information Bureau screening/credit limits;
	Interest rate	Diversified portfolio of borrowings with different interest rates (fix/variable) and maturity periods; and
	Funding and liquidity	Monitoring of cash availability/maintain good relationships with funders.

Hospitality

Sectors
Hotels
Travel
Leisure

Main Companies
Veranda Leisure & Hospitality
Rogers Aviation
Island Living

Key Investments
New Mauritius Hotels
Air Mauritius
Mautourco

Revenue
Rs m **3,780**

EBITDA*
Rs m **635**

PAT*
Rs m **296**

* Excluding exceptional items

Hotels

Sector Overview

The Veranda Leisure & Hospitality ('VLH') portfolio consists of two hotel brands, Veranda Resorts and Heritage Resorts, with seven properties totalling 802 rooms in the three-to five-star range and a managed rental pool of 42 luxury villas at Heritage The Villas.

Heritage Resorts include:

- Heritage Le Telfair Golf & Wellness Resort, 158 rooms/5*+
- Heritage Awali Golf & Spa Resort, 161 rooms/5*
- Heritage The Villas, 42 rental villas/5*+

Veranda Resorts comprise five hotels:

- Veranda Grand Baie Hotel & Spa, 94 rooms/3*+
- Veranda Paul et Virginie Hotel & Spa, 81 rooms/4*
- Veranda Pointe aux Biches Hotel, 115 rooms/4*
- Veranda Palmar Beach Hotel, 77 rooms/3*
- Veranda Tamarin, 116 rooms/3*+

Market Overview

The tourism industry in Mauritius performed well from July to December 2018 with a 5% increase in arrivals but only 1% growth was achieved between January and July 2019. Total aircraft seat capacity increased by 4% in calendar year 2018. The national hotel occupancy rate dropped, from a record 77% in 2017 to 75% in 2018.

The hotel industry has also been suffering from lower EUR and GBP exchange rates since July 2018.

During the year under review, VLH completed the renovation of Veranda Tamarin, which reopened in December 2018 as a 3 star plus hotel with strong differentiating concepts. Renovation works were carried out at Heritage C Beach Club over 3 months ending in August 2019.

The above product enhancements will enable VLH to provide guests with further improved quality and unique experiences.

> VLH shows its resilience in the face of disrupted market conditions and adverse foreign exchange rates

Performance Review

Despite lower occupancy rates in the third quarter and declining foreign exchange rates, VLH performed well in the year under review with 8% growth in revenue, 80% occupancy (2018: 82%) and a contraction in Guest Night Spending contained at 1%. VLH recorded an EBITDA of Rs 553m (2018: Rs 451m) and PAT of Rs 291m (2018: Rs 208m).

Room occupancy for Veranda Resorts dropped to 78.5% (2018: 87.4%) and TRevPAR decreased by 2.5%, both impacted mainly by the opening of Veranda Tamarin in December 2018. Excluding the latter, the brand's four other properties achieved 87% occupancy on average. VLH is still reaping the benefits of renovating and repositioning Veranda Paul et Virginie as a 4-star hotel, with a 45% increase in EBITDA.

Heritage Resorts performed well with an average room occupancy rate of 73% (2018: 75%). TRevPAR declined by 7%, mainly due to reduced GBP and EUR rates. Heritage Le Telfair and Heritage Awali EBITDA increased by 22% as both resorts were closed for a period last year.

EBITDA for Heritage The Villas increased by 142%. Heritage Le Château confirmed the improvement in quality and positioning, but costs increased as a result. The financial performance of Heritage C Beach Club was also impacted by temporary closure for renovation. Revenue for Heritage Golf Club increased by 10% resulting in an improved EBITDA.

The share of results of Rogers' associated company NMH was dampened by a weak EUR, whilst the property segment had not booked any sales yet from the newly launched Phase 2 in Marakech.

Heritage TRevPAR

Rs 10,420

Veranda TRevPAR

Rs 5,607

	REVENUE		PAT	
Rs m	2019	2018	2019	2018
Veranda Resorts	892	847	135	175
Heritage Resorts	1,569	1,435	122	86
Corporate Services	82	72	34	(53)
Total Hotels excluding NMH	**2,543**	**2,354**	**291**	**208**
NMH	–	–	(37)	(29)
Total	**2,543**	**2,354**	**254**	**179**

> Heritage Bel Ombre aspires to become the leading golf destination in the Indian Ocean

80% **occupancy**

Outlook

Tourists' arrivals in the 2019 calendar year are expected to increase by 1.8% and hotel occupancy will probably drop to 74%.

Veranda Tamarin will complete its first full year of operation in the 2019-20 financial year, with an expected improvement in occupancy. Furthermore, construction of a second golf course at Bel Ombre will commence and Heritage Golf Club will host the 5th edition of the AfrAsia Bank Mauritius Open in December 2019.

There is reduced visibility for 2020. The destination is impacted by relatively high petrol prices, the current economic climate in Europe and South Africa and performance improvements in competing destinations.

Main Risks and Mitigating Actions

Risks	Actions
Skills attraction, performance and retention	Talent recruitment, rewards & incentives, training and improvement of work environment quality.
Projects, strategic partnership and acquisition	Adequate due diligence, feasibility studies, financial arrangements, legal framework analysis, sensitivity analysis and backup plan.
Sustainability Environment	Higher reefs, retaining wall and beach sand replenishment to address erosion.
Economic Low visibility on high season forward bookings; and Adverse foreign exchange rates.	Revenue management focus, digital advertising; and Natural hedge with foreign currencies debt and forward contracts.

Travel

Sector Overview

Rogers Aviation has been an industry pioneer in Mauritius for more than 70 years and is a one-stop centre for travel-related solutions operating in Mauritius, Madagascar, South Africa, Reunion Island, Comoros, Mayotte and Mozambique with expertise in the following areas:

- Ground Handling in Mozambique, and Warehousing in Mauritius and Madagascar;
- Airline Representation for passenger and cargo services (GSA), Technological Representation (Sabre & TP Connect) and Visa Services;
- Travel Agencies; and
- Leisure Services with boat cruises, online tour operating and destination management companies.

Rogers Aviation holds stakes in the destination management company, Mautourco Ltd and the customer relationship centre, BlueConnect in partnership with a subsidiary of the Air France-KLM Group.

Rogers and Company Limited also has an effective 10.7% ownership in the national airline, Air Mauritius.

Market Overview

The world of 2019 is more connected than ever and this is supported and made possible due to the 2.7m airline employees standing behind the flights. This year will see airlines worldwide making a solid US$ 28bn profit under challenging conditions.

Aviation is a service industry where success depends on meeting customer expectations. The industry has been at the forefront of digital innovation and technology trends suggest that further change lies ahead. At Rogers Aviation's level, customers' experiences are being facilitated through:

- a chatbot for air ticket reservation automation;
- an online booking tool for leisure activities;
- a CRM tool to better understand and anticipate client needs; and
- the use of social media to keep customers updated with available offers.

The International Air Transport Association (IATA) also recognises the need to address the global climate change challenge and has adopted a set of ambitious targets to mitigate CO_2 emissions from air transport.

> Turnaround strategy of our Travel Agency segment is a success

Performance Review

PAT for the Travel sector increased by 33% to Rs 56m (2018: Rs 42m) in the report period while EBITDA stood at Rs 94m (2018: Rs 80m). The improved performance was driven by Ground Handling and the turnaround of our Travel Agencies.

The Airlines and Systems segment's performance decreased mainly from reduced charter operations in Mayotte in 2019 and a below-par contribution from Mauritius. Results improved in other territories with the most prominent progression from Madagascar and a positive contribution from the recently-acquired SAA cargo representation in Mozambique.

The Mozambique associate contributed significantly to the robust performance of Ground Handling. This was driven by increased activity on domestic air traffic including relief initiatives to provinces devastated by natural disasters this summer. In Mauritius, new sources of revenue were secured despite marginal growth in air cargo imports and the operation in Madagascar continued to perform as expected.

The Travel Agencies business achieved a successful turnaround. In Mauritius the right-sizing of the Bagatelle Mall outlet and renegotiation of trading conditions with customers were major performance drivers. More rigorous credit sales policies and focus on debtors' recovery boosted results in Mozambique.

On the Leisure front, the boating activity posted a 10% increase in revenue driven by better yields and product revamping. This good performance was mitigated by a loss on disposal of the investment in Yacht Management Ltd. The Reunion operation improved and would have posted positive results without the impact of the "yellow vests" movement. The bottom line did not improve as expected for the online tour operator, Islandian due to a poor first semester performance impacted by low demand for the destination, the "yellow vests" movement in its main source market and a lower sales conversion ratio. Finally, the associate posted stable results.

10%

Increase in revenue for our boat activities

	REVENUE		PAT	
Rs m	2019	2018	2019	2018
Airlines & Systems	231	215	16	26
Ground Handling	71	72	43	34
Travel Agencies	117	97	5	(10)
Leisure	181	171	(8)	(8)
Total	**600**	**555**	**56**	**42**

Outlook

Looking to the future, the outlook is optimistic with robust passenger demand, which is forecasted to double over the next two decades with growth from developing economies.

Ground Handling and Airlines & Systems are expected to remain the main drivers of performance, mainly through regional expansion. The focus on the turnaround of Travel Agencies, BlueSky, has been a success to date and the digital strategy will continue to transform this segment. Furthermore, the recent consolidation of American Express Global Business Travel through the acquisition of another worldwide brand, namely HRG, will offer interesting opportunities for growing the corporate portfolio.

Islandian has secured the services of an online sales expert to assist with the ambition to double the sales conversion ratio. This initiative and the recent implementation of a CRM tool in addition to the planned scale up of the sales team should significantly enhance sales and revenue capabilities to reach break-even point in the near future.

> Visuals are the new language of the digital era. Travel is uniquely suited to visual media

74%

of travellers plan their trips with the help of the internet

Main Risks and Mitigating Actions

Risks	Actions
Innovation	Digitalisation of operations; Enhanced online presence and web-to-store strategy; and Optimisation of appropriate tools developed: bots, BI, CRM, digital platform, booking engine, tour operator tool and online system.
Skills attraction, performance & retention	Development of Employee Value Proposition; Creation of Employee Experience/HR Touchpoints; Talent Management Strategy; and HR Engagement Survey.

Leisure

Sector Overview

Island Living, embraces an asset-light strategy, focusing its efforts on customer-centricity and customer satisfaction, with, a strong value-and experience-driven philosophy across its brands. It ensures continuous improvement and innovation, while, investing in contemporary leadership and embracing operational efficiency.

Geared towards excellence in providing customers with a 'valued experience', Island Living, owns a portfolio of international franchises and local brands in 5 distinct verticals.

Market Overview

Mid-scale Accommodation

In the mid-scale accommodation segment, Voilà Hotels and Voilà Meetings continued to benefit from improved economic growth and general momentum associated with continuous public and private investments in the country during the year under review. Voilà also gained market share on better revenue management and marketing efforts.

As part of a strategy of enhancing its tourism experience in this segment, Island Living will launch its first para-hotel brand, Kaz'alala in the second half of 2019. Kaz'alala shall provide Responsible Tourism and Hospitality product in Mauritius, targeting the informal tourist market, via the sharing economy, with a hosted B&B concept.

Quick Service Restaurants ('QSR')

The food service industry continues to grow at a steady pace, driven by buoyant demand from a burgeoning middle-class population with evolving spending habits. Island Living leveraged these favourable economic conditions and factored in operational strategies to yield good results for its QSR activities.

In addition to the two existing brands, Ocean Basket and MOKA'Z, Island Living launched Domino's Pizza in November 2018. The business is performing well with three outlets in Port Louis, Beau Bassin and Curepipe and rapid expansion is envisaged.

Destination Restaurants

All three destinations restaurants - Le Chamarel Panoramic Restaurant, Seeloy Island Club and Savinia Bistrot, showed a customer base increase, although moderate growth was noted in the second half as a result of only 1% increase in tourist arrivals.

Leisure Activities

For leisure products, tourist penetration increased at Chamarel 7 Coloured Earth Geopark and Heritage Nature Reserve through strong marketing campaigns, regular promotions and upgraded package offerings with perceived value.

Performance Review

During the year under review, Island Living pursued its development plan while consolidating its operations. Revenue for the year improved by 14% on an as-is basis, excluding new ventures.

The mid-scale accommodation segment achieved more or less the same occupancy levels of 80%, compared to the previous year. Revenue was slightly higher at Rs 148m, while, adjustment has been made on PAT to reflect the change in ownership at the Holding Company.

Quick service and destination restaurants, excluding Domino's Pizza and Seeloy Island Club, generated a 15% increase in traffic; yielding revenue of Rs 208m. Part of the improvement resulted from the refurbishment of Ocean Basket Bagatelle, which, was well appreciated and well received by our clients and contributed to an increase in covers. We noted an increase in PAT of 32% on the existing segment. However, the segment overall posted an expansion-driven loss of Rs 23m due to pre-opening cost incurred on the new ventures.

Revenue for leisure segment (excluding Racing Republic) grew by 14% on the back of higher tourist arrivals and stronger marketing efforts. Overall PAT was negatively impacted by costs of Rs 3.5m associated with the opening of Racing Republic.

> Island Living portfolio has grown with the acquisition of Croisières Australes, offering international tourists and Mauritians a suite of land and sea adventures

80%
Customer Satisfaction Index

	REVENUE		PAT	
Rs m	2019	2018	2019	2018
Island Living (Holding Company)	37	15	2	(8)
Quick Service & Destination Restaurants	275	186	(23)	8
Mid-scale Accommodation	148	146	10	19
Leisure Activities	177	149	(3)	7
Total	**637**	**496**	**(14)**	**26**

Outlook

40%
Mauritian Market Penetration

Island Living will have a dual focus for 2020; the consolidation and expansion of existing high-performing brands with an established brand-equity value and developing new brands in the Leisure segment. These are expected to provide greater return for all stakeholders in the medium to long term.

The portfolio has grown since 1st July 2019 with the addition of Croisières Australes, offering international tourists and Mauritians a suite of land and sea adventures. Island Living will also continue to expand in the mid-scale, select-service hotel market with Voilà Apart'Hotel, targeting extended-stay guests.

Furthermore, investment in new leisure products in Bel Ombre is currently being assessed as well as a major refreshment to the Chamarel 7 Coloured Earth Geopark experience.

At national level, GDP is expected to increase by 3.8%, with a consequent positive impact on consumption and international arrivals are projected to show moderate 1.8% growth to 1.4m visitors.

Main Risks and Mitigating Actions

Risks	Actions
Health, Safety & Sustainability	Regular audit by SGS; Mystery shopper programme; and Regular in-house surprise checks by Training Manager.
Food Safety	All employees handling food and beverages as well as stock controllers have a Food Handler's Certificate; Hospitality Excellence Programme audit with SGS in place; In-house hygiene audits carried out every 4 months; and In-house food hygiene training.
Competition	Market Intelligence in place; and Regular market surveys carried out.
Skills attraction, performance & retention	Staff database available; Incentive bonus to attract talent; Regular employee surveys and engagement initiatives; Team building; and Buddy system introduced.

> Kaz'alala shall provide Responsible Tourism and Hospitality product in Mauritius, targeting the informal tourist market via the sharing economy with a hosted B&B concept due to launch in the second half of 2019

Logistics

Sector
Logistics Solutions

Company
Velogic

Revenue
Rs m **3,407**

EBITDA*
Rs m **287**

PAT*
Rs m **115**

* Excluding exceptional items

Served Market Overview

Velogic is a one-stop logistics platform using its established capabilities and in-depth expertise to offer solutions that make complex international trade seamless.

The Company operates 37 offices with a workforce of 1,500 employees in 6 countries: France, India, Madagascar, Reunion Island, Kenya, Bangladesh and Mauritius, where it is headquartered. It also serves customers worldwide through a global network of trusted partners.

Velogic and its subsidiaries offer a full range of integrated logistics solutions like freight forwarding, customs clearance, haulage, warehousing (including bond and container freight station), courier services, container handling and ship agency. Services offered also comprise ship chartering for bulk cargo through a partnership in Singapore, stevedoring in Rodrigues and packing of special sugar in Mauritius.

> PAT for the Logistics served market rose to Rs 115m from Rs 103m last year

Market Overview

Velogic's overall performance improved in the year under review despite challenging conditions in the freight forwarding across all geographies, reined in by weaker trading patterns in Europe in the second half of 2018, and impacted by the social unrest arising from the "yellow vests" movement in France and Reunion Island. Margins remained under pressure in a highly competitive landscape. Performance in India was also impacted by the above mentioned situation in France.

In Mauritius, renewed dynamism in the construction sector with new infrastructure projects such as the Metro Express generated incremental revenue for the haulage activity. However, the ailing textile sector continued to have an adverse impact on export volumes for freight forwarding. Persistent unfavourable conditions on the world sugar market have also resulted in slower debt settlements from millers for haulage services.

In Madagascar, Velogic benefited from continuing growth in the textile sector, which this time was not hampered by electoral considerations during the year.

Although interesting growth was achieved in Kenya, the poor implementation and mandatory use of the railway line to transport containerised cargo from Mombasa to Nairobi last year caused major disruption in clearing and haulage operations. The situation has stabilised in early 2019 with the initiation of a turnaround plan.

The weak GBP continues to negatively impact results of the sugar-packing activity.

Performance Review

PAT for the Logistics served market rose to Rs 115m from Rs 103m last year.

Port and Haulage Services benefited from a notable turnaround of the haulage activity with a larger number of trips for containerised cargo on the back of the Metro Express project in Mauritius and non-containerised cargo in various segments as well as improved fleet management.

The Depot business handled a higher volume of containers for shipping lines. The Freeport and Storage activities generated upsides with faster rotation of goods stored and rental of yard space for a one-off hotel room assembly project.

Shipping Services yielded better results as agency work for casual caller vessels increased.

Profit for sugar packing continued to be impacted by a Brexit-stricken GBP.

Freight Forwarding profit was significantly impacted by poor performance in France as a result of the protracted turmoil created by the "yellow vests" protests and the flat economic situation, leading to volume reductions and pressure on margins. The downside in France spilled over on the India entity as exports declined. Madagascar performed strongly but results were dampened by a weakened local currency.

Results in Mauritius were similar to last year. Kenya generated lower profit due to the high level of bad debt provisions booked for customers' disputes regarding shipping line demurrages and fleet inefficiencies caused by the flawed implementation of the railway system.

Regional Courier business fared better than last year with growing volumes in Mauritius, Reunion Island and Madagascar.

Maritime shipments ('TEUs') in 2019

12,180
(2018: 13,204)

Logistics

Rs m	REVENUE 2019	REVENUE 2018	PAT 2019	PAT 2018
Port and Haulage Services	736	638	76	28
Sugar Packing	66	60	–	2
Shipping	56	50	12	8
Freight Forwarding	2,549	2,676	26	65
Corporate Services	–	–	1	–
Total	**3,407**	**3,424**	**115**	**103**

Outlook

An improved performance is expected next year, depending however to a large extent on the economic situation in the Logistics' main markets, especially France. The completion of the reorganisation initiated in Kenya, combined with an extension of the service offering should generate upsides. The haulage activity should perform well through leveraging the efficiency improvements implemented in the current year. The courier business in Mauritius, Reunion Island and Madagascar should further expand as UPS processes become more entrenched after the first full year of representation. Freight forwarding in Mauritius should benefit from the implementation of new commercial and operational initiatives. In India, an extension of the geographical coverage through the opening of new offices should generate incremental business.

An unpredictable global economic situation represents potential risks for freight forwarding activities. The beleaguered local manufacturing and sugarcane sectors could further dampen performance in Mauritius. The port expansion programme is yet to deliver upsides and further improvement initiatives will take time before making a positive contribution to the Logistics served market.

> An improved performance is expected next year, depending however to a large extent on the successful turnaround of the France business

Air shipments (Kgs) in 2019

14.9m

(2018: 15.9m)

Main Risks and Mitigating Actions

Risks	Actions
Market Sugar industry challenges could adversely impact volumes; and Decline of the textile sector in Mauritius affecting the export activity in freight forwarding.	Taking advantage of any consolidation; and Diversifying the customer base in other freight forwarding activities.
Economic Impact of a challenging business and economic environment in France; and Adverse Brexit outcome with further impact on GBP, hence sugar packing.	Focusing on cost reduction initiatives and potential partnerships; and Broadening the client base in other geographies.

Property

Sectors

Property Investments

Property Development & Agribusiness

Main Companies

Ascencia

Compagnie Sucrière de Bel Ombre

Case Noyale

Les Villas de Bel Ombre

Key Investment

Le Morne Development Corporation ('LMDC')

Revenue Rs m **2,338**

EBITDA* Rs m **1,386**

PAT* Rs m **788**

* Excluding exceptional items

Property Investments

Sector Overview

Ascencia was established and listed on the Development and Enterprise Market of the Stock Exchange of Mauritius in 2008. The leading retail property company in Mauritius with assets currently valued at more than Rs 12.3bn celebrated its 10th anniversary in December 2018.

The Property Investments sector has developed shopping malls, each with their own identity and inspired by the local history and culture. Bagatelle Mall, Phoenix Mall, Riche Terre Mall, Kendra, Les Allées and So'flo are professionally managed by a focused, talented and passionate team geared towards achieving ambitious organisational goals.

Ascencia aims at creating shopping and entertainment areas for everyone based on their customer promise, "**Shaping Singular Places**".

Market Overview

The retail market faces new challenges every year and there was significant change in the landscape in Mauritius during the reporting period. There is growing competition and the supply of retail Gross Lettable Area (GLA) is expected to increase with developments like Hermes City, Beau Plan, Lolo St Paul and Smart Cities. This may well put some downward pressure on rentals and increase the casualty rate over the short term.

On another note, the positive effect on consumption and increase in the disposable earnings of the lower income categories will be partly mitigated by the impact of a slowdown in sugar, textiles, tourism and financial services sectors. Furthermore, the current low interest rate environment bodes well as it should support consumption levels and property development.

Performance Review

Ascencia continues to deliver sustained growth. Results were in line with management's expectations with a 11% increase in net operating income excluding the straight line of rental accrual from the previous period. This improvement was mainly driven by successful annual contractual increase in leases and full contribution from So'flo in the year under review.

With a 2.0% vacancy rate and a higher spend per head across the portfolio, tenants have benefited from the growing popularity of Ascencia's malls. Trading densities also rose by 8.2% compared to 2018. The rent to turnover ratio declined to 7.7% (2018: 7.9%), confirming the financial strength of our tenants.

Average yield on investment properties remains strong at 8.0%, taking into consideration the capital upside as a result of fair value gains reported at the end of each financial year.

For the financial year ended June 2019, total dividend distribution amounted to Rs 395m. Dividend per share rose by 9% compared to the previous year while the dividend yield on the year ended share price was 4.2%.

Ascencia was one of the most notable positive contributors to absolute returns on the local market for the period. Share price has been on the rise and closed at Rs 19.35 as at 30 June 2019, a 13% increase compared to last year and a 19% premium on net asset value per share.

Average Income Yield in 2019

8.0%

(2018: 7.6%)

"Consolidating our position in Mauritius by investing where the best opportunities lie"

Rs m	REVENUE 2019	REVENUE 2018	PAT 2019	PAT 2018
Ascencia	1,472	1,230	925	859
Other Properties	41	80	7	-
Investments	-	-	(1)	23
Total	**1,513**	**1,310**	**931**	**882**

Outlook

Over the next 12 months, Ascencia will carry out a number of projects to enhance and expand its offering, including the opening of Bo'Valon Mall in November 2019, improving access to Phoenix Mall in the wake of the Road Decongestion programme and new tenants moving in at So'flo and Les Allées.

In addition, Ascencia is working on an ambitious expansion project at Bagatelle Mall with a planned opening scheduled for the end of calendar year 2020. This shall not only increase the attractiveness of the mall but also contribute to consolidating and strengthening Ascencia's leading position.

ASCE project – A (Accessibility) S (Safety) C (Comfort) E (Engagement) is an initiative to change the way the people at Ascencia look, work, perform, deliver, and challenge the core principles of Customer Focus and Operational Excellence to a new industry benchmark. Under this initiative, various exercises like business process mapping, re-engineering and automation are under way across all business modules. Undoubtedly, this is going to be the new way of life at Ascencia in near future.

"Differentiating by creating outstanding spaces for modern consumer lifestyles"

Average Trading Densities per sqm grew by

8.2%

Main Risks and Mitigating Actions

Risks	Actions
Market Concentration Concentration in the retail industry; and Competition – Trading becoming more challenging.	Regular monitoring of the challenges in commercial retail sector at management and Board level.
Business Continuity Breakdown in operations due to major health and safety incidents/accidents.	Regular assessment, review and implementation of security, health & safety standards and disaster recovery plans.
Financial Inability of the company to meet financial obligations in medium term.	Enhancement of the treasury management function.

Property Development & Agribusiness

Sector Overview

The Property Development & Agribusiness activities of the Group are located at Bel Ombre, Chamarel and Case Noyale in the South-West of Mauritius. The sizeable land bank housing these activities is one of Rogers' most valuable assets.

Much progress has been achieved with regards to the need to reinvent the destination, which remains a key priority and Heritage Bel Ombre is now a well-established brand, which is being leveraged to give more impetus and cohesion to activities in the region.

The South-West will be the favoured place to showcase the Group's commitment to sustainable and inclusive development.

Market Overview

Relentless efforts are being made to turnaround the sector's agribusiness activities hampered by the negative impact of falling sugar prices and fragility of its livestock farming activities. Crop diversification initiatives are well under way based on strong partnership with hospitality operators in the region. New market segments have been tapped into for venison meat while major steps taken towards the establishment of smarter pasture practices should have a significant impact on livestock activities in the coming years.

The strategic reorientation of the Leisure segment, now in its second year of operation under the management of Island Living, has proved a major success with growth in footfall coupled with a better client mix. These activities remain the main contributor to the sector's PAT.

The IRS market has again faced headwinds both locally and internationally and Heritage Villas Valriche's performance was affected accordingly. New marketing initiatives have been launched to reach untapped markets while a new business model is being explored to boost sales and optimise operations.

Performance Review

In the Real Estate segment, the sale of 14 plots of land (2018: 1) led to an increase in revenue for Les Villas de Bel Ombre albeit a decrease in the sale of villas 1 for 2019 (2018: 6). The implementation of IFRS 15 (Revenue from contracts with customers) had a positive impact on revenue of approximately US$ 0.3m. The better performance of the company is also attributable to lower fixed costs, mainly sales and marketing expenses, compared to the previous financial year.

Agribusiness activities posted growth in revenue driven by higher sales of deer meat and pineapples as well as an increase in landscaping revenue due to the Fifteen West development at Heritage Villas Valriche. However, agricultural revenue remains weak with low sugar prices.

Losses increased slightly compared to the previous year due to reorganisation costs incurred but these have been mitigated by the cost containment measures implemented.

The Leisure segment experienced a notable increase in revenue mainly through PAT received from the Chamarel 7 Coloured Earth Geopark Rs 14.9m (2018: Rs 7.4m) with a 3% increase in visitors from the previous year.

> New blends and a refreshed packaging; Café de Chamarel reinvents itself!

	REVENUE		PAT	
Rs m	2019	2018	2019	2018
Real Estate	567	349	(90)	(122)
Agribusiness	183	172	(104)	(101)
Leisure	75	76	48	37
Investments	–	–	3	1
Total	**825**	**597**	**(143)**	**(185)**

Outlook

In the coming financial year, the sector will focus on unrolling its strategy to become the driver of a sustainable agritourism destination. This will entail developing and enlarging a range of regional products sourced from vegetable gardens and farms with a view of promoting a sustainable 'farm-to-fork' dining concept.

The Property Development & Agribusiness sector will also embark on major upgrading works at the Chamarel 7 Coloured Earth Geopark precinct, concentrating on a better visitor experience that will surely strengthen the destination's position as a must-see site in Mauritius.

The Real Estate activities will embark on a challenging business model re-engineering process, which will now focus on targeting B2B clients. The estate being fully settled in luxurious surroundings, the sector is confident that this strategy will be rewarding.

The implementation of cost-cutting measures alongside a new sales strategy shall result in further decrease in administrative, marketing and finance costs in the coming financial year.

> **Bel Ombre:**
> A timeless place nestled in lush greenery

Main Risks and Mitigating Actions

Risks	Actions
Financial Sustainability Excess supply on the residential Real Estate market; and Decline in sugar price on the international market.	Revamping of the current business model; and A turnaround plan is under way for the Agribusiness activities.
Innovation & Technology Lack of operational excellence.	Upgrading IT equipment and planning.
Liquidity Inability to meet financial obligations.	Initiatives taken for better treasury management.

“We believe that perfection is the journey and not the final destination.

At Rogers, we believe in the power of anticipation and a culture of continuous learning for improvement.

We believe in shaking our comfort box, in adopting different points of view, in our innate agility to learn, to change and grow together.

RISK MANAGEMENT & STATUTORY DISCLOSURES

Risk Management Report

" Consolidation of the Risk Management Framework will enable Rogers Group to better manage its risk, secure the right opportunities and meet its sustainable strategic objectives.

Vivian Masson
Chairman
Risk Management
and Audit Committee

1. Overview

The Group ('Rogers') has embarked on a new strategic thinking process across all sectors during this financial year. A strategic plan for the next four years was developed, taking into consideration the risks, opportunities and challenges faced by Rogers in the diverse served markets and strategic responses were evaluated at management level in each sector, with the Group Chief Executive Officer ('CEO') and Directors. The risks discussed were the current and future ones associated with the new strategies. As part of our risk journey, areas for improvement were identified and appropriate measures were taken to strengthen the Integrated Risk Management Framework.

The risk governance structure has been reinforced with the set-up of a new Risk Management and Audit Committee ('RMAC') in addition to the two existing committees (for Rogers Group and Ascencia Limited). The new committee is responsible for the oversight of risks faced by Rogers Capital and is in line with the growth experienced in the new consumer finance services.

As the Group is relying more on technology, it is important to keep abreast of the developments and its associated risks. Focus has thus been laid on information security and cyber threats. An information security plan has been reviewed, updated and adopted and a cyber risk awareness session was conducted for Senior Management. This represents a step forward in the deployment of the information security plan for the Group.

Risk Management and Audit Committees

The three RMACs of Rogers have continued to play a key oversight role for the Boards of Directors. The members of the committees are financially well-versed and expert in their field of work. The composition and attendance to meetings of the main RMAC is disclosed in the Corporate Governance section on page 33. The three committees (RMACs) met during this financial year to acknowledge/review and to discuss on the following:

Principal risks and uncertainties	The principal risks and uncertainties which impact Rogers were reviewed by the RMACs and discussed with the Group and sector CEOs, Chief Finance Executive ('CFE') and Directors are as follows: • Financial performance of some activities such as agribusiness – sugar cane, property development (IRS villas) and travel; • International pressure on the global business sector; • Credit, foreign exchange rate and liquidity; • Information security; • Cyber threats; and • Compliance with legislations and regulations.
Policies and plan	The main policies that were reviewed and adopted are: • Information Security and Technology policy; • Group Financial Guidelines and Policies Manual; • Credit Risk policy (FinTech); • Whistleblowing policy; and • Impairment policy.
Internal audit	The Internal audit plan was in line with changes in the risk landscape and covered the following risk areas: • Adequacy of key finance and operational controls; • Compliance with legislations and internal policies; • Information Security; • Credit; and • Human Resource. Reports from the Risk & Audit department team on risk areas and internal controls were reviewed by the respective RMACs. In instances whereby internal controls were not considered to be adequate, improvements were recommended and thorough follow-ups were planned for the next financial year.
External audit	Tender for external audit services has been performed and the existing external auditor will be rotated in the next financial year in line with prevailing legislations and the Code of Corporate Governance.
Other matters reviewed	• Integrity of quarterly abridged and annual financial statements; • Related Party Transactions; • Fair Value of Investment properties – (Ascencia Limited); • Implementation of new IFRSs – IFRS 9 & 15; • Guarantees provided; and • Business rationale of significant financial transactions.

3 RMACs
- Rogers Group
- Ascencia Limited
- Rogers Capital

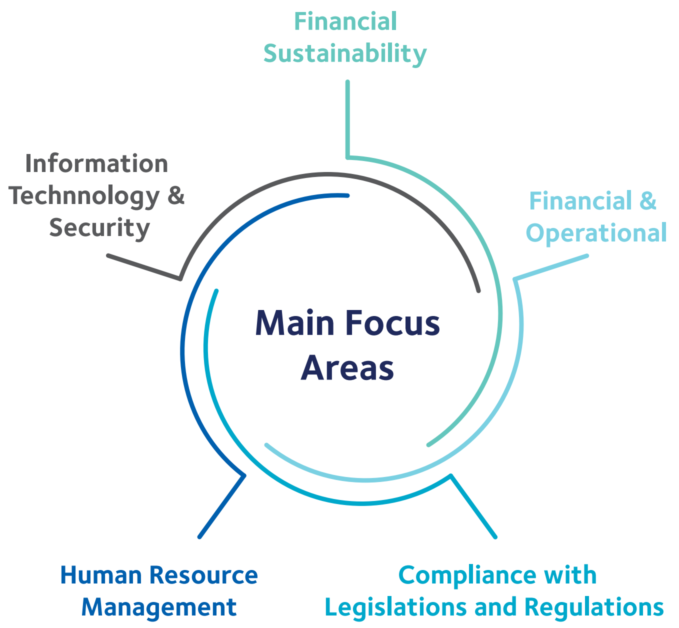
6 Independent Directors

15 Meetings held during the financial year

Risk Management

The Way Forward

Our main focus risks areas for the next financial year, as identified in the Group's strategic plan, will be:



We will continue to assess, review and enhance our current well-established risk management framework, to allow closer collaboration between our four lines of defence. We shall continue to work towards an effective and efficient integrated risk management process and a combined assurance model as we believe that our risk management practices should remain relevant to our strategic objectives to keep pace with current and future business environment. The risk culture will also be enhanced across the organisation through risk awareness sessions and risk workshops. Management will also continue to focus on key risks identified and the implementation of appropriate strategic risk responses in line with the Group's risk appetite. This will enable management to secure the right opportunities for the Group.

Last, but not least, I would like to thank the RMAC members as well as the Group's Chief Executive Officer, the Group's Chief Finance Executive, management team, external auditors and the Risk & Audit department for their constant support and commitment throughout the year.

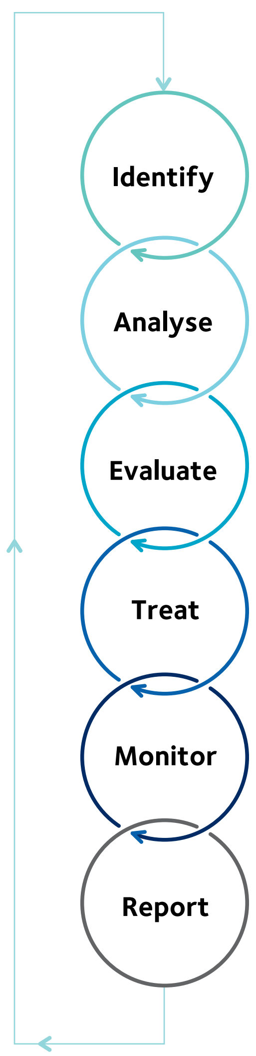
Vivian Masson
Chairman
Risk Management and Audit Committee

2. Managing our Risks

The integrated risk management process, the risk governance structure and the four lines of defence at Rogers are as follows:

2.1 Integrated Risk Management Process

Our process is as follows:



Identification, analysis and evaluation of risks at Rogers

Type of Risks

Operational & Compliance	**Management** - Regular meetings in sectors to identify and review operational issues. **Compliance, Risk Managers and Health & Safety Officers** - Regular checks are carried out. **Internal auditors** - Continuous audits with a risk-based approach. **Inhouse Counsel** - Review of contracts and ensuring compliance with specific legislations to safeguard Rogers' interests. **Specialist consultants** - Appointed on an adhoc basis for specific risk assessments.
Financial & Strategic	**CEOs and Chief Finance Officers (CFOs) of sectors** - Preparation and discussion of the annual budget and strategic plan with Group CEO, CFE and management. **RMACs** - Review of quarterly accounts and other financial risks. **Strategic committee** - Development of new strategies in line with risk appetite. **External auditors** - Annual audit of financial statements and review of financial risks.

Treatment, monitoring and reporting of risks at Rogers

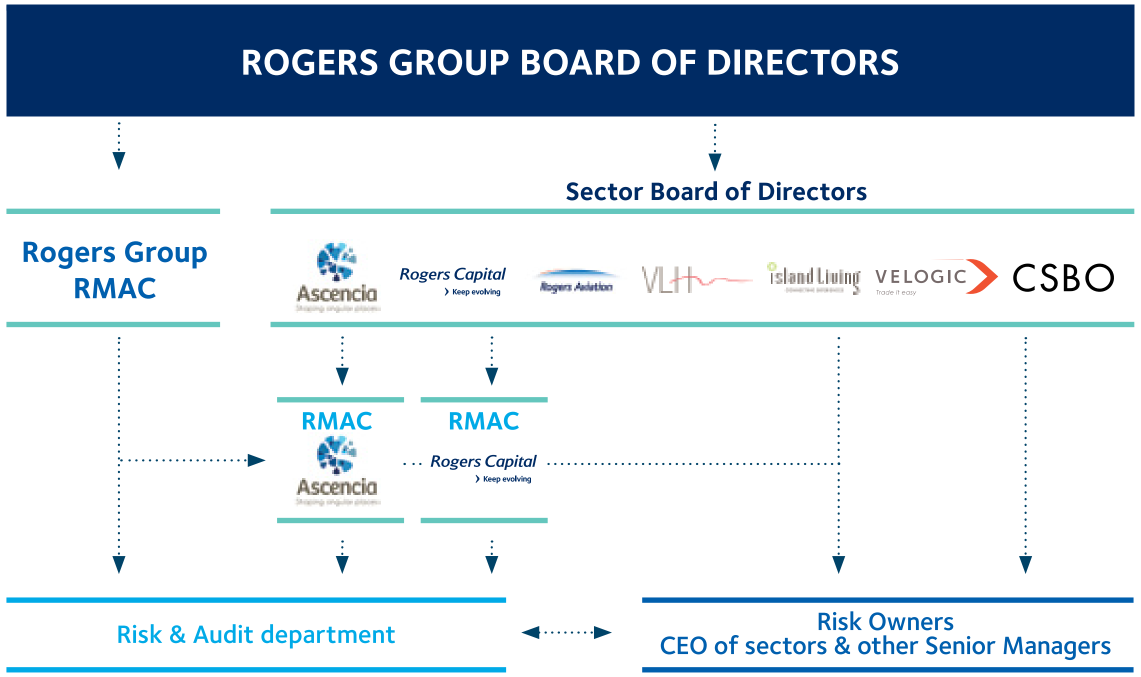
Management in sectors devise appropriate mitigating responses in light of their business model and set risk appetite. Where the level of residual risks is significant, the risks are further discussed with the Group CEO, RMAC, Board of Directors ('Board') of sectors and Rogers Group Board of Directors.

Implementation of mitigating actions are performed by Executive Directors and monitored by Senior Management. In certain instances, a follow-up on the progress is carried out by the Risk & Audit department. Monitoring of the level of the risks and control effectiveness are performed and reported to the respective sectorial boards.

Risk Management

2.2 Risk Governance

The ultimate responsibility for risk governance lies with the Board of Directors and it has been delegated to the RMAC of Rogers Group, Ascencia and Rogers Capital. These sub committees, which consists mainly of independent Directors, are governed by terms and references in their charters which are in line with the Code of Corporate Governance.



2.3 Our four lines of defence

At Rogers, our four lines of defence are as follows:

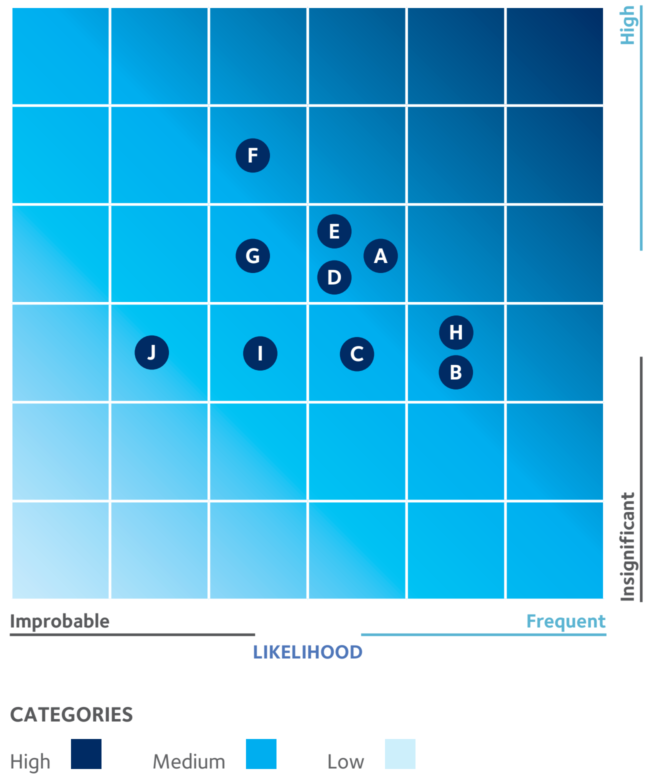
1st Line People, Process and Technology	• Controls operated by employees involved in day-to-day activities. • The adequacy and relevance of internal controls is supported by the Rogers Guidelines and Policies Manual and specific operating procedures manuals in each sector.	**2nd Line** Management and Oversight	• Risk owners meet on a regular basis for the assessment, identification, and escalation of new/emerging risks. • Compliance, Health & Safety Officers and Risk Managers act as a second line of defence.
3rd Line Internal Audit	• Internal audit, which is an independent inhouse function, has direct reporting line to the RMACs and Board of sectors. • Internal audit findings and progress on implementation of recommendations reported to the RMACs and the Board of sectors. • The audit focus during this financial year was on higher risk areas which excludes joint ventures and associates. • No major limitations or restrictions in the audit scope, access to records, management and employees.	**4th Line** External Assurance	• Assurance from independent external consultants and auditors is obtained on: – Valuation of investment properties; – Retirement benefit obligations; and – Financial statements.

More information on our integrated risk management framework and composition and qualifications of the key members of our team is detailed on our website https://www.rogers.mu

3. Principal Risks

The Risk Heat Map provides an overview of the 10 principal residual risks identified for the Group and how these risks have evolved over the financial year under review.

- **A** Economic Factors and Market Conditions
- **B** Projects Development, Strategic Partnerships and Acquisitions
- **C** Market Intelligence
- **D** Financial Sustainability
- **E** Liquidity/Credit/Interest Rate/Foreign exchange
- **F** Business Continuity
- **G** Information Technology & Security
- **H** Skills Attraction, Performance and Retention
- **I** Theft & Fraud
- **J** Legal and Regulatory Compliance



The principal risks for the Group, which are further classified as strategic, operational, financial and operational risks, are monitored and evaluated by the Board of Directors and RMACs. Mitigating actions and opportunities are identified across the served markets to enable the sound management of these risks. These are discussed on the next pages.

Risk Management

Principal risks, mitigating actions and opportunities

Principal Risks	Description & Risk Context	Capital Impacted	Mitigating Actions and Opportunities
Strategic risks			
A Economic factors and market conditions	• Indications of global economic slowdown. • Economic and political situation in France and Reunion Island 'yellow vests' impacted on growth (Logistics Hospitality). • Uncertainty: – Impact of Brexit; – Volatility in some of our business lines that serve foreign markets (Logistics/Hospitality); and – Air access policy (Hospitality). • Increased local competition with more offerings from new entrants (such as Airbnb - Hospitality and existing players in the commercial property space - Property Investments).		• A strategic plan has been developed which encompasses major levers of performance to enable the sectors to embrace changes and adapt to uncertain conditions. • Strengthening of the offering and working on ambitious projects.
B Projects development, strategic partnerships and acquisitions	• Inability to secure the right opportunities through inadequate due diligence/feasibility study on acquisitions and project development and insufficient preparation for successful implementation. • Inefficient or ineffective alliance with strategic partners.		• Recruitment of two Executives (Chief Project & Chief International Development) and reinforcement of the current team for improved market sensing opportunities. • Requiring feasibility study for all projects and carrying out proper due diligence checks to review the financial, technical, risk and legal aspects of each acquisition. • Use of external independent experts for valuations and investment based on strict Key Performance Indicators. • Careful selection of strategic partners. • Ensuring proper contractual agreements between all parties involved.
C Market intelligence	• Lack of relevant and/or reliable information on local and foreign markets.		• Review and implementation of a tailor-made and a comprehensive marketing strategic plan. • Market surveys and benchmarking exercise to be performed on a regular basis.
Financial risks			
D Financial sustainability	Changes in conditions that threaten the attractiveness or long-term viability of industries in which the sectors operate: – Low sugar prices on the international market (Agribusiness sector). – Decrease in volume transported-sugar and textile (Logistics). – Excess supply on the residential real estate market, locally as well as internationally leading to increase competition (Property Development). – Ongoing deterioration of our physical and environmental ecosystem, including high vulnerability towards global warming and natural catastrophes. Gradual degradation of beach (erosion) and marine pollution (Hospitality). – Changes in international tax agreements and other conditions in the global business has weakened the attractiveness of our jurisdiction (FinTech). – Financial performance of investments below expectations.		• Gradual implementation of the turnaround plan is underway for Agribusiness and development of strategic plan for other loss-making activities. • Focus on sustainable measures for environmental risks such as, protection of coastal environment, sand replenishment, coral regeneration, shift towards environmentally friendly products, green energy, promotion of responsible tourism activities and awareness campaigns on nature conservation to address erosion. • Partnering with the Government and Business Mauritius to devise appropriate remedies. • Identifying potential opportunities and diversify in order to retain clients of the global business sector.
E Liquidity/Credit/Interest Rate/Foreign exchange	• Inability to meet financial obligations. • Inappropriate credit assessment and default from debtors. • Significant hike in interest rates on the domestic market in the medium term. • Adverse fluctuation in exchange rates.		• Enhancement of treasury function through ongoing negotiations with bankers to secure favourable rates for the Group. • Monitoring level of gearing. • Improvement of recoveries and reduction in arrears through stringent debtors' management. • Use of currency hedging and foreign currency loans.

KEY:

Financial Capital   Human Capital   Intellectual Capital   Social & Natural Capital

Risk Management

Principal Risks	Description & Risk Context	Capital Impacted	Mitigating Actions and Opportunities
Operational risks			
F Business continuity	• Inability to operate due to: – Unforeseen events, for example fire, riots and terrorism attacks; – Major health and safety incidents/accidents; and – IT operating system failure.		• Procedures in place in case of fire and terrorist threats. • Review and testing of Business Continuity Plan is in progress across the Group. • Safety audits performed by authorities and other independent consultant and implementation of mitigating controls (Property Investments sector). • Continuous review of adequacy of insurance cover.
G Information Technology & Security	**Innovation & Technology** • Not leveraging on innovation to sustain competitive advantage or lack of operational excellence. • Disruptive technology. • Inability to embrace the technological transformation impacting our businesses through decreased productivity. **IT Security** • Cyber threats such as fraudulent phishing attempts, spoofing e-mails, malware and/or ransomware. • Inadequate security of data and privacy issues.		**Innovation & Technology** • Digital transformation to be undertaken by appropriate talents recruited. • Automation of processes. **IT Security Measures reinforcement** • Enhancing the Cybersecurity standard across all sectors. • Group's Information Technology and Security policy has been updated and a cyber awareness workshop was conducted at management level. Training will be provided to all employees. • IT security audits started and will be carried out across all sectors. • Undertake IT system vulnerability test regularly and regular back up of the database. • Data encryption to reinforce security.
H Skills attraction, performance and retention	**Attraction** • Tightening job market with lack of adequate skills, including restrictive stand on foreign skills, for example, availability of skills for Artificial Intelligence and Blockchain technology (FinTech) and also other skills and talents in other sectors (Hospitality). **Performance** • Low staff engagement and performance. **Retention** • Loss of key personnel in strategic positions and high staff turnover at operation level (Hospitality).		**Attraction** • Ongoing improvement of the recruitment process (Hospitality). • Build on Employer brand. **Performance** • Performance awards for Rogers employees. • Continuous training provided to employees such as Management Development Programme course. **Retention** • Engagement surveys carried out and corrective measures taken. • Improved communication via digitalisation. • Creation of Employee Experience/HR Touchpoints.
I Theft and fraud	• Misappropriation of assets. • Fake bank transfer instructions and illegal transactions not detected (FinTech).		• Reinforced internal controls and adequate segregation of duties through: – Implementation of updated Rogers Guidelines and Policies Manual. – Recommendations of internal and external audits. • Zero tolerance policy on risk of errors and fraud (FinTech). • Code of ethics and Whistleblowing policy in place. • Insurance cover.
Compliance Risks			
J Legal and regulatory compliance	• Non-adherence to existing or new legislations and regulations such as Data Protection Act, General Data Protection Regulations and the Code of Corporate Governance for Mauritius (2016). • Changes to laws and regulations not communicated and training not provided. • Not systematically applying enhanced due diligence with respect to high risk clients (FinTech). • Failure to comply with internal policies and operating procedures manual. • Inability to implement and communicate policies and procedures, for example Whistleblowing policy and internal compliance procedures.		• Data Protection Officers appointed for the implementation of security measures. • Appointment of specialist consultant for review of compliance with new legislations and regulations. • Monitoring of changes in legislations and regulations. • Continuous audits to cover compliance aspect.

KEY:

Financial Capital Human Capital Intellectual Capital Social & Natural Capital

Other Statutory Disclosures

DIRECTORS

A list of Directors of the subsidiary companies of Rogers is given on pages 77 to 81.

CONTRACT OF SIGNIFICANCE

During the year under review, there was no contract of significance to which Rogers, or one of its subsidiaries, was a party and in which a Director of Rogers was materially interested either directly or indirectly.

DIRECTORS' SERVICE CONTRACTS

None of the Directors of the Company and of the subsidiaries has service contracts that need to be disclosed under Section 221 of the Companies Act 2001.

	GROUP	
In Rs million	2019	2018
DIRECTORS'REMUNERATION & BENEFITS		
Remuneration and benefits paid by the Company and subsidiary companies to:		
Directors of Rogers and Company Limited		
Executive-full time	43.4	43.7
Non-executive	4.4	4.6
Directors of subsidiary companies		
45 executive-full time (47 in 2018)	219.8	191.3
64 non-executive (87 in 2018)	3.9	2.6

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
DONATIONS				
Donations made during the year				
Political	0.9	1.3	0.9	1.3
Corporate Social Responsibility				
Statutory	1.6	6.5	-	-
Voluntary	1.4	2.7	1.0	0.9
Number of Institutions	16	20	10	11
AUDITORS' REMUNERATION				
Audit fees paid to:				
BDO & Co	12.2	12.0	0.8	0.8
Other firms	8.1	7.8	-	-
Fees paid for other services provided by:				
BDO & Co	3.2	2.2	0.2	0.2
Other firms	6.7	11.8	-	-

Fees paid for other services to BDO & Co are in respect of taxation and consultancy services.

Directors of Subsidiary Companies

FINTECH	Aubdool Muhammad Riad	Ah Ching Cheong Shaow Woo	Allagapen Gary Deva	Andre Emmanuel Rene	Bhoyroo Mohammad Yashinn	Boullé Fabrice François	Chung Kai To Cyril Yin Choon	Chung Tick Kan Georges	Coopoosamy Deven	Corneillet Virginie Anne	Depierre Yvan	Desvaux De Marigny Angelique Anne	Espitalier-Noël M.M. Hector	Espitalier-Noël M.H.Philippe	Gopaul Sanjay	Hurkoo Dev Harish	Jingree Jayechund	Koh Hwee Huang Nancy	Legrigore Jean-François	Li Ting Chung Richard	Lenette Louis Jean Vincent Didier	Magon Georges	Mangar Binesh	Nathoo Roshan	Ndjemba Abessolo Jean Paul	Nunkoo Nayendranath	Quek Hung Guan	Radhakeesoon Aruna Lata Vidia	Ramdoss Itysha Sharona	Randera Taher Mowlooda Ismael	Ruhee Ashley Coomar	Shah Sharmil Dhanraj	Tyack Frederic Gerard	Ujoodha Dhanun
Globefin Management Services Ltd		X							R					C							R			X	A						X			
Globefin Corporate Services Ltd									R										X		R			X										
Globefin Nominees Ltd																			X		R			X										
Rogers Capital Nominee 2 Ltd																					R									R	X			X
Roger Capital City Executives Ltd																					R			A						R	X			X
Rogers Capital Nominee Ltd																					R									R	X			X
Rogers Capital Accounting Services Ltd	X																				R			A						R				X
RCAS Actuarial Ltd																				X	R										C			X
Rogers Capital Business Services Ltd																					R			A						R				X
Rogers Capital Corporate Services Ltd		X			A			X		X				C			X				R			A							X			
Rogers Capital Corporate Services (Singapore) Pte Limited																		A		X	R			A			R				X			
Rogers Capital Corporate Services (Seychelles) Limited																				X	R										X			
RCAP Executives Ltd																						A		A										
Rogers Capital Specialist Services Ltd																				X	R			A							X			X
Rogers Capital Captive Insurance Management Services Ltd																				X	R										C			X
Rogers Capital Fund Services Ltd	A																				R									R	X			X
Rogers Capital Finance Ltd		X			A		X			A				C	A													A			X		A	
Rogers Capital Nominee 1 Ltd																					R									R	X			X
Rogers Capital Investment Advisors Ltd		A								X			R	C															A		X			
Rogers Capital Ltd		X			A	X		X		X		A	X	C	A		X														X			
Rogers Capital Management Services Ltd		X			A			X		X			R	X			X														X			
Rogers Capital Payroll Services Ltd	X																				R			A						R				X
River Court Nominees Limited																					R													X
Rogers Capital Trustees Services Limited																	X				R			A								X		X
Rogers Capital Payment Solutions Ltd		C			A																		X								X			
Rogers Capital Outsourcing Ltd			X		A					X				C		X															X			
Rogers Capital Technology Services Ltd		X		X	A					X	R			C		X										X					X			

C- Chairman X-In office as Director A-Appointed as Director R-Resigned as Director

Directors of Subsidiary Companies

HOSPITALITY	Bastiaan Jeremy Steven	Berman Laurence Marie	Charles Jacques Jean François	Cisneros Gilbert Jean Antoine	Cisneros Maria Antoinette Yolande	Cure karine Marie	Dodds Ryan Matthew	Dupont Danielle Christine	Espitalier-Noël M.A. Eric	Espitalier-Noël M. H. Philippe	Eynaud François Paul Philippe	Fayd'herbe de Maudave Alexandre	Hugnin Guy	Hugnin De Loppinot Brigitte	Koenig J. H. V. Richard Roger	Mamet M. J. Jean-Pierre	Mamet Jeremy Alan	Mamet Jean Evenor Damien	Marrier D'Unienville Jean Albert	Menteath Jonathan Lawrence	Montocchio François Thiery	Motet Joseph Jacques	Nadassen Kishen	Rey D. A Thierry Hugues	Robert François Richard	Stedman Richard Sohrab
Bagatelle Hotel Operations Company Limited										A																X
Cap d'Abondance Ltd										X																X
CCC LAH Limited																								X		X
DOMC Ltd						R				C		X				X							X	X		X
Island Living Ltd						R				C	X	X											X		X	X
Seafood Basket Limited										A																X
Sweetwater Ltd	X									X																X
Sports-Event Management Operation Co Ltd							A			C	X								X						X	X
Heritage Golf Club Ltd			X				A	X			C				R		X				X					
Heritage Events Company Ltd											C									X	X					
VLH Ltd		X							X	X	X	X	X	X				X			X	X				X
Seven Colours Spa Ltd									X		X		X	X												
VLH Training Ltd									X		C		X	x												
Adnarev Ltd									X		C		X	x												
Veranda Tamarin Ltd				X	X						X										X					

C- Chairman X-In office as Director A-Appointed as Director R-Resigned as Director

HOSPITALITY	Bhoyroo Mohammad Yashinn	Bouic Joseph Guillaume Karl	Cassam Raficq	Radhakeesoon Aruna Lata Vidia	Corroy Marie Sybil Anick	Dupont Marie Danielle Christine	Espitalier-Noël Philippe	Eynaud François Paul Philippe	Fayd'herbe de Maudave Alexandre	Giraud Paul France	Granger Gilles	HARDY Emmanuel Michel Laurent	HARDY Jean Marie Bertrand	Langlois Gerard Philippe Stephane	Laulloo Mohammad Faiz Hafiz	Masrani Hasu	Papet Mathias	Patel Kiran	Pitot Jean Michel	Poonisami Jean Yan Cedric	Ramchurn - Oogarah Soorya Devi	Robert François Richard	Ruhee Ashley Coomar	Stedman Richard Sohrab	Tyack Frederic Gerard	U King Im Marie Guylette Nicole	Yon Germain Joseph
Rogers Aviation Comores S.A.R.L									X																		
Ario Seychelles Ltd									X																		
Rogers Aviation France S.A.R.L									X												X						
Rogers Aviation Reunion SARL									X																		
Rogers Aviation Kenya Ltd (Dormant)			X						X						X												
Beavia Kenya Limited (Dormant)					X				X							X		X			X						
Rogers Aviation International Ltd (ex Ario Ltd)	X								X					A	X					R	X						
Rogers Aviation Madagascar S.A.R.L									X					A						R	X						
Rogers Aviation Mayotte SARL									X																		
Rogers Aviation Mozambique LDA.					X				X											X	X						
Rogers Aviation (Mauritius) Ltd	X								C					A						R	X						
BlueAlizé Ltd		X							C				X	A						R							X
BS Travel Management Ltd									X					A	X					R	X						X
BS REUNION (Run Tourisme)									X																		
BS Travel Management Limitada					X				X											X	X						
Bluesky Mayotte SARL									X																		
Bluesky Madgascar SARL									X					A						R	X						
Croisières Australes Ltée									X				X	A						R						X	X
Plaisance Air Transport Services Ltd.									C					A	X					R							X
Rogers Aviation South Africa (Proprietary) Limited									X					A						R	X						
Rogers Aviation Holding Co Ltd	X			X			C	X	X					A						R					X		
Transcontinent S.A.R.L.									X	X									A								
Islandian Ltd						X	X		X		X			A			X			R		X	X	X			X
Rogers International Distribution Services - Mozambique					X				X											X	X						
Yacht Management Ltd									X			X	X	A						R							X

C- Chairman X-In office as Director A-Appointed as Director R-Resigned as Director

Directors of Subsidiary Companies

LOGISTICS	Abraham Bertrand Denis	Arrowsmith Sarah Carmen	Avrillon Francis Vincent	Bhatt Mehul Hitesh Kumar	De Comarmond Marie Maurice André	Driver H. W. Anthony	Elysee David	Espitalier-Noël M.E. Gilbert	Espitalier-Noël M. H. Philippe	Evard Christoph	Girard Sylvain	Gobindram Shah Nawaz	Hugnin Thierry	Hung Han Yun Denis	Kone-Dicoh Khady-Lika	Lallchand Jawaharlall	Mamet Jean Evenor Damien	Merrick Raymond	Mokar Shah Kirtikumar	Nunkoo Nayendranath	Olivier Vivian	Rigouzzo Luc Andre Emmanuel	Ronoowah Rishi Kapoor	Sangeelee Naveen	Yue Chi Ming Tony
Cargo Express Madagascar S.A.R.L.					X																				X
Express Logistics Solutions Ltd	X				X									X						X				X	
F.O.M Warehouses Ltd	X		X		X									X						X					
Freeport Operations (Mauritius) Ltd	X				X									X						X				X	
Logistics Solutions Ltd								X	C								X			X					
Velogic Ltd					X															X				X	
Velogic Holding Company Ltd								X	C						X		X			X		X		A	
P.A.P.O.L.C.S. Ltd						X										X				C	X		X	X	
Papol Holding Ltd						X	X													X				X	
Velogic Depot & Warehouse Ltd					X															X					
Rogers IDS (Velogic France) SA											X														
Rogers IDS Madagascar SA					X																				X
VSR (Velogic Reunion)					X															X				X	
Velogic Express Reunion SAS					X															X				X	
Velogic India Private Limited												X								X				X	
VK Logistics Ltd				X						X			X							X				X	
General Cargo Services Limited (Kenya)				X						X									X	X				X	
Gencargo (Transport) Limited (Kenya)				X						X									X	X				X	
Rogers Logistics International Ltd									C											X				X	
Rogers Logistics Services Company Ltd	X				X									X						X				X	
Sukpak Ltd		X							C									X		X				X	
Transworld International Ltd					X															X					
Thermoil Company Limited			X																		X				
Velogic Haulage Services Ltd	X				X															X				X	
Velogic Garage Services Ltd	X				X									X						X				X	
MTL Logistics & Distribution Co. Ltd																								X	
Associated Container Services Limited					X															C				X	

C- Chairman X-In office as Director A-Appointed as Director R-Resigned as Director

PROPERTY	Ah Ching Cheong Shaow Woo	Blandin de Chalain Jean-Marie Nicolas	Boshoff Armond	Boulle Robert	Bhoyroo Mohammad Yashinn	Caesens Koenig Amaury Bruno	Caine Russell Glenn	Conhye Koosiram	De Waal Anton	Descroizilles Marcel Vivian	Dupont Jacques Desire Dominic	Duvivier, Marie Virginie	Espitalier-Noël M.A. Eric	Espitalier Noël M. M. Hector	Espitalier Noël M.H. Philippe	Eynaud François	Galea Marie Henri Dominique	Harel, Jerome Guy Antoine	Hart De Keating Christopher	Hebert Thierry Jacques M. A.	Koenig J. H. V. R. Richard	Lagesse Loic Gerard Gaëtan	Lam Kin Teng Dean Allen	Lenoir Gustave E. Jean Pierre	Louw Lucille Helen	Mamet J. E. Damien	Pascal Pierre Yves	Pilot Joseph Marie Johan	Pilot Joseph Michel	Pople Richard Clive	Radhakeesoon Aruna Lata Vidia	Ramdoss Itysha Sharona	Tribolet Paul	Tyack Frederic Gerard	Van Der Watt Louis Lukas Stephanus	Veerasamy Naderasen Pillay
Foresite Property Holding Ltd															C											X					X					
Ascencia Limited	X		A					X						X	C		X						X		A	X	X					X		X	R	X
Motor Traders Ltd					R							A																								
Bagaprop Ltd			A												X										X	X								X	R	
South West Tourism Development Company Limited													X	X	X																					
Le Marche Du Moulin Ltd							X																													
Case Noyale Limitée										R			X	C	X	X		A	X		R			X					A							
Compagnie Sucrière De Bel Ombre Limited										R			X	C	X	X		A	X		R			X					A							
Les Villas De Bel Ombre Ltee													X	X	X	X			X										A							
Estate Property Solutions Ltd		X							X		X									A										A			A			
Les Villas De Bel Ombre Amenities Ltd													X	C	X	X			X																	
Floreal Commercial Centre Limited				X		R																R				X		R						X		

OTHER INVESTMENTS	Bhoyroo Mohammad Yashinn	Cure karine Marie	D'Hotman De Villiers Audrey	De Comarmond Louis Marie Maurice Andre	Espitalier-Noël M.H.Philippe	Jullienne Marie-Jean Cyril	Koenig J. H. V. Richard	Mamet Jean Evenor Damien	Rogers François Michel
Rogers Foundation Ltd		R	X	X	C	A	R	X	X
Rogers Corporate Services Ltd	R				X		R		

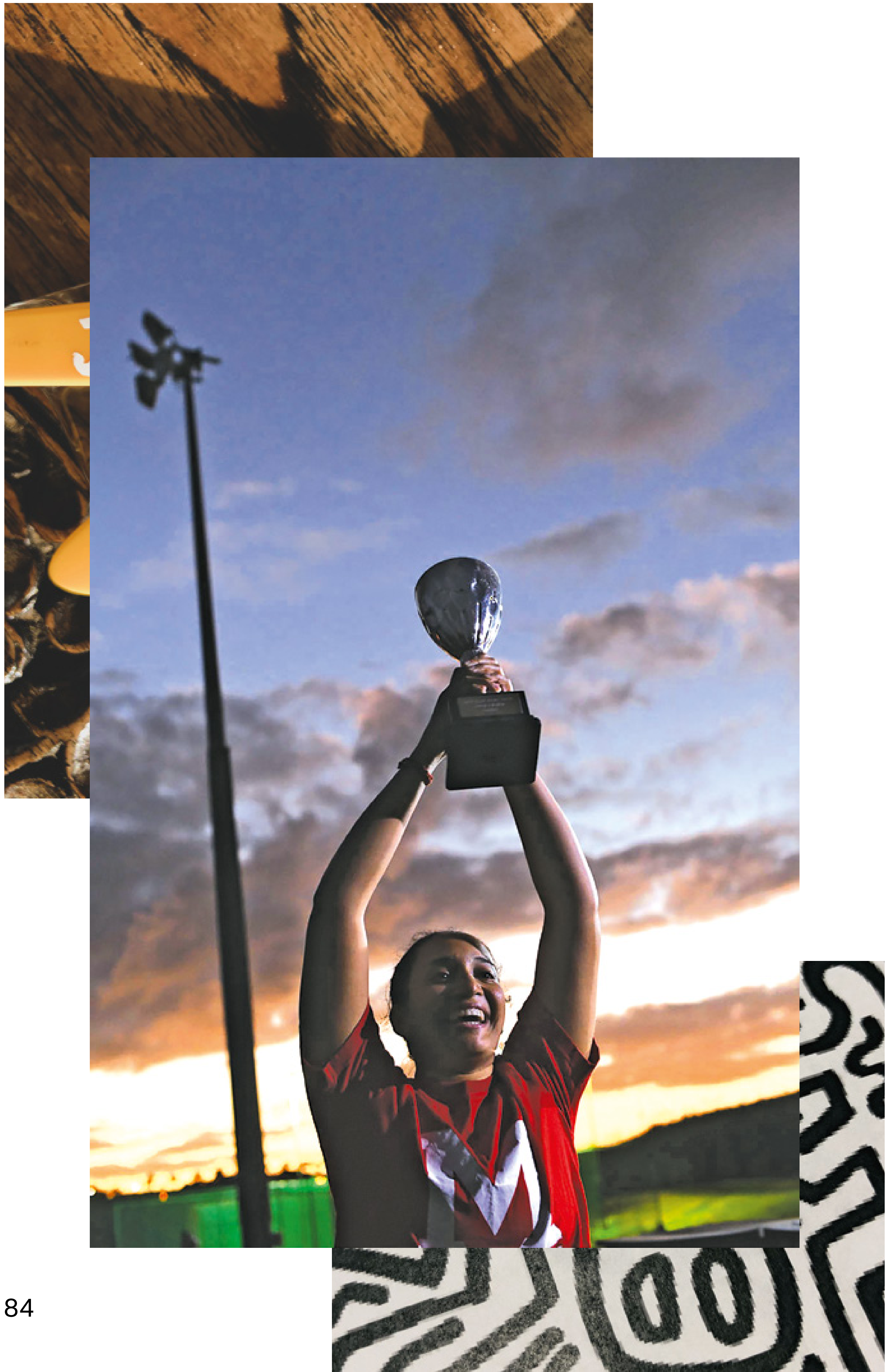
C- Chairman X-In office as Director A-Appointed as Director R-Resigned as Director

“We believe firmly in the co-creation of sustainable success.

At Rogers, we believe in nurturing clarity of mind and trustworthy relationships.

We believe in the power of diversity, in audacious initiatives that bring about meaningful impact and that everyone can be an innovative leader.

FINANCIAL PERFORMANCE



Financial Performance Contents

Directors' Report

FINANCIAL STATEMENTS

The Directors of Rogers are responsible for the integrity of the audited financial statements of the Group and the Company and the objectivity of the other information presented in these statements.

The Board confirms that, in preparing the audited financial statements, it has:

(i) selected suitable accounting policies and applied them consistently;
(ii) made judgements and estimates that are reasonable and prudent;
(iii) stated whether applicable accounting standards have been followed, subject to any material departures explained in the financial statements;
(iv) kept proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company;
(v) safeguarded the assets of the Company by maintaining internal accounting and administrative control systems and procedures; and
(vi) taken reasonable steps for the prevention and detection of fraud and other irregularities.

GOING CONCERN STATEMENT

On the basis of current projections, we are confident that the Group and the Company have adequate resources to continue operating for the foreseeable future and consider that it is appropriate that the going concern basis in preparing the financial statements be adopted.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for the system of Internal Control and Risk Management for the Company and its subsidiaries. The Group is committed to continuously maintain a sound system of risk management and adequate control procedures with a view to safeguarding the assets of the Group. The Board believes that the Group's systems of Internal Control and Risk Management provide reasonable assurance that control and risk issues are identified, reported on and dealt with appropriately.

DONATIONS

For details on political and charitable donations made by the Company, please refer to page 76.

STATEMENT OF COMPLIANCE

Throughout the year ended 30 June 2019, to the best of the Board's knowledge, Rogers has complied with the Code of Corporate Governance for Mauritius (2016). Rogers has applied the 8 principles set out in the Code and explained how these principles have been applied.

AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Group and the Company which appear on pages 92 to 158 were approved by the Board on 13 September 2019 and are signed on their behalf by:

Jean-Pierre Montocchio	Philippe Espitalier-Noël
Chairman	Director & CEO

Independent Auditor's Report

Report on the audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Rogers and Company Limited and its subsidiaries (the Group), and the Company's separate financial statements on pages 92 to 158 which comprise the Statements of Financial Position as at 30 June 2019, and the Statements of Profit or Loss and Other Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on pages 92 to 158 give a true and fair view of the financial position of the Group and of the Company as at 30 June 2019, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the 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 Financial Statements section of our report. We are independent of the Group and of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We provide below our description of how our audit was addressed for each key audit matter identified.

1. Land and Buildings and Investment Properties

Key Audit Matters

At 30 June 2019, the Group had land and buildings which is included in property, plant and equipment amounting to Rs. 8,708.4m and investment properties amounting to Rs. 12,773.9m.

Land and buildings are stated at their fair value based on periodic valuations by directors of the Group subsequent to valuation carried out by external valuers, less subsequent depreciation for buildings. The fair value of land and buildings is arrived by using the market value approach.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at fair value as determined annually by the directors subsequent to the valuation carried out by external valuers which is based on the discounted cash flow model and open-market basis as appropriate.

The significance of the land and buildings and investment properties on the statement of financial position and the judgements and assumptions applied in arriving at the fair value resulted in them being identified as a key audit matter.

Related Disclosures

Refer to notes 10 and 11 of the accompanying financial statements.

Independent Auditor's Report

Report on the audit of the Financial Statements (contd)

1. Land and Buildings and Investment Properties (contd)

Audit Response

Our audit procedures included testing of design, existence and operating effectiveness of internal control procedures implemented as well as test of detail to ensure completeness and accuracy of the land and buildings and investment properties through the following:

- Ensured the estimated remaining useful lives and residual values of land and buildings is reasonable, by comparing the directors' estimates to the useful lives of assets with similar characteristics.
- Reviewed the Group's depreciation policy for land and buildings and verified the inputs to the calculation.
- Performed predictive tests on depreciation charge.
- Checked consistency and reasonableness of the component allocation with previous years.

We tested the key inputs to the valuation of the Group's land and buildings and investment properties as follows:

- Assessment and discussion of management's process for the valuation exercise and appointment of the external valuers. We also assessed the competence, independence and integrity of the external valuers.
- Obtained the external valuation reports and discussed with the external valuers about the results of their work on a sample of properties. We discussed and challenged the valuation process, performance of the portfolio, significant judgements and assumptions applied to the valuation model, including yields, occupancy rates, capitalisation rates and lease incentives. We benchmarked and challenged the key assumptions to external industry data and comparable property valuation.
- Testing the integrity of a sample of the data provided to the external valuers. This included verifying a sample of information provided to the external valuers to underlying lease agreements.
- Testing land values by comparing the values used by the valuers to land values of similar characteristics.

2. Valuation of Goodwill

Key Audit Matter

The Group has goodwill amounting to Rs. 1,255.3m at 30 June 2019. Significant judgement is required by management in assessing the impairment of goodwill annually, which is determined using discounted cash flows for each Cash Generating Units (CGU) for which goodwill has been allocated. This test and assessment are largely based on expected future cash flows from the latest management planning, extrapolated on the basis of long-term revenue expected growth rates and assumptions with regard to terminal values and discount rates. The judgements and the estimates applied in these calculations result in the carrying value of the goodwill being identified as a key audit matter.

Related Disclosures

Refer to note 12 of the accompanying financial statements.

Audit Response

- We checked the validity and reasonableness of the forecasts in line with the assumptions used.
- We reviewed the latest management decision with regards to the business model to assess whether the assumptions are in line with the valuation assumptions made.
- We performed procedures relating to the disclosures on impairment testing included in the financial statements, looking specifically at the disclosure of assumptions that have the most significant effect on the determination of the recoverable amount of goodwill. In connection with this, we verified whether these disclosures are adequate and provide sufficient insight into the disclosed assumptions and sensitivities of the assumptions underlying the valuation.
- We performed sensitivity analysis on the assumptions used to determine the impact on the carrying values.

Report on the audit of the Financial Statements (contd)

3. Revenue recognition

Key Audit Matter

The Group's revenue is made up of sales of goods and services, management fees, interest income, dividend and rental income and revenue from sales of villas. Revenue is measured at the fair value of the consideration received or receivable after eliminating sales within the Group. We focussed on this area due to the significance value of revenue for the Group and the risk attached to the timing of recognition of revenue.

Related Disclosures

Refer to note 3 of the accompanying financial statements.

Audit Response

Our audit procedures to address the risk of material misstatement relating to revenue recognition included:

- An understanding of key controls management has in place to ensure that revenue is recognised in the appropriate period and in line with the respective terms and conditions.
- Testing the operating effectiveness of the key controls, the information used and management's review and approval of revenue recognised.
- Ensuring completeness of income through substantive tests performed, analytical review procedures and cut off tests on the revenue recognised.
- Obtained explanation from management on major variations noted.
- Obtained confirmation from component auditors on the revenues accounted at Group level and any major unadjusted items and weaknesses reported.
- Ensure all intergroup revenue are eliminated.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Interview with the Chief Executive Officer, Chief Finance Executive Report, Served Market Performance, Risk Management Report, Other Statutory Disclosures, Directors' Report, but does not include the financial statements and our auditors' report thereon.

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

Corporate Governance Report

Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance disclosed in the Integrated 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 Integrated Report, the public interest entity has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.

Independent Auditor's Report

Report on the audit of the Financial Statements (contd)

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, the Directors are responsible for assessing the Group 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 the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and 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 and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on the audit of the Financial Statements (contd)

Auditor's Responsibilities for the Audit of the Financial Statements (contd)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Companies Act 2001

We have no relationship with, or interests in, the Company or any of its subsidiaries, other than in our capacity as auditors, 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.

Other Matter

This report is made solely to the members of Rogers and Company Limited (the "Company"), as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members 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 members 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.

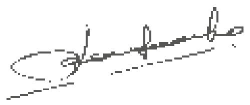
13 September 2019.

Ameenah Ramdin, FCCA, ACA

Licensed by FRC

Financial Statements

These financial statements have been approved for issue by the board of directors on 13 September 2019.



Jean-Pierre Montocchio

Chairman

Philippe Espitalier-Noël

Director & CEO

Primary Statements

STATEMENTS OF PROFIT OR LOSS

Year ended 30 June 2019

		GROUP		COMPANY	
In Rs million	NOTES	2019	2018	2019	2018
Revenue	3	10,297.0	9,390.0	739.2	734.1
Profit from operations before impairment losses and finance costs	4	1,382.5	1,045.7	398.3	393.1
Net impairment losses on financial assets		(60.4)	(8.2)	-	-
Finance costs	5	(567.8)	(550.4)	(170.9)	(163.7)
Fair value gains on investment properties	11	399.1	495.7	2.6	12.1
Share of results of jointly controlled entities	14	(21.5)	(11.7)	-	-
Share of results of associated companies	14	193.8	119.6	-	-
Profit before exceptional items		1,325.7	1,090.7	230.0	241.5
Exceptional items					
Excess of fair value of net assets over consideration price	6	9.2	79.0	-	-
Impairment of goodwill	6	(14.1)	(4.7)	-	-
(Loss) profit on disposal of group entities	6	(13.9)	29.5	276.8	53.4
Profit on sale of properties	6	6.7	117.0	-	-
Profit before taxation		1,313.6	1,311.5	506.8	294.9
Taxation	7	(204.4)	(189.6)	-	-
Profit for the year		1,109.2	1,121.9	506.8	294.9
Attributable to					
Owners of the parent		555.1	554.1		
Non-controlling interests		554.1	567.8		
Profit for the year		1,109.2	1,121.9		
Earnings per share	8	Rs2.20	Rs2.20		

The explanatory notes on pages 98 to 158 form an integral part of these financial statements.

Auditor's report on pages 87 to 91.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 30 June 2019

		GROUP		COMPANY	
In Rs million	NOTES	2019	2018	2019	2018
Profit for the year		1,109.2	1,121.9	506.8	294.9
Other comprehensive income					
Losses on property revaluation	9	-	(47.6)	-	-
Remeasurements of post employment benefit obligations	9	(14.6)	2.1	1.6	4.2
Losses arising on financial assets at fair value through other comprehensive income	9	(21.9)	-	(25.1)	-
Share of other comprehensive income of associated companies	9	262.7	(5.2)	-	-
Items that will not be reclassified to profit or loss		226.2	(50.7)	(23.5)	4.2
Exchange differences on translating foreign entities	9	19.6	(18.7)	-	-
Losses arising on fair value of available for sale financial assets	9	-	(46.1)	-	(56.8)
Share of other comprehensive income of jointly controlled entities	9	0.5	(0.3)	-	-
Share of other comprehensive income of associated companies	9	(18.7)	(223.4)	-	-
Items that may be reclassified subsequently to profit or loss		1.4	(288.5)	-	(56.8)
Other comprehensive income for the year		227.6	(339.2)	(23.5)	(52.6)
Total comprehensive income for the year		1,336.8	782.7	483.3	242.3

Attributable to			
Owners of the parent		773.2	266.9
Non-controlling interests		563.6	515.8
Total comprehensive income for the year		1,336.8	782.7

The explanatory notes on pages 98 to 158 form an integral part of these financial statements.

Auditor's report on pages 87 to 91.

STATEMENTS OF FINANCIAL POSITION

30 June 2019

		GROUP		COMPANY	
In Rs million	NOTES	30 June 2019	30 June 2018	30 June 2019	30 June 2018
ASSETS					
Non current assets					
Property, plant and equipment	10	9,829.5	9,414.8	15.9	21.1
Investment properties	11	12,773.9	11,626.1	149.7	141.0
Intangible assets	12	1,515.6	1,508.9	10.5	5.2
Investment in subsidiary companies	13	-	-	4,488.2	4,212.6
Investment in jointly controlled entities	14	144.1	145.2	-	-
Investment in associated companies	14	5,280.9	5,006.2	3,717.8	3,720.8
Financial assets at fair value through other comprehensive income	15	225.1	-	232.4	-
Financial assets at fair value through profit or loss	15	282.1	-	-	-
Investment in financial assets	15	-	558.1	-	263.5
Financial assets at amortised costs	16	53.6	52.5	376.1	75.9
Net investment in leases and other credit agreements	17	1,029.5	306.3	-	-
Deferred expenditure	18	337.1	314.5	-	-
Total non current assets		31,471.4	28,932.6	8,990.6	8,440.1
Current assets					
Consumable biological assets	19	77.9	77.3	-	-
Inventories	20	409.1	367.9	-	-
Prepayments		198.7	-	2.2	-
Net investment in leases and other credit agreements	17	699.5	188.4	-	-
Trade and other receivables	21	1,741.2	2,483.7	1.7	20.4
Amounts receivable from group companies	22	-	-	-	329.6
Financial assets at amortised costs	16	867.8	-	574.5	-
Bank balances and cash	33	1,100.6	1,466.6	2.8	12.5
Total current assets		5,094.8	4,583.9	581.2	362.5
Assets classified as held for sale	40	118.5	91.7	-	-
Total assets		36,684.7	33,608.2	9,571.8	8,802.6
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	23	1,260.2	1,260.2	1,260.2	1,260.2
Reserves	23	9,565.4	9,182.8	4,139.2	3,913.1
Equity attributable to owners of the parent		10,825.6	10,443.0	5,399.4	5,173.3
Non-controlling interests	24	8,644.4	8,472.2	-	-
Total equity		19,470.0	18,915.2	5,399.4	5,173.3
Non current liabilities					
Borrowings	27	10,095.2	9,594.2	2,150.0	2,553.5
Deferred tax liabilities	28	737.8	665.6	-	-
Retirement benefit obligations	29	200.2	184.2	10.5	11.8
Total non current liabilities		11,033.2	10,444.0	2,160.5	2,565.3
Current liabilities					
Borrowings	27	2,400.6	933.3	992.5	163.7
Trade and other payables	30	3,256.8	3,078.5	158.0	156.2
Liabilities related to contracts with customers	31	291.7	-	-	-
Amounts payable to group companies	32	-	-	695.0	585.3
Income tax liabilities		63.3	38.8	-	-
Dividends payable	26	166.4	158.8	166.4	158.8
Total current liabilities		6,178.8	4,209.4	2,011.9	1,064.0
Liabilities directly associated with assets classified as held for sale	40	2.7	39.6	-	-
Total liabilities		17,214.7	14,693.0	4,172.4	3,629.3
Total equity and liabilities		36,684.7	33,608.2	9,571.8	8,802.6

The explanatory notes on pages 98 to 158 form an integral part of these financial statements.

Auditor's report on pages 87 to 91.

STATEMENTS OF CHANGES IN EQUITY

Year ended 30 June 2019

GROUP In Rs million	NOTES	Share capital	Capital reserves	Revaluation reserves	Translation reserves	Retained earnings	Attributable to owners of the parent	Non-controlling interests	Total
At 1 July 2017		1,260.2	210.6	3,568.8	(0.4)	5,351.7	10,390.9	7,849.8	18,240.7
Effect on issue of shares		-	-	-	-	-	-	192.1	192.1
Dividends	26	-	-	-	-	(244.5)	(244.5)	(290.6)	(535.1)
Profit for the year		-	-	-	-	554.1	554.1	567.8	1,121.9
Other comprehensive income for the year	9	-	-	(44.4)	(183.0)	(59.8)	(287.2)	(52.0)	(339.2)
Transfers		-	(13.8)	25.0	-	(11.2)	-	-	-
Movement in non-distributable reserves	14	-	97.0	-	-	-	97.0	-	97.0
Adjustment of non-controlling interests' share of acquired goodwill	12	-	-	-	-	-	-	218.6	218.6
Changes in ownership interests in subsidiaries that do not result in a loss of control		-	-	-	-	(67.3)	(67.3)	(13.5)	(80.8)
At 30 June 2018		1,260.2	293.8	3,549.4	(183.4)	5,523.0	10,443.0	8,472.2	18,915.2
At 1 July 2018 (as previously stated)		1,260.2	293.8	3,549.4	(183.4)	5,523.0	10,443.0	8,472.2	18,915.2
Adjustment on initial application of IFRS 9 - Financial instruments	44	-	-	(27.9)	-	(21.5)	(49.4)	(23.5)	(72.9)
Adjustment on initial application of IFRS 15 - Revenue from contracts with customers	44	-	-	-	-	(44.9)	(44.9)	(155.8)	(200.7)
At 1 July 2018 (restated)		1,260.2	293.8	3,521.5	(183.4)	5,456.6	10,348.7	8,292.9	18,641.6
Effect on issue of shares		-	-	-	-	-	-	72.6	72.6
Dividends	26	-	-	-	-	(257.1)	(257.1)	(295.9)	(553.0)
Profit for the year		-	-	-	-	555.1	555.1	554.1	1,109.2
Other comprehensive income for the year	9	-	-	26.2	(22.4)	214.3	218.1	9.5	227.6
Transfers		-	2.9	(21.2)	(16.6)	34.9	-	-	-
Movement in non-distributable reserves	14	-	(28.0)	-	-	-	(28.0)	-	(28.0)
Changes in ownership interests in subsidiaries that do not result in a loss of control	25	-	-	-	-	(11.2)	(11.2)	11.2	-
At 30 June 2019		1,260.2	268.7	3,526.5	(222.4)	5,992.6	10,825.6	8,644.4	19,470.0

COMPANY In Rs million	NOTES	Share capital	Revaluation reserves	Retained earnings	Total
At 1 July 2017		1,260.2	219.9	3,695.4	5,175.5
Dividends	26	-	-	(244.5)	(244.5)
Profit for the year		-	-	294.9	294.9
Other comprehensive income for the year	9	-	(56.8)	4.2	(52.6)
At 30 June 2018		1,260.2	163.1	3,750.0	5,173.3
At 1 July 2018 (as previously stated)		1,260.2	163.1	3,750.0	5,173.3
Adjustment on initial application of IFRS 9 - Financial instruments	44	-	-	(0.1)	(0.1)
At 1 July 2018 (restated)		1,260.2	163.1	3,749.9	5,173.2
Dividends	26	-	-	(257.1)	(257.1)
Profit for the year		-	-	506.8	506.8
Other comprehensive income for the year	9	-	(25.1)	1.6	(23.5)
At 30 June 2019		1,260.2	138.0	4,001.2	5,399.4

The explanatory notes on pages 98 to 158 form an integral part of these financial statements.

Auditor's report on pages 87 to 91.

STATEMENTS OF CASH FLOWS

Year ended 30 June 2019

		GROUP		COMPANY	
In Rs million	NOTES	2019	2018	2019	2018
OPERATING ACTIVITIES					
Cash generated from (absorbed by) operations	34	9.9	1,036.6	(80.3)	(104.7)
Income tax paid		(94.1)	(103.0)	-	-
Net cash flow (used in) from operating activities		(84.2)	933.6	(80.3)	(104.7)
INVESTING ACTIVITIES					
Dividends received		134.8	111.1	465.6	341.0
Deposit on investments		-	-	(295.7)	-
Purchase of financial assets		-	(45.2)	-	(399.9)
Proceeds from sale of financial assets at fair value through other comprehensive income		10.4	-	-	-
Proceeds from sale of financial assets at fair value through profit and loss		33.1	-	-	-
Proceeds from assets held for sale		53.2	-	-	-
Proceeds on disposal of associated companies		1.3	-	1.3	-
Proceeds from sale of financial assets		-	155.7	-	115.9
Interest received		86.8	9.0	16.8	24.8
Difference in exchange		8.7	4.1	-	-
Purchase of investment property and property, plant and equipment		(1,034.8)	(837.4)	(9.7)	(6.5)
Proceeds from sale of investment property and property, plant and equipment		39.2	328.4	0.8	1.0
Purchase of intangible assets		(40.5)	(31.4)	(5.7)	(1.4)
Loans granted		-	-	(198.9)	(457.4)
Loans recovered		-	16.2	315.5	804.7
Purchase of investment in jointly controlled entities and associated companies		(128.4)	(53.1)	-	-
Acquisition of subsidiaries net of cash	35	(109.9)	(410.2)	-	-
Deconsolidation of subsidiaries net of cash	36	2.2	296.5	-	-
Net cash flow (used in) from investing activities		(943.9)	(456.3)	290.0	422.2
FINANCING ACTIVITIES					
Proceeds from borrowings		2,855.6	5,134.8	188.3	839.0
Repayment of borrowings		(1,394.8)	(4,265.4)	(255.5)	(1,309.8)
Interest paid		(561.1)	(552.7)	(170.9)	(174.3)
Dividends paid to shareholders of Rogers and Company Limited		(249.5)	(236.9)	(249.5)	(236.9)
Dividends paid to outside shareholders of subsidiary companies		(179.8)	(213.8)	-	-
Proceeds from issue of shares by subsidiary companies to non-controlling interests		35.5	103.0	-	-
Net cash flow from (used in) financing activities		505.9	(31.0)	(487.6)	(882.0)
Net (decrease) increase in cash and cash equivalents		(522.2)	446.3	(277.9)	(564.5)
Cash and cash equivalents - opening		866.5	431.4	(564.4)	0.1
Effects of exchange rate on cash and cash equivalents		(9.1)	(11.2)	-	-
Cash and cash equivalents - closing	33	335.2	866.5	(842.3)	(564.4)

The explanatory notes on pages 98 to 158 form an integral part of these financial statements.

Auditor's report on pages 87 to 91.

Basis of Preparation

EXPLANATORY NOTES

30 June 2019

1. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted are as follows:

(a) Basis of preparation

The financial statements comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). These policies have been consistently applied to all the periods presented, unless otherwise stated and where necessary, comparative figures have been amended. The financial statements include the consolidated financial statements of the parent company and its subsidiary companies (The Group) and the separate financial statements of the parent company (The Company). The financial statements are presented in Mauritian Rupees and all values are rounded to nearest million (Rs million), except when otherwise indicated.

The financial statements are prepared under the historical cost convention except that:

- land and buildings are carried at revalued amounts
- investment properties are stated at fair value
- financial assets at fair value through other comprehensive income are carried at fair value (30 June 2018: available for sale financial assets)
- financial assets at fair value through profit or loss are carried at fair value (30 June 2018: available for sale financial assets)
- other financial assets are stated at fair value or amortised costs, where applicable
- consumable biological assets are valued at fair value
- financial liabilities are stated at fair value or amortised costs, where applicable

Note 1 sets out the Group's accounting policies that relate to the financial statements as a whole. Where an accounting policy is specific to one note, the policy is described in the note to which it relates.

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

The following Standards, Amendments to published Standards and Interpretations are effective in the reporting period and are not expected to have any impact on the Group's financial statements, except for IFRS 9 - Financial instruments and IFRS 15 - Revenue from contracts with customers.

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of IFRS 9 Financial instruments from 1 July 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. This has fundametally changed the Group's accounting for loss impairment of its financial assets by replacing IAS 39 incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Group to record an allowance for ECLs for all its financial assets not held at fair value through profit or loss together with loans and finance lease commitments. The new accounting policies are set out in notes 15, 16, 17 and 21. The Group has elected to apply the exemption in IFRS 9 paragraph 7.2.15 not to restate prior periods in the year of initial application of the Standard. The Group has chosen to adopt the simplified expected credit loss model for trade receivables in accordance with IFRS 9 paragraph 5.5.15 and the general approach expected credit loss model for its net investments in short term loans, net investment in finance lease and net investments in hire purchase in accordance with IFRS 9 paragraph 5.5.1.

IFRS 15 Revenue from contracts with customers is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The Group has adopted IFRS 15 Revenue from contracts with customers with effect from 1 July 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. The new accounting policies are set out in note 3. In accordance with the transition provisions in IFRS 15, the Group has not restated comparatives for the financial year 2018.

To reflect the differences between IFRS 9 and IAS 39, IFRS 7 Financial Instruments: Disclosures was updated, and the Group has adopted it, together with IFRS 9, for the year beginning 1 July 2018. Changes include transition disclosures as shown in Note 44, detailed qualitative and quantitative information about the ECL calculations such as the assumptions and inputs used are set out in Note 44. Reconciliations from opening to closing ECL allowances are presented in Notes 17 and 21. IFRS 7 also requires additional and more detailed disclosures for hedge accounting even for entities opting to continue to apply the hedge accounting requirements of IAS 39.

Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2). The amendment clarifies the measurement basis for cash-settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. The amendment has no impact on the Group's financial statements.

Applying IFRS 9 Financial instruments with IFRS 4 Insurance contracts (Amendments to IFRS 4). The amendment provides two different solutions for insurance companies: a temporary exemption from IFRS 9 for entities that meet specific requirements (applied at the reporting entity level), and the 'overlay approach'. Both approaches are optional. The amendment has no impact on the Group's financial statements.

1. PRINCIPAL ACCOUNTING POLICIES (CONTD)

(a) Basis of preparation (contd)

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

Annual Improvements to IFRSs 2014–2016 Cycle

IFRS 1 - deleted short-term exemptions covering transition provisions of IFRS 7, IAS 19 and IFRS 10 which are no longer relevant.

IAS 28 - clarifies that the election by venture capital organisations, mutual funds, unit trusts and similar entities to measure investments in associates or joint ventures at fair value through profit or loss should be made separately for each associate or joint venture at initial recognition. The amendment has no impact on the Group's financial statements.

IFRIC 22 Foreign Currency Transactions and Advance Consideration. The interpretation clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts. The amendment has no impact on the Group's financial statements.

Transfers of Investment Property (Amendments to IAS 40). The amendment clarifies that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer. The amendment has no impact on the Group's financial statements.

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 the Group's accounting periods beginning on or after 1 July 2019 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:

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

IFRS 16 Leases

IFRS 17 Insurance contracts

IFRIC 23 Uncertainty over Income Tax Treatments

Prepayment Features with negative compensation (Amendments to IFRS 9)

Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)

Annual Improvements to IFRSs 2015–2017 Cycle

Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)

Definition of a Business (Amendments to IFRS 3)

Definition of Material (Amendments to IAS 1 and IAS 8)

IFRS 16 - Leases will replace the existing lease standards, IAS 17 Leases. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17.

IFRS 16, is effective for accounting periods beginning on or after 1 January 2019 and will be adopted by the Group on 1 July 2019. The Group will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application 1 July 2019. Accordingly, the Group will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on 1 July 2019. On that date, the Group will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the Standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at 1 July 2019. In accordance with the standard, the Group will elect not to apply the requirements of IFRS 16 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Group will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Group will recognise with effect from 1 July 2019 new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to (a) amortisation charge for the right-of-use asset, and (b) interest accrued on lease liability.

The Group is currently evaluating the impact of IFRS 16 on its financial statements.

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.

EXPLANATORY NOTES

30 June 2019

1. PRINCIPAL ACCOUNTING POLICIES (CONTD)

(b) Principles of consolidation

The consolidated financial statements include the Company, its subsidiaries, jointly controlled entities and associated companies. The results of subsidiaries, jointly controlled entities and associated companies acquired or disposed of during the year are included in the consolidated Statements of Profit or Loss and Statements of Profit or Loss and Other Comprehensive Income from the date of their acquisition or up to the date of their disposal. The consolidated financial statements have been prepared in accordance with the acquisition method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred. Acquisition-related costs are expensed as incurred. The excess of the cost of acquisition over the fair value of the net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets acquired, the difference is recognised in the Statements of Profit or Loss of the current year. The consideration for the acquisition includes contingent consideration arrangement. Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value, with the resulting gain or loss recognised in Statements of Profit or Loss. Amounts previously recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest was disposed. Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised in equity attributable to owners of the Company. When the Group disposes or loses control of a subsidiary, the profit or loss is calculated as the difference between the consideration received, grossed up for any non-controlling interest, and the fair value of assets (including goodwill) and liabilities. Amounts previously recognised in other comprehensive income are reclassified to profit or loss.

In preparing consolidated financial statements, the Group combines the financial statements of the parent and its subsidiaries on a line by line by adding together like items of assets, liabilities, equity, income and expenses. Intragroup balances and transactions, including income, expenses and dividends are eliminated in full.

Subsidiaries are all entities, including structured entities, over which the Group has control. The Group controls an entity when it 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.

(c) Impairment of non-financial assets

If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation decrease to the extent of the corresponding revaluation surplus. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, provided that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(d) Impairment of financial assets

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

(e) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Mauritian Rupees, which is the Group's functional and presentation currency. Foreign currency transactions are translated into Mauritian Rupees using exchange rates prevailing at 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 the Statements of Profit or Loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as financial assets at fair value through other comprehensive income, are included in other comprehensive income.

The results and financial position of the Group entities that have a functional currency different from Mauritian Rupee are translated into the presentation currency as follows:

- Assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the reporting date.
- Income and expenses for each Statement of Profit or Loss are translated at average exchange rates.

All resulting exchange differences are recognised in other comprehensive income.

On disposal of foreign entities, such translation differences are recognised in the Statements of Profit or Loss as part of the gain or loss.

(f) Derivative financial instruments

Derivative which comprise foreign exchange forward contracts are initially recognised at fair value on the dates the derivatives contracts are entered into and are subsequently re-measured at their fair value. These derivatives do not qualify for hedge accounting. Changes in the fair value of derivatives are recognised immediately in the profit or loss. These derivatives are trading derivatives and are classified as current asset or liability. Changes in fair values of derivatives are included in the profit or loss within finance costs.

(g) Assets classified as held for sale

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 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 described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

1. PRINCIPAL ACCOUNTING POLICIES (CONTD)

(h) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statements of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(i) Comparatives

Where necessary, comparative figures have been amended to conform with changes in presentation or in accounting policies in the current year.

(j) Significant accounting judgements and estimates

The preparation of the financial statements requires that management makes estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Revisions to accounting estimates are recognised in the period in which the estimates are incorporated and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are outlined in the relevant note.

2. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group covers to the extent possible exposures through certain hedging operations. Written principles have been established for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investing excess liquidity.

The Group operates internationally and is exposed to foreign exchange risk arising from various major currencies. Group's entities use forward contracts, whenever possible, to hedge their exposure to foreign currency risk. Each subsidiary is responsible for hedging the net position in each currency by using currency borrowings.

Exposure in major currencies are as follows:

	GROUP					COMPANY
In Rs million	EURO	USD	GBP	Rs & others	Total	Rs & others
30 June 2018						
Non current financial assets	-	55.1	-	861.8	916.9	339.4
Non current financial liabilities	(1,298.8)	(541.0)	(53.4)	(7,701.0)	(9,594.2)	(2,553.5)
Long term exposure	(1,298.8)	(485.9)	(53.4)	(6,839.2)	(8,677.3)	(2,214.1)
Current financial assets	748.1	378.0	32.2	2,843.0	4,001.3	354.7
Current financial liabilities	(496.7)	(962.8)	-	(2,552.3)	(4,011.8)	(905.2)
Short term exposure	251.4	(584.8)	32.2	290.7	(10.5)	(550.5)
Total exposure	(1,047.4)	(1,070.7)	(21.2)	(6,548.5)	(8,687.8)	(2,764.6)
30 June 2019						
Non current financial assets	-	56.2	-	1,534.1	1,590.3	608.5
Non current financial liabilities	(1,051.7)	(465.0)	(33.0)	(8,545.5)	(10,095.2)	(2,150.0)
Long term exposure	(1,051.7)	(408.8)	(33.0)	(7,011.4)	(8,504.9)	(1,541.5)
Current financial assets	736.0	456.4	16.3	3,200.4	4,409.1	579.0
Current financial liabilities	(505.4)	(1,197.8)	-	(4,245.9)	(5,949.1)	(1,845.5)
Short term exposure	230.6	(741.4)	16.3	(1,045.5)	(1,540.0)	(1,266.5)
Total exposure	(821.1)	(1,150.2)	(16.7)	(8,056.9)	(10,044.9)	(2,808.0)

The sensitivity of the net result for the year and equity with regards to the Group's financial assets and liabilities and the EURO to Rupee, USD to Rupee and GBP to Rupee exchange rate is shown in note 2(a).

Results for the Year

EXPLANATORY NOTES

30 June 2019

2. FINANCIAL RISK MANAGEMENT (CONTD)

(a) Foreign exchange risk

If Rupee had strengthened/weakened by 1% against EURO, USD and GBP the financial impact will be as follows:

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Net result for the year (+ / -)	19.9	21.4	-	-
Equity (+ / -)	19.9	21.4	-	-

(b) Interest rate risk

The Group's income and operating cash flows are influenced by changing market interest rates. The Group's borrowings and lendings are contracted at variable rates.

The sensitivity of the net result for the year and equity to a possible change in interest rates of + or - 0.25%, with effect from the beginning of the year is shown below.

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Net result for the year (+ / -)	31.2	26.3	7.9	6.8
Equity (+ / -)	31.2	26.3	7.9	6.8

(c) Credit risk

The Group's credit risk arises mainly from leases and other credit facilities made to customers, financial assets carried at amortised costs, trade receivables and cash and cash equivalents. In view of managing its credit risks, the Group has an established credit policy whereby new customers are individually analysed for credit worthiness for each business activity before offering any standard payment delivery terms and conditions. Customers that fail to meet the Group's benchmark credit worthiness may transact with the Group upon lodging of a bank guarantee as a security document or strictly prepaid basis.

The maximum exposure to credit risks at the reporting date is the fair value of the receivables.

(d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities from financial institutions. Due to the dynamic nature of the underlying businesses, Group treasury aims at maintaining flexibility in funding by keeping committed credit facilities with banks.

(e) Derivative financial instruments

At 30 June 2019, the Group had foreign exchange contracts for a notional amount of Rs 537.1m (2018: Rs 320.5m) and a corresponding fair value of Rs 536.1m (2018: Rs 312.5m).

(f) Capital risk management

The Group and the Company aim at distributing an adequate dividend whilst ensuring that sufficient resources are maintained to continue as a going concern and for expansion. The ratio of debt to equity is used to manage capital risk and is kept below 0.75.

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Debt	12,495.8	10,527.5	3,142.5	2,717.2
Equity	19,470.0	18,915.2	5,399.4	5,173.3
Debt/equity ratio	0.64	0.56	0.58	0.53

(g) Sensitivity analysis - equity price risk

The Group is exposed to equity-price risk mainly because of its strategic investments in equity listed companies on the Stock Exchange of Mauritius. The investments are held for medium term and are exposed to fluctuations in the equity market. A 5% increase (decrease) in the relevant equity prices will increase (decrease) equity by Rs 6.2m (2018: Rs 8.4m).

Our process as regards to the risk associated with these investments is a monitoring of the entities' annual financial performance and the analysis of their return on investment.

3. REVENUE

Accounting policy

Revenue from contracts with customers

Performance obligations and timing of revenue recognition

The Group has identified four served markets namely FinTech, Hospitality, Logistics and Property which contribute in generating most of its revenue from contracts with customers. Revenue from customers includes both sales of goods and sales of services made to customers. The FinTech served market is highly involved in the provision of services relating to actuarial businesses, asset management, global businesses, hire purchase and leasing businesses, information technology and payroll. The Hospitality served market sells activities relating to boat cruises, catamaran, sightseeing, golf course, GSA of airlines, hotel and spa services, online tour operators and travel agency. The Logistics served market provides courier services, freight forwarding, packing of special sugars, port related and transport services, shipping services and warehousing. The Property served market engages itself in agriculture and leisure activities, construction and sale of villas, property investment and rental pool management company.

Other than revenue from sale of villas, all revenue generated from the sale of goods and sale of services defined above are recognised at a point in time when the control of the goods or services rendered is actually transferred to the customer. This is generally when the goods or services are delivered to the customer.

The Group sells villas to customers with revenue recognised on an over time basis. The transfer of the land and villa is one performance obligation as the Group provides a significant service of integrating the land and the villa into a combined output in the context of the agreement. The Group recognises revenue from the sale of property under construction over time, based on percentage of work completed, as it has an enforceable right to payment for performance completed to date and the asset created by the Group's performance does not have an alternative use to the Group.

Determining transactions price

The transaction price of the Group's revenue streams is mostly 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.

Allocating amounts to performance obligations

Each contract has a fixed price which is correspondingly allocated to the performance obligations.

Other revenues earned by the Group are recognised on the following bases:

Management fees

Management fees are recognised as and when the services are provided.

Interest income

Interest income is recognised in a time-proportion basis using the effective interest method. This method uses the effective interest rate (EIR) that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Fees that the Group considers to be an integral part of these financial instruments are recognised in the EIR. Earnings from finance leases are recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted as interest income. Interest income on impaired financial instruments is recognised either as cash is collected or on a cost-recovery basis as conditions warrant.

Fees and commissions

Discounts received from merchants on financing of credit agreements are initially recognised and presented in other liabilities in the Statements of Financial Position. The release to profit or loss is recognised in fee and commission income in the Statements of Profit or Loss. Merchant discount is recognised over the period of time in line with the credit facility provided to the customers. Otherwise, commission accrues when the service is provided and billable. Other fees and commission income are recognised as the related services are performed.

Dividend income

Dividend income accrues when the shareholders' right to receive payment is established.

Rental income

Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreements with its tenants.

EXPLANATORY NOTES

30 June 2019

3. REVENUE (CONTD)

In Rs million	GROUP 2019	GROUP 2018	COMPANY 2019	COMPANY 2018
Revenue is made up of				
Sales of goods	1,647.2	1,263.6	-	-
Sales of services	7,942.1	7,504.6	-	-
Revenue from contracts with customers	9,589.3	8,768.2	-	-
Fees and commissions	301.5	279.8	-	-
Other income	289.2	258.7	227.5	217.3
Rental income - Operating leases	5.6	1.1	-	-
- Others	14.3	35.4	27.4	51.3
Investment income from equity investments in financial assets at fair value through profit or loss	1.7	-	-	-
Investment income from equity investments in financial assets at fair value through other comprehensive income held at reporting period	6.1	26.3	6.1	16.2
Investment income from subsidiaries, jointly controlled entities and associates	-	-	459.1	430.7
Interest income*	89.3	20.5	19.1	18.6
Total revenue	10,297.0	9,390.0	739.2	734.1

Disaggregation of revenue has been disclosed as part of note 43 Business Segments.

*Total interest income on financial assets measured at amortised costs for the year.

4. PROFIT FROM OPERATIONS BEFORE IMPAIRMENT LOSSES AND FINANCE COSTS

In Rs million	GROUP 2019	GROUP 2018	COMPANY 2019	COMPANY 2018
Revenue (note 3)	10,297.0	9,390.0	739.2	734.1
Sundry income	5.5	11.0	0.6	0.4
Total income	10,302.5	9,401.0	739.8	734.5
Changes in inventories of finished goods and work in progress	41.2	89.6	-	-
Cost of raw materials, consumables and outsourced services	(4,423.3)	(3,844.0)	-	-
Employee benefits expense:				
Wages, salaries and related expense	(2,387.6)	(2,142.3)	(178.1)	(154.8)
Pension plans and other retirement benefit costs	(103.3)	(110.8)	(18.5)	(17.4)
Depreciation and amortisation	(564.9)	(423.6)	(9.1)	(11.2)
Foreign exchange differences	70.9	91.2	-	-
Fair value gain from equity instruments in financial assets at fair value through profit or loss	2.4	-	-	-
Other expenses and services including professional services	(1,555.4)	(2,015.4)	(135.8)	(158.0)
Profit from operations before finance costs	1,382.5	1,045.7	398.3	393.1

5. FINANCE COSTS

Accounting policy

Finance costs comprise interest on borrowings using the effective interest method or the contractual rate and accrue to the period end.

In Rs million	GROUP 2019	GROUP 2018	COMPANY 2019	COMPANY 2018
The finance costs are on				
Bank overdrafts	34.8	32.9	0.5	1.6
Bank loans & other loans repayable by instalments	400.5	335.1	21.6	15.2
Bank loans & other loans not repayable by instalments	127.3	175.9	148.8	146.9
Finance leases	5.2	6.5	-	-
Total finance costs	567.8	550.4	170.9	163.7

6. EXCEPTIONAL ITEMS

Accounting policy

Exceptional items are material items of income or expense that have been disclosed separately in the Statements of Profit or Loss to clarify understanding of financial performance.

In Rs million	GROUP 2019	GROUP 2018	COMPANY 2019	COMPANY 2018
Excess of fair value of net assets over consideration price (see (a))	9.2	79.0	-	-
Impairment of goodwill (see note (b))	(14.1)	(4.7)	-	-
(Loss) profit on disposal of group entities (see (c))	(13.9)	29.5	276.8	53.4
Profit on sale of properties (see (d))	6.7	117.0	-	-
Total exceptional items	(12.1)	220.8	276.8	53.4

(Losses) profit in 2019 arose mainly from:

(a) the excess of fair valuation of net assets over consideration price following the acquisition of the additional 50% holding in Floreal Commercial Centre Ltd by Ascencia Limited, a subsidiary company. Floreal Commercial Centre Ltd is henceforth consolidated as a subsidiary as opposed to investment in jointly controlled entity in previous years.

(b) Impairment of goodwill in a subsidiary company, Islandian SARL.

(c) (i) the disposal of its investment in the subsidiary, Island Living Ltd by the Company; and
(ii) the disposal of its investment in the subsidiary, Yacht Management Ltd and investment in the associated company, Blue Frog Holding Limited.

(d) the disposal of properties by Cie Sucrière de Bel Ombre Ltd, a subsidiary company.

7. TAXATION

Accounting policy

The tax expense 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 recognised on temporary differences arising between the expected tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction which affects neither the accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets have been recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

EXPLANATORY NOTES

30 June 2019

7. TAXATION (CONTD)

Accounting policy (contd)

Corporate Social Responsibility (CSR)

Every Mauritian company is required to set up a CSR fund equivalent to 2% of its chargeable income of the preceding year and the company should remit 75% of the fund respectively to the Mauritian Tax Authorities. This practice is being interpreted and CSR is classified as taxation.

Significant accounting judgements and estimates

In determining the amount of current and deferred tax, the Group relies on estimates and assumptions and may involve a series of judgements about future events. Assumptions are made about the application of income tax legislation. These assumptions are subject to risk and uncertainty and there is a possibility that changes in circumstances will alter expectations which may impact the amount of deferred tax assets, liabilities and provision for income taxes recorded in the Statements of Financial Position. In these circumstances the carrying amount of deferred tax assets, liabilities and provision for income taxes may change, impacting the profit or loss of the Group.

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Provision for the year (15% - 35%) - (2018: 15% - 35%)	129.5	102.7	-	-
Corporate Social Responsibility (2%)	1.6	9.0	-	-
Under provision in previous years	0.7	5.9	-	-
Movement in deferred taxation (note 28)	72.6	72.0	-	-
Taxation for the year	204.4	189.6	-	-

The effective tax rate differs from that determined by applying the statutory income tax rate to profit before taxation. This is due primarily to different tax rates, investment allowance, non-deductible expenses, tax exempt income, tax credit income and unused tax losses.

	GROUP		COMPANY	
	2019	2018	2019	2018
	%	%	%	%
Reconciliation of effective tax rate is as follows				
Tax rate applicable	15.0	15.0	15.0	15.0
Corporate Social Responsibility tax	0.1	0.9	-	-
Allowable and non-allowable tax items	(10.2)	(10.2)	(15.1)	(18.5)
Recognised tax losses	(5.2)	(4.5)	-	-
Unrecognised tax losses	9.4	11.9	0.1	3.5
Difference between local tax rate and other rates	2.0	1.2	-	-
Deferred tax impact	6.6	4.9	-	-
Effective tax rate	17.7	19.2	-	-

8. EARNINGS PER SHARE

Accounting policy

Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

GROUP In Rs million	2019	2018
Profit attributable to owners of the parent	555.1	554.1
Adjustments for exceptional items	21.3	(155.4)
Profit attributable to the owners of the parent before exceptional items	576.4	398.7
Number of shares in issue	252,045,300	252,045,300
Earnings per share (in Rs)	2.20	2.20
Earnings per share (excluding exceptional items) (in Rs)	2.29	1.58

9. OTHER COMPREHENSIVE INCOME

GROUP In Rs million	Revaluation reserves	Translation reserves	Retained earnings	Attributable to owners of the parent	Non-controlling interests	Total
30 June 2019						
(Losses) gains on financial assets at fair value through other comprehensive income	(22.5)	-	-	(22.5)	0.6	(21.9)
Losses arising during the year (note 29)	-	-	(6.0)	(6.0)	(9.0)	(15.0)
Deferred tax on post employement benefit obligations (note 28)	-	-	0.4	0.4	-	0.4
Remeasurement of post employment benefit obligations	-	-	(5.6)	(5.6)	(9.0)	(14.6)
Share of other comprehensive income of associated companies (note 14)	48.7	-	214.0	262.7	-	262.7
Other comprehensive income that will not be reclassified to profit or loss	26.2	-	208.4	234.6	(8.4)	226.2
Exchange differences on translating foreign entities	-	2.1	-	2.1	17.5	19.6
Share of other comprehensive income of jointly controlled entities (note 14)	-	0.1	-	0.1	0.4	0.5
Share of other comprehensive income of associated companies (note 14)	-	(24.6)	5.9	(18.7)	-	(18.7)
Other comprehensive income that may be reclassified subsequently to profit or loss	-	(22.4)	5.9	(16.5)	17.9	1.4
Other comprehensive income for the year ended 30 June 2019	26.2	(22.4)	214.3	218.1	9.5	227.6

EXPLANATORY NOTES

30 June 2019

9. OTHER COMPREHENSIVE INCOME (CONTD)

GROUP In Rs million	Revaluation reserves	Translation reserves	Retained earnings	Attributable to owners of the parent	Non-controlling interests	Total
30 June 2018						
Losses arising during the year	(17.2)	-	-	(17.2)	(33.5)	(50.7)
Deferred tax on revaluation of properties	2.4	-	-	2.4	0.7	3.1
Losses on property revaluation	(14.8)	-	-	(14.8)	(32.8)	(47.6)
Gains (losses) arising during the year (note 29)	-	-	4.0	4.0	(2.3)	1.7
Deferred tax on post employment benefit obligations (note 28)	-	-	(0.3)	(0.3)	0.7	0.4
Remeasurement of post employment benefit obligations	-	-	3.7	3.7	(1.6)	2.1
Share of other comprehensive income of associated companies	(1.7)	-	(3.5)	(5.2)	-	(5.2)
Other comprehensive income that will not be reclassified to profit or loss	(16.5)	-	0.2	(16.3)	(34.4)	(50.7)
Exchange differences on translating foreign entities	-	(9.5)	(2.7)	(12.2)	(6.5)	(18.7)
Losses arising on fair value of available for sale financial assets	(35.2)	-	-	(35.2)	(10.9)	(46.1)
Share of other comprehensive income of jointly controlled entities	-	(0.1)	-	(0.1)	(0.2)	(0.3)
Share of other comprehensive income of associated companies	7.3	(173.4)	(57.3)	(223.4)	-	(223.4)
Other comprehensive income that may be reclassified subsequently to profit or loss	(27.9)	(183.0)	(60.0)	(270.9)	(17.6)	(288.5)
Other comprehensive income for the year ended 30 June 2018	(44.4)	(183.0)	(59.8)	(287.2)	(52.0)	(339.2)

COMPANY In Rs million	Revaluation reserves	Retained earnings	Total
30 June 2019			
Losses on financial assets at fair value through other comprehensive income (note 15)	(25.1)	-	(25.1)
Gains arising on remeasurement of post employment benefit obligations (note 29)	-	1.6	1.6
Other comprehensive income that will not be reclassified to profit or loss	(25.1)	1.6	(23.5)
Other comprehensive income for the year ended 30 June 2019	(25.1)	1.6	(23.5)
30 June 2018			
Gains arising on remeasurement of post employment benefit obligations (note 29)	-	4.2	4.2
Other comprehensive income that will not be reclassified to profit or loss	-	4.2	4.2
Losses arising on fair value of available for sale financial assets (note 15)	(56.8)	-	(56.8)
Other comprehensive income that may be reclassified subsequently to profit or loss	(56.8)	-	(56.8)
Other comprehensive income for the year ended 30 June 2018	(56.8)	4.2	(52.6)

10. PROPERTY, PLANT AND EQUIPMENT

Accounting policy

Property, plant and equipment is stated at cost, except for land and buildings, net of accumulated depreciation and accumulated impairment losses, if any.

Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statements of Profit or Loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statements of Profit or Loss when the asset is derecognised.

Land and buildings held for use in the production or supply of goods or services or for administrative purposes, are stated in the Statements of Financial Position at fair value based on valuation performed normally every three years.

The Group accounts for land and buildings at fair value based on revaluation exercise carried out by qualified independent valuers in June 2017. All fair valuations are categorised in 'level 3' as per IFRS 13 definition.

The fair value of land and buildings is arrived by using the Market Value Approach.

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

Bearer biological assets comprise replantation costs relating to bearer canes and anthurium plants. Cane replantation costs are capitalised and amortised over a period of seven years, one year after the expenses have been incurred. Anthurium plants are valued at cost less amortisation.

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

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in the Statements of Profit or Loss.

When revalued assets are sold, the corresponding amounts included in revaluation reserves are transferred to retained earnings.

Depreciation

Freehold land is not depreciated. Depreciation on property, plant and equipment is calculated on the straight line method to write off the cost or revalued amounts of the assets to their residual values as follows:

	%
Buildings	2 - 4
Hotel buildings	3 - 4
Plant & equipment	15 - 100
Vehicles	15 - 25
Bearer plants	14

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

Borrowing costs

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised during the period of time that is required to complete and prepare the asset for its intended use, as part of the cost of the asset.

All other borrowing costs are expensed in the year they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

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10. PROPERTY, PLANT AND EQUIPMENT (CONTD)

Significant accounting judgements and estimates

Revaluation exercise is normally carried out every 3 years by Independent Qualified Valuers. Their assumptions are generally based on the value determinants affecting market conditions at the relevant time.

The techniques used are as follows:

- Where there are a significant number of similar transactions on the market, the market sales comparison approach are usually based upon to determine the open market values of both the land, freehold or leasehold and the buildings as well as the built-up improvements.
- For properties which are not regularly transacted on the open market, more particularly specialised properties, the depreciated replacement cost approach is used for the buildings and built-up improvements and the market sales comparison approach for the land component.
- For the unimproved sites, the basis of valuation remains the market sales approach, assuming the amount for which this asset could be exchanged between knowledgeable willing parties in an arm's length transaction.
- The estimates in relation to bearer biological assets include the cost of land preparation and planting costs of bearer canes and anthurium plants.

Estimate of useful lives and residual value

Residual value assessments consider issues such as future market conditions, the remaining lives of the assets and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

The depreciation and amortisation charge calculation require an estimate of the economic useful lives of the different assets. The Group uses historical experience and comparable market available data to determine useful lives.

GROUP In Rs million	Land and buildings	Plant and equipment	Vehicles	Bearer plants	Total
Cost or valuation					
At 1 July 2017	8,216.3	2,726.3	353.8	89.0	11,385.4
Additions	462.6	308.4	55.8	-	826.8
Disposals	(27.7)	(144.1)	(22.1)	(6.0)	(199.9)
Revaluation adjustment	(50.7)	-	-	-	(50.7)
Acquisition of subsidiaries	43.5	91.1	20.0	-	154.6
At 30 June 2018	8,644.0	2,981.7	407.5	83.0	12,116.2
Additions	434.7	397.2	53.3	-	885.2
Disposals	(16.6)	(194.4)	(33.3)	-	(244.3)
Impairment	-	(3.9)	-	-	(3.9)
Exchange differences	2.0	0.5	-	-	2.5
At 30 June 2019	9,064.1	3,181.1	427.5	83.0	12,755.7
Depreciation					
At 1 July 2017	66.7	2,019.0	222.7	67.1	2,375.5
Charge for the year	133.9	207.0	49.5	3.9	394.3
Disposal adjustment	(2.3)	(115.5)	(16.5)	-	(134.3)
Acquisition of subsidiaries	12.3	45.3	8.3	-	65.9
At 30 June 2018	210.6	2,155.8	264.0	71.0	2,701.4
Charge for the year	145.1	231.3	48.6	3.0	428.0
Disposal adjustment	-	(171.1)	(28.4)	-	(199.5)
Impairment	-	(3.9)	-	-	(3.9)
Exchange differences	-	0.2	-	-	0.2
At 30 June 2019	355.7	2,212.3	284.2	74.0	2,926.2
Carrying value					
At 30 June 2019	8,708.4	968.8	143.3	9.0	9,829.5
At 30 June 2018	8,433.4	825.9	143.5	12.0	9,414.8
Carrying value of assets pledged					
At 30 June 2019	8,076.9	808.3	125.2	-	9,010.4
At 30 June 2018	7,671.9	685.1	121.9	-	8,478.9

(a) Additions include Rs 26.2 m (2018: Rs 16.2m) of assets held under finance leases.

(b) The Group accounts for land and buildings at revalued amounts derived from a revaluation exercise carried out by qualified independent valuers on a periodic basis. The last revaluation was made in June 2017.

10. PROPERTY, PLANT AND EQUIPMENT (CONTD)

COMPANY In Rs million	Land and buildings	Plant and equipment	Vehicles	Total
Cost or valuation				
At 1 July 2017	3.7	172.9	42.9	219.5
Additions	-	3.4	2.3	5.7
Disposals	-	(1.0)	(2.8)	(3.8)
At 30 June 2018	3.7	175.3	42.4	221.4
Additions	-	2.4	1.3	3.7
Disposals	-	(61.9)	(6.4)	(68.3)
Impairment	-	(3.9)	-	(3.9)
At 30 June 2019	3.7	111.9	37.3	152.9
Depreciation				
At 1 July 2017	2.8	170.7	19.2	192.7
Charge for the year	0.9	2.7	7.2	10.8
Disposal adjustment	-	(1.0)	(2.2)	(3.2)
At 30 June 2018	3.7	172.4	24.2	200.3
Charge for the year	-	1.8	6.9	8.7
Disposal adjustment	-	(61.8)	(6.3)	(68.1)
Impairment	-	(3.9)	-	(3.9)
At 30 June 2019	3.7	108.5	24.8	137.0
Carrying value				
At 30 June 2019	-	3.4	12.5	15.9
At 30 June 2018	-	2.9	18.2	21.1
Carrying value of assets pledged				
At 30 June 2019	-	3.4	12.5	15.9
At 30 June 2018	-	2.9	18.2	21.1

		GROUP		COMPANY	
	In Rs million	2019	2018	2019	2018
(i)	Land and buildings represent				
	Freehold land and buildings	8,451.3	8,032.8	3.7	3.7
	Buildings standing on leasehold land	612.8	611.2	-	-
	Land and buildings	9,064.1	8,644.0	3.7	3.7
	On the Cost basis, these properties would have been as follows:				
	Cost	3,702.0	3,267.3	3.7	3.7
	Accumulated depreciation	(1,159.8)	(1,014.7)	(3.7)	(3.7)
	Carrying value	2,542.2	2,252.6	-	-
(ii)	**Assets held under finance lease**				
	Plant and equipment	112.9	109.8	-	-
	Vehicles	177.6	169.1	-	-
	Cost	290.5	278.9	-	-
	Plant and equipment	66.4	64.2	-	-
	Vehicles	87.5	84.7	-	-
	Accumulated depreciation	153.9	148.9	-	-
	Plant and equipment	46.5	45.6	-	-
	Vehicles	90.1	84.4	-	-
	Carrying value	136.6	130.0	-	-
(iii)	**Assets held under operating lease**				
	Plant and equipment	0.6	3.8	-	-
	Vehicles	29.7	33.2	-	-
	Cost	30.3	37.0	-	-
	Plant and equipment	0.1	0.3	-	-
	Vehicles	6.1	1.9	-	-
	Accumulated depreciation	6.2	2.2	-	-
	Plant and equipment	0.5	3.5	-	-
	Vehicles	23.6	31.3	-	-
	Carrying value	24.1	34.8	-	-

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30 June 2019

11. INVESTMENT PROPERTIES

Accounting policy

Investment properties which are held for rental outside the Group, capital appreciation or both are stated at fair value at the end of each reporting year. The Group accounts for land and buildings at fair valuation, based on revaluation exercises carried out by qualified independent valuers. Gains or losses arising from changes in fair value are included in Statements of Profit or Loss in the year in which they arise. Properties that are being constructed or developed for future use as investment properties are treated as investment properties.

Investment properties are derecognised when they are disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statements of Profit or Loss in the year of derecognition.

Significant accounting judgements and estimates

Commercial properties and industrial properties

(a) The investment properties were valued at year end by Messrs Jones Lang Lasalle, as independent professional qualified valuers for the purpose of the valuation in accordance with the RICS Valuation- Professional Standards and are RICS Registered Valuers.

(b) The investment properties are classified as level 3 on the fair value hierarchy.

The basis of valuation is 'Market Value' and this is defined by the Royal Institute of Chartered Surveyor, South African Institute of Valuers and International Valuation Standards Committee.

The fair value of the properties have been computed using the discounted cash flow method (DCF). The expected future net income for 5 years has been discounted at an appropriate discount rate and added to the estimated reversionary value. The reversionary value has been computed by capitalising the net income prevailing at the end of the cash flow projections and discounting at an appropriate rate.

The DCF valuation is also the approach by which private, institutional, local and overseas investors analyse property for investment purposes to estimate the market value. This methodology also takes into account the time value of money between the valuation date and the date when the income stream theoretically reverts to market levels.

Main input used in the valuation of commercial properties is as follows:

Reversionary rate	7.50% - 9.25%
Discount rate	12.0% - 13.5%
Market rental growth	5%
Expense growth	3.5%
Net operating income from properties	Rs 17m - Rs 526m
DCF period	5 years

Real estate properties

The investment property is valued at fair value on an open-market basis by Gexim Real Estate Ltd. The valuation methodology is the open-market value basis and the fair value is classified as level 2.

The valuation consideration takes into account the following:

- the location of the property;
- existing new tarred road and utilities;
- that this area forms part of an established IRS development with clearances and permits in hand;
- the existing facilities that it will enjoy; and
- a stable market.

11. INVESTMENT PROPERTIES (CONTD)

GROUP In Rs million	Level 2	Level 3	2019	2018
At 1 July	339.9	11,286.2	11,626.1	11,334.2
Additions	-	140.3	140.3	15.9
Effect of straightlining adjustment on rental income	-	75.0	75.0	-
Disposals	-	(4.3)	(4.3)	(152.1)
Fair value gains	-	399.1	399.1	495.7
Exchange differences	7.2	0.2	7.4	1.9
Transfer to assets classified as held for sale (note 40)	-	(97.5)	(97.5)	(69.5)
Acquisition of subsidiaries (note 35)	-	627.8	627.8	-
At 30 June	347.1	12,426.8	12,773.9	11,626.1
Value of assets pledged			4,476.7	4,106.9
Rental income			999.5	839.2
Direct operating expenses arising from investment properties that generate rental income			369.3	335.3
Direct operating expenses that did not generate rental income			27.4	24.2

COMPANY In Rs million	2019 Level 3	2018 Level 3
At 1 July	141.0	128.0
Additions	6.1	0.9
Fair value gains	2.6	12.1
At 30 June	149.7	141.0
Rental income	19.9	18.6
Direct operating expenses arising from investment properties that generate rental income	10.3	9.7
Direct operating expenses that did not generate rental income	0.1	0.2

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12. INTANGIBLE ASSETS

Accounting policy

Goodwill

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of previously held equity interest in the acquiree over the amounts of identifiable assets acquired and liabilities assumed. If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree the excess is recognised immediately in the Statements of Profit or Loss. Differences from non-controlling interests acquired after control has been obtained, are set-off against equity. Goodwill is carried at cost less accumulated impairment losses.

Annual impairment tests applied to goodwill are carried out using discounted cash flow methods. This is done on the basis of expected future cash flows from the latest management planning, which are extrapolated on the basis of long-term revenue growth rates and assumptions with regard to margin development, and discounted for the capital costs of the business unit. Tests are performed at the cash generating unit (CGU) level. This test is applicable to all goodwill, except for one investment where fair value less costs to sell is used.

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

Other purchased goodwill consists mainly of premium paid by certain subsidiaries for acquiring agencies. This goodwill is either tested for impairment or amortised over a finite period of time to determine its carrying amount at the end of the year.

Computer software

Costs that are directly associated with identifiable software which will generate economic benefits beyond one year are recognised as intangible assets and are amortised over their estimated useful lives using straight line method.

Amortisation rates: 12% - 50%

Significant accounting judgements and estimates

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. For acquired goodwill, the value of the investment is based on a five year discounted cash flow method. The discount rate is estimated by management using a risk free rate of 5.42% based on the currently available interest rate and an estimated risk premium of 6.33%. This test is applicable to all goodwill, except for one investment where fair value less costs to sell is used.

At the end of the reporting year, the Group assessed the recoverable amount of goodwill and recognised an impairment of Rs 14.1m of goodwill arising on the initial acquisition of a subsidiary company, Islandian SARL.

GROUP In Rs million	Goodwill on acquisition	Software	Others	Total
Cost				
At 1 July 2017	653.7	195.9	204.2	1,053.8
Additions	444.2	32.0	1.1	477.3
Disposals	-	-	(0.7)	(0.7)
Adjustment of non-controlling interests' share of acquired goodwill	218.6	-	-	218.6
Exchange differences	-	-	0.2	0.2
Acquisition of subsidiaries	-	4.8	7.0	11.8
Deconsolidation of subsidiaries	(13.4)	-	-	(13.4)
At 30 June 2018	1,303.1	232.7	211.8	1,747.6
Additions	-	25.4	14.8	40.2
Impairment	(14.1)	(9.0)	-	(23.1)
Deconsolidation of subsidiary	(5.2)	-	-	(5.2)
At 30 June 2019	1,283.8	249.1	226.6	1,759.5
Amortisation				
At 1 July 2017	28.5	175.2	14.1	217.8
Charge for the year	-	10.2	5.7	15.9
Acquisition of subsidiaries	-	4.4	0.6	5.0
At 30 June 2018	28.5	189.8	20.4	238.7
Charge for the year	-	12.2	1.6	13.8
Impairment	-	(8.6)	-	(8.6)
At 30 June 2019	28.5	193.4	22.0	243.9
Carrying value				
At 30 June 2019	1,255.3	55.7	204.6	1,515.6
At 30 June 2018	1,274.6	42.9	191.4	1,508.9

12. INTANGIBLE ASSETS (CONTD)

COMPANY In Rs million	Software	Others	Total
Cost			
At 1 July 2017	24.2	3.7	27.9
Additions	1.4	-	1.4
At 30 June 2018	25.6	3.7	29.3
Additions	5.7	-	5.7
Impairment	(8.6)	-	(8.6)
At 30 June 2019	22.7	3.7	26.4
Amortisation			
At 1 July 2017	23.7	-	23.7
Charge for the year	0.4	-	0.4
At 30 June 2018	24.1	-	24.1
Charge for the year	0.4	-	0.4
Impairment	(8.6)	-	(8.6)
At 30 June 2019	15.9	-	15.9
Carrying value			
At 30 June 2019	6.8	3.7	10.5
At 30 June 2018	1.5	3.7	5.2

13. INVESTMENT IN SUBSIDIARY COMPANIES

Accounting policy

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

	COMPANY In Rs million	2019	2018
(a)	At 1 July	4,212.6	3,773.1
	Additions	455.0	428.2
	Disposals	(179.4)	(91.4)
	Reversal of provision	-	102.7
	At 30 June	4,488.2	4,212.6

Non-cash transactions included in additions and disposals amount to Rs 455.0m (2018: Rs 51.8m) and Rs 179.4m (2018: nil) respectively.

EXPLANATORY NOTES

30 June 2019

13. INVESTMENT IN SUBSIDIARY COMPANIES (CONTD)

(b) The financial statements of the following subsidiaries have been included in the consolidated financial statements.

	Issued capital	Proportion of ownership interests Direct	Proportion of ownership interests Indirect	Proportion of effective ownership interests held by non-controlling interests	Principal activity
	Rs 000	%	%	%	
FINTECH					
Enterprise Information Systems Ltd (Kenya)	-	-	100.0	43.5	IT services
Globefin Corporate Services Ltd	-	-	100.0	43.5	Global business
Globefin Management Services Ltd	600	-	100.0	43.5	Global business
Globefin Nominee Ltd	10	-	100.0	43.5	Global business
*Rcap Executives Ltd	-	-	100.0	43.5	Global business
River Court Nominees Limited	100	-	100.0	43.5	Global business
Rogers Capital Accounting Services Ltd	-	-	100.0	43.5	Global business
Rogers Capital Actuarial Services Ltd	1,100	-	100.0	43.5	Actuarial services
Rogers Capital Business Services Ltd	-	-	100.0	43.5	Global business
Rogers Capital Captive Insurance Management Services Ltd	2,215	-	100.0	43.5	Global business
Rogers Capital City Executives Ltd	50	-	100.0	43.5	Global business
Rogers Capital Corporate Services Ltd	782	-	100.0	43.5	Global business
*Rogers Capital Corporate Services (Seychelles) Ltd	404	-	100.0	43.5	Global business
Rogers Capital Corporate Services (Singapore) Pte Ltd	238	-	100.0	43.5	Global business
Rogers Capital Finance Ltd	250,000	-	100.0	43.5	Leasing, hire purchase and short term financing
Rogers Capital Fund Services Ltd	500	-	100.0	43.5	Global business
Rogers Capital Investment Advisors Ltd	11,000	-	100.0	43.5	Asset management
Rogers Capital Ltd	699,739	56.5	-	43.5	Investment
Rogers Capital Management Services Ltd	601	-	100.0	43.5	Investment
Rogers Capital Nominee Ltd	-	-	100.0	43.5	Global business
Rogers Capital Nominee 1 Ltd	-	-	100.0	43.5	Global business
Rogers Capital Nominee 2 Ltd	-	-	100.0	43.5	Global business
Rogers Capital Outsourcing Ltd	15,000	-	100.0	43.5	IT services
Rogers Capital Payment Solutions Ltd	-	-	100.0	43.5	Acquiring services
Rogers Capital Payroll Services Ltd	10	-	100.0	43.5	Payroll services
Rogers Capital Specialist Services Ltd	100	-	100.0	43.5	Global business
Rogers Capital Technology Services Ltd	15,977	-	100.0	43.5	IT services
Rogers Capital Trustees Services Ltd	1,400	-	100.0	43.5	Global business
HOSPITALITY					
Adnarev Ltd	76,464	-	100.0	19.8	Hotel
Ario (Seychelles) Ltd	47	-	100.0	-	GSA of airlines
Bagatelle Hotel Operations Co Ltd (Voila)	20,424	-	100.0	19.8	Hotel accomodation and related services
BEAVIA Kenya Limited	35	-	70.0	30.0	Travel agency
Blue Alize Ltd	-	-	80.0	35.8	Catamaran sightseeing
Bluesky Madagascar Sarlu	1,070	-	100.0	-	Travel agency
Blue Sky Réunion SAS	2,813	-	100.0	-	Travel agency
BS Travel Management Limitada	216	-	100.0	-	GSA of airlines
BS Travel Management Ltd	25,000	-	100.0	-	Travel agency
BS Travel Mayotte	325	-	100.0	-	Travel agency
Cap D'Abondance	-	-	100.0	19.8	Leisure
CCC LAH LTD (MOKA'Z)	14,500	-	86.2	30.8	Food service industry
Croisières Australes Ltée	3,225	-	100.0	-	Catamaran sightseeing
DOMC Ltd	57,000	-	51.0	59.1	Leisure

13. INVESTMENT IN SUBSIDIARY COMPANIES (CONTD)

(b) The financial statements of the following subsidiaries have been included in the consolidated financial statements.

	Issued capital	Proportion of ownership interests Direct	Proportion of ownership interests Indirect	Proportion of effective ownership interests held by non-controlling interests	Principal activity
	Rs 000	%	%	%	
HOSPITALITY (CONTD)					
Heritage Events Company Ltd	100	-	100.0	19.8	Investment
Heritage Golf Club Ltd	310,350	-	100.0	34.1	Golf course
*Heritage Golf Management Ltd	500	-	75.0	39.8	Golf management
*Hotels Operations Company Ltd	10	-	100.0	19.8	Hotels operations
Island Living Ltd	112,381	-	80.2	19.8	Leisure
Islandian Ltd (Previously Resaplanet Ltd)	19,094	-	90.5	9.5	Online tour operating
Islandian S.A.R.L	461	-	90.5	9.5	Online tour operating
Plaisance Air Transport Services Ltd	1,500	-	100.0	-	Warehousing
*Restaurants Operations Company Ltd	10	-	100.0	19.8	Restaurants operations
Rogers Aviation (Mauritius) Ltd	2,525	-	100.0	-	GSA of airlines
Rogers Aviation Comores S.A.R.L	824	-	100.0	-	GSA of airlines
Rogers Aviation France S.A.R.L	20,760	-	100.0	-	Investment
Rogers Aviation Holding Company Ltd	115,410	100.0	-	-	Investment
Rogers Aviation International Ltd	51,390	-	100.0	-	GSA of airlines
Rogers Aviation Kenya Ltd	396	-	100.0	-	GSA of airlines
Rogers Aviation Madagascar S.A.R.L	1,910	-	100.0	-	GSA of airlines
Rogers Aviation Mayotte S.A.R.L	490	-	100.0	-	GSA of airlines
Rogers Aviation Mozambique Limitada	54	-	100.0	-	GSA of airlines
Rogers Aviation Reunion S.A.R.L	20,001	-	100.0	-	GSA of airlines
Rogers Aviation Senegal S.A.R.L	-	-	100.0	-	GSA of airlines/Travel/Tour operator
Rogers Aviation South Africa (Pty) Ltd	-	-	100.0	-	GSA of airlines
Rogers International Distribution Services Limitada	39,493	-	100.0	-	Freight forwarding
Seafood Basket Ltd	25,106	-	100.0	19.8	Food service
Seven Colours Spa Ltd	20,025	-	100.0	19.8	Management services
Sports-Event Management Operation Co Ltd	7,500	-	25.0	47.8	Leisure
Sweetwater Ltd	11,300	-	55.0	55.9	Leisure
Transcontinent S.A.R.L	617	-	66.6	33.4	Travel agency
Veranda Tamarin Ltd	210,000	-	51.0	59.1	Hotel
VLH Ltd	733,329	78.6	4.4	19.8	Hotel
VLH Training Ltd	1,015	-	100.0	19.8	Training
Yacht Management Ltd	-	-	51.0	49.0	Boat cruises
LOGISTICS					
Associated Container Services Ltd	18,301	-	100.0	33.3	Port related services
Cargo Express Madagascar S.A.R.L	168	-	100.0	33.8	Freight forwarding
Express Logistics Solutions Ltd	1	-	100.0	33.8	Dormant
FOM Warehouse Ltd	100	45.7	50.3	17.0	Dormant
Freeport Operations (Mtius) Ltd	133,447	-	100.0	34.7	Port related services
General Cargo Services Limited	889	-	100.0	66.2	Transport and port related services
Gencargo (Transport) Limited	1,422	-	80.0	73.0	Transport services
Logistics Solutions Ltd	360,483	1.4	98.6	33.3	Investment
MTL Logistics and Distribution Co Ltd	1,688	-	100.0	33.3	Dormant
P.A.P.O.L.C.S. Ltd	100	-	80.0	68.2	Stevedoring

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13. INVESTMENT IN SUBSIDIARY COMPANIES (CONTD)

(b) The financial statements of the following subsidiaries have been included in the consolidated financial statements.

	Issued capital	Proportion of ownership interests Direct	Indirect	Proportion of effective ownership interests held by non-controlling interests	Principal activity
	Rs 000	%	%	%	
LOGISTICS (CONTD)					
Papol Holding Limited	100	-	60.0	60.3	Investment
Rogers International Distribution Services S.A	28,921	-	100.0	33.8	Freight forwarding
Rogers International Distribution Services Madagascar S.A.R.L.U	8	-	100.0	33.8	Freight forwarding
Rogers Logistics International Ltd	80,204	-	100.0	33.8	Freight forwarding
Rogers Logistics Services Company Ltd	100	-	100.0	33.8	Freight forwarding
Rogers Shipping Ltd	721	-	100.0	54.5	Shipping services
Rogers Shipping Pte Ltd	3	-	51.0	66.2	Investment
Southern Marine & Co Ltd	500	-	100.0	54.5	Shipping services
Sukpak Ltd	1,200	-	70.0	53.6	Packing of special sugars
Thermoil Company Ltd	100	80.0	-	20.0	Dormant
Transworld International Ltd	25	-	100.0	33.8	Dormant
Velogic Depot and Warehouse Ltd	300	-	100.0	33.8	Dormant
Velogic Express Reunion	8,341	-	100.0	33.8	Courier
Velogic Garage Services Ltd	50	-	100.0	33.3	Transport company
Velogic Haulage Services Ltd	975	-	100.0	33.3	Transport services
Velogic Holding Company Ltd	1,019,294	66.2	-	33.8	Investment
Velogic India Private Ltd	11,156	-	100.0	33.8	Freight forwarding
VSR S.A.S	4,085	-	100.0	33.8	Freight forwarding
Velogic Ltd	83,985	-	100.0	33.8	Freight forwarding
VK Logistics Ltd	163,814	-	51.0	66.2	Investment
PROPERTY					
Ascencia Limited	4,411,401	-	36.2	63.8	Property investment
Bagaprop Limited	1,252,101	-	100.0	63.8	Property investment
Case Noyale Ltée	7	1.3	52.3	62.7	Agriculture and leisure
Cie. Sucrière de Bel Ombre Ltd	33,300	1.2	52.3	62.7	Agriculture and investment
*Floreal Commercial Centre Ltd	324,000	-	100.0	63.8	Property Investment
Foresite Property Holding Ltd	1,028,269	100.0	-	-	Investment
Le Marché du Moulin Ltd	1,156	-	100.0	77.6	Retail
Les Villas de Bel Ombre Ltée	291,135	-	60.0	77.6	Construction and sale of villas
Les Villas de Bel Ombre Amenities Ltd	35	-	100.0	77.6	Construction of sport complex and beach club for IRS home owners association
Motor Traders Ltd	700	100.0	-	-	Property
South West Tourism Development Co. Ltd	4,950	68.9	-	31.1	Investment
Villas Valriche Resorts Ltd	1	-	100.0	77.6	Rental pool management company
CORPORATE OFFICE					
Rogers Corporate Services Ltd	357,543	100.0	-	-	Investment

Note: Ordinary shares are issued for the above subsidiaries and the statutory reporting date is 30 June 2019 for the companies.

*Not Consolidated in 2018

13. INVESTMENT IN SUBSIDIARY COMPANIES (CONTD)

(c) The above subsidiaries are incorporated and operate in Mauritius except for:

	Country of incorporation/place of business
Ario (Seychelles) Ltd	Republic of Seychelles
BS Madagascar SARLU	Republic of Malagasy
BS Travel Management Limitada	Republic of Mozambique
BS Travel Mayotte	Mayotte
BEAVIA Kenya Limited	Republic of Kenya
Blue Sky Réunion SAS	Reunion Island
Cargo Express Madagascar S.A.R.L	Republic of Malagasy
Enterprise Information Systems Ltd (Kenya)	Republic of Kenya
Gencargo (Transport) Limited	Republic of Kenya
General Cargo Services Limited	Republic of Kenya
Islandian S.A.R.L	Reunion Island
Rogers Capital Corporate Services (Singapore) Pte Ltd	Republic of Singapore
Rogers Aviation Comores S.A.R.L	Republic of Comores
Rogers Aviation France S.A.R.L	Reunion Island
Rogers Aviation Kenya Ltd	Republic of Kenya
Rogers Aviation Madagascar S.A.R.L	Republic of Malagasy
Rogers Aviation Mayotte S.A.R.L	Mayotte
Rogers Aviation Mozambique Limitada	Republic of Mozambique
Rogers Aviation Senegal S.A.R.L	Republic of Senegal
Rogers Aviation South Africa (Pty) Ltd	Republic of South Africa
Rogers International Distribution Services Limitada	Republic of Mozambique
Rogers International Distribution Services S.A	French Republic
Rogers International Distribution Services Madagascar S.A.R.L.U	Republic of Malagasy
Rogers Shipping Pte Ltd	Republic of Singapore
Transcontinent S.A.R.L	Republic of Malagasy
Velogic Express Reunion	Reunion Island
Velogic India Private Ltd	Republic of India
VSR S.A	Reunion Island

(d) The financial statements of Ascencia Limited have been consolidated at 36.19% equity interests:

Foresite Property Holding Ltd, a subsidiary of Rogers and Company Limited ('Rogers') and ENL Property Ltd ('EPL') have respectively an effective holding of 36.19% and 24.98% in the share capital of Ascencia Limited;

ENL Ltd is the majority shareholder of both Rogers and EPL;

Both ENL Ltd and EPL hereby confirm that the Board of Ascencia Limited will systematically have a minimum of half of its Board members nominated by Rogers which shall also have the chairmanship and a casting vote; and

Furthermore, for all shareholder matters concerning Ascencia Limited, EPL shall vote in the same manner as Rogers.

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14. INVESTMENT IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATED COMPANIES

Accounting policy

Jointly controlled entities are joint arrangements whereby the parties that have joint control of the arrangement have rights to the net assets and obligations for the liabilities of the joint arrangement. It is the contractually agreed sharing of control of an arrangement which exists only when decisions about relevant activities require unanimous consent of the parties sharing control.

Associated companies are entities over which the Group has significant influence but not control, or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Investments in jointly controlled entities and associated companies are accounted for using the equity method. Under this method, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss of the jointly controlled entity and associate after the date of acquisition. The Group's share of its jointly controlled entity and associate's post acquisition profits or losses is recognised in the Statements of Profit or Loss and its share of post acquisition movements in reserves in other comprehensive income.

Goodwill arising on the acquisition of a jointly controlled entity or an associate is included with the carrying amount of the jointly controlled entity or associate and tested annually for impairment. When the Group's share of losses exceeds the carrying amount of the investment, the latter is reported at nil value. Recognition of the Group's share of losses is discontinued except to the extent of the Group's legal and constructive obligations contracted on behalf of the jointly controlled entity or associate. If the jointly controlled entity or associate subsequently reports profits, the Group resumes recognising its share of those profits after accounting for its share of unrecognised past losses. Unrealised profits and losses are eliminated to the extent of the Group's interest in the jointly controlled entity or associate.

If the ownership interest in an associated company 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 of gains and losses arising in investments in associates are recognised in profit or loss.

The Group discontinues the use of the equity method from the date when it ceases to have significant influence and the investment will then be measured at fair value. The Group recognises in the Statements of Profit or Loss the difference between the fair value of retained investment including any proceeds from disposal and the carrying amount of the investment at the date when significant influence is lost.

In the separate financial statements of the Company, investments in jointly controlled entities and associated companies are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Significant accounting judgements and estimates

Significant judgements and assumptions are made in determining whether an entity has joint control or significant influence over another entity and the type of joint arrangement. In considering the classification, management considers whether control exists, the nature and structure of the relationship and other facts and circumstances.

	GROUP In Rs million	2019	2018
	Investment in jointly controlled entities		
(a)	Cost of investment in jointly controlled entities	188.7	236.4
	Share of reserves	(44.6)	(91.2)
	Carrying amount of the Group's interest in jointly controlled entities	144.1	145.2
(b)	Movement of share of net assets:		
	At 1 July	145.2	157.2
	Additions	148.2	–
	Transfer to investment in subsidiary company	(130.5)	–
	Share of loss for the year	(21.5)	(11.7)
	Share of other comprehensive income for the year	0.5	(0.3)
	Other movements	2.2	–
	At 30 June	144.1	145.2
(c)	Summarised financial information for jointly controlled entities is set out below:		
	Loss for the year	(43.0)	(23.4)
	Other comprehensive income for the year	1.0	(0.6)
	Total comprehensive income for the year	(42.0)	(24.0)
	Share of loss for the year	(21.5)	(11.7)
	Share of other comprehensive income for the year	0.5	(0.3)
	Share of total comprehensive income for the year	(21.0)	(12.0)
	Carrying amount of the Group's interest in jointly controlled entities	144.1	145.2

14. INVESTMENT IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATED COMPANIES (CONTD)

(d)	GROUP	Country of incorporation/ place of business	Statutory reporting year	% Effective holding 2019	2018	Principal activity
	*Axa Customer Services Ltd	Mauritius	31.12.18	–	28.3	Business process outsourcing
	**Floreal Commercial Centre Ltd	Mauritius	30.06.19	–	18.1	Property
	FMVV Immobilier Ltee	Mauritius	30.06.19	11.2	–	Property
	Jacotet Bay Ltd	Mauritius	30.06.19	11.2	11.2	Property
	The Beauvallon Shopping Mall Ltd	Mauritius	30.06.19	18.1	–	Property

The above jointly controlled entities are private companies and there is no quoted market price available for these shares.

For jointly controlled entities having different reporting date, management accounts have been prepared at 30 June 2019.

*Disposed in 2019

**Consolidated as a subsidiary in 2019 following acquisition of an additional 50% holding in the company by Ascencia Limited.

	GROUP In Rs million	2019	2018
	Investment in associated companies		
(e)	Cost of investment in associated companies	3,926.2	3,934.8
	Share of reserves	1,354.7	1,071.4
	Carrying amount of the Group's interest in associated companies	5,280.9	5,006.2
(f)	Movement of share of net assets:		
	At 1 July	5,006.2	5,036.6
	Additions	–	51.1
	Conversion of preference shares into ordinary shares	–	328.6
	Disposals	(8.6)	(295.7)
	Share of profit for the year	193.8	119.6
	Impairment losses	–	(9.7)
	Share of other comprehensive income for the year	244.0	(228.6)
	Dividends	(126.5)	(70.5)
	Movement in non distributable reserves	(28.0)	97.0
	Transfer	–	(22.2)
	At 30 June	5,280.9	5,006.2

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14. INVESTMENT IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATED COMPANIES (CONTD)

(g)

GROUP	Year ended 30 June 2019	
In Rs million	NMH	Swan
Statements of Profit or Loss and Other Comprehensive Income		
Revenue	9,684.6	7,367.2
Profit for the year	15.4	383.7
Other comprehensive income for the year	887.8	7.0
Total comprehensive income for the year	903.2	390.7
Share of (loss) profit	(36.8)	99.1
Share of other comprehensive income	188.7	60.1
Share of total comprehensive income	151.9	159.2
Statements of Financial Position		
Non current assets	29,126.4	2,493.8
Current assets	7,889.1	47,445.7
Total assets	37,015.5	49,939.5
Capital and reserves	13,990.8	3,844.8
Non current liabilities	16,552.4	45,417.6
Current liabilities	6,472.3	677.1
Total equity and liabilities	37,015.5	49,939.5
Carrying amount of the Group's interest in the associated companies	3,038.0	1,667.7

GROUP	Year ended 30 June 2018	
In Rs million	NMH	Swan
Statements of Profit or Loss and Other Comprehensive Income		
Revenue	10,000.4	7,076.9
(Loss) profit for the year	(7.4)	258.2
Other comprehensive income for the year	(680.1)	225.4
Total comprehensive income for the year	(687.5)	483.6
Share of (loss) profit	(28.8)	68.6
Share of other comprehensive income	(231.5)	0.5
Share of total comprehensive income	(260.3)	69.1
Statements of Financial Position		
Non current assets	28,036.8	2,337.3
Current assets	8,051.2	45,249.4
Total assets	36,088.0	47,586.7
Capital and reserves	13,232.0	3,506.6
Non current liabilities	17,253.0	43,708.4
Current liabilities	5,603.0	371.7
Total equity and liabilities	36,088.0	47,586.7
Carrying amount of the Group's interest in the associated companies	2,913.8	1,565.6

(h) Summarised financial information for immaterial associated companies is set out below:

GROUP		
In Rs million	2019	2018
Profit for the year	131.5	79.8
Other comprehensive income for the year	(4.8)	2.7
Total comprehensive income for the year	126.7	82.5
Carrying amount of the Group's interest in the immaterial associated companies	575.2	526.8

14. INVESTMENT IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATED COMPANIES (CONTD)

(i)

COMPANY		
In Rs million	2019	2018
At 1 July	3,720.8	3,427.2
Additions	-	23.5
Disposals	(3.0)	(58.5)
Conversion of preference shares into ordinary shares	-	328.6
At 30 June	3,717.8	3,720.8

(j) The following associated companies have been included in the consolidated financial statements:

	Country of incorporation/ place of business	Statutory reporting year	% Effective holding 2019	% Effective holding 2018	Principal activity
Air Cargo Service Madagascar Ltd	Madagascar	31.12.18	50.0	50.0	Ground handling services
Bioculture (Mauritius) Ltd	Mauritius	31.12.18	25.4	25.4	Breeding and export of primates
Blue Connect Ltd	Mauritius	30.09.18	30.0	30.0	Business process outsourcing
**Blue Frog Holding Limited	Mauritius	30.06.19	-	27.3	Investment holding
*ESP Landscapers	Mauritius	30.06.19	7.5	7.5	Landscaping services
FPHL Infra Ltd	Mauritius	30.06.19	49.0	49.0	Investment
**Indian Ocean Network News Ltd	Mauritius	31.12.18	-	27.0	Media and communication
Lagoona Cruise Ltd	Mauritius	30.06.19	33.0	33.0	Boat cruises activities
Le Morne Development Corporation Ltd	Mauritius	30.09.18	20.0	20.0	Property
Mauritian Coal and Allied Services Company Ltd	Mauritius	30.09.18	25.6	25.6	Coal supplier
**Motor City Ltd	Mauritius	30.06.19	-	25.0	Property
Mozambique Airport Handling Services Limitada	Mozambique	30.09.18	29.0	29.0	Ground handling services
New Mauritius Hotels Limited	Mauritius	30.09.18	22.9	23.0	Hospitality
Reliance Facilities Ltd	Mauritius	30.06.19	49.0	49.0	Security services
Reliance Security Services Ltd	Mauritius	30.06.19	49.0	49.0	Security services
Reliance Systems Ltd	Mauritius	30.06.19	49.0	49.0	Security services
*Sainte Marie Crushing Plant Ltd	Mauritius	30.06.19	8.8	8.8	Manufacture and sale of building materials
Société Pur Blanca	Mauritius	30.09.18	49.0	49.0	Investment
Swan Financial Solutions Ltd	Mauritius	31.12.18	20.0	20.0	Investment holding
Swan General Ltd	Mauritius	31.12.18	29.4	29.4	Insurance

All the above associates are accounted for using the equity method. For associated companies having different reporting date, management accounts have been prepared at 30 June 2019.

As at 30 June 2019, the fair value of the Group interest in New Mauritius Hotels Limited and Swan General Ltd which are listed on the Stock Exchange of Mauritius were Rs 2,127.0m and Rs 836.0m respectively (2018: Rs 3,020.6m and Rs 898.7m respectively) based on the quoted market price available, which is a level 1 input in terms of IFRS 13.

*Significant influence obtained through subsidiaries

**Disposed in 2019

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15. INVESTMENT IN FINANCIAL ASSETS AT FAIR VALUE

Accounting policy

Classification

The Group classifies its financial assets into one of the following categories based on the purpose for which the asset was acquired.

- Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

- Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise equity securities that are either held for trading or which the Group has not elected to recognise fair value gains and losses through other comprehensive income.

- Available for sale investments (30 June 2018)

Available for sale assets are non-derivative investments and other assets that are either designated in this category or not classified in any of the other categories. Available for sale assets are included in non current assets unless management intends to dispose of them within 12 months of the period-end date.

- Loans and receivables originated by the enterprises (30 June 2018)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the period-end date where these are classified as non current assets.

Recognition and measurement

Purchases and sales of financial assets are recognised on their trade date, which is the date when the Group contracts with the purchaser or seller. Financial assets are initially recognised at cost. Transaction costs are included for all financial instruments not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash have expired or have been transferred and the Group has transferred substantially all risks and rewards.

Financial assets classified at fair value through other comprehensive income are subsequently carried at fair value. Unrealised gains and losses arising from changes in the fair value are recognised in other comprehensive income. Upon disposal or impairment of these financial assets, the accumulated fair value adjustments are realised by transferring this amount to retained earnings through the Statements of Changes in Equity.

Financial assets classified at fair value through profit or loss are subsequently carried at fair value with all unrealised gains and losses arising from changes in the fair value are recognised in Statement of Profit or Loss.

Financial instruments classified as loans and receivables and amortised costs are subsequently measured using the effective interest method.

In prior years, the Group assessed at each period-end date whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are recognised only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably measured.

Significant accounting judgements and estimates

The Group has elected to value its investment in securities not quoted in an active market using valuation techniques namely earnings, net asset value or discounted cash flows as appropriate. The Group would exercise judgements 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.

(a)

GROUP In Rs million	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Available for sale financial assets	2019 Total	2018 Total
Non current					
At 1 July (as previously stated)	-	-	558.1	558.1	676.8
Reclassification adjustments	263.0	295.1	(558.1)	-	-
At 1 July (restated)	263.0	295.1	-	558.1	676.8
Additions	-	22.3	-	22.3	302.8
Conversion of preference shares into ordinary shares	-	-	-	-	(333.2)
Disposals	(16.0)	(37.7)	-	(53.7)	(42.2)
Change in fair value	(21.9)	2.4	-	(19.5)	(46.1)
At 30 June	225.1	282.1	-	507.2	558.1

15. INVESTMENT IN FINANCIAL ASSETS AT FAIR VALUE (CONTD)

(b) Financial assets at fair value through other comprehensive income include :

GROUP In Rs million	2019 Total
Quoted Investments	
Air Mauritius Limited	39.4
Others	16.1
Unquoted investments	
Air Mauritius Holding Ltd	85.1
Charles Telfair Company Ltd	43.5
Others	41.0
At 30 June	225.1

Financial assets at fair value through other comprehensive income are made up of equity securities incorporated in Mauritius and are denominated in Mauritian Rupee.

While the fair value of quoted securities is based on published market prices, the fair value of the unquoted securities is assessed using valuation techniques, namely earnings basis, dividend basis or net asset value.

During the year, the Group disposed its investment in equity secutities held at fair value through other comprehensive income for a total consideration of Rs 13.0m. The shares sold had a fair value of Rs 13.0m and the Group realised no gains or losses on its disposal.

In the previous year, the Group disposed its investments in equity securities which no longer suited the Group's investment strategy. These shares sold had a fair value of Rs 42.2m and the Group has not realised any gain/loss on disposal of these investments.

(c) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are made up of equity securities incorporated in Mauritius and are denominated in Mauritian Rupee. These investments have been designated as Level 3 investments. The Group classified financial assets at fair value through profit or loss if they were acquired principally for the purpose of selling in the short term, i.e. held for trading or were designated as financial assets at fair value through profit or loss.

The carrying amount of financial assets at fair value through profit or loss would be an estimated Rs 2.8m higher/lower, were the discounted cash flow analysis differ by 1% from management estimate. Financial assets at fair value through profit or loss are presented within the section on operating activities as part of changes in working capital (note 34).

(d)

COMPANY In Rs million	Financial assets at fair value through other comprehensive income	Available for sale financial assets	2019 Total	2018 Total
Non current				
At 1 July (as previously stated)	-	263.5	263.5	661.1
Reclassification adjustments	263.5	(263.5)	-	-
At 1 July (restated)	263.5	-	263.5	661.1
Conversion of preference shares into ordinary shares	-	-	-	(333.2)
Disposals	(6.0)	-	(6.0)	(7.6)
Change in fair value	(25.1)	-	(25.1)	(56.8)
At 30 June	232.4	-	232.4	263.5

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15. INVESTMENT IN FINANCIAL ASSETS AT FAIR VALUE (CONTD)

(e) Financial assets at fair value through other comprehensive income include :

COMPANY In Rs million	2019 Total
Quoted Investments	
Air Mauritius Limited	39.4
Others	16.1
Unquoted investments	
Air Mauritius Holding Ltd	85.1
Charles Telfair Company Ltd	43.5
Others	48.3
At 30 June	232.4

Financial assets at fair value through other comprehensive income are made up of equity securities incorporated in Mauritius and are denominated in Mauritian Rupee.

During the year, the Company disposed its investment in equity secutities held at fair value through other comprehensive income for a total consideration of Rs 3.5m. The Company realised no gains or losses on its disposal.

16. FINANCIAL ASSETS AT AMORTISED COSTS

Accounting policy

Financial assets at amortised costs include those assets held with a view of collecting contractual cash flows and 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, are subsequently carried at amortised costs using the effective interest rate method less any provision from impairment.

Other receivables generally arise from transactions outside the usual operating activities of the Group. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. Other receivables are current and repayable within the next financial year.

The Group has made an impairment assessment by considering the previous repayment behaviours and assessing the future cash flow forecasts covering the contractual period of the loan. The Group does not expect any default from them and is certain of their ability to pay their debts as they become due in the normal course of business and/or in any adverse economic and business conditions. Consequently, the probability of default is therefore negligible and the Group has not accounted for any impairment loss.

In 2018, loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised costs using the effective interest method less any impairment.

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Non current				
Loan receivable from subsidiary companies	-	-	79.6	75.9
Deposit on investments	-	-	296.5	-
Loan receivable from other companies	53.6	52.5	-	-
Non current financial assets at amortised costs	53.6	52.5	376.1	75.9
Current				
Receivable from subsidiary companies	-	-	549.8	-
Receivables from associated companies	30.3	-	2.0	-
Other receivables	837.5	-	22.7	-
Current financial assets at amortised costs	867.8	-	574.5	-
Financial assets at amortised costs	921.4	52.5	950.6	75.9

The carrying amount of loans receivable approximates their fair values. The loans are unsecured and are repayable by instalments after more than one year.

17. NET INVESTMENT IN LEASES AND OTHER CREDIT AGREEMENTS

Accounting policy

Leases are classified as finance leases where the terms of the lease transfer substantially all risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease. Other credit agreements include contracts for the hire of an asset that contain a provision giving the hirer an option to acquire title to the asset upon the fulfilment of agreed conditions and advances granted to individuals. Advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, advances are measured at amortised costs using the effective interest method, less any impairment.

Finance Leases - lessor

Finance leases are recognised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit and loss unless they are attributable to qualifying assets in which case, they are capitalised in accordance with the policy on borrowing cost.

Operating leases-lessor

Assets leased out under operating leases are included in property, plant and equipment in the Statements of Financial Position. They are depreciated over their expected lives on a basis consistent with similar assets. Rental income is recognised in profit or loss on a straight line basis over the lease term.

Impairment of leases and other credit agreements

The Group has applied the principles of the general approach to measure the expected credit losses using a 12-months and lifetime expected loss allowance for net invetsment in leases and other credit agreements. To measure the expected credit losses, the financial assets have been grouped based on shared credit risk characteristics and the days past due.

The impairment requirements apply to financial assets measured at amortised costs i.e. net investment in leases and other credit agreements. At initial recognition, allowance (or provision in the case of commitments and guarantees) is required for expected credit losses ('ECL') resulting from default events that are possible within the next 12 months ('12-month ECL'). In the event of a significant increase in credit risk, allowance (or provision) is required for ECL resulting from all possible default events over the expected life of the financial instrument ('lifetime ECL'). Financial assets where 12-month ECL is recognised are considered to be 'stage 1'; financial assets which are considered to have experienced a significant increase in credit risk are in 'stage 2'; and financial assets for which there is objective evidence of impairment are considered to be in default or otherwise credit impaired are in 'stage 3'.

Undrawn commitments: When estimating lifetime ECLs for undrawn commitments, the Group estimates the expected portion of the commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the three stages. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on a collective basis, depending on the nature of the underlying portfolio of financial instruments which is on the basis of their product types.

The lifetime expected loss rates (LTECLs) are based on the Group's historical credit losses based on the pattern of movement of financial assets over a period of six months before the reporting date, since the Group is in its initial phase of providing lease and other credit arrangements. An additional loss allowance for financial assets is recognised when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of financial asset. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the financial assets. The Group has identified the gross domestic product (GDP) as the key macroeconomic factors in the countries where the Group operates.

Significant increase in credit risk is determined using quantitative and qualitative information based on the Group's historical experience, credit risk assessment and forward-looking information. The assessment of significant credit deterioration is key in determining when to move from measuring an allowance based on 12-month ECLs to one that is based on lifetime ECLs (i.e. transfer from Stage 1 to Stage 2). If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

Financial assets are classified as 'stage 3' where they are determined to be credit impaired, which generally matches the IFRS 9 definition of default. This includes exposures that are at least 90 days past due and where the obligor is unlikely to pay without recourse against available collateral.

Impairment is the difference between contractual and expected cash flows of a financial asset (e.g. finance lease, hire purchase or loan). ECL provision is discounted to present value using the original implicit rate/effective interest rate. The Group presents allowance for impairment separately from the gross balance of respective assets rather than directly reducing their carrying amounts.

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17. NET INVESTMENT IN LEASES AND OTHER CREDIT AGREEMENTS (CONTD)

The Expected Credit Loss Model

The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period.

The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss given default (LGD) is defined as the likely loss intensity in case of a counterparty default. It provides an estimation of the exposure that cannot be recovered in a default event and therefore captures the severity of a loss. Conceptually, LGD estimates are independent of a customer's probability of default. The LGD models ensure that the main drivers for losses (i.e. different levels and quality of collateralization and customer or product types or seniority of facility) are reflected in specific LGD factors. In our LGD models, we assign collateral type specific LGD parameters to the collateralized exposure (collateral value after application of haircuts).

Stage 1: The 12-month ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12-month ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. These expected default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 3: For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

For the year ended 30 June 2018, allowance for credit losses consists of specific and portfolio provision for credit losses and is determined based on the Group's best estimate of Statements of Financial Position receivables. An allowance for impairment is established if there is objective evidence that the Group will not be able to collect the amount due according to the original contractual terms of the lease and other credit agreements. The amount of the provision is the difference between the carrying amount at the time the lease and other credit agreement are considered doubtful and the recovered amount. The provision amount also covers losses when there is objective evidence that probable losses are present in components of the lease and other credit agreements portfolio at the reporting date. They have been estimated based on the future specific losses inherent in the leases and upon historical patterns of losses in each component and the economic climate in which the clients operate. When a lease or other credit agreements are uncollectible, they are written off against the related provision for impairment; subsequent recoveries are credited to profit or loss.

Significant accounting judgements and estimates

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. Elements of the ECL models that are considered as accounting judgements and estimates include mainly:

(a) the development of ECL models, including the various formulas and the choice of inputs which normally include determination of associations between macroeconomics scenarios and, economic inputs, such as gross domestic products rate and collateral values, and the effect on the probability of default (PDs), Exposure At Default (EADs) and Loss Given Default (LGD).

(b) selection of forward-looking macroeconomic scenarios and their probablity weightings, to derive the economic inputs into the ECL models.

17. NET INVESTMENT IN LEASES AND OTHER CREDIT AGREEMENTS (CONTD)

	GROUP In Rs million	Finance leases	Other credit agreements	2019 Total	2018 Total
	Net investment in leases and other credit agreements at 30 June 2019				
(a)	Gross investment				
	Within one year	230.4	697.4	927.8	233.4
	After one year and before two years	221.7	304.8	526.5	166.4
	After two years and before five years	536.6	34.4	571.0	155.9
	After five years	78.7	-	78.7	33.2
		1,067.4	1,036.6	2,104.0	588.9
	Unearned future finance income	(189.4)	(93.0)	(282.4)	(89.3)
	Present value of minimum lease payment	878.0	943.6	1,821.6	499.6
	Less allowance for credit impairment	(1.6)	(91.0)	(92.6)	(4.9)
	Net finance lease receivables at 30 June	876.4	852.6	1,729.0	494.7
(b)	Remaining term to maturity				
	Within one year	166.9	532.6	699.5	188.4
	After one year and before two years	170.8	378.2	549.0	143.7
	After two years and before five years	465.3	32.8	498.1	136.4
	After five years	75.0	-	75.0	31.1
		878.0	943.6	1,821.6	499.6
(c)	Allowance for credit impairment				
	At 1 July (as previously stated)	(2.1)	(2.8)	(4.9)	-
	Adjustment on initial application of IFRS 9 - Financial instruments	1.7	(18.9)	(17.2)	-
	At 1 July (restated)	(0.4)	(21.7)	(22.1)	-
	Allowance for credit impairment for the year	(1.2)	(64.0)	(65.2)	(4.9)
	Interest in suspense	-	(5.3)	(5.3)	-
	At 30 June	(1.6)	(91.0)	(92.6)	(4.9)

(d) At 30 June 2019, the analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to lease receivables, hire-purchase receivables and loans receivable from customers is as follows:

GROUP In Rs million	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount on net investment in finance lease				
At 1 July 2018	470.9	15.5	13.2	499.6
New assets originated or purchased	1,798.2	-	-	1,798.2
Assets derecognised or repaid (excluding write offs)	(466.5)	(7.2)	(2.5)	(476.2)
Transfers to Stage 1	2.2	(2.2)	-	-
Transfers to Stage 2	(75.9)	76.0	(0.1)	-
Transfers to Stage 3	(161.3)	(5.6)	166.9	-
At 30 June 2019	1,567.6	76.5	177.5	1,821.6
Expected credit loss				
At 1 July 2018	19.3	1.3	1.5	22.1
Allowance for credit impairment	1.3	4.3	59.6	65.2
Interest in suspense	-	-	5.3	5.3
Transfers to Stage 1	0.7	(0.5)	(0.2)	-
Transfers to Stage 2	(1.1)	1.1	-	-
Transfers to Stage 3	(5.0)	(0.5)	5.5	-
At 30 June 2019	15.2	5.7	71.7	92.6
Net carrying amount at 30 June 2019	1,552.4	70.8	105.8	1,729.0

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18. DEFERRED EXPENDITURE

Accounting policy

Voluntary Retirement Scheme (VRS)

VRS costs (net of receipts from Sugar Reform Trust), together with the costs of land and provision for infrastructure costs have been capitalised and amortised over a maximum period of five years. Any profit realised on sale of land under VRS is credited to the deferred expenditure account up to the total standing on this account. Any surplus is credited to the Statements of Profit or Loss.

Premium on Leasehold Land

Premium paid on leasehold land is accounted for as deferred expenditure and is debited to the Statements of Profit or Loss over the number of years remaining on those leases.

Others

In order to match cost and revenue of providing services over the period of the contract, certain expenditure related thereto is deferred. Professional fees are included in other deferred expenditure and will be released over the contract period.

GROUP In Rs million	Premium on leasehold land	Others	Total
Cost			
At 1 July 2017	29.9	326.6	356.5
Additions	-	114.5	114.5
Exchange differences	-	1.0	1.0
At 30 June 2018	29.9	442.1	472.0
Additions	-	72.1	72.1
Exchange differences	-	7.4	7.4
At 30 June 2019	29.9	521.6	551.5
Amortisation			
At 1 July 2017	11.6	132.2	143.8
Charge for the year	6.3	7.1	13.4
Exchange differences	-	0.3	0.3
At 30 June 2018 (as previously stated)	17.9	139.6	157.5
Adjustment on initial application of IFRS 15 - Revenue from contracts with customers	-	(67.5)	(67.5)
At 1 July 2018 (restated)	17.9	72.1	90.0
Charge for the year	1.8	121.3	123.1
Exchange differences	-	1.3	1.3
At 30 June 2019	19.7	194.7	214.4
Carrying value			
At 30 June 2019	10.2	326.9	337.1
At 30 June 2018	12.0	302.5	314.5

19. CONSUMABLE BIOLOGICAL ASSETS

Accounting policy

Consumable biological assets are stated at their fair values less costs to sell and relate to the value of standing crop, deer farming and palm trees.

Significant accounting judgements and estimates

The fair value of consumable biological assets has been arrived at by discounting the present value of expected net cash flows from standing canes at the relevant market determined pre-tax rate.The expected cash flows have been computed by estimating the expected crop and the sugar extraction rate and the forecasts of sugar prices which will prevail in the coming year. The harvesting costs and other direct expenses are based on the yearly budgets.

The fair value measurements for standing canes have been categorised as Level 3 fair values based on the inputs to the valuation techniques used.

GROUP In Rs million	2019	2018
At 1 July	77.3	86.5
Movement in fair value	0.6	(9.2)
At 30 June	77.9	77.3

At 30 June 2019, standing canes comprised approximately 484 hectares of cane plantations (2018: 540 hectares).

During the year, the Group harvested approximately 28,779 tonnes of canes (2018: 32,271 tonnes of canes).

20. INVENTORIES

Accounting policy

Inventories are valued at lower of cost and net realisable value.

Cost is determined at the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, but excludes interest expenses.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

GROUP In Rs million	2019	2018
Raw materials and consumables	145.7	113.2
Goods for resale	211.6	232.0
Work in progress	51.8	22.7
Total inventories	409.1	367.9
Carrying value of inventories pledged	409.1	367.9
Value of inventories at cost	409.1	367.9

21. TRADE AND OTHER RECEIVABLES

Accounting policy

Trade receivables from non-group entities

Trade receivables are recognised initially at fair value and subsequently measured at amortised costs using the effective interest method, less loss allowance (2018: Trade receivables are recognised initially at fair value and subsequently measured at amortised costs less provision for impairment).

The Group is applying the simplified approach to measure Expected Credit Losses (ECL) which uses a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due.

The trade and other receivables have been divided into insured and uninsured. For insured receivables, the Group has exercised the policy choice of considering insurance cover as an integral part of the receivables. The expected cash flows from the insurance cover are included when measuring ECL of the receivables to the extent that the expected losses are covered by the insurance cover. The uninsured receivables are the balances where the Group has no collaterals.

The expected loss rates are based on the Group's historical credit losses based on the pattern of movement of receivables over a period of three years before the reporting date. An additional loss allowance for receivables is recognised when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivable. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product (GDP) as the key macroeconomic factors in the countries where the Group operates.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. Trade and other receivables generally have a short duration and do not carry a contractual interest rate. Therefore, they are measured on initial recognition at the transaction price. Accordingly, the effective interest rate for receivables is zero and discounting of expected cash shortfalls to reflect the time value of money would not be required when measuring expected credit losses.

In case of the customers having credit ratings with external agencies, the default rate issued by such agencies is used as the ECL rate. Hence, such customers are removed from the ageing and ECL is calculated separately as per external credit ratings.

The Group has an established credit policy under which new customers are analysed individually for credit worthiness for each business activity before the Group's standard payment, delivery terms and conditions are offered. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group upon lodging of a bank guarantee as a security document or on a strictly prepaid (cleared funds) only basis.

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21. TRADE AND OTHER RECEIVABLES (CONTD)

Significant accounting judgements and estimates

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

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Trade receivables	1,955.8	1,767.8	1.8	6.3
Less loss allowance (2018: impairment)	(214.6)	(164.1)	(0.1)	(3.6)
Carrying value of trade receivables	1,741.2	1,603.7	1.7	2.7
Prepayments	-	137.4	-	7.8
Receivable from associated companies	-	18.3	-	-
Other receivables	-	724.3	-	9.9
Total trade and other receivables	1,741.2	2,483.7	1.7	20.4

The carrying amount of the receivables is considered as a reasonable approximation of fair value.

At 30 June 2019, the carrying value of trade and other receivables have been analysed as follows:

GROUP In Rs million	ECL Rate (%)	Estimated total gross carrying amount	Less ECL Allowance	Trade receivables net of ECL
Number of days carrying value of trade receivables have been past due				
Not yet been past due	2.4	1,002.2	(24.2)	978.0
Less than 30 days	4.3	349.5	(14.9)	334.6
Between 30 to 60 days	10.4	119.0	(12.3)	106.7
Between 60 to 90 days	15.8	97.9	(15.4)	82.5
Between 90 to 180 days	30.2	115.2	(34.8)	80.4
Between 180 to 360 days	42.9	65.6	(28.2)	37.4
More than 360 days	41.1	206.4	(84.8)	121.6
Carrying value of trade receivables net of ECL		1,955.8	(214.6)	1,741.2

COMPANY In Rs million	ECL Rate (%)	Estimated total gross carrying amount	Less ECL Allowance	Trade receivables net of ECL
Number of days carrying value of trade receivables have been past due				
Not yet been past due	1.2	0.5	-	0.5
Less than 30 days	2.4	0.9	-	0.9
Between 30 to 60 days	4.6	-	-	-
Between 60 to 90 days	7.8	0.2	-	0.2
Between 90 to 180 days	10.1	0.1	-	0.1
Between 180 to 360 days	20.6	0.1	(0.1)	-
More than 360 days	20.6	-	-	-
Carrying value of trade receivables net of ECL		1.8	(0.1)	1.7

21. TRADE AND OTHER RECEIVABLES (CONTD)

At 30 June 2018, the carrying value of trade receivables are as detailed below:

	GROUP	COMPANY
In Rs million	2018	2018
Ageing of trade receivables		
Less than 3 months	1,461.4	2.4
Impairment	-	-
Carrying value of trade receivables less than 3 months	1,461.4	2.4
More than 3 months	94.1	0.3
Impairment	-	-
Carrying value of trade receivables more than 3 months	94.1	0.3
More than 6 months	212.3	3.6
Impairment	(164.1)	(3.6)
Carrying value of trade receivables more than 6 months	48.2	-
Carrying value of trade receivables	1,603.7	2.7

Loss allowances for trade and receivables (2018: Impairment of trade receivables) are as:

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
At 1 July (as previously stated)	(164.1)	(160.8)	(3.6)	(3.6)
Adjustment on initial application of IFRS 9 - Financial instruments	(55.7)	-	(0.1)	-
At 1 July (restated)	(219.8)	(160.8)	(3.7)	(3.6)
Increase in loss allowances recognised in profit or loss during the year (2018: Provision for impairment)	(63.3)	(26.3)	-	-
Receivables written off during the year as uncollectible	(10.6)	-	-	-
Reversal of provision for bad debts no longer required	78.7	23.0	3.6	-
Exchange difference	0.4	-	-	-
At 30 June 2019	(214.6)	(164.1)	(0.1)	(3.6)

22. AMOUNTS RECEIVABLE FROM GROUP COMPANIES

COMPANY In Rs million	2019	2018
Receivable from subsidiary companies	-	329.6

The carrying amount of loans receivable approximates their fair values. The loans are unsecured and are repayable by instalments within one year.

Capital Structure

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23. SHARE CAPITAL AND RESERVES

Accounting policy

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as deduction, net of tax, from proceeds. Where the Company purchases its equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. When such shares are subsequently reissued, any net consideration received, is included in equity attributable to the Company's equity holders.

Capital reserves

The capital reserves include movement in reserves resulting from statutory obligations.

Revaluation reserves

The revaluation reserves comprise the cumulative net change in the fair value of available for sale financial assets until the assets are derecognised or impaired and the gains/losses arising on revaluation of properties.

Translation reserves

The foreign currency translation reserves record the foreign currency differences arising from the translation of the financial statements of foreign operations.

COMPANY In Rs million	2019	2018
Authorised		
At 30 June	1,260.2	1,260.2
Issued and fully paid		
At 30 June	1,260.2	1,260.2

24. NON-CONTROLLING INTERESTS

Accounting policy

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance. The Group accounts for transaction 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 of the carrying value of the net assets of the subsidiary acquired is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(a) Substantial Non-Controlling Interests (NCI) are in:

GROUP		NCI % holding	
Name of entity	Segment	2019	2018
Rogers Capital Ltd (RC)	FinTech	43.56%	43.56%
VLH Ltd (VLH)	Hospitality	19.77%	21.67%
Velogic Holding Company Ltd (VHL)	Logistics	33.77%	33.77%
Ascencia Limited (Ascencia)	Property	63.81%	63.75%
Cie. Sucrière de Bel Ombre Ltd (CSBO)	Property	62.74%	62.74%

24. NON-CONTROLLING INTERESTS (CONTD)

(b) Summarised financial information before intra-group elimination:

GROUP In Rs million	RC	VLH	VHL	Ascencia	CSBO
30 June 2019					
Statements of Profit or Loss and Other Comprehensive Income					
Revenue	1,120.8	2,741.7	4,234.1	1,747.2	819.8
(Loss) profit for the year	(16.5)	290.6	115.4	881.8	(137.9)
Other comprehensive income for the year	(4.4)	(2.8)	(4.3)	-	16.4
Total comprehensive income for the year	(20.9)	287.8	111.1	881.8	(121.5)
(Loss) profit for the year attibutable to NCI	(6.5)	30.9	47.0	558.1	(95.6)
Other comprehensive income attributable to NCI	(1.9)	(0.6)	(2.0)	-	14.2
Total comprehensive income attributable to NCI	(8.4)	30.3	45.0	558.1	(81.4)
Dividends paid to NCI	-	23.7	19.1	252.0	-
Statements of Financial Position					
Non current assets	2,634.3	6,255.5	3,241.5	15,472.7	5,755.0
Current assets	1,966.5	4,982.9	2,069.5	1,196.7	658.8
Non current liabilities	1,040.6	2,014.4	918.8	5,125.4	490.7
Current liabilities	2,586.3	4,631.4	1,516.1	681.6	1,467.4
Accumulated NCI	(81.2)	832.6	409.3	4,997.9	2,307.7
Statements of Cash Flows					
Net cash flow (used in) from operating activities	(1,209.4)	435.9	188.3	523.1	34.4
Net cash flow (used in) from investing activities	(319.4)	(1,054.5)	9.7	(101.7)	(125.4)
Net cash flow from (used in) financing activities	1,188.8	446.0	(167.0)	(499.1)	48.1
Net (decrease) increase in cash and cash equivalents	(340.0)	(172.6)	31.0	(77.7)	(42.9)
30 June 2018					
Statements of Profit or Loss and Other Comprehensive Income					
Revenue	922.9	2,548.3	4,262.2	1,441.2	619.4
(Loss) profit for the year	(38.9)	208.0	103.1	1,000.6	(68.5)
Other comprehensive income for the year	(3.5)	2.4	(10.8)	-	(69.3)
Total comprehensive income for the year	(42.4)	210.4	92.3	1,000.6	(137.8)
(Loss) profit attributable to NCI	(17.0)	38.2	44.7	560.1	(58.3)
Other comprehensive income attributable to NCI	(2.3)	0.5	(3.5)	-	(45.7)
Total comprehensive income attributable to NCI	(19.3)	38.7	41.2	560.1	(104.0)
Dividends paid to NCI	-	21.3	-	228.5	18.0
Statements of Financial Position					
Non current assets	1,617.9	5,152.7	3,311.7	14,125.0	5,613.3
Current assets	962.6	4,490.0	1,902.0	1,254.8	668.9
Non current liabilities	662.1	1,689.5	1,024.2	4,710.3	424.6
Current liabilities	998.1	4,218.9	1,369.3	616.6	1,072.0
Accumulated NCI	(44.1)	854.5	393.3	4,625.2	2,555.1
Statements of Cash Flows					
Net cash flow (used in) from operating activities	(256.8)	534.3	69.2	375.0	2.6
Net cash flow (used in) from investing activities	(530.8)	(1,027.2)	(23.9)	583.0	(163.3)
Net cash flow from (used in) financing activities	876.9	749.6	(143.5)	(285.0)	9.8
Net increase (decrease) in cash and cash equivalents	89.3	256.7	(98.2)	673.0	(150.9)

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25. CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES THAT DO NOT RESULT IN A LOSS OF CONTROL

During the year, the Group effected the following changes in proportion of effective ownership interests in subsidiaries that do not result in a loss of control. The net impact of these changes in shareholding resulted in a decrease of Rs 11.2m in retained earnings and an increase of Rs 11.2m in non-controlling interests.

Name of entity	From %	To %
HOSPITALITY		
Adnarev Ltd	78.3	80.2
Bagatelle Hotel Operations Co Ltd (VOILA)	100.0	80.2
Blue Alize Ltd	80.0	64.2
Cap d'Abondance Ltd	100.0	80.2
CCC LAH Ltd (Moka'z)	86.2	69.2
Croisières Australes Ltée	100.0	80.2
DOMC Ltd	51.0	40.9
Heritage Events Company Ltd	78.3	80.2
Heritage Golf Club Ltd	64.6	65.9
Island Living Ltd	100.0	80.2
Rogers International Distribution Services Limitada	66.7	100.0
Seafood Basket Ltd	100.0	80.2
Seven Colours Spa Ltd	78.3	80.2
Sports Event Management Operation Co Ltd	100.0	52.2
Sweetwater Ltd	100.0	44.1
Veranda Tamarin Ltd	40.0	40.9
VLH Ltd	78.3	80.2
VLH Training Ltd	78.3	80.2
PROPERTY		
Ascencia Limited	36.3	36.2
Bagaprop Limited	36.3	36.2
Floreal Commercial Centre Ltd	36.3	36.2

26. DIVIDENDS

COMPANY In Rs million	2019	2018
Declared and paid		
Interim dividend of Rs 0.36 per ordinary share (2018: Rs 0.34)	90.7	85.7
Declared and payable		
Final dividend of Rs 0.66 per ordinary share (2018: Rs 0.63)	166.4	158.8
Total dividends	257.1	244.5

The final dividend distribution to the Company's shareholders is recognised as a liability in the Group financial statements in the year in which dividends are declared.

A final dividend of Rs 0.66 per share was declared on 20 June 2019 and paid on 22 July 2019. An amount of Rs 166.4m has been included in current liabilities at 30 June 2019.

Liabilities

27. BORROWINGS

Accounting policy

Borrowings are recognised initially at fair value net of any transaction costs directly attributable to the issue of the financial intruments. 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 Statement of Financial Position. For the purposes of each financial liability, interest expense includes initial transation costs and any premium payable on redemption as well as any interest or coupon payable while the liability is outstanding.

Preference shares, which are mandatorily non-voting convertible at a specific date, are classified as liabilities and dividends on these preference shares are recognised in Statement of Profit or Loss as interest expense. The liability components of convertible loan notes are measured as described in note (e).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the period-end date.

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Profit or Loss unless they are attributable to qualifying assets in which case, they are capitalised in accordance with the policy of borrowing costs.

		GROUP		COMPANY	
	In Rs million	2019	2018	2019	2018
(a)	Non current				
	Bank borrowings - Secured (note b)	8,205.7	7,397.5	650.0	750.0
	- Unsecured	125.0	74.7	-	-
	Secured floating rate notes (note d)	1,500.0	1,500.0	1,500.0	1,500.0
	Convertible preference shares (note e)	-	37.5	-	-
	Debentures (note f)	210.7	210.7	-	-
	Loans from other companies	-	303.5	-	303.5
	Finance lease obligations (note g)	53.8	70.3	-	-
	Total non current borrowings	10,095.2	9,594.2	2,150.0	2,553.5
	Current				
	Bank overdrafts	765.4	600.1	117.1	-
	Bank borrowings (note b)	1,255.8	238.7	460.0	110.0
	Convertible preference shares (note e)	37.5	48.7	-	-
	Loans from subsidiary companies	-	-	108.2	45.0
	Loans from other companies	307.2	8.7	307.2	8.7
	Finance lease obligations (note g)	34.7	37.1	-	-
	Total current borrowings	2,400.6	933.3	992.5	163.7
	Total borrowings	12,495.8	10,527.5	3,142.5	2,717.2

(b) These loans are secured by fixed and floating charges on the assets of the borrowing companies. The carrying amount of long term loans approximates their fair values and the rates of interest vary between 1.0% and 8.0% (2018: 1.0% and 8.0%).

The carrying amounts of borrowings are not materially different from their fair values, which are based on cash flows discounted using the borrowings rate and are within level 2 of the fair value hierarchy.

EXPLANATORY NOTES

30 June 2019

27. BORROWINGS (CONTD)

		GROUP		COMPANY	
	In Rs million	2019	2018	2019	2018
(c)	Repayable otherwise than by instalments				
	After one year and before two years	-	10.0	-	-
	Secured floating rate notes	500.0	-	500.0	-
	After two years and before five years	405.6	653.5	350.0	653.5
	Secured floating rate notes	500.0	500.0	500.0	500.0
	After five years				
	Secured floating rate notes	500.0	1,000.0	500.0	1,000.0
	Repayable by instalments				
	After one year and before two years	1,568.6	974.5	100.0	100.0
	After two years and before five years	652.3	1,198.5	200.0	300.0
	After five years	5,914.9	5,149.9	-	-
	Total non current borrowings*	10,041.4	9,486.4	2,150.0	2,553.5

*Excluding finance lease obligations and convertible preference shares.

(d) Secured floating rate notes

On 16 March 2015, the Company issued 30,000 secured floating rate notes on private placement as follows:

Note description	Maturity	Interest rate
Tranche A (10,000 notes at Rs50,000 per note)	16 March 2021	Reference Bank of Mauritius repo rate + 1.35% p.a
Tranche B (10,000 notes at Rs50,000 per note)	16 March 2023	Reference Bank of Mauritius repo rate + 1.85% p.a
Tranche C (10,000 notes at Rs50,000 per note)	16 March 2025	Reference Bank of Mauritius repo rate + 2.35% p.a

These notes are secured by a floating charge over all the assets of the Company and the subsidiaries being financed .

(e) Convertible preference shares to non-group entities

On 30 June 2019, preference shares have been converted to Class A ordinary shares for an amount of Rs 48.7m (2018: Rs 55.6m).

Salient features of the convertible preference shares are as follows:

Preference shares shall be converted mandatorily on the 30th June of every financial year over 5 consecutive years into Class A ordinary shares of the subsidiary company without paying any additional fee.

The preference shares yield a dividend of 6.0% per financial year over 5 consecutive years, payable out of the profits of the subsidiary company and in priority to dividends payable to Class A ordinary shareholders. Dividend distribution shall be paid in June of each financial year.

Preference shareholders will not have the right to receive notice of, or attend, or vote on a poll at the shareholders' meetings of the subsidiary company.

The right to an equal share in the distribution of surplus assets among non-convertible preference shareholders on winding up, payable in priority to the holders of ordinary shares.

The convertible non-voting preference shares shall constitute unsecured and subordinated obligations of the subsidiary company and shall accordingly rank junior to all secured and unsubordinated creditors of the subsidiary company but ahead of Class A ordinary shares.

(f) Debentures to non-group entities

During the year under review, Ascencia Limited, a subsidiary company has in issue 17,556,676 redeemable bonds at an issue price of Rs 12.00 each, totalling Rs 210.7m.

Salient features of the debentures are as follows:

A coupon rate of 6.0% per annum in respect of each financial year over 10 consecutive years, will be paid to Bondholders out of the profits of the entity. This will be paid in priority to dividends payable to Class A ordinary shareholders and preference shareholders. Coupon payment shall be paid in June of each financial year.

Bondholders will not have the right to receive notice of, or attend, or vote on a poll at the shareholders' meetings of the entity.

Bonds shall be redeemed automatically on the 30th June of every financial year over 5 consecutive years starting 30 June 2021, without paying any additional fee.

27. BORROWINGS (CONTD)

	GROUP		
	In Rs million	2019	2018
(g)	Finance lease obligations		
	Within one year	29.5	36.5
	After one year and before two years	33.7	48.4
	After two years and before five years	16.3	24.9
	After five years	2.4	1.7
	Finance lease liabilities - minimum lease payments	81.9	111.5
	Future finance charges	6.6	(4.1)
	Present value of finance lease obligations	88.5	107.4
	Within one year	34.7	37.1
	After one year and before two years	36.4	48.2
	After two years and before five years	15.1	20.3
	After five years	2.3	1.8
	Present value of finance lease obligations	88.5	107.4

Finance lease arrangement includes contract for the leasing of motor vehicles and equipment. At the expiry of the lease period, the lessee may purchase the equipment upon payment of the residual value. The lessor will have recourse to repossession of the asset upon default. No other restriction is stipulated.

28. DEFERRED TAX LIABILITIES

Accounting policy

Deferred tax

Deferred tax liabilities are provided in respect of taxable temporary differences, using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply in the year when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets arising from unused tax losses are recognised only to the extent that realisation of the related tax benefit is probable.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Significant accounting judgements and estimates

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from fair value of investment properties the directors reviewed the Group's investment property portfolio and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all economic benefits embodied in the investment properties over time, rather than through sale. As a result, the Group has not recognised any deferred taxes on changes in fair value of investment properties as the Group is not subject to any capital gain taxes on disposal of its investment properties.

	GROUP		
	In Rs million	2019	2018
(a)	At 1 July	665.6	587.9
	Charged to Statements of Profit or Loss	72.6	72.0
	Credited to Statements of Profit or Loss and Other Comprehensive Income	(0.4)	(3.5)
	Acquisition of subsidiary companies	-	9.2
	At 30 June	737.8	665.6

At 30 June 2019, the Company had unused tax losses of Rs 124.2m (2018: Rs 142.7m) available to offset against future profits for which no deferred tax asset has been recognised.

EXPLANATORY NOTES

30 June 2019

28. DEFERRED TAX LIABILITIES (CONTD)

(b) The movement in deferred tax liabilities during the year is as follows:

GROUP In Rs million	Accelerated capital allowance	Retirement benefit obligation	Impairment loss/fair value	Total
At 1 July 2017 (restated)	275.5	9.1	303.3	587.9
Charged to Statements of Profit or Loss	6.9	(1.8)	66.9	72.0
Credited to Statements of Profit or Loss and Other Comprehensive Income	-	(0.4)	(3.1)	(3.5)
Acquisition of subsidiary companies	9.2	-	-	9.2
At 30 June 2018	291.6	6.9	367.1	665.6
Charged to Statements of Profit or Loss	-	2.4	70.2	72.6
Charged to Statements of Profit or Loss and Other Comprehensive Income	-	(0.8)	0.4	(0.4)
At 30 June 2019	291.6	8.5	437.7	737.8

29. RETIREMENT BENEFIT OBLIGATIONS

Accounting policy

Defined benefit pension plans and other retirement benefits

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement usually dependent on one or more factors such as age, year of service and compensation.

The present value of retirement benefit obligations is recognised in the Statements of Financial Position as a non current liability after adjusting for the fair value of plan assets. The assessment of these obligations is carried out annually by an independent firm of consulting actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using rates on government bonds.

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 the Statements of Profit or Loss and Other Comprehensive Income in the year in which they occur. Remeasurements recognised in the Statements of Profit or Loss and Other Comprehensive Income shall not be reclassified to the Statements of Profit or Loss in subsequent year.

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

Service costs comprising current service cost, past service cost as well as gains and losses on curtailments and settlements are recognised immediately in the Statements of Profit or Loss.

State plan and defined contribution pension plans

Contributions to the National Pension Scheme and the Group's defined contribution pension plan are expensed to the Statements of Profit or Loss in the year in which they fall due.

Gratuity on retirement

For employees who are not covered (or who are insufficiently covered by the above pensions plans), the net present value of gratuity on retirement payable under the Employment Rights Act 2008 is calculated by a qualified actuary and provided for. The obligations arising under this item are not funded.

Significant accounting judgements and estimates

The present value of retirement benefit obligations is recognised in the Statement of Financial Position as a non current liability after adjusting for the fair value of plan assets, any unrecognised actuarial gains and losses and any unrecognised past service cost. The assessment of these obligations is carried out annually by an independent firm of consulting actuaries. The actuarial valuation involves making assumptions on discount rates, future pension increases, mortality rates, salary increases and expected rates of return on plan assets.

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Amounts recognised in the Statements of Financial Position				
Pension plan (note a)	24.0	31.0	(43.1)	(35.7)
Other retirement benefits (note b)	176.2	153.2	53.6	47.5
Total retirement benefit obligations	200.2	184.2	10.5	11.8

29. RETIREMENT BENEFIT OBLIGATIONS (CONTD)

(a) Pension plan

The Group runs a defined contribution plan, the Rogers Pension Fund (RPF), to which have been transferred the pension benefits of all employees who were members of a self-administered defined benefit superannuation fund (DBSF). These employees, subject to them contributing regularly to the RPF, have been given the guarantee by their respective employers that their benefits at the age of sixty, under the RPF would not be less than the benefits provided under the ex DBSF. The potential liability under the above guarantee is funded by additional employers' contributions and has been included in the provision made for retirement benefit obligations.

In addition to the above, some companies have defined benefit plans which are funded and where the plan assets are held by The Swan Life Ltd and The Sugar Industry Pension Fund.

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Amounts recognised in the Statements of Financial Position				
Present value of funded obligations	1,925.3	2,001.7	1,749.8	1,796.3
Fair value of plan assets	(1,958.8)	(2,070.3)	(1,853.4)	(1,932.4)
Excess of fair value of plan assets over present value of funded obligations	(33.5)	(68.6)	(103.6)	(136.1)
Impact of minimum funding requirement/asset ceiling	57.5	99.6	60.5	100.4
Liability (asset) in the Statements of Financial Position	24.0	31.0	(43.1)	(35.7)
Reconciliation of net defined benefit liability (asset)				
At 1 July	31.0	23.6	(35.7)	(30.0)
Amount recognised in profit or loss	8.5	11.1	2.7	2.3
Amount recognised in other comprehensive income	(2.1)	(1.5)	(9.2)	(7.1)
Less employer contributions	(13.4)	(7.1)	(0.9)	(0.9)
Acquisition of subsidiaries	-	4.9	-	-
At 30 June	24.0	31.0	(43.1)	(35.7)
Reconciliation of fair value of plan assets				
At 1 July	2,070.3	1,697.9	1,932.4	1,559.9
Interest income	107.5	113.2	102.5	100.9
Employer contributions	13.4	7.1	0.9	0.9
Employee contributions	0.9	0.6	0.2	0.2
Benefits paid	(247.6)	(54.1)	(206.7)	(30.9)
Return on plan assets excluding interest income	14.3	305.6	24.1	301.4
At 30 June	1,958.8	2,070.3	1,853.4	1,932.4
Reconciliation of present value of defined benefit obligation				
At 1 July	2,001.7	1,612.4	1,796.3	1,435.3
Current service cost	7.7	10.9	4.7	4.3
Employee contributions	0.9	0.6	0.2	0.2
Interest expense	103.9	123.2	94.8	92.8
Past service cost	0.2	(6.3)	-	-
Settlement loss	-	5.4	-	-
Other benefits paid	(247.6)	(54.1)	(206.7)	(30.9)
Liability experience loss	8.7	200.6	12.6	202.3
Liability loss due to change in financial assumptions	49.8	104.1	47.9	92.3
Acquisition of subsidiaries	-	4.9	-	-
At 30 June	1,925.3	2,001.7	1,749.8	1,796.3
Reconciliation of the effect of the asset ceiling				
At 1 July	99.6	109.1	100.4	94.6
Amount recognised in profit or loss	4.2	(8.9)	5.7	6.1
Amount recognised in other comprehensive income	(46.3)	(0.6)	(45.6)	(0.3)
At 30 June	57.5	99.6	60.5	100.4
Components of amount recognised in profit and loss				
Current service cost	7.7	10.9	4.7	4.3
Past service cost	0.2	(6.3)	-	-
Settlement loss	-	5.4	-	-
Service cost	7.9	10.0	4.7	4.3
Net interest on net defined benefit liability (asset)	0.6	1.1	(2.0)	(2.0)
Amounts recognised in profit or loss	8.5	11.1	2.7	2.3

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29. RETIREMENT BENEFIT OBLIGATIONS (CONTD)

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Components of amount recognised in other comprehensive income				
Return on plan assets excluding interest income	(14.3)	(305.6)	(24.1)	(301.4)
Liability experience loss	8.7	200.6	12.6	202.3
Liability loss due to change in financial assumptions	49.8	104.1	47.9	92.3
Change in effect of asset ceiling	(46.3)	(0.6)	(45.6)	(0.3)
Amounts recognised in other comprehensive income	(2.1)	(1.5)	(9.2)	(7.1)
Allocation of Plan assets at End of Year (%)				
Equity - Overseas quoted	15 - 21	21 - 28	15 - 20	18 - 28
Equity - Overseas unquoted	0 - 5	0 - 4	0 - 5	0 - 2
Equity - Local quoted	24 - 38	27 - 37	24 - 38	29 - 37
Equity - Local unquoted	0 - 3	0 - 2	0 - 3	-
Debt - Overseas quoted	0 - 10	0 - 10	0 - 5	0 - 7
Debt - Overseas unquoted	0 - 2	-	0 - 2	-
Debt - Local quoted	0 - 10	0 - 5	0 - 10	-
Debt - Local unquoted	8 - 27	8 - 25	8 - 27	21 - 25
Property - Local	3 - 19	2 - 19	3 - 19	2 - 21
Cash and other	4 - 11	4 - 8	10 - 11	0 - 8
Other qualifying insurance policies	0 - 100	0 - 100	-	-
Allocation of Plan Assets at End of Period				
- Reporting entity's own transferable financial instruments	0 - 2	-	0 - 2	0 - 3
Principal Assumptions used at End of Period				
Discount rate	5.6%	5.6%	5.6%	5.6%
Rate of salary increases	3.8% - 4.0%	3.5% - 4.5%	3.8% - 4.0%	3.5%
Rate of pension increases	0.5% - 1.5%	0.0% - 0.5%	0.5% - 0.8%	0.5%
Average retirement age (ARA)	60 - 65 years	60 - 65 years	60 years	60 years
Average life expectancy for:				
- Male	13.0 - 23.2 years	19.5 - 23.2 years	19.5 - 23.2 years	19.5 - 23.2 years
- Female	14.0 - 26.2 years	24.2 - 26.2 years	24.2 - 26.2 years	24.2 - 26.2 years
Sensitivity Analysis on Defined Benefit Obligation at End of Period				
Increase due to 1% decrease in discount rate	189.7	175.5	166.5	151.6
Decrease due to 1% increase in discount rate	155.7	143.9	137.5	125.2
Expected employer contribution for the next year	8.7	20.3	1.0	0.9
Weighted average duration of the defined benefit obligation	6 - 25 years	2 - 21 years	8 - 9 years	8 years

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligations.

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

The defined contribution pension plan exposes the Group to actual risks, such as investment, interest, longevity and salary risks.

Investment risk - The plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Interest risk - A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

Longevity risk - The plan liability is calculated by reference to the best estimates of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary risk - The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

29. RETIREMENT BENEFIT OBLIGATIONS (CONTD)

Future cashflows

The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries.

		GROUP		COMPANY	
	In Rs million	2019	2018	2019	2018
	Defined contribution plan				
	Contributions to Rogers Pension Fund	74.3	64.5	9.2	9.5
(b)	Other retirement benefits				
	Other retirement benefits comprise retirement gratuity and unfunded pensions paid to ex-employees of the Group				
	At 1 July	153.2	140.2	47.5	46.1
	Amount recognised in profit or loss	17.3	10.9	3.4	3.3
	Amount recognised in other comprehensive income	17.1	(0.6)	7.6	2.8
	Less employer contributions	(11.4)	(4.9)	(4.9)	(4.7)
	Acquisition of subsidiaries	-	7.6	-	-
	At 30 June	176.2	153.2	53.6	47.5
	Reconciliation of present value of defined benefit obligations				
	At 1 July	153.2	140.2	47.5	46.1
	Current service cost	5.2	6.7	0.9	0.6
	Interest expense	8.1	8.4	2.5	2.8
	Past service cost	4.8	(0.1)	-	(0.1)
	Settlement gain	(0.8)	(4.1)	-	-
	Benefits paid	(11.4)	(4.9)	(4.9)	(4.7)
	Liability experience loss (gain)	6.4	(7.7)	4.3	1.5
	Liability loss due to change in demographic assumptions	0.1	-	-	-
	Liability loss due to change in financial assumptions	10.6	7.1	3.3	1.3
	Acquisition of subsidiaries	-	7.6	-	-
	At 30 June	176.2	153.2	53.6	47.5
	Components of amount recognised in profit or loss				
	Current service cost	5.2	6.7	0.9	0.6
	Past service cost	4.8	(0.1)	-	(0.1)
	Settlement gain	(0.8)	(4.1)	-	-
	Service cost	9.2	2.5	0.9	0.5
	Net interest on net defined benefit liability	8.1	8.4	2.5	2.8
	Amounts recognised in profit or loss	17.3	10.9	3.4	3.3
	Components of amount recognised in other comprehensive income				
	Liability experience loss (gain)	6.4	(7.7)	4.3	1.5
	Liability loss due to change in demographic assumptions	0.1	-	-	-
	Liability loss due to change in financial assumptions	10.6	7.1	3.3	1.3
	Amounts recognised in other comprehensive income	17.1	(0.6)	7.6	2.8
	Principal Assumptions used at End of Period				
	Discount rate	5.5% - 5.6%	5.6%	5.6%	5.6%
	Rate of salary increases	3.5% - 4.0%	3.0% - 5.6%	4.0%	3.5% - 5.6%
	Rate of pension increases	0.5% - 2.0%	0% - 2.0%	0.8% - 2.0%	0.5% - 2.0%
	Average retirement age (ARA)	60 - 65 years	60 - 65 years	65 years	60 - 65 years
	Average life expectancy for:				
	- Male at ARA	15.9 - 19.5 years	15.9 - 23.2 years	15.9 years	15.9 - 19.5 years
	- Female at ARA	20.0 - 24.2 years	20.0 - 26.2 years	20.0 years	20.0 - 24.2 years
	Sensitivity Analysis on Defined Benefit Obligation at End of Period				
	- Increase due to 1% decrease in discount rate	52.5	43.7	11.8	10.9
	- Decrease due to 1% increase in discount rate	36.2	28.6	9.5	8.2

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

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29. RETIREMENT BENEFIT OBLIGATIONS (CONTD)

		GROUP		COMPANY	
	In Rs million	2019	2018	2019	2018
	Future cashflows				
	- Expected employer contribution for the next year	17.2	14.7	5.0	5.0
	- Weighted average duration of the defined benefit obligation	2 - 38 years	0 - 38 years	3 - 15 years	4 - 15 years
(c)	State pension plan				
	National Pension Scheme contributions expensed	40.1	33.3	0.9	0.8

Retirement benefit obligations have been based on the report dated June 2019 submitted by Aon Hewitt Limited and Rogers Capital Actuarial Services Ltd.

30. TRADE AND OTHER PAYABLES

Accounting policy

Trade and other payables are recognised initially at fair value and subsequently carried at amortised costs using the effective interest method.

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Trade payables	1,146.0	974.3	12.1	13.2
Payable to associated companies	-	1.9	-	-
Accruals	857.2	951.4	87.3	69.7
Other payables	1,253.6	1,150.9	58.6	73.3
Total trade and other payables	3,256.8	3,078.5	158.0	156.2

The carrying amount of the payables is considered as a reasonable approximation of fair value.

31. LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS

Accounting policy

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. In cases where the the Group transfers its services to its customers before the customers pay consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. At 30 June 2019, the Group has not recognised any contract assets.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received full or partial consideration from the customer. In cases where the 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. The Group also derives income from sales of land options. A land option gives the customer the option to buy a property in the future against an upfront payment. The proceeds are treated as a contract liability as no performance obligation is delivered at that time until the customer buys the land or the option period expires.

GROUP	
In Rs million	2019
At 1 July 2018 (as previously stated)	-
Adjustment on initial application of IFRS 15 - Revenue from contracts with customers	425.2
At 1 July 2018 (restated)	425.2
Land options redeemed, excluded from revenue	(16.0)
Amounts included in contract liabilities that were recognised as revenue during the year	(259.7)
Cash received in advance of performance and not recognised as revenue during the year	131.6
Exchange difference	10.6
At 30 June 2019	291.7

32. AMOUNTS PAYABLE TO GROUP COMPANIES

COMPANY		
In Rs million	2019	2018
Subsidiary companies	695.0	585.3

The carrying amount of the payables is considered as a reasonable approximation of fair value. The payables are unsecured and are repayable within one year.

33. CASH AND CASH EQUIVALENTS

Accounting policy

Cash and cash equivalents comprise cash in hand, amounts repayable on demand from banks and financial institutions and short-term highly liquid investments which were within three months of maturity when acquired, less bank overdrafts for the purpose of Statements of Cash Flows. Bank overdrafts are shown within loans and borrowings in current liabilities on the Statements of Financial Position. Cash and cash equivalents are measured at amortised costs and tested for impairment.

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Bank balances and cash	1,100.6	1,466.6	2.8	12.5
Short term loans receivable and deposits	-	-	322.3	-
Short term loans payable	-	-	(1,050.3)	(576.9)
Bank overdrafts	(765.4)	(600.1)	(117.1)	-
Total cash and cash equivalents	335.2	866.5	(842.3)	(564.4)
The bank overdrafts are secured by floating charges on the assets of the borrowing companies. The rate of interest varies between 0.3% and 27.5%, inclusive of foreign denominated overdrafts.				
Non cash transactions	24.3	16.2	-	-

At 30 June 2019, cash and cash equivalents have been tested for impairment and impairment loss was negligible.

Non cash transactions relate to the purchase of equipment and motor vehicles by means of finance leases.

34. NOTES TO THE STATEMENTS OF CASH FLOWS

(a) Cash Flow generated from (absorbed by) operations

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Profit before taxation	1,313.6	1,311.5	506.8	294.9
Share of results of jointly controlled entities	21.5	11.7	-	-
Share of results of associated companies	(193.8)	(119.6)	-	-
Exceptional items	12.1	(220.8)	(276.8)	(53.4)
Profit from operations	1,153.4	982.8	230.0	241.5
Depreciation	428.0	394.3	8.7	10.8
Amortisation	136.9	29.3	0.4	0.4
Fair value gain and straightlining adjustment on investment properties	(474.1)	(495.7)	(2.6)	(12.1)
Exchange difference on borrowings	(5.6)	44.0	-	-
Profit on sale of investment properties and property, plant and equipment	(6.7)	(10.8)	(0.7)	(0.4)
Profit on disposal of financial assets at fair value through profit or loss	(2.4)	(0.2)	-	-
Loss on disposal of assets held for sale	(3.7)	-	-	-
Reversal of impairment loss on financial assets	60.4	8.2	-	-
Reversal of provision of investments in subsidiary companies	-	-	-	(29.1)
Investment income	(8.6)	(26.3)	(465.2)	(446.9)
Interest expense	567.8	550.4	170.9	163.7
Interest income	(89.3)	(13.2)	(19.1)	(18.6)
Retirement benefit obligations	1.0	9.6	0.4	(0.1)
Cash generated from (used in) operations before working capital changes	1,757.1	1,472.4	(77.2)	(90.8)

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34. NOTES TO THE STATEMENTS OF CASH FLOWS (CONTD)

(a) Cash Flow generated from (absorbed by) operations (contd)

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Changes in working capital (excluding the effects of acquisition and disposal of subsidiaries)				
Net increase in leases and other credit agreements	(1,316.8)	(494.7)	-	-
Inventories	(108.5)	(165.7)	-	-
Trade and other receivables	(175.6)	(18.2)	(26.6)	69.5
Other receivables	(143.5)	-	(0.6)	-
Prepayments	(61.3)	-	5.3	-
Liabilities related to contracts with customers	218.8	-	-	-
Trade and other payables	(160.3)	242.8	18.8	(83.4)
Cash generated from (absorbed by) operations	9.9	1,036.6	(80.3)	(104.7)

(b) Reconciliation of liabilities arising from financing activities

GROUP In Rs million	1 July 2018	Net cash flows	Leases contracted during the year	Non-cash transactions	Acquisitions (Disposals) of subsidiaries	Revaluation of foreign currency	30 June 2019
Bank and other borrowings excluding bank overdraft	8,023.1	1,505.1	-	-	359.9	5.6	9,893.7
Secured floating rate notes	1,500.0	-	-	-	-	-	1,500.0
Convertible preference shares	86.2	-	-	(48.7)	-	-	37.5
Debentures	210.7	-	-	-	-	-	210.7
Lease liabilities	107.4	(44.3)	26.2	-	(0.8)	-	88.5
Total liabilities from financing activities	9,927.4	1,460.8	26.2	(48.7)	359.1	5.6	11,730.4

COMPANY In Rs million	1 July 2018	Net cash flows	Non-cash transactions	30 June 2019
Bank and other borrowings excluding bank overdrafts and loan maturing within 3 months	1,217.2	(67.2)	15.4	1,165.4
Secured floating rate notes	1,500.0	-	-	1,500.0
Total liabilities from financing activities	2,717.2	(67.2)	15.4	2,665.4

35. ACQUISITION OF SUBSIDIARIES

On 1 July 2018, the Group acquired an additional 50% holding in Floreal Commercial Centre Ltd through its subsidiary company, Ascencia Limited. Floreal Commercial Centre Ltd is henceforth consolidated as a subsidiary as opposed to investment in jointly controlled entities in previous years.

GROUP In Rs million	
Investment property	627.8
Trade and other receivables	15.8
Cash and cash equivalents	11.4
Borrowings	(359.9)
Trade and other payables	(34.1)
	261.0
Excess of fair value of net assets acquired over settlement price	(18.4)
	242.6
Cash and cash equivalents acquired	(11.4)
Investment in Floreal Commercial Centre as jointly controlled entity	(121.3)
Cash outflow on acquisition net of cash and cash equivalents	109.9
Satisfied by:	
Consideration paid in cash	121.3

The revenue and profit consolidated in the Group's Statements of Profit or Loss for the year ended 30 June 2019 amounted to Rs 87.0m and Rs 56.4m respectively.

36. DISPOSAL OF SUBSIDIARIES

On 1 April 2019, the Group disposed its shareholding in Yacht Management Ltd. Assets and liabilities disposed are as follows:

GROUP In Rs million	
Trade and other receivables	5.4
Bank overdrafts	(0.8)
Borrowings	(0.8)
Trade and other payables	(3.7)
Income tax liability	(0.1)
	-
Goodwill initially recognised	5.2
	5.2
Loss on disposal	(2.2)
	3.0
Cash and cash equivalents disposed	(0.8)
Cash flow on disposal net of cash and cash equivalents	2.2
Satisfied by:	
Cash	3.0

The Group realised a loss of Rs 2.2m on the disposal of Yacht Management Ltd and this loss is arrived at as follows:

Consideration received	3.0
Net assets disposed	-
Goodwill not yet written off	(5.2)
Loss on disposal of Yacht Management Ltd	(2.2)

Unrecognised items

EXPLANATORY NOTES

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37. COMMITMENTS

In Rs million	GROUP 2019	GROUP 2018	COMPANY 2019	COMPANY 2018
Capital commitments				
Authorised by the Board of Directors				
(i) but not contracted for	804.9	133.6	462.4	-
(ii) contracted for but not provided in the financial statements	528.7	759.5	-	-

In Rs million	GROUP 2019	GROUP 2018	COMPANY 2019	COMPANY 2018
Future minimum lease receivable under non-cancellable operating leases may be analysed as follows:				
Within one year	4.4	3.8	-	-
After one year and before five years	13.0	12.8	-	-
After five years	0.7	1.3	-	-
Future minimum lease receivable under non-cancellable operating leases	18.1	17.9	-	-

38. CONTINGENT LIABILITIES

In Rs million	GROUP 2019	GROUP 2018	COMPANY 2019	COMPANY 2018
Pending legal matters	61.3	54.3	5.2	5.2
Guarantees given	3,675.8	1,355.5	353.8	356.1
Total contingent liabilities	3,737.1	1,409.8	359.0	361.3

Pending legal matters relate to a court case against some subsidiary companies, the outcome of which is unknown.

39. EVENTS AFTER THE REPORTING DATE

(a) On 13 August 2019, the Board of VLH Ltd, a subsidiary company, has approved a new issue of 4,624,725 ordinary shares for a cash consideration of Rs 600m to Amethis Fund II S.C.A. Sicar, representing an effective holding of 10.5% in VLH Ltd. This new issue of shares to Amethis Fund II S.C.A. Sicar would result in a dilution in the stake held by the Group in VLH Ltd from 80.2% to 69.7%.

Had the transaction occurred on 30 June 2019, the net impact of the changes in shareholding would result in an increase of Rs 43m in retained earnings and Rs 557m in non-controlling interests.

(b) On 17 July 2019, the Board of Rogers Capital Specialist Services Ltd, a subsidiary company, has approved the disposal of 100% holding in RCAS Actuarial Ltd (formerly known as Rogers Capital Actuarial Services Ltd) to Swan Life Ltd for a total cash consideration of Rs 8.5m.

Had the transaction occurred on 30 June 2019, the impact of this transaction would have increased the profit for the year by Rs 4m, representing the profit on disposal.

Others

40. ASSETS CLASSIFIED AS HELD FOR SALE

Accounting policy

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 the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

GROUP In Rs million	2019	2018
Investment in associated company	-	22.2
Investment properties	118.5	69.5
Assets classified as held for sale	118.5	91.7
Trade and other payables	2.7	39.6
Liabilities directly associated with assets classified as held for sale	2.7	39.6

At 30 June 2019, Ascencia Limited, a subsidiary company, entered into a sale agreement to dispose several investment properties. This disposal is in line with the strategic plans of the subsidiary and the expansion of the subsidiary's main business activity.

41. ULTIMATE HOLDING ENTITY

The ultimate holding entity is Société Caredas, a "société civile" registered in Mauritius.

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42. RELATED PARTIES TRANSACTIONS

Accounting policy

Parties are considered to be related to the Group if they have the ability to, directly and indirectly, control the Group or exercise significant influence over the Group's financial and operating decisions, or vice versa, or if they and the Group are subject to common control. Goods and services are sold at market related prices in force and terms that would be available to third parties.

(a) During the year, the Group transacted with related parties. Transactions which are not dealt with elsewhere in the financial statements are as follows:

	GROUP		COMPANY	
In Rs million	2019	2018	2019	2018
Sales of goods & services to				
Associates	92.0	128.3	-	-
Jointly controlled entities	0.7	5.2	-	-
Other related parties	77.1	43.5	-	-
Dividend and other income from				
Subsidiaries	-	-	617.6	548.7
Associates	-	-	76.9	69.9
Other related parties	-	3.4	5.8	4.0
Purchase of goods & services from				
Subsidiaries	-	-	33.3	29.2
Associates	27.4	72.6	0.2	0.4
Jointly controlled entities	-	0.9	-	-
Other related parties	124.7	54.3	35.5	23.4
Loans payable to				
Subsidiaries	-	-	108.3	45.0
Associates (see note b below)	7.2	1.2	6.2	1.2
Jointly controlled entities (see note b below)	-	19.0	-	-
Other related parties	300.0	300.0	300.0	319.0
Loans receivable from				
Subsidiaries	-	-	93.9	210.5
Other related parties	53.6	52.5	-	-
Amount owed by				
Subsidiaries	-	-	834.6	181.7
Associates	30.3	18.3	2.0	-
Other related parties	7.2	12.4	-	0.1
Amount owed to				
Subsidiaries	-	-	695.0	583.9
Associates	-	1.9	-	-
Other related parties	-	-	10.0	1.0
Remuneration of key management personnel				
Short term employee benefits	101.3	96.6	48.6	50.3
Post employment benefits	7.3	3.7	3.5	3.2

(b) These represent loans receivable from and payable to associates and joint controlled entities for which there is no fixed repayment terms, security or guarantee. All other transactions have been made on commercial terms and in the normal course of business.

(c) There has been no guarantees provided or received for any related party receivables or payables.

(d) For the year ended 30 June 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2018: Nil).

(e) Outstanding balances at year end are unsecured, except for lease receivables and hire purchase when facilities are effectively secured by the underlying assets. Settlement occurs in cash. There has been no other guarantees provided or received for any related party receivables or payables. The Group has made an impairment assessment by considering the previous repayment behaviours and the future cash flow forecasts covering the contractual period of receivables from related parties. The Group does not expect any default from them and is certain of their ability to pay their debts as they become due in the normal course of business and/or in any adverse economic and business conditions. Consequently, the probability of default is therefore negligible and the Group has not accounted for any impairment loss.

43. BUSINESS SEGMENTS

Accounting policy

Operating segments are components of the Group about which separate financial information is available. They are reported in a manner consistent with the internal reporting provided to the Chief Executive Officers, for both performance measuring and resource allocation.

Operating segments that do not meet any of the quantitative thresholds of 10% reported revenue or profit or assets are included if management believes that information about these would be useful to users to better appraise financial information.

Year ended 30 June 2019

In Rs million	FinTech	Hospitality	Logistics	Property	Corporate Office	Corporate Treasury	Group Elimination	Total
Revenue	956	3,780	3,407	2,338	198	-	(382)	10,297
Profit (loss) from operations before impairment losses and finance costs	87	372	176	844	(93)	(4)	-	1,382
Net impairment losses on financial assets	(74)	8	8	(2)	-	-	-	(60)
Finance costs	(23)	(50)	(30)	(320)	-	(145)	-	(568)
Fair value gain (loss) on investment properties	-	-	-	400	(1)	-	-	399
Share of results of jointly controlled entities and associated companies	124	10	-	(20)	58	-	-	172
Profit (loss) before exceptional items	114	340	154	902	(36)	(149)	-	1,325
Exceptional Items	-	(21)	-	14	(5)	-	-	(12)
Profit (loss) before taxation	114	319	154	916	(41)	(149)	-	1,313
Taxation	(7)	(44)	(39)	(114)	-	-	-	(204)
Profit (loss) for the year	107	275	115	802	(41)	(149)	-	1,109
Assets	5,477	10,498	2,974	19,024	1,773	-	(3,061)	36,685
Liabilities	3,109	3,439	1,671	7,899	4,158	-	(3,061)	17,215
Capital expenditure	(117)	(598)	(100)	(405)	(9)	-	-	(1,229)
Depreciation & amortisation	(51)	(240)	(101)	(164)	(9)	-	-	(565)
Disaggregation of revenue from contracts with customers :								
Segment revenue	801	3,283	3,902	2,246	-	-	-	10,232
Inter-segment revenue	(90)	(16)	(537)	-	-	-	-	(643)
Revenue from contracts with external customers	711	3,267	3,365	2,246	-	-	-	9,589
Primary Geographic markets								
Asia	129	149	264	-	-	-	-	542
Europe	123	1,873	1,005	-	-	-	-	3,001
Africa and others	459	1,245	2,096	2,246	-	-	-	6,046
Revenue from primary geographic markets	711	3,267	3,365	2,246	-	-	-	9,589
Contract counterparties								
Individual	1	1,132	85	527	-	-	-	1,745
Corporate	710	2,135	3,280	1,719	-	-	-	7,844
Revenue by contract counterparties	711	3,267	3,365	2,246	-	-	-	9,589
Timing of revenue recognition								
At a point in time	711	3,267	3,365	2,002	-	-	-	9,345
Over time	-	-	-	244	-	-	-	244
Revenue by timing of revenue recognition	711	3,267	3,365	2,246	-	-	-	9,589

(a) Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officers.

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43. BUSINESS SEGMENTS (CONTD)

(b) Product description of above segments:

FinTech - Credit, leasing & hire purchase businesses, actuarial services, asset management, global business, investment in Swan General Ltd & Swan Financial Solutions Ltd, IT services and payroll services;

Hospitality - Boat cruises, catamaran sightseeing, golf course, GSA of airlines, hotel and spa services, investment in New Mauritius Hotels Ltd, online tour operators and travel agency;

Logistics - Courier services, freight forwarding, packing of special sugars, port related and transport services, shipping services and warehousing;

Property - Agriculture and leisure, construction and sales of villas, property investment and rental pool management company;

Corporate Office - Performance monitoring, statutory reporting, strategy monitoring and support to SBUs; and

Corporate Treasury - Net financing cost.

Year ended 30 June 2018

In Rs million	FinTech	Hospitality	Logistics	Property	Corporate Office	Corporate Treasury	Group Elimination	Total
Revenue	757	3,405	3,424	1,907	209	-	(312)	9,390
Profit (loss) from operations before impairment losses and finance costs	33	352	178	553	(80)	9	-	1,045
Net impairment losses on financial assets	(8)	(22)	2	20	-	-	-	(8)
Finance costs	(17)	(51)	(34)	(298)	-	(150)	-	(550)
Fair value gain on investment properties	-	-	-	496	-	-	-	496
Share of results of jointly controlled entities and associated companies	60	11	-	17	20	-	-	108
Profit (loss) before exceptional items	68	290	146	788	(60)	(141)	-	1,091
Exceptional Items	-	-	-	236	(15)	-	-	221
Profit (loss) before taxation	68	290	146	1,024	(75)	(141)	-	1,312
Taxation	(12)	(43)	(43)	(91)	(1)	-	-	(190)
Profit (loss) for the year	56	247	103	933	(76)	(141)	-	1,122
Assets	3,787	9,919	2,864	17,861	1,276	-	(2,099)	33,608
Liabilities	1,483	3,179	1,599	6,962	3,569	-	(2,099)	14,693
Capital expenditure	(115)	(591)	(61)	(214)	(7)	-	-	(988)
Depreciation & amortisation	(36)	(213)	(105)	(62)	(8)	-	-	(424)

44. CHANGES IN ACCOUNTING POLICIES

(a) Impact on the financial statements

The Group has adopted IFRS 9 - Financial instruments and IFRS 15 - Revenue from contracts with customers without restating comparative information. Adjustments arising from the adoption of the new accounting policies have not been reflected in the comparatives for the year ended 30 June 2018 but have been recognised in the opening balance on retained earning at 1 July 2018.

Restatement of impact lines of the financial statements for prior periods are as follows:

GROUP	30 June 2018	IFRS 9 - Financial instruments		IFRS 15 - Revenue from contracts with customers		1 July 2018
In Rs million	As previously stated	Reclassification	Remeasurement	Reclassification	Remeasurement	Restated
Statements of Financial Position						
ASSETS						
Non current assets						
Financial assets at fair value through other comprehensive income	-	263.0	-	-	-	263.0
Financial assets at fair value through profit or loss	-	295.1	-	-	-	295.1
Investment in financial assets	558.1	(558.1)	-	-	-	-
Financial assets at amortised costs	-	52.5	-	-	-	52.5
Non current receivables	52.5	(52.5)	-	-	-	-
Net investment in leases and other credit agreements	306.3	-	-	-	-	306.3
Deferred expenditure	314.5	-	-	-	67.5	382.0
Other non current assets	27,701.2	-	-	-	-	27,701.2
Total non current assets	28,932.6	-	-	-	67.5	29,000.1
Current assets						
Inventories	367.9	-	-	-	5.6	373.5
Prepayments	-	137.4	-	-	-	137.4
Net investment in leases and other credit agreements	188.4	-	(17.2)	-	-	171.2
Trade and other receivables	2,483.7	(880.0)	(55.7)	-	-	1,548.0
Financial assets at amortised costs	-	742.6	-	-	-	742.6
Other current assets	1,543.9	-	-	-	-	1,543.9
Total current assets	4,583.9	-	(72.9)	-	5.6	4,516.6
Assets classified as held for sale	91.7	-	-	-	-	91.7
Total assets	33,608.2	-	(72.9)	-	73.1	33,608.4
EQUITY AND LIABILITIES						
Capital and reserves						
Share capital	1,260.2	-	-	-	-	1,260.2
Reserves	9,182.8	-	(49.4)	-	(44.9)	9,088.5
Equity attributable to owners of the parent	10,443.0	-	(49.4)	-	(44.9)	10,348.7
Non-controlling interests	8,472.2	-	(23.5)	-	(155.8)	8,292.9
Total equity	18,915.2	-	(72.9)	-	(200.7)	18,641.6
Total non current liabilities	10,444.0	-	-	-	-	10,444.0
Current liabilities						
Trade and other payables	3,078.5	-	-	-	(151.4)	2,927.1
Liabilities related to contracts with customers	-	-	-	-	425.2	425.2
Other current liabilities	1,130.9	-	-	-	-	1,130.9
Total current liabilities	4,209.4	-	-	-	273.8	4,483.2
Liabilities directly associated with assets classified as held for sale	39.6	-	-	-	-	39.6
Total liabilities	14,693.0	-	-	-	273.8	14,966.8
Total equity and liabilities	33,608.2	-	(72.9)	-	73.1	33,608.4

EXPLANATORY NOTES

30 June 2019

44. CHANGES IN ACCOUNTING POLICIES (CONTD)

(a) Impact on the financial statements (contd)

COMPANY In Rs million	30 June 2018 As previously stated	IFRS 9 - Financial instruments Reclassification	 Remeasurement	1 July 2018 Restated
Statements of Financial Position				
ASSETS				
Non current assets				
Financial assets at fair value through other comprehensive income	-	263.5	-	263.5
Investment in financial assets	263.5	(263.5)	-	-
Financial assets at amortised costs	-	75.9	-	75.9
Non current receivables	75.9	(75.9)	-	-
Other non current assets	8,100.7	-	-	8,100.7
Total non current assets	8,440.1	-	-	8,440.1
Current assets				
Prepayments	-	7.8	-	7.8
Trade and other receivables	20.4	(17.6)	(0.1)	2.7
Receivables from group companies	329.6	(329.6)	-	-
Financial assets at amortised costs	-	339.4	-	339.4
Other current assets	12.5	-	-	12.5
Total current assets	362.5	-	(0.1)	362.4
Total assets	8,802.6	-	(0.1)	8,802.5
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	1,260.2	-	-	1,260.2
Reserves	3,913.1	-	(0.1)	3,913.0
Total equity	5,173.3	-	(0.1)	5,173.2
Total non current liabilities	2,565.3	-	-	2,565.3
Current liabilities				
Trade and other payables	156.2	-	-	156.2
Other current liabilities	907.8	-	-	907.8
Total current liabilities	1,064.0	-	-	1,064.0
Total liabilities	3,629.3	-	-	3,629.3
Total equity and liabilities	8,802.6	-	(0.1)	8,802.5

44. CHANGES IN ACCOUNTING POLICIES (CONTD)

(a) Impact on the financial statements (contd)

The restatement impact on the retained earnings and non-controlling interests at 1 July 2018 are as disclosed below:

In Rs million	GROUP Retained earnings 2019	 Non-controlling interests 2019	COMPANY Retained earnings 2019
At 30 June 2018	5,523.0	8,472.2	3,750.0
Adjustment on initial application of IFRS 9 - Financial instruments			
Increase in impairment loss for net investment in finance lease	(9.7)	(7.5)	-
Increase in impairment loss for trade receivables	(39.7)	(16.0)	(0.1)
Transfer of fair value from revaluation reserves to retained earnings on reclassification of available for sale financial assets to financial assets at fair value through profit or loss	27.9	-	-
Adjustment on initial application of IFRS 15 - Revenue from contracts with customers			
Remeasurement of deferred expenditure	15.1	52.4	-
Remeasurement of inventories	1.2	4.4	-
Remeasurement of trade and other payables	33.9	117.5	-
Remeasurement of contract liabilities	(95.1)	(330.1)	-
At 1 July 2018	5,456.6	8,292.9	3,749.9

(b) IFRS 9 - Financial instruments

Reclassification from available for sale financial assets to financial assets at fair value through profit or loss

Investments in property holding companies have been reclassified from available for sale financial assets to financial assets at fair value through profit or loss. These investments do not meet the criteria as defined by IFRS 9 - Financial instruments for classification at amortised costs or fair value through other comprehensive income. Therefore, on 1 July 2018, assets with a fair value of Rs 295.1m were reclassified from available for sale financial assets to financial assets at fair value through profit or loss and a corresponding balance of Rs 27.9m has been transferred from revaluation reserve to retained earnings.

Reclassification from available for sale financial assets to financial assets at fair value through other comprehensive income

The Group elected to present in the Statements of Other Comprehensive Income changes in the fair value of its equity investments previously classified as available for sale financial assets, as these investments are held as long-term strategic investments which are not expected to be sold in the short to medium term. Therefore, on 1 July 2018, assets with a fair value of Rs 263.0m were reclassified from available for sale financial assets to financial assets at fair value through other comprehensive income.

Impairment of financial assets

At 30 June 2018, the Group/Company has two types of financial assets that were subject to IFRS 9's new expected credit loss model:

- net investment in finance lease of Rs 494.7m; and
- trade receivables for Rs 1,603.7m (Company: Rs 2.7m).

The Group was required to revise its impairment methodology under IFRS 9 - Financial instruments for each of these classes of assets and the impact of the change in impairment methodology on the Group's retained earnings and non-controlling interests is disclosed above.

Other receivables and cash and cash equivalents are also subject to the impairment requirements of IFRS 9 and the identified impairment loss was immaterial.

(c) IFRS 15 Revenue from contracts with customers

Had the Group continued to report in accordance with IAS 18 Revenue for the year ended 30 June 2019, it would have reported the following amounts in these financial statements:

GROUP In Rs million	As reported under IFRS 15 - Revenue from contracts with customers	Adjustment for IFRS 15 - Revenue from contracts with customers	As would have been reported under previous IAS 18 - Revenue
Revenue	10,297.0	(135.9)	10,161.1
Profit for the year	1,109.2	(35.6)	1,073.6
Liabilities related to contracts with customers	291.7	(291.7)	-
Total equity	19,470.0	166.3	19,636.3

The main reason for the differences is the identification of additional performance obligations in certain consultancy contracts and the recognition of the revenue on some of those performance obligations at a point in time rather than over time under IAS 18.

Under the cumulative catch-up approach, comparatives are not restated and the above disclosures enable users to make period-by-period comparisons of financial performance.

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44. CHANGES IN ACCOUNTING POLICIES (CONTD)

(c) IFRS 15 Revenue from contracts with customers (contd)

Presentation of assets and liabilities related to contract with customers

The Group has changed the presentation of certain amounts in the Statements of Financial Position to reflect the terminology of IFRS 9 - Financial instruments and IFRS 15 - Revenue from contracts with customers.

Unlike in previous years, liabilities with contracts from customers have been presented on the Statements of Financial Position.

45. FINANCIAL ASSETS/LIABILITIES BY CATEGORY

Accounting policy

Financial assets and financial liabilities are recognised in the Group's Statements of Financial Position when the Group has become a party to the contractual provisions of the instrument.

The Group's accounting policies in respect of the financial instruments are described in the respective notes to the financial statements.

(a) Financial assets by category

GROUP In Rs million	Available-for-sale	Loans and receivables	Other financial assets	Total
Per Statements of Financial Position				
At 30 June 2018				
Investment in financial assets (note 15)	558.1	-	-	558.1
Non current receivables (note 16)	-	52.5	-	52.5
Net investment in leases and other credit agreements (note 17)	-	-	494.7	494.7
Trade and other receivables (note 21)	-	2,346.3	-	2,346.3
Bank balances and cash (note 33)	-	-	1,466.6	1,466.6
Total financial assets	558.1	2,398.8	1,961.3	4,918.2

GROUP In Rs million	Financial assets at fair value	Financial assets at amortised costs	Total
Per Statements of Financial Position			
At 30 June 2019			
Investment in financial assets at fair value through other comprehensive income (note 15)	225.1	-	225.1
Investment in financial assets at fair value through profit or loss (note 15)	282.1	-	282.1
Financial assets at amortised costs (note 16)	-	921.4	921.4
Net investment in leases and other credit agreements (note 17)	-	1,729.0	1,729.0
Trade and other receivables (note 21)	-	1,741.2	1,741.2
Bank balances and cash (note 33)	-	1,100.6	1,100.6
Total financial assets	507.2	5,492.2	5,999.4

COMPANY In Rs million	Available-for-sale	Loans and receivables	Other financial assets	Total
Per Statements of Financial Position				
At 30 June 2018				
Investment in financial assets (note 15)	263.5	-	-	263.5
Non current receivables (note 16)	-	75.9	-	75.9
Trade and other receivables (note 21)	-	12.6	-	12.6
Amounts receivable from group companies (note 22)	-	329.6	-	329.6
Bank balances and cash (note 33)	-	-	12.5	12.5
Total financial assets	263.5	418.1	12.5	694.1

45. FINANCIAL ASSETS/LIABILITIES BY CATEGORY (CONTD)

(a) Financial assets by category (contd)

COMPANY In Rs million	Financial assets at fair value	Financial assets at amortised costs	Total
Per Statements of Financial Position			
At 30 June 2019			
Investment in financial assets at fair value through other comprehensive income (note 15)	232.4	-	232.4
Financial assets at amortised costs (note 16)	-	950.6	950.6
Trade and other receivables (note 21)	-	1.7	1.7
Bank balances and cash (note 33)	-	2.8	2.8
Total financial assets	232.4	955.1	1,187.5

(b) Financial liabilities by category

GROUP In Rs million	Financial liabilities at amortised costs
Per Statements of Financial Position	
At 30 June 2018	
Borrowings (note 27)	10,527.5
Trade and other payables (note 30)	3,078.5
Total financial liabilities	13,606.0
At 30 June 2019	
Borrowings (note 27)	12,495.8
Trade and other payables (note 30)	3,256.8
Liabilities related to contracts with customers (note 31)	291.7
Total financial liabilities	16,044.3

COMPANY In Rs million	Financial liabilities at amortised costs
Per Statements of Financial Position	
At 30 June 2018	
Borrowings (note 27)	2,717.2
Trade and other payables (note 30)	156.2
Amounts payable to group companies (note 32)	585.3
Total financial liabilities	3,458.7
At 30 June 2019	
Borrowings (note 27)	3,142.5
Trade and other payables (note 30)	158.0
Amounts payable to group companies (note 32)	695.0
Total financial liabilities	3,995.5

EXPLANATORY NOTES

30 June 2019

46. FINANCIAL SUMMARY

In Rs million		2019	2018	2017
Statements of Profit or Loss and Other Comprehensive Income				
Revenue		10,297.0	9,390.0	8,511.8
Profit from operations before impairment losses and finance costs		1,382.5	1,045.7	1,016.7
Net impairment losses on financial assets		(60.4)	(8.2)	36.0
Finance costs		(567.8)	(550.4)	(538.7)
Fair value gain on investment properties		399.1	495.7	637.9
Share of results of jointly controlled entities		(21.5)	(11.7)	(16.6)
Share of results of associated companies		193.8	119.6	(8.2)
Profit before exceptional items		1,325.7	1,090.7	1,127.1
Exceptional items		(12.1)	220.8	150.8
Profit before taxation		1,313.6	1,311.5	1,277.9
Taxation		(204.4)	(189.6)	(165.0)
Profit for the year		1,109.2	1,121.9	1,112.9
Attributable to				
Owners of the parent		555.1	554.1	478.5
Non-controlling interests		554.1	567.8	634.4
Profit for the year		1,109.2	1,121.9	1,112.9
Number of shares in issue		252,045,300	252,045,300	252,045,300
Earnings per ordinary share (EPS)	Rs	2.20	2.20	1.90
Profit attributable to owners of the parent from operations (excluding exceptional items)		576.4	398.7	333.5
Number of shares in issue		252,045,300	252,045,300	252,045,300
EPS (excluding exceptional items)	Rs	2.29	1.58	1.32
Other comprehensive income for the year		227.6	(339.2)	936.0
Cash dividends per ordinary share	Rs	1.02	0.97	0.92

In Rs million	30 June 2019	30 June 2018	30 June 2017
Assets and Liabilities			
Non current assets	31,471.4	28,932.6	27,332.0
Current assets	5,094.8	4,583.9	3,714.0
Asset classified as held for sale	118.5	91.7	453.1
Total assets	36,684.7	33,608.2	31,499.1
Share capital	1,260.2	1,260.2	1,260.2
Reserves	9,565.4	9,182.8	9,130.7
Non-controlling interests	8,644.4	8,472.2	7,849.8
Non current liabilities	11,033.2	10,444.0	8,327.3
Current liabilities	6,178.8	4,209.4	4,771.6
Liabilities directly associated with assets classified as held for sale	2.7	39.6	159.5
Total equity and liabilities	36,684.7	33,608.2	31,499.1
Share Capital			
Authorised			
Number of ordinary shares	252,045,300	252,045,300	252,045,300
Ordinary shares of (Rs m)	1,260	1,260	1,260
Issued and fully paid			
Number of ordinary shares	252,045,300	252,045,300	252,045,300
Ordinary shares of (Rs m)	1,260	1,260	1,260

Frequently Asked Questions

1. What is an Annual Meeting of Shareholders (AMS)?

An AMS is a meeting of the shareholders of a company. The law provides that it should be held not more than once in each calendar year and not later than 6 months after the balance sheet date of a company.

2. Who may attend the AMS?

In compliance with S120(3) of the Companies Act, the Board has resolved that only the shareholders of the Company registered in the share register of the Company as at 06 October 2019 are entitled to attend the AMS.

3. Why should a shareholder attend the AMS?

shareholders are encouraged to attend the AMS as it:

- provides them with a direct contact with the Board and management of the Company;
- enables them to have more insight in the operations, strategy and performance of the Company;
- provides them with reasonable opportunity to discuss and comment on the management of the Company; and
- allows them to participate in the election of the directors of the Company.

4. What matters are discussed at the AMS?

Usually, the following business is transacted at the AMS:

- the approval of the audited accounts of the Company;
- the receiving of the auditor's report;
- the consideration of the annual report; and
- the appointment of directors.

5. What if a shareholder cannot attend the AMS?

An individual shareholder who cannot attend the meeting may appoint a proxy.

A corporate shareholder may, on the other hand, appoint a representative to attend the AMS and to act on its behalf.

6. What is a proxy?

A proxy is the person appointed by an individual shareholder to represent him/her at the AMS. Such person, who need not necessarily be a shareholder of the Company, may be heard at the meeting as if he/she was the shareholder.

7. How does a shareholder appoint a proxy/ representative?

Individual shareholders are requested to fill in the Proxy Form sent to them with the notice convening the meeting. Corporate shareholders are requested to fill in the Corporate Resolution form to appoint their representative.

Should a shareholder wish his/her proxy/representative to vote at the meeting in a particular manner, he/she is requested to fill in the resolution boxes featuring on the appropriate forms.

The appropriate forms should reach the Company Secretary no later than 24 hours before the start of the meeting.

8. Once a proxy/representative has been appointed, can another proxy/representative be appointed?

A shareholder can change the proxy/representative appointed by him/her, provided such amended Proxy Form/Corporate Resolution reaches the Company Secretary no later than 24 hours before the start of the meeting. Shareholders are advised to attach an explanatory note to such amended Proxy Form/Corporate Resolution to explain the purpose of the amended document and expressly revoke the Proxy Form/ Corporate Resolution previously signed by them.

9. After appointing a proxy, can a shareholder still attend the AMS?

Yes, but he/she is requested to make himself/herself known to the Company Secretary as soon as he/she attends the meeting. The proxy will consequently have no right to be heard and to vote at the meeting.

10. How many votes does a shareholder have?

Every shareholder, present in person or by proxy/representative, shall have one vote on a show of hands.

Where a poll is taken, each shareholder shall have the number of votes that corresponds to the number of shares held by him/her in the Company.

11. What is the voting procedure?

Voting at the AMS is generally by show of hands. However, if a poll is demanded for a particular resolution, then ballot papers shall be distributed and shareholders will be requested to cast their votes thereon.

12. How are the votes counted?

On a show of hands, the Chairman shall count the votes. However, if a poll is demanded, the counting will be done by management under the supervision of the auditor of the company who will be acting as scrutineer.

13. How to obtain a copy of the minutes of proceedings of the last AMS of the Company?

A shareholder may make such a request to the Company Secretary prior to the AMS.

14. How to put questions to the Board and/or management at the AMS?

Before each resolution is put to the vote, the Chairman may invite shareholders to put questions on that particular resolution. When all the items on the Agenda of the AMS have been tackled, there will be a question time when the Chairman shall invite shareholders to put questions to the Board and/or to management if they so wish.

15. What should a shareholder do if he/she would like to propose a candidate for appointment to the board of directors of the Company?

Shareholders are encouraged to forward their request in writing to the Chairman of the Rogers Board Nomination Committee via the Company Secretary as early as the first week of June.

Glossary of Terms

ASCE	Accessibility, Safety, Comfort and Engagement
B&B	Bed and Breakfast
B2B	Business to Business
CEO	Chief Executive Officer
CFE	Chief Finance Executive
CFO	Chief Finance Officer
CGC	Corporate Governance Committee
CRM	Customer Relationship Management
CSBO	Compagnie Sucrière de Bel Ombre
CSR	Corporate Social Responsibility
DPS	Dividends per share
DTAA	Double Tax Avoidance Agreement
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EPS	Earnings per share
EU	European Union
GDP	Gross Domestic Product
GLA	Gross Lettable Area
GMS	Globefin Management Services Ltd
GSA	General Sales Agent
HR	Human Resources
HRG	Hogg Robinson Group
IATA	International Air Transport Association
IFRS	International Financial Reporting Standards
IFTM	International French Travel Market
IIRC	International Integrated Reporting Council
IPLC	International Private Leased Circuit
IR	Integrated Reporting
IRS	Integrated Resort Scheme
ITES	Information Technology Enabled Services
JV	Joint Venture
Kgs	Kilograms
KPIs	Key Performance Indicators
NAV	Net Asset Value
Net Debt	Total borrowings less cash and cash equivalents
NGO	Non-Governmental organisation
NMH	New Mauritius Hotels
PAT	Profit after tax
PIE	Public Interest Entity
QSR	Quick Service Restaurant
RCCS	Rogers Capital Corporate Services
RCFS	Rogers Capital Financial Services
RCTS	Rogers Capital Technology Services
RMAC	Risk Management and Audit Committee
Rogers/RCL or the Company	Rogers and Company Limited
SAA	South African Airways
SDGs	Sustainable Development Goals
SEM	Stock Exchange of Mauritius
SGS	Standard Global Services
SIC	Sustainability and Inclusiveness Committee
Sqm	Square metre
TEU	Container of Twenty-foot equivalent unit
TRevPAR	Total Revenue Per Available Room
UPS	United Parcel Service
VLH	Veranda Leisure & Hospitality

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