Rogers and Company Limited
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ROGERS AND COMPANY LIMITED - INTEGRATED REPORT **2020**

Rogers

Uniting Energy

2020

INTEGRATED REPORT

Resilience
& Agility

Agility and Resilience are enabled by our collective ability to work together.

We believe in the power of "You", "Me", "Us".
In these challenging times, the power of "Us" is what will help us move forward.

It is only by putting our differences aside and accepting to leverage our collective wisdom and strengths that we will succeed in our endeavours.

Together we can.

Dear Shareholder,

Your Board of Directors is pleased to present the Integrated Report of Rogers and Company Limited for the year ended 30 June 2020.

This report was approved by the Board on 27 January 2021, and is available on our website: **https://www.rogers.mu**

Jean-Pierre Montocchio
Chairman

Philippe Espitalier-Noël
Director & CEO

About this *Report*

Integrated Report

Rogers and Company Limited has moved towards Integrated Reporting (<IR>) since the 2016-17 financial year. We have embarked on this journey to give our shareholders and other stakeholders access to clearer and more complete information about our strategy, business model, operating context, sectors' performance, risk management and governance. This document stems from our efforts to stimulate the right organisational culture for integrated thinking across the Group in accordance with the <IR> Framework. We emphasise five of the six <IR> capitals that are material to our organisation as they enable us to create value and deliver on our strategic objectives. We have also combined social and natural capitals for reporting purposes.

Our capitals are illustrated in the report as follows:

Financial | Human | Intellectual | Social & Natural

Compliance Reporting

This report is consistent with the:

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

Target Audience

This report is mainly intended for the shareholders of Rogers and Company Limited. It may also be useful to other stakeholders, such as Government, regulatory bodies, prospective investors, providers of capital, customers and clients, suppliers and service providers, communities and anyone with an interest in the performance and activities of the Group.

Forward-Looking Statements

Our report contains certain forward-looking statements with respect to the financial conditions, results, operations and businesses of the Group. These statements and forecasts involve risk and uncertainty and their underlying estimates and assumptions made by management may be altered over time. Actual performance could differ from these assumptions.

External Audit and Assurance

KPMG has performed an independent audit of the Group's financial statements. The firm also reports on the manner and extent to which we have complied with the Code of Corporate Governance. The other parts of the Integrated Report have not been subject to an independent audit or review and are derived from the Group's internal sources or from publicly available information.

Table of *Contents*

Who *we are*

With more than 120 years of history, Rogers has carefully crafted its identity through innovation and entrepreneurship, contributing to the country's economic and social development.
From a diversified conglomerate, we have grown into a leading international services and investment company forming part of the top 10 listed companies on the Stock Exchange of Mauritius.

Agility + Leadership + Excellence = Entrepreneurial Spirit

"Co-Creating Meaningful Opportunities" is the core purpose of Rogers and it gives meaning and direction to **"The Rogers Way"**.

4,967 Employees

110+ Workplaces

4 Served Markets

10 Countries

The Rogers Group started its business operations in 1899 with the belief that entrepreneurial spirit as a leap of faith was not only a mindset, but also an attitude. Our Group now operates in four served markets, FinTech, Hospitality, Logistics and Property across 10 countries including Mauritius. We have been forerunners in various sectors, including aviation and tourism and continue to be driven by our entrepreneurial spirit and energies.

Total Revenue
Rs 9,169m

EBITDA*
Rs 1,054m

PAT*
Rs (398)m

*Excluding exceptional items

Our edge

The expertise of our united, competent and balanced team is widely recognised. Our Group holds a significant share in each of our served markets.
We have built a solid asset base and a strong network of contacts and partners over time.

Our cohesive and knowledgeable teams also bring their expertise into collaborating with local communities to create a purposeful impact.

We believe that "Co-Creating Meaningful Opportunities" is about sensing with an outward mindset the needs of our markets and clients. We continuously seek growth avenues to expand our footprint beyond our shores, develop our brand and extend our business globally, giving employees and partners opportunities to write our story.

Our values

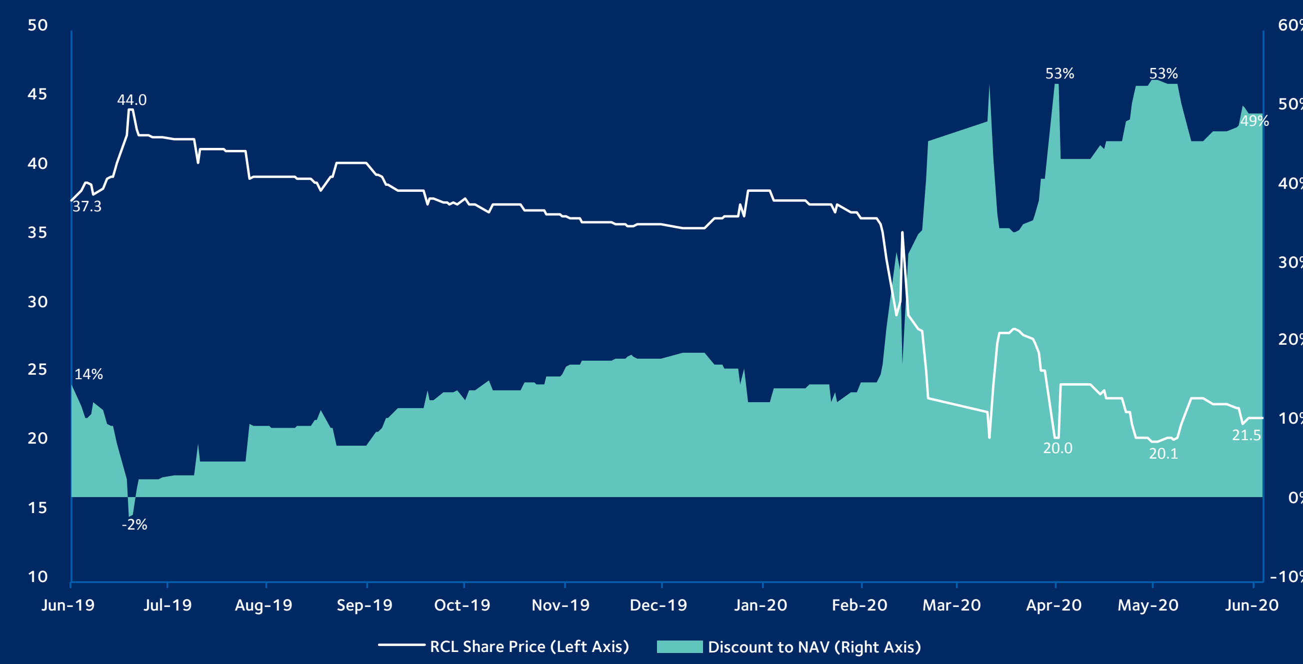
We believe that Energy inspires our people with the spirit of entrepreneurship required to make a meaningful impact on our various stakeholders.

Our values are the foundation of our Group's culture and help permeate the art of being and doing in the organisation.

- **Agility** - Our ability to anticipate changes, adapt and improve.
- **Leadership** - Our audacity and engagement to co-create sustainable success.
- **Excellence** - Our commitment to deliver the quality we promise, on time.

The synergy of these three values drives our people to use their spirit of entrepreneurship to **Co-Create Meaningful Opportunities** with and for our clients, employees, local communities and partners.

Evolution of Share Price & Discount to NAV
Market capitalisation of Rs 5,419m as at 30 June 2020 (30 June 2019: Rs 9,401m)



Total Assets
Rs m **38,708**

Debt/Equity
0.77

EPS*
Rs **(1.98)**

*Excluding exceptional items

Demographics

Geography

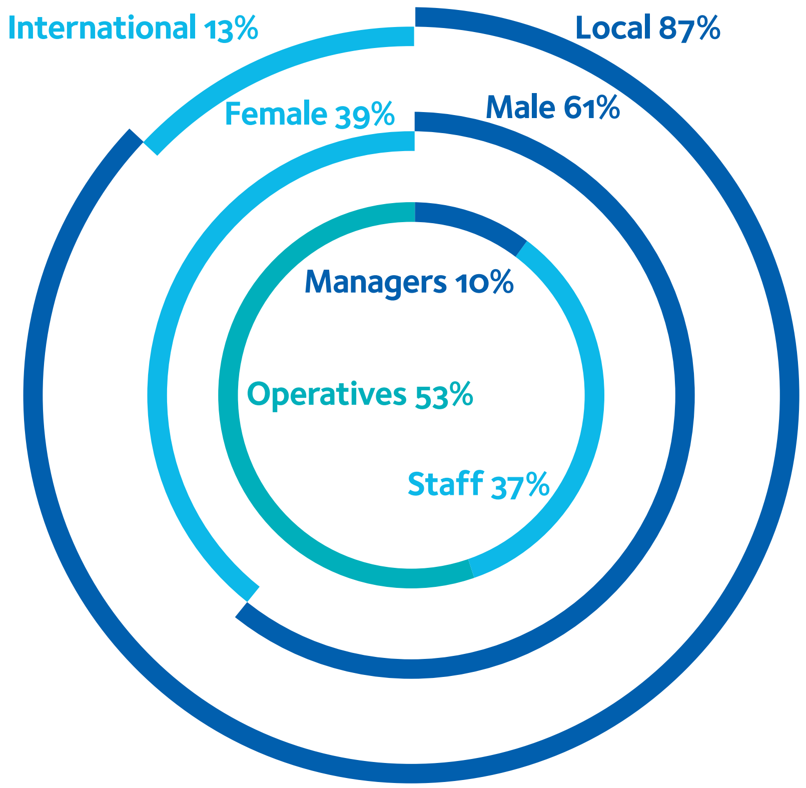
Local	International
4,328	639

Gender

Male	Female
3,025	1,942

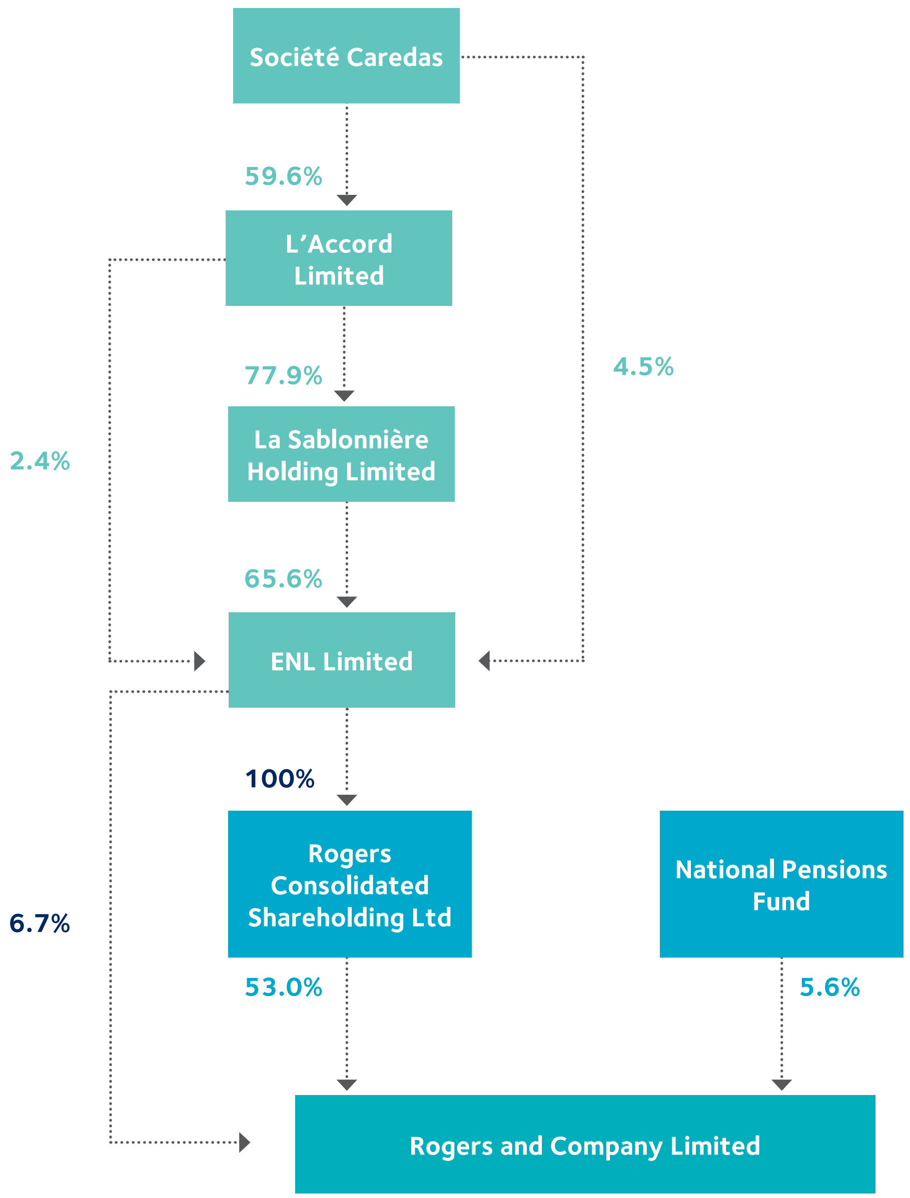
Category

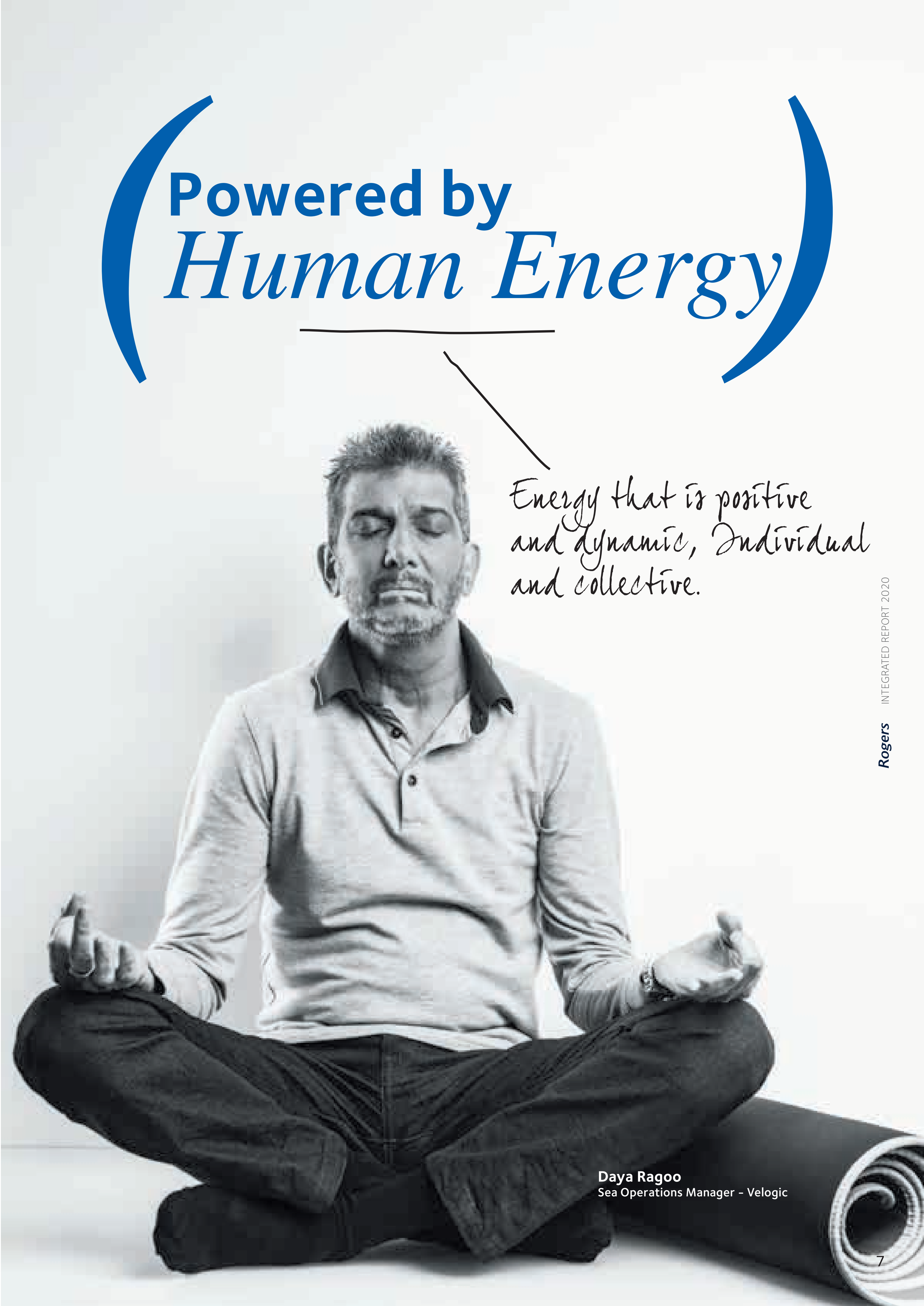
Managers	Staff	Operatives
514	1,842	2,611



Voting *Rights*

as at 30 June 2020





Daya Ragoo
Sea Operations Manager - Velogic

Organisational Chart

CHIEF EXECUTIVE OFFICER
Philippe Espitalier-Noël

ROGERS EXECUTIVE TEAM

CHIEF INTERNATIONAL DEVELOPMENT EXECUTIVE
Mehul Bhatt

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 has three lines of services. Rogers directly holds a 29.4% stake in Swan General and 20.0% shareholding in Swan Financial Solutions.	The Hospitality served market provides a vertical integration of services including Hotels, Travel and Leisure. Through its operations in VLH and a 22.9% 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 Group's Property portfolio includes a 36.1% equity investment in Ascencia, the largest domestic property fund listed on the Stock Exchange of Mauritius, as well as agricultural, property and leisure activities carried out in Bel Ombre and Case Noyale. Rogers holds 22.9% in Semaris, a company involved in the development of luxury residential real estate assets. Heritage Villas Valriche is the largest villa-only property development in Mauritius.
SECTORS	Corporate Services Technology Services Financial Services	Hotels Travel Leisure	Logistics Solutions	Property Investments Property Development & Agribusiness
MAIN COMPANIES	Rogers Capital	Veranda Leisure & Hospitality Rogers Aviation Island Living	Velogic	Agria Ascencia Case Noyale Les Villas de Bel Ombre
KEY INVESTMENTS	Swan General Swan Financial Solutions	New Mauritius Hotels Air Mauritius Mautourco	Not Applicable	Le Morne Development Corporation ("LMDC") Semaris The Beauvallon Shopping Mall

Rogers has a solid footprint in Mauritius and a strong international presence through offices and affiliates all over the world. The offices are led by a team of qualified professionals, and we are constantly searching for ways to continue developing viable and productive business relationships.
The Rogers brand is present internationally:

	FINTECH	HOSPITALITY	LOGISTICS	PROPERTY
INTERNATIONAL PRESENCE	Rogers Capital has representative offices in Seychelles and Côte d'Ivoire.	VLH currently has sales teams in France, UK and Germany. Rogers Aviation has 20 overseas offices based in seven territories, including Comoros, Madagascar, Mozambique, Mayotte, Reunion Island, South Africa and Mauritius.	Velogic is established in France, India, Madagascar, Reunion Island, Bangladesh, Singapore and Kenya. It also represents the UPS brand through agents in Seychelles, Comoros and Mayotte.	Not Applicable
MAIN LOGOS	Rogers Capital Keep evolving	VLH Rogers Aviation Island Living	VELOGIC	AGRÏA Ascencia HERITAGE VILLAS VALRICHE
CHIEF EXECUTIVE OFFICER	Ashley Coomar Ruhee	Hotels Thierry Montocchio 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 Jean Michel Colin Travel Stéphane Langlois Leisure Reshmee Boodhooa	Naveen Sangeelee	Property Investments Head of Finance Kevin Seebaluck Property Development & Agribusiness Finance Manager - Projects and Operations Visham Paupiah Finance Manager - Accounts and Administration Bruno Pydiah

Value *Creation Map*

1 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
- Stakeholder confidence
- Corporate Social Responsibility

2 STRATEGIC MAP

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

FinTech

Strategic Objectives: Agility, resilience, speed and co-creation are those attributes that we shall embrace to position Rogers Capital as a future-fit organisation

Achievements in 2019-20

Corporate
- Opening of a representative office in Côte d'Ivoire;
- Successful amalgamation of our two Management Companies; and
- Improved productivity and efficiency across all business lines with redesigned processes.

Technology
- Hosting of AFPIF 2019 Conference with over 350 delegates, including global key players; and
- Upgrade of international bandwidth capacity together with enhanced resilience for local and international networks.

Financial
- Deployment of an app enabling merchants to onboard clients;
- Launch of online payment platform; and
- Opening of branches in Curepipe and Rodrigues.

Targets for 2020-21

Corporate
- Accelerating automation and digitalisation initiatives; and
- Growing client acquisition through digital tools.

Technology
- Development of new capabilities based on disruptive technologies like Robotic Process Automation, Artificial Intelligence and Machine Learning; and
- Restructuring of the organisation's service lines to adapt to the new normal.

Financial
- Growing revenue with the launch of new products and wallet share increase at merchants; and
- Further enhancement of operational excellence and customer centricity through digitalisation.

Main Risks impacting objectives (Refer to page 75): A B C D E F G H I J

Hospitality

Strategic Objectives: Enhance the customer experience and scale up our Leisure & Hotels businesses

Achievements in 2019-20

Hotels
- Renovation of Heritage C Beach Club;
- Successful organisation of AfrAsia Bank Mauritius Open at Heritage Bel Ombre;
- Launch of La Reserve Golf membership and kick-off of construction of the golf course; and
- Setting up of a clear roadmap towards sustainability objectives.

Travel
- Expansion of GSA activities in South Africa through acquisitions;
- Securing new international corporate customers under AMEX franchise in Mauritius and Mozambique; and
- Successful turnaround of BlueSky Mauritius until COVID-19.

Leisure
- Acquisition of Croisières Australes and Blue Alizé;
- Opening of World of Seashells;
- Opening of Domino's Pizza store in Quatre Bornes; and
- Refurbishment of Ocean Basket at Grand Baie La Croisette.

Targets for 2020-21

Hotels
- Welcoming back guests in our FeelSafe environment;
- Maintaining, developing and implementing our sustainability plan;
- Cost containment and cash management;
- Setting the strategy and tone for the next 10 years; and
- Enhancing our product offering and maintaining the visibility of our resorts in Mauritius and internationally.

Travel
- Turnaround or exit from loss-making activities;
- Accelerating the digitalisation of our travel agency segment;
- Pivoting into new revenue streams including cargo opportunities;
- Realising partnership opportunity; and
- Opening of new territory and representation of new airlines.

Leisure
- Domino's Pizza opened its 5th store in Grand Baie in December 2020 and a 6th store will be opened during the year.

Main Risks impacting objectives: A C D E F G H I J

Logistics

Strategic Objectives: Improve performance of our existing service lines

Achievements in 2019-20
- Turnaround of the Kenyan business and development of new lines of services; and
- Effective response to the lockdown situation.

Targets for 2020-21
- Turnaround of operations in France; and
- Expansion of distribution and warehousing services in Kenya.

Main Risks impacting objectives: A B C D E G H I J

Property

Strategic Objectives: Consolidate Ascencia's portfolio in the retail segment and secure new avenues of expansion

Reinvent our Agribusiness operations

Achievements in 2019-20

Property Investments
- Opening of Bo'Valon Mall in November 2019 with 10,500sqm of lettable space, including a 4,000sqm King Savers hypermarket, 28 shops, 13 restaurants, a spacious food court and a parking area for 540 vehicles; and
- Expansion of the food court offering at So'flo and additional space to accommodate a new tenant.

Property Development & Agribusiness
- Rebranding of Compagnie Sucrière de Bel Ombre into Agrïa to bring together agriculture and hospitality;
- Arrangement of the building blocks of the brand around the "Protect" and "Produce" dimensions; and
- Agricultural diversification and progressive transition of land away from sugarcane monoculture.

Targets for 2020-21

Property Investments
- Completing construction work at the Decathlon and Bagatelle Mall sites following a temporary halt due to COVID-19 in order to uplift the existing shopper and visitor experience; and
- Launching the B'Local initiative to give local retailers access to the market and assisting start-ups in offering new services to customers.

Property Development & Agribusiness
- Becoming the first tropical sustainable and inclusive circular economy model in the region;
- Building a unique living and recreational environment in the Southern Hemisphere with strong USPs; and
- Creating a portfolio of Real Estate products with reliable rental income.

Main Risks impacting objectives: 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

3 CAPITAL OUTPUT

Financial
- Access to competitive financial capital
- Optimisation of resources towards served markets
- Delivering shareholder returns

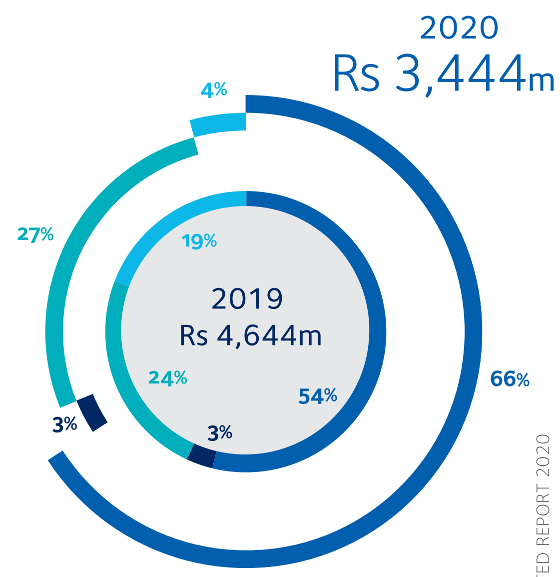
Human
- Top-of-mind employer
- People development (skilled and engaged employee base)
- Positive and empowering climate

Intellectual
- Enabling organisation culture which drives Agility, Leadership 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

4 OUTCOMES

Consolidated Value Added Statement



Rs m	2020	2019
Revenue	9,169	10,247
Bought-in materials & services	(5,725)	(5,603)
Total value added	3,444	4,644
EMPLOYEES, 66%		
Wages, salaries, bonuses, pensions & other benefits	2,284	2,491
GOVERNMENT, 3%		
Income tax	114	119
PROVIDERS OF CAPITAL, 27%		
Dividends paid to:		
– Shareholders of Rogers and Company Limited	96	257
– Outside shareholders of Subsidiary Companies	204	296
Banks & other lenders	628	571
REINVESTED, 4%		
Depreciation & amortisation	728	551
Retained profit	(610)	359

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

Stakeholders	Expectations	Responses	Outcomes	Capital Impacted
Shareholders, Investors, Regulatory Bodies and Providers of Capital	• Sustainable growth in shareholders' equity; • Responsible and transparent management; and • Sustainable interest cover and debt levels.	• An experienced Board of Directors consisting of Executive, Non-Executive and Independent Non-Executive Directors encompasses the whole spectrum of the Group's activities; • An established Risk Management and Audit Committee ("RMAC") oversees the soundness of financial, operational, compliance and strategic risk management; • A Corporate Governance Committee ("CGC"), also acting as Nomination and Remuneration Committee, ensures that the Group complies with the provisions of the National Code of Corporate Governance; • There is 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' Briefings twice a year to present analysts, stockbrokers, fund managers, bankers and other financial experts with its half-yearly and yearly results and to discuss the Group's strategy and outlook; and • An updated medium-term strategic plan that guides resource allocation to sectors, both in terms of investment and working capital needs.	**Events during the year** • Sep-19: Investors' Briefing (presentation of 30 June 2019 results); • Nov-19: Annual Meeting of Shareholders; • Nov-19: Publication of first quarter results and declaration of interim dividend (Rs 0.38 per share); • Dec-19: Payment of interim dividend; • Feb-20: Publication of second quarter results and Investors' Briefing (presentation of half-yearly results for financial year 2019-20); • May-20: Publication of third quarter results; and • Jun-20: Approval by the Board of the 3-year strategic plan to 2023. **Meetings held in 2019-20** • 7 Boards; • 6 RMACs; • 4 CGCs; and • 1 SIC. **Key Performance Metrics** • Loss attributable to shareholders of Rs 515m (2019: Profit attributable to shareholders of Rs 616m); • Share price fell by 42% to Rs 21.50 yielding a market capitalisation of Rs 5,419m as at 30 June 2020; • A debt-to-equity ratio of 0.77 against 0.65 last year; and • Interest cover of 0.5x against 3.5x in 2019.	Financial Social & Natural
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 programmes-ACE Management Development Programme and RISE-Sales programme; • Market remuneration benchmarking every 2 years: Total rewards approach to compensation and benefits aligned with 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 talks and webinars on leadership and key identified topics; • Group-wide engagement surveys and action plans; • Rogers Leaders Awards 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 is aligned with market rates, is disclosed in the table set out on page 44. Such package is reviewed and approved by the Corporate Governance Committee of Rogers on an annual basis.	**People Development and Value Addition** • 3,037 employees trained (2019: 3,265); • 3 man-days per trained employee (2019: 3); • Rs 31m training investment (2019: Rs 50m); • Training investment of Rs 10,311 per employee (2019: Rs 15,245); • Investments in training covered 70% of employee base (2019: 75%); and • Comprehensive list of key people metrics including Engagement, Retention Rate and Productivity. **Top 3 People Development Areas** • Leadership and Talent Development; • People Focus; and • ICT & Equipment.	Human Intellectual

Stakeholders	Expectations	Responses	Outcomes	Capital Impacted

Customers and Clients	• Strong brand image, reputation and loyalty;
	• Representation of internationally recognised brands;
	• Customers satisfaction through interacting processes;
	• Innovating capabilities;
	• Adherence to intellectual property rights such as patents and trademarks;
	• Staff competencies and skills;
	• Trust in products and services; and
	• Consistent and transparent quality of products and services.
		• Strengthen the 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 customers 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 customers' 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:
			  • INI'Vert by Ascencia;
			  • Rogers, Uniting Energy;
			  • Rebranding of Compagnie Sucrière de Bel Ombre as Agrïa; and
			  • Creation of a Resilience Programme 'Vivacis' to handle the COVID-19 situation;
			• Safe Golf and FeelSafe label by Laboratoire International de Bio Analyse ("LIBA") for Island Living brands;
			• New logo for Croisières Australes;
			• Refreshed visual identity for Rogers Capital;
			• Digitalisation of offerings to enhance customers' experience:
			  • Launch of the 'MyRogers' application;
			  • Creation of a mini-website to communicate during COVID-19;
			  • Launch of e-commerce platform for Agrïa; and
			  • Launch of Bel Ombre Pedia;
			• Heritage Le Château recognised by World Luxury Restaurant Awards in July 2019;
			• Heritage Golf Club voted Indian Ocean's Best Golf Course for the seventh consecutive year in 2020;
			• Communication through our magazines (such as Presence, Network, e-Network and Vox Vivacis) and our website;
			• Partnership in the sports event 'Jeux des Iles de l'océan Indien'; and
			• Strengthened customer-centric service.
				Social & Natural
				Human
				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; • Development of sustainable business relationships; and • Opportunities for cross-selling across the Group.	• Sales and Reservations for Island Living's Leisure brands have been centralised since July 2019; and • Roadshows and other events organised with partners (e.g. Rogers Capital held roadshows with car and home appliance dealers in malls).	Financial Intellectual

Stakeholders	Expectations	Responses	Outcomes	Capital Impacted

Government and Authorities	• Support to Government initiatives;
	• Consultative dialogue and propositions;
	• Participation 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 issues.
			• First Sustainability and Inclusiveness Committee meeting in November 2019, which is headed by an Independent Director, with the aim to spearhead the sustainability agenda and strategy within the Group;
			• Tax contribution of Rs 114m for financial year 2019-20;
			• Ongoing participation on the Sustainability and Inclusive Growth Commission of Business Mauritius;
			• Improvement of our score on the Stock Exchange of Mauritius Sustainability Index to 72% in 2019 (2015: 61%);
			• Participation in several campaigns aiming at raising public awareness on waste management;
			• Active participation in the national campaign towards cleaning up the island;
			• Setting up waste management systems across our subsidiaries;
			• Participation in conferences at national level:
			  • Marine science; and
			  • Climate change ('Les Assises de l'Environnement 2019', MCB conference Klima & Hotel World).
			• Participation in various projects supporting the inclusion of vulnerable groups in mainstream activities such as financial literacy, arts, sports, zero hunger and quality education;
			• Partnership with other stakeholders in major events:
			  • Heritage Trail;
			  • Rogers Indian Ocean Amateur Golf Open;
			  • GKA Kite World Cup Mauritius 2019;
			  • Kestrail; and
			  • AfrAsia Bank Mauritius Open.
			
			Other initiatives are described in the Sustainability section on pages 18 to 23.
				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 (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 • Responsible and transparent contribution to broader societal interests.	• Cooperation and networking with the authorities and private sector; • 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.	• Support to NGOs and groups in the fields of education, literacy, nutrition, employability, smart agriculture, sports and arts; • Engagement with and support to 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 • Increased support to vulnerable communities during the COVID-19 pandemic. Refer to the Sustainability section on pages 18 to 23 for initiatives on Social and Natural Capital.	Financial Human Social & Natural

At Rogers, we believe sustainable and inclusive growth go hand in hand

As a Group, we depend on the economic, environmental, and social sustainability of our activities. As such, it is our responsibility to drive positive changes through our businesses to embrace a sustainable and inclusive future. This year, we took a decisive step to provide the Group's strategy in this domain with a clear direction by developing our first Sustainability Charter and Sustainability Report. The Sustainability Report is annexed to this Integrated Report.

Bridging together our commitment to the United Nations Sustainable Development Goals ("SDGs") and our commitment as signatories of Business Mauritius' SigneNatir Pact, which we joined this year, we have set out on our journey towards sustainability and inclusiveness by focusing on the following 5 pillars:

- **Climate - Set a target and migrate towards zero carbon**

  "As islanders, we are on the frontline of climate change and are committed to leading the energy transition in Mauritius by tracking, reducing and offsetting our carbon footprint."
- **Circular economy - Reduce waste production and recycle more than 75% of waste produced**

  "Nothing is lost, nothing is created, everything is transformed. Going forward, we aim to make this axiom a reality and convert Mauritius into a circular island by fostering the emergence of circular ecosystems, adopting smart agriculture practices and advocating with government institutions for systemic change."
- **Biodiversity - Preserve and protect the local species both on land and at sea**

  "At Rogers, we are committed to preserving the unique facets of our beautiful island: a paradise not turned towards the past but existing for future generations, for our community and our visitors by raising awareness on biodiversity, promoting its preservation and integrating it in our future development projects."
- **Inclusive development - Onboard more local employees and reduce pockets of poverty in regions where we operate**

  "No man is an island: the many sustainability challenges we face can only be solved together, leaving no one behind. At Rogers, we want to make sure our business contributes to sustainable economic development that truly benefits our community by empowering people, promoting local products and generating growth for all with a focus on education and training."
- **Vibrant communities - Work towards proactive integration of local communities, responsible development with more sustainable building practices**

  "Our final destination is to co-create a safe and vibrant haven with and for our community by establishing continuous dialogue with local stakeholders, championing the creation of vibrant public spaces that celebrate local history, culture, and arts, and promoting wellness in our communities."

By placing these 5 pillars at the core of our activity, we pledge to improve the environmental and social footprint associated with our business operations. We also aim at preserving our biodiversity, our historical and cultural heritage, and contributing to an inclusive society by partnering with local communities to promote unique experiences.

We have set up a Committee to spearhead the Sustainability & Inclusiveness dimensions of the Group to achieve the integration of these 5 pillars into the Strategic and Business Objectives of each served market.

Key Achievements

Climate - Set a target and migrate towards zero carbon

Climate change has been identified as one of the biggest threats facing humanity. By adopting this pillar, the Rogers Group aims to track, reduce and offset its carbon footprint. It therefore addresses challenges such as implementing energy efficiency initiatives, promoting the use of clean energy or boosting smart mobility solutions.

The Group has made several steps towards this pillar:

- **Veranda Leisure & Hospitality** has carried out energy audits at 6 of its hotels within the Programme National d'Efficacité Énergétique, a joint public-private initiative represented by Business Mauritius and the Ministry of Energy and Public Utilities. The hotel group is engaged in continuous efforts to implement the recommendations of the programme with potential savings of up to 30% on electricity bills. Some of the implemented recommendations helped reduce electricity consumption by 11%, e.g. replacing conventional lights with LED bulbs, using solar water heaters and installing inverter air conditioners.
- **Island Living** has implemented a Building Management System for air conditioning and replaced all the conventional lights with LED fixtures at Voilà Bagatelle in order to reduce its electricity bill by 60%.
- **Rogers Aviation** is in the process of replacing gas forklifts with electric-powered ones.
- **Velogic** has set up a Sustainability Committee and an environmental policy to raise awareness on topics such as energy efficiency, and to assess its environmental impacts on a regular basis. It has also implemented training to introduce drivers to eco-friendly driving in order to reduce fuel consumption and therefore CO_2 emissions.

Ascencia banks on solar energy

Ascencia has equipped four of its shopping malls with photovoltaic plants. With a total capacity of nearly 3 MWp, these rooftop solar panels cater for up to 30% of their electricity needs. The programme was first introduced at Phoenix Mall and then extended to Kendra, Les Allées, and Bagatelle Mall. Ascencia can now use clean and renewable energy to address ecological concerns and reduce its carbon footprint while saving on electricity bills. This year, 3.7 MWh of clean electricity was produced, avoiding 3,369 tonnes of CO_2e[1]. The amount of emissions avoided is equivalent to nearly 20,199 trees planted.

3.7 MWh of clean electricity produced

CO_2

3,369 tonnes of CO_2e avoided

[1] CO_2e, also known as carbon dioxide equivalent, is a standard unit for measuring carbon footprints.

Circular economy – Reduce waste production and recycle more than 75% of the waste produced

Circular economy is a tool that presents solutions to some of the world's most pressing cross-cutting sustainable development challenges. The Rogers Group has identified procurement, waste management and smart agriculture as key drivers of circular economy.

Substantial efforts have been deployed in our operating sectors:

- **Rogers Capital** has implemented the Go Green Initiatives Programme, which includes recycling of paper, e-waste and plastic bottles. This initiative aims at introducing an efficient waste management programme and a paperless culture.
- **Veranda Leisure & Hospitality** has developed several initiatives across its hotels. A collaborative effort has been set up with the NGO, FoodWise Mauritius to avoid food wastage and help recycle leftover food. This initiative assists in maximising access to nutritious food and resources that support food security for vulnerable children. Moreover, Heritage Resorts has succeeded in implementing a water management system to help reduce water consumption for irrigation through recycling 100% of its wastewater.
- **Rogers Aviation** has enabled the deployment of the "Reduce, Reuse & Recycle" concept within its offices. In line with the 3Rs, plastic wrappings and wooden pallets are reused. A partnership with Surfrider Mauritius has also been set up for the collection and recycling of plastic caps.
- **Velogic** has launched a waste management system to recycle paper, used oils and tyres and reuse wooden pallets, among others. As part of the service provider selection process, Velogic queries the latter on their commitment to safeguarding the environment. A business specialised in the upcycling of old containers into houses, offices or storage areas has also been created.
- **Ascencia** has organised green markets in order to provide shoppers with responsible and healthy consumption alternatives. Its INI'Vert campaign also aims to raise awareness among partners and the public on environmental challenges while setting up sustainable initiatives in its malls.
- **Agrïa** has set up a smart agriculture garden to produce vegetables and fruits in a controlled environment in order to reduce fertiliser application. It has launched an online shop to sell its farm products directly to consumers.

Better waste management at Heritage Resorts

73% of waste is recycled

This year, the two Heritage Resorts properties have obtained for the fourth consecutive year the Green Key certificate awarded to hotels promoting sustainable tourism. They have set up an environmental policy which focuses on waste management at Heritage Le Telfair Golf & Wellness Resort and Heritage Awali Golf & Spa Resort. Through this process, the different types of waste are collected, sorted and sent to certified recyclers. Heritage Resorts can now monitor and reduce the amount of waste produced. To date, 73% of their waste is recycled! Their sustainability team is working in close collaboration with the other business units of the Group in Bel Ombre to promote circular economy.

Biodiversity – Preserve and protect the local species both on land and at sea

Biodiversity is our planet's "living tissue" which most of our sectors use and therefore depend upon – whether directly or indirectly. Within this pillar, the Rogers Group aims to preserve marine and terrestrial biodiversity to prevent its degradation. We also aspire to raise awareness among our employees and support the education of young people on the importance of biodiversity preservation.

- **Rogers Capital** has planted 152 trees at La Citadelle to date. This initiative comes with a double purpose: reduce its carbon footprint and enhance its team spirit.
- **Veranda Leisure & Hospitality**, through Heritage Resorts, has been promoting awareness of marine life in the Bel Ombre region for the community at large, staff, and guests via the Yellow Submarine and its Lagoon Directory.
- **Island Living** has set up educational activities such as the Biosphere Tour to raise awareness on environmental issues and educate people on endemic plants.
- **Rogers Foundation** has renewed its partnership with the NGO, Reef Conservation on Bis Lamer and Eco-Schools to increase awareness of the need to preserve land and marine ecosystems among the Mauritian people. Through the Young Reporters for the Environment ("YRE") programme, secondary level students have contributed articles and photography to sensitise the population on the challenges of biodiversity preservation.

Rogers Foundation launched Bel Ombre Pedia

On the World Environment Day 2020, the Rogers Foundation has launched Bel Ombre Pedia, an online platform depicting the rich natural and cultural heritage of the region. This project forms part of its "Respect Our Coast" programme and is derived from a study carried out in partnership with a pool of scientists working under the responsibility of the NGO, Reef Conservation. Bel Ombre Pedia gathers more than 400 fact sheets on species living in the mountains, rivers, mangroves, and lagoon of Bel Ombre. The Rogers Foundation is sharing this wealth of information with the hope of enhancing public awareness on the uniqueness of the territory.

400 fact sheets on Bel Ombre's biodiversity

Inclusive development – Onboard more local employees and reduce pockets of poverty in regions where we operate

Inclusive development addresses multiple challenges, such as poverty alleviation, access to education and gender equality. By committing to this pillar, we want to make sure our business contributes to sustainable economic development that truly benefits our community by empowering people. We also aim at generating growth for all with a focus on education and training.

Several initiatives have been set up in order to promote inclusive development:

- **Rogers Capital** reaffirmed its support to young people through Junior Achievement Mascareignes ("JAM"). The latter's mission is to educate and inspire young Mauritians while helping them develop entrepreneurial and life skills through their 'Learning by Doing' programmes.
- **Veranda Leisure & Hospitality** has set up the Heritage Resorts Academy to increase the intake of local people and to create a pool of trained and employable resources in the region. This academy aims to help alleviate the unemployment rate and create a hospitality culture in the region. A job fair in Chemin Grenier was also organised to promote recruitment from the local community.
- **Les Villas de Bel Ombre** has introduced various social initiatives. With the Rogers Foundation, it provided support and assistance to local populations in Bel Ombre through the NGOs, Lovebridge and Caritas. For example, Lovebridge helped 22 families progress towards empowerment by working on 6 fundamental interrelated pillars which are attitude, employment, housing, education, health, and nutrition.
- During lockdown, our business units have demonstrated solidarity by providing food packs to vulnerable communities.

Rogers Foundation support to Caritas' Centre d'Éveil Les Tilous

Through its support to the "Centre d'Éveil Les Tilous", the Rogers Foundation has strengthened its relationship with Caritas Bel Ombre. A total 25 children from vulnerable families aged 2-3 years old receive a stimulating education preparing them to join the local preprimary school. The Foundation also supports a nutrition programme for 30 vulnerable children attending primary school: they are provided two balanced meals daily.

55
children were provided with support

Vibrant communities – Work towards proactive integration of local communities, responsible development with more sustainable building practices

Through this pillar, the Rogers Group strives to preserve and promote our historical and cultural heritage. We also aim to promote low-density development to reduce our environmental footprint and enhance the well-being of neighbouring communities. The Bel Ombre region is the perfect playground to showcase our ambitions in this field.

- **Rogers Capital** is involved in art patronage to foster creativity and cultural diversity within the Mauritian arts community. For instance, a partnership has been established with ZeeArts for the Mauritius International Art Fair ("MIAF"), with the creation of an online gallery to promote local artists.
- **Veranda Leisure & Hospitality** has set up the Spart Experience exhibition in collaboration with Seven Colours Spa. This project's main objectives are to promote Mauritian talent and bring art into the concept of well-being.
- **Island Living**, through the Bay2Bay Tour, invites Mauritian and foreign visitors to discover the history and culture of the South. Island Living has also refurbished four sugar estate houses in Bel Ombre, including a more-than-200-year-old stone building, into a 19-room hosted B&B, Kaz'alala. The use of materials like rattan, tiles, wood, tin and raffia is a nod to the island's past with a chic tropical twist.

-48%
reduction in fertilisers and herbicides

An eco-friendly golf course is under construction in Bel Ombre

A second golf course is currently under construction in Bel Ombre: it has been designed to have a reduced environmental footprint on the territory. Heritage Golf Club has appointed the Golf Environment Organisation ("GEO") Foundation to assess the proposed golf development and has successfully obtained GEO certification. Some of the measures that will help reduce the ecological footprint of the facility include the introduction of endemic plants, restricted use of pesticides, recourse to biological products creating a synergistic effect in fertilisation programmes, the use of green waste to make compost, but also other measures aimed at reducing waste and promoting recycling. With this second golf course, Heritage Golf Club also aims to preserve and promote the unique landscape within the Bel Ombre estate. The conversion of sugarcane plantations into this GEO-golf course will reduce the input of fertilisers and herbicides into the land by 48%.

Unite for *Success*

Energies that diverge and those that converge. Energies with the potential to create.

FROM LEFT TO RIGHT

Luciano Vigoureux
Maintenance Executive - Veranda Pointe aux Biches

Minakshi Mungtah
Health and Safety Officer - Rogers Aviation

Cathie Hannelas
Head of Tax Services - Rogers Capital

Kareesh Manraj
Chief Experience Officer - Quick Service Restaurants - Island Living

Board of *Directors*

ADAM, Guy (Born in 1950)

Non-Executive Director

Qualifications/Continuing Professional Development
- Doctor of Medicine (MD);
- Fellowship of the Royal College of Surgeons (FRCS); and
- Workers' Right Act 2019 workshop.

Appointment
05 October 1994; Member of the Corporate Governance Committee since 18 January 2012.

Expertise
B/C/E/G/S

ESPITALIER-NOËL, Eric (Born in 1959)

Non-Executive Director

Qualifications/Continuing Professional Development
- Bachelor's degree in Social Sciences (University of Natal, South Africa);
- Master's degree in Business Administration (University of Surrey, UK); and
- Extensive experience in commercial and hospitality sectors being a board member of various companies in those sectors.

Appointment
02 February 1994; Member of the Corporate Governance Committee since 18 January 2012; and Member of the Risk Management and Audit Committee since 26 April 2017.

Expertise
B/BU/C/E/F/G/HB/HR/I/LB/PB/R/S

ESPITALIER-NOËL, Gilbert (Born in 1964)

Non-Executive Director

Qualifications/Continuing Professional Development
- BSc (University of Cape Town, South Africa);
- BSc (Hons) (Louisiana State University, USA); and
- Master of Business Administration (INSEAD Fontainebleau, France).

Appointment
15 July 1999

Expertise
A/B/BU/C/E/F/G/HB/HR/I/PB/R/S

ESPITALIER-NOËL, Hector (Born in 1958)

Non-Executive Director

Qualifications/Continuing Professional Development
- Member of the Institute of Chartered Accountants in England and Wales; and
- Leadership Course – INSEAD Business School.

Appointment
22 December 1987

Expertise
A/B/BU/C/E/F/G/HB/HR/I/L/PB/R/S

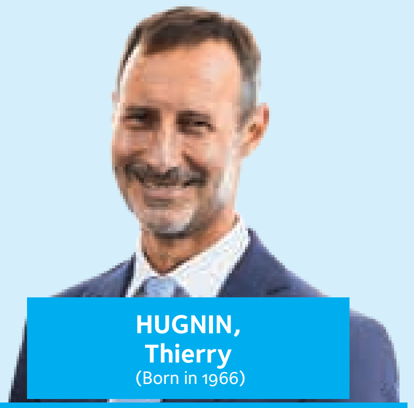
ESPITALIER-NOËL, Philippe (Born in 1965)

Executive Director and Chief Executive Officer

Qualifications/Continuing Professional Development
- BSc in Agricultural Economics (University of Natal, South Africa);
- Master of Business Administration (London Business School); and
- Workers' Right Act 2019 workshop.

Appointment
06 February 2004; Member of the Corporate Governance Committee since 18 January 2012; and Member of the Sustainability and Inclusiveness Committee since 13 February 2019.

Expertise
B/BU/C/E/F/FB/G/HB/HR/I/LB/PB/R/S



HUGNIN, Thierry (Born in 1966)

Independent Director

Qualifications/Continuing Professional Development
- Master's degree in Computer Science and Management, University of Paris Dauphine, France;
- Member of the Institute of Chartered Accountants in England and Wales; and
- Various professional qualifications in Investment Management industry, including IMC, UK.

Appointment
12 February 2018; Member of the Risk Management and Audit Committee since 10 May 2018.

Expertise
A/B/BU/E/F/FB/G/HR/I/S

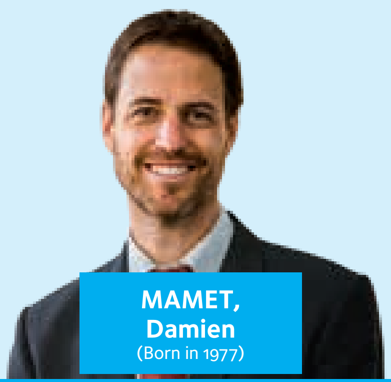
MAKOOND, Deonanan (Born in 1952)

Independent Director

Qualifications/Continuing Professional Development
- BA (Hons) in Economics; and
- MSc in Tourism Planning.

Appointment
02 May 2018; Chairman of the Sustainability and Inclusiveness Committee since 13 February 2019.

Expertise
A/B/BU/E/F/FB/HB/HR/I/R/S



MAMET, Damien (Born in 1977)

Executive Director and Chief Finance Executive

Qualifications/Continuing Professional Development
- Member of the Institute of Chartered Accountants in England and Wales;
- Executive Programmes at London Business School;
- INSEAD Business School, Singapore;
- Rogers Summit 2018;
- IFRS 9 – Financial Instruments and IFRS 16 – Leases Workshop;
- Crafting a Compelling Strategy for a Sustainable Future;
- Strengthening Marketing Capabilities 2019; and
- Workers' Right Act 2019 workshop.

Appointment
10 May 2017; Member of the Sustainability and Inclusiveness Committee since 13 February 2019.

Expertise
A/B/BU/E/F/HB/HR/I/PB/R/S

MASSON, Vivian (Born in 1956)

Independent Director

Qualifications/Continuing Professional Development
- Master's degree in Economics (University of Paris-Assas);
- Diplôme d'Etudes Comptables Supérieures (DECS, France);
- Executive Leadership Programme – Harvard Business School; and
- Consulting in MedTech and Textile industry.

Appointment
10 September 2015; Member of the Risk Management and Audit Committee since 10 December 2015; and Chairman of the Risk Management and Audit Committee since 10 May 2018.

Expertise
A/B/BU/C/E/F/G/HR/I/R/S

MONTOCCHIO, Jean-Pierre (Born in 1963)

Chairman and Non-Executive Director

Qualifications/Continuing Professional Development
- Notary in Mauritius.

Appointment
Chairman since 9 November 2012; and Chairman of the Corporate Governance Committee since 19 January 2012.

Expertise
B/BU/G/HB/HR/I/L/PB/S

RADHAKEESOON, Aruna (Born in 1970)

Executive Director and Chief Legal & Compliance Executive

Qualifications/Continuing Professional Development
- BA (Hons) in Jurisprudence (Balliol College, Oxford University);
- Solicitor of England and Wales (NP);
- Attorney-at-law (Mauritius);
- Executive Programmes at London Business School;
- INSEAD Business School, Singapore;
- Strengthening Marketing Capability;
- Co-Creating/Laying the foundations for a circular economy in Mauritius;
- Crafting a Compelling Strategy for a Sustainable Future;
- Workers' Right Act 2019 workshop; and
- Managing and preventing cross-border disputes that arise from lack of uniformity in the choice of applicable law.

Appointment
18 October 2012

Expertise
B/BU/C/E/FB/G/HB/HR/L/LB/PB/S

RUHEE, Ashley Coomar (Born in 1977)

Executive Director and Chief Executive Officer - FinTech

Qualifications/Continuing Professional Development
- First Degree – Mathematics and Physics (Faculté des Sciences de Luminy, Marseilles);
- Master's degree 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
20 July 2017

Expertise
A/B/BU/C/E/F/FB/HR/I/S

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; and S: Strategic dimension.

Executive *Team*

BHATT, Mehul
Chief International Development Executive

Qualifications
- Master of Business Administration from London Business School (UK);
- Bachelor's degree in Science from BITS, Pilani (India);
- Fellow of the Institute of Chartered Shipbrokers (UK); and
- Associate Fellow of Nautical Institute (UK).

Experience
- He started his career in Merchant Marine at the age of 18 with Chevron, an oil major based out of San Ramon, USA;
- He has worked across US, Denmark, East Africa, UK and India prior to moving to Mauritius in 2019. He has worked with international groups like A.P. Moller-Maersk and Chevron in various strategy, finance, general management, performance management, operations and commercial roles;
- He has people and organisational leadership experiences since 2010; and
- He currently heads strategy and International Mergers and Acquisitions for the Rogers Group.

BUNDHUN, Manish
Chief Human Resources Executive

Qualifications
- BSc (Hons) Management;
- Master of Business Administration;
- Executive Programmes 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 practises as adjunct professor in Human Resources Management and Organisation Development at postgraduate level.

COTRY, Eric
Head of Internal Audit & Risk Management

Qualifications
- Association of Chartered Certified Accountants (FCCA).

Experience
- He has over 18 years' experience in the audit field;
- He started his career as external auditor with De Chazal du Mée in 1997;
- He has extensive audit experience in various sectors such as Property Investments, Hospitality, Sugar, Retail, Logistics and Financial Services;
- He has also worked in Rwanda as acting CFO in a commercial bank and 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 the Rogers Group in April 2017.

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

Qualifications
- BCom (Hons); and
- Member of 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.

MONTOCCHIO, Thierry
Chief Executive Officer VLH

Qualifications
- Bachelor of Commerce – University of Cape Town;
- Postgraduate Diploma in Accounting – University of Cape Town;
- Member of the South African Institute of Chartered Accountants; and
- Member of the Mauritius Institute of Professional Accountants.

Experience
- He started his career in audit in a medium firm of Chartered Accountants based in Cape Town in 1998. After three years he went on to work as a Forensic Accountant for the Department of Environment, Food & Rural Affairs – London;
- In 2002, he joined the Corporate Finance division of BDO, Mauritius. In 2007 he was promoted Partner – Corporate Finance;
- In 2007-08, he also lectured Accounting and Finance at the Charles Telfair Institute on a part-time basis; and
- He joined VLH in 2012 as Chief Finance Officer and was promoted Chief Executive Officer in September 2019.

NUNKOO, Nayendranath
Chief Executive Officer Logistics

Qualifications
- MSc in Engineering from the Odessa Technological Institute of Food Industry;
- Master of Business Administration from the University of Mauritius;
- Executive Programmes 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 within 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.

PILOT, Michel
Chief Executive Officer Agrïa

Qualifications
- BCom in Finance and Management and Master of Finance from Curtin University (Australia); and
- In 2014, he also obtained a Master of 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 Group's Agribusiness activities and is now the Chief Executive Officer.

STEDMAN, Richard
Chief Executive Officer Leisure

Qualifications
- "Ecole Hotelière de Lausanne" in 1983.

Experience
- He has 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 lifestyle development and growth of Island Living Ltd, an operational cluster that manages lifestyle, leisure & hospitality brands.

TYACK, Frédéric
Chief Executive Officer Ascencia

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

Experience
- His experience spans across a number of industries and he has 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.

VACHER, Belinda
Chief Projects & Sustainability Executive

Qualifications
- Master of Business Administration and BSc (Hons) Finance from the University of Mauritius; and
- Certificate in Business Accounting from the 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.

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Espitalier-Noël, Philippe is also part of the Rogers Executive Team.
Please refer to page 27

Mamet, Damien is also part of the Rogers Executive Team.
Please refer to page 26

Radhakeesoon, Aruna is also part of the Rogers Executive Team.
Please refer to page 27

Ruhee, Ashley Coomar is also part of the Rogers Executive Team.
Please refer to page 27

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 National Code of Corporate Governance for Mauritius (2016).

Signed by

Jean-Pierre Montocchio

Chairman

27 January 2021

Philippe Espitalier-Noël

Director & CEO

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 2020, all such returns as are required of the Company under the Companies Act 2001.

Sharon Ah-Lin

Company Secretary

27 January 2021

Chairman's *Letter*

Dear Valued Shareholders and Partners,

I am pleased to present you with the Integrated Annual Report of Rogers & Company Limited ("Rogers Group") for the financial year ended 30 June 2020.

This past year will certainly be remembered not only as a year of significant disruption, but also as a period that will bring significant permanent changes. It will provide us with the opportunity to rise up to the difficulties posed by the COVID-19 pandemic and build back better. I am glad to report that the Rogers Group has risen up to the challenge and this crisis will enable us to become a more agile, resilient and future-fit organisation.

The Rogers Group was well on track to achieve yet another year of strong financial results until the pandemic hit in early 2020. Prior to the lockdown announcement, the leadership team under the stewardship of its CEO, Philippe Espitalier-Noël, was prompt and agile to take the necessary steps to deploy a business continuity and recovery strategy through our Vivacis Resilience Programme. This programme focused on three pillars – safety of our people and customers, national solidarity and building financial resilience for the Group. This initiative also included a Solidarity Fund made up of voluntary contributions from our Directors and employees, among others, to support the most vulnerable members of our organisation and the society.

Overall and as expected, the financial performance of the Group was adversely impacted. Turnover and loss after tax excluding exceptional items were Rs 9,169m and Rs 398m respectively. The challenging socio-economic environment had notably a negative impact on key performance metrics across our served markets, albeit to a heterogenous extent. Our Logistics and Property Investments sectors for instance, proved resilient to the crisis, while our Hospitality served market was undoubtedly the hardest hit.

We have been very active in addressing the pandemic on all fronts – on our own and in conjunction with public and other private organisations. We have focused on short-term tactics to secure liquidity and solvency, revenue generation and cost-saving measures, while enabling our long-term vision through digital transformation and culture building, as well as active fund-raising and debt restructuring. These measures have not always been easy, especially within such an uncertain and volatile environment. While the recently discovered vaccines bode for hope, the distribution and timeframe to reach mass immunity let alone the new strains of COVID-19 will continue to drive a more cautioned and uncertain environment.

The Board and leadership of Rogers are hopeful yet cautious on the near-term outlook. Future economic perspectives largely depend on the duration of the pandemic, the speed of recovery, and how these will shape policy-making domestically. The visibility in the current volatile, uncertain, complex, and ambiguous ("VUCA") environment remains blur, if not close to zero in some served markets, notably critical economic sectors like tourism, leisure and travel.

Our entrepreneurial spirit and energy however remain strong, a reflection of our 122 years of heritage, history, resilience and innovation. We have plenty of exciting projects underway, including the Bagatelle Mall extension, the opening of the first Decathlon store in Mauritius, the go to market of new digital products, a newly rebranded destination in Bel Ombre - all of this will materialise during the course of the 2020-21 financial year. We will also further boost our efforts on sustainability and inclusiveness which will become core constituents of our business.

Our three year strategic plan – CAP23, that was rolled out in June 2020 continues to evolve on an ongoing basis. We are monitoring closely, adjusting quickly and pivoting our businesses to stay ahead of the curve. A new normal will eventually emerge and we will be there to take advantage of it.

On behalf of the Board, I would like to take this opportunity to express my sincere appreciation to our leadership team for steering the Group through these challenging, yet transformative times. I would like to thank the employees of the Group for their resilience, dedication and willingness to adapt to this new normal. I would also like to thank you, our investors and partners, for your support and continued trust in our people-strong, 122 year young organisation.

We will persevere and emerge stronger from this crisis.

> *"We are monitoring closely, adjusting quickly and pivoting our businesses to stay ahead of the curve. A new normal will eventually emerge and we will be there to take advantage of it."*

JEAN-PIERRE MONTOCCHIO

Chairman

Interview with the *Chief Executive Officer*

"We will continue to work towards bringing together the emergence of all Energies, "those that create value, that focus our efforts, that make us swift and impactful, Together."

PHILIPPE ESPITALIER-NOËL
Chief Executive Officer

The CEO of Rogers and Company Limited, Philippe Espitalier-Noël reflects on the financial year 2019-20 which, after a solid start, was undermined in the last quarter by the impact of the global coronavirus pandemic and resultant lockdowns. He also talks about how the Group is taking proactive and strategic steps to weather these challenging times and emerge out stronger, and more agile, resilient and future-fit.

What is your reading of the economic situation over the past financial year?

While the pre-COVID-19 economic outlook was already affected by prolonged instability within the Eurozone and rising trade tensions between the United States and China, the COVID-19 outbreak has cast a shadow of uncertainty across the entire world since early 2020.

The economic impact of the crisis was almost immediately felt in Mauritius, and Moody's downgraded the country's sovereign credit-rating from Baa1-stable to Baa1-negative. Nearly all key economic indicators worsened immediately. The most notable one was the number of tourist arrivals from January to December 2020 plummeting by 78% as compared to the corresponding period in 2019. The Mauritian economy is expected to contract by at least 15% in 2020 and the Government has introduced several measures to curtail the downturn. Our national carrier, Air Mauritius, a pivotal catalyst that drives business and tourism in Mauritius, was also placed into voluntary administration.

Our main concern therefore remains the direct, indirect, catalytic and induced impacts of the pandemic on travel & tourism, which impede the operations of our Hospitality served market. At domestic level, the livelihood of over 100,000 of our fellow citizens depends on this sector, which accounted for over 20% of GDP, and foreign direct earnings of circa Rs 63bn in 2019. The shortfall in gross earnings is likely to exceed Rs 40bn in 2020, putting tremendous pressure on operators on this critical economic pillar.

The inclusion of Mauritius on the European Union's list of high-risk countries that allegedly have strategic deficiencies in their Anti-Money Laundering and Combating the Financing of Terrorism ("AML/CFT") frameworks in October 2020 has introduced uncertainty in our financial services sector. At the time of writing, we were nonetheless reassured by the progress made by the local authorities with the Financial Action Task Force.

Unfortunately, such an uncertain and unstable business environment is not conducive to business development and expansion. So, all in all, this year has been one unlike any other normal year. But we have come out resilient, and feel ready to face this new financial year.

In addition to its economic impact, the COVID-19 pandemic has affected the whole planet in a number of ways. What remedial actions have been taken to address its impact at Rogers' level?

The Group set up the Rogers Vivacis Resilience Programme under my leadership two weeks prior to the national lockdown that began on 19 March 2020. This was to proactively plan and address the COVID-19 crisis. The immediate priorities were to ensure the safety of our employees and stakeholders, national solidarity and enhance financial resilience of our businesses. We also set up a Group-wide Solidarity Fund co-funded by our Directors and employees to help those most in need. This Vivacis Resilience Programme has since been extended to end June 2021 and is an example of how we channel our energy where it matters the most.

Our businesses were fully aware of the need for a prompt response to the pandemic-induced downturn. Our Business Continuity Plans were activated to allow our employees to work from home, minimise the impact on their deliverables and enhance customer interactions. Financial steps were taken and included preserving liquidity in all our operations and reducing expenses through close monitoring of fixed costs. Significant cost reductions combined with accelerated digital transformation initiatives have been triggered across our FinTech served market to improve on our agility to cater for the needs of our clients. In addition, our Logistics business delivered a commendable performance and will maintain a strong emphasis on cash flow preservation, cost containment and customer base diversification, among others. Similar measures will be implemented by our Travel operations. Ascencia has also taken a string of actions to help our partners bounce back during these uncertain times, including a tenant relief plan, a comprehensive calendar of events and the #SafeShopping initiative.

We also launched an e-newsletter, "Vox Vivacis", and MyRogers, a mobile application to maintain effective communication with both internal and external stakeholders in these testing times. These tools provide evidence that our teams have been creative in tackling current and future expected issues.

We are involved on different fronts in the recovery effort through the response committees set up by

Business Mauritius. As we continue to assess and respond to the challenges posed by the pandemic, we remain steadfast in our commitment to our core values of Agility, Leadership and Excellence.

Furthermore, while the Rogers leadership team has been working on our three-year CAP23 strategic plan since January 2020, we have had to adjust our assumptions, tactics and projections to factor in the new dynamics induced by this pandemic. The updated plan takes account of emerging disruptions, and focuses on bringing about purposeful and sustainable transformation across our organisation. Rogers will pivot its businesses to adapt and respond to underlying secular trends, new customer behaviours and the recalibrated expectations of our stakeholders. The ultimate objective is to co-create a resilient and future-fit organisation.

Our thoughts also turned to those facing even more precarious conditions in these challenging times. There are families which are struggling to make ends meet in communities where Rogers has a meaningful presence. As a leading private sector organisation in the country, we chose to act proactively. We used the collective weight and energy of our employees, peers, public sector counterparts and volunteers from partner NGOs to make life a bit more comfortable for some 150 families.

This sounds interesting: a strategic thinking process initiated during the national lockdown period. Tell us more about what CAP23 aims to achieve.

As I mentioned earlier, we started to grasp the true impact of the COVID-19 crisis early in the month of April. We realised that the next three years will be more volatile, uncertain, complex and ambiguous ("VUCA") than ever. For the first time in the history of the Group, revenue for many parts of the businesses dropped significantly, with no clarity as to when and how recovery would unfold. We nonetheless saw this as a once-in-a-lifetime opportunity to drive meaningful changes to our businesses and mindsets to evolve towards a future-fit, agile and more resilient organisation.

This was a compelling moment to rethink about our business strategy and after starting the process afresh, our CAP23 strategy was launched in June. Rogers is set to evolve over the next three years through:

- increased connectedness between Group entities where we are stronger and more effective together while enhancing our competitiveness in our target markets;
- driving and executing our plans through seven strategic pivots and around 60 key strategic projects, underpinned by a robust performance management framework; and
- a clear focus on sustainability and inclusiveness across all our businesses embedded in our value creation roadmap as well as in the way we conduct our businesses.

Strategic priorities have been clearly spelt out across our four served markets.

FinTech

Our three distinct businesses in this served market will have to fast-track their digital transformation initiatives to adapt to a disruptive economic environment.

Rogers Capital Finance has been challenged by the COVID-19 crisis and the delay in repayment of certain credit facilities extended to our clients is putting pressure on our results. We are exploring several avenues to compensate for the slower growth and the impact of COVID-19 on consumer behaviour.

We have seen much resilience in the performance of Rogers Capital Corporate Services, especially in the aftermath of the inclusion of the Mauritian jurisdiction on the EU list of high-risk countries. The future impact will, however, be dependent on the effectiveness of new measures implemented, and the country's timely exit from that list. Our focus will be to provide more differentiated and value added offerings, such as in-house legal and tax advisory services, wealth management and other ancillary services to our customers.

Rogers Capital Technology Services remains a niche and resilient business. We will continue to leverage our unique capabilities and the specific focus on new technologies to drive growth with our customers.

Hospitality

As a pioneer in the hospitality and aviation space, Rogers has built a strong brand and an asset base in Mauritius covering the full spectrum of accommodation, travel, food and beverage, destination management services, golf and other leisure products.

Prior to the advent of this pandemic, and together with our new investment partner Amethis Finance, we have already triggered the integration of the Group's two large hospitality and leisure businesses – Veranda Leisure & Hospitality ("VLH") and Island Living. The process will be completed in 2021 and create a differentiated hospitality powerhouse with unique and exclusive customer experiences deeply rooted in Mauritian hospitality while keeping pace with the latest sustainability practices. This strategic initiative also caters for specific customer needs arising from the pandemic. Works to build the second golf course in Bel Ombre have progressed well with the launch planned in 2022. We aim to position it as one of the top 100 courses in the world, alongside Heritage Golf Club, which has been voted the Indian Ocean's Best Golf Course seven years in a row. This will continue to ensure that Mauritius remains one of the top destinations globally.

Our aviation business will consolidate its drive towards an online operating model and continue its transformation into a digital operator for our corporate and retail customers.

Logistics

Velogic has navigated its way through the global lockdown situation and has shown much resilience, bearing testimony of its mission-critical role as a key logistics operator in the markets it serves. The current environment brings about new consolidation opportunities and growth potential in the Indian Ocean region. Key focus areas include consolidating our strength in Mauritius, East African and Indian markets and the turnaround of our French loss-making operations. Strategic partnerships will unfold in the next three years and as a future-fit operator, Velogic plans to play a leadership role in the provision of logistics services for the Indian Ocean region and East Africa.

Property

During the next three years, we will position and promote Bel Ombre as a safe and sustainable development region. Starting July 2020, Rogers has taken over the management of Les Villas de Bel Ombre Ltée ("VBO"). We are creating a new corporate structure with stronger combined VBO-Agrïa management teams to drive a compelling cross-sectoral thrust for the Group around five key pillars: property, hospitality, leisure, agribusiness, and brand development. A new campaign to promote the unique attributes of "*Lamer. Later. Lavi.*" in Bel Ombre has already been launched in November 2020.

Ascencia has derived significant benefits from its unique market positioning. Our commercial property sector has demonstrated resilience in adapting to the new COVID-19 reality and will continue to drive omni-channel growth in Mauritius while further consolidating its leadership position. A number of improvement projects are underway, including the extension of Bagatelle Mall and the planned opening of the first Decathlon shop on the island in April 2021. In order to reduce its environmental footprint, Ascencia has also implemented several sustainability initiatives.

Has this unprecedented economic downturn affected Rogers' confidence in its four served markets in any way?

Rogers has, throughout its history, been closely involved in building our nation through its businesses. We believe that all four served markets, in which we hold a leadership position and have a proven track record, are critical to Mauritius, and we will continue to positively contribute to the future development of our country.

Our property business represents the natural capital of Mauritius. We are confident that agriculture, sustainable living and commercial real estate are essential constituents of the country's and our own future growth. Our agribusinesses are diversifying away from the declining attractiveness of sugarcane production. We also expect Ascencia to maintain its leadership position for safe shopping experiences on the island.

With regard to the Hotels and Travel sectors, despite our track record in terms of the successful handling of the COVID-19 crisis at national level, we are still in an environment of uncertainty both locally and overseas. We need to keep a close eye on how this space will evolve. As we have maintained our Bel Ombre properties at high standards, we expect our hospitality inventory and leisure activities in the region to benefit from the increasing demand for healthier lifestyles when international flights resume.

Logistics in Mauritius and globally has been fairly resilient. While people have mostly been confined during the year, cargo and freight operators have had to gear up to meet consumption demands. This has benefitted both long-haul and last-mile logistics. We believe that technology and changes in global supply chains will maintain the robustness and relevance of this space. Velogic is expected to continue to thrive in Mauritius, Africa and beyond.

FinTech ventures have globally been resilient. The financing and credit sectors will remain of paramount importance in the medium-to-long-term national recovery strategy; Information Technology players are also benefitting from the current secular trends globally. We are well positioned to use Rogers Capital as a platform to continue operating in this market.

So, for now, we are confident that we are present in the right markets and will continue to drive sustainability, inclusiveness, market leadership and profitability.

Can you tell us more about the pioneering role of Bel Ombre as a showcase territory for the Group?

The Bel Ombre region is a unique territory nestled between the mountains and the ocean. Its breathtaking scenery is unique in Mauritius. This part of the island is home to many of the last remnants of its endemic fauna and flora. Bel Ombre also bears witness to the rich history of the South and is a precious guardian of our cultural heritage.

However, this region faces several challenges. We need to address the issue of inclusion and bridge the gap between local communities and our activities by integrating the former into our development. The adverse effects of climate change and global warming above 1.5°C are also major threats. Actions must be taken to protect the health of our lagoons and reefs at national level to mitigate potential negative impacts.

Rogers already leads numerous initiatives to promote sustainable and inclusive development in the region. The Group also targets to develop a Bel Ombre Sustainable Living project, a concept based on sustainable development that will positively impact the region's ecological, social and economic fabric. The ambition here is to drive a new impetus to the Bel Ombre venture to promote a world-class integrated agritourism project.

Bel Ombre stands out as an exclusive "laboratory" whereby the various stakeholders, including those looking for a one-of-a-kind lifestyle, join forces to showcase the country's tangible commitment towards the reinvention of agriculture, tourism and leisure in the Indian Ocean region in a sustainable and inclusive manner.

Do you feel that the Group has been able to display and embrace the new culture embodied by the "Rogers, Uniting Energy" campaign launched last year, even more so during the COVID-19 pandemic?

This campaign reflects the idea that in order to build the Rogers of tomorrow, we need to act as "architects of opportunity", spotting and securing the right opportunities to fuel our growth. From this emerged a strategic plan with shared ambitions, objectives, financial targets and a set of actionable levers and tools. Rogers defined the following core pillars: Digitalisation, Operational Excellence, Internationalisation, Sustainable and Inclusive Development, Human Capital Development and a Marketing strategy.

In its 122 years of existence, Rogers has survived two world wars but has never experienced a crisis of this magnitude. From day one, we planned for the worst while hoping for the best with a task force that provides the leadership to ensure the sustainability of our operations and the timely implementation of measures to meet the challenges faced by the Group.

During the national lockdown period, Agrïa and Island Living launched home delivery for their respective products to adapt to new market conditions; Rogers Capital Technology Services provided remote assistance and a 24/7 service to keep customers' businesses running; Ascencia deployed high standards of health safety across its malls; Rogers Aviation and Velogic leveraged their partner networks in Mauritius and overseas to deliver medical products and equipment. In the absence of tourists due to border restrictions, VLH reacted proactively to support the national health services by agreeing to the use of some of its hotels as quarantine facilities.

Employees across our sectors demonstrated their solidarity in various ways, exemplifying the core values of our Group. Eventually, I was humbled by the unprompted participation of our team members as well as the patriotic and nationwide mobilisation following the MV Wakashio oil spill in the South-East of the island.

Additionally, there is increased synergy being realised with our business units putting their energies together towards the common goal of tapping market opportunities in the post-pandemic landscape. Collaborative teamwork is integral to value generation for the Group, our clients, shareholders and the community at large. It is even more relevant in this day and age as we need to unite our energies to co-create a future-fit enterprise.

How does the Group embed its commitment to the SigneNatir Pact of Business Mauritius into its operations?

Rogers has, in many occasions, led transformations at national level and we fully embrace the triple bottom line economic model of "People, Planet and Profit" and the United Nations Sustainable Development Goals ("SDGs") that have been around for a number of years now. Accordingly, the combination of Environmental, Social and Governance ("ESG") issues with changing market and technological trends requires moving beyond traditional Corporate Social Responsibility ("CSR") to incorporate a stronger Sustainability and Inclusiveness thrust into the core of our Group's strategy. A Rogers' Sustainability Charter has also been launched in 2020.

In joining the SigneNatir Pact of Business Mauritius, we are taking steps to raise awareness on the need to reduce our environmental and social footprint and make a positive impact on the country and beyond. The Pact focuses on five pillars and priority SDGs, including energy transition, circular economy, biodiversity, vibrant communities and inclusive development. Through these dimensions, we are embarking on a transformational journey to gradually decarbonise our business activities, moving to a circular model of production and consumption as well as driving inclusive growth in our sectors to become more resilient. We have also committed to monitor and disclose our progress on these initiatives to our stakeholders.

Sustainability and inclusiveness are now an integral part of how we conduct business and will naturally drive our resilience and future-fitness. They have become even more relevant going forward due to the impact of COVID-19 on Mauritius. Other events like the MV Wakashio oil spill have further driven sustainability and inclusiveness in our development approach. It's all about being able to tap into the social trend towards greater sustainability awareness and inclusive development to change behaviours and drive growth.

How do you see the coming financial year?

The coming financial year is expected to remain embroiled in uncertainty. With only three months of COVID-19 impact on our financial year 2019-20, and the severe effects on the Group's results, we anticipate that our financial performance will be significantly challenged. Leadership at national level, both in the public and private sectors, will face dilemmas to strike the right balance between health and economic considerations. Decision-making will have to be relevant for short-term resilience, and medium-to-long-term recovery to reignite the engines of growth. These choices and their implied trade-offs for different stakeholders will remain a tall order.

The prevailing environment of uncertainty as well as the prolonged closure of international borders have introduced significant inertia in our main markets. Beyond quarantined travel, the gradual move towards the complete reopening of our borders and the propensity for visitors to come back to the island will determine the level at which our businesses, and particularly those operating in the Hospitality served market, will be impacted.

Despite the Government's meaningful efforts to help businesses face the forthcoming headwinds and maintain consumer confidence, the weak economic climate resulting from this unprecedented context remains a cause for concern. One certain thing is that private sector debt has reached record levels within a context of poor return prospects. It is therefore critical that both the Government and the banking system keep supporting the real and productive economy.

The introduction of the Contribution Sociale Generalisée in its current form will increase the burden on the Mauritian working population, reducing their spending power. The younger generation will especially be affected by this additional tax, given the skills mismatch and persistently higher youth unemployment rate we have seen on the labour market over the past years. Without a proper reform that involves all stakeholders, the funding gap to sustain the pensions of an ageing population will take a toll on the economic prospects of the country.

Much will also depend on how the inclusion of Mauritius on the EU's list of high-risk countries will unravel. The effective and timely implementation of robust AML/CFT measures remains a key priority for the Mauritian economy at large.

Other exogenous and geopolitical factors, such as the trends pertaining to globalisation, the US-China feud as well as climate change and the imperative for sustainable economic models are set to influence the outcome of not only the coming financial year, but that of the forthcoming decades.

A few words you want to add to conclude?

I take this opportunity to reiterate my view that the Government and private sector operators must reinforce their dialogue. The resilience of the country will depend on the ability of all parties to work hand in hand in the best interests of all our compatriots.

Mauritius has a unique positioning in this world with natural geographical, cultural and historical closeness to Africa, Europe and Asia. We have in the past reinvented ourselves and gained global leadership standings in the sugar, textiles, tourism and financial services industry. COVID-19 and the huge technological changes we see globally should become the catalyst for the next set of transformation in Mauritius that will propel it further forward and improve the quality of life for its citizens. Mauritius' development model should continue to be the role model for countries in Africa and the Indian Ocean as a sustainable and inclusive model of development. There will be difficult choices and decisions to be made, but together we can come out stronger.

I would like to take this opportunity to thank my leadership team as well as all employees of the Group for their dedication and unflinching commitment in navigating through these uncharted waters. In paying tribute to our frontliners whether part of the Group or at national level, I am reminded of the words pronounced by Winston Churchill in one of his wartime speeches, "*Never was so much owed by so many to so few.*"

I am impressed by the agility, solidarity and engagement of all our business sectors in these very testing times. In line with our "Rogers, Uniting Energy" campaign, we will continue to work towards bringing together the emergence of all Energies, "those that create value, that focus our efforts, that make us swift and impactful, Together."

Chief Finance Executive's *Report*

DAMIEN MAMET
Chief Finance Executive and Executive Director

Group Performance Highlights 2019-20

While the 8 months of the financial year was a relatively normal period of business activity, the turn of the year brought about its fair share of events. March 2020 notably can be singled out as the month that turned sour for our island, as the COVID-19 pandemic and talks about the inclusion of Mauritius on the European Union's list of high-risk countries, to name a few, disrupted economic activity on a scale never experienced before.

With the presence of the Rogers Group in Hospitality, Property, Logistics and FinTech, the impact of the pandemic has been felt differently across these sectors. Undoubtedly, our Hospitality served market comprising of the travel, hotels and leisure-focused activities was hit the hardest, while our Logistics business delivered a commendable performance despite major disruptions to global supply chains.

Served Markets – Summary of Impacts

FinTech

- The major working and business disruptions benefitted this cluster, which supplied the necessary IT infrastructure for work-from-home arrangements;
- The impact of the inclusion of Mauritius on the EU's list of high-risk countries was not immediately felt by Rogers Capital Corporate Services. However, as the months stretched, concerns raised by clients were noted; and
- Disruption in the economy hit our Consumer Finance segment the hardest in this served market. The sudden stop drove a major spike in expected credit losses as businesses and consumers chose to hold off payments and consumption.

Hospitality

- National lockdown and the spread of the virus in key served markets caused a significant loss in reported income;
- The introduction of the Wage Assistance Scheme offset some of the operational costs; and
- Although opening our hotels and leisure facilities to the local population improved our standings, the loss of foreign currencies will be felt in the coming months.

Logistics

- Supply chain disruptions caused by the pandemic meant considerable delays in shipping and transportation with the introduction of additional safety protocols; and
- Velogic served admirably on the front line, delivering key shipments that helped sustain the economy in a time of need.

Property

- We collaborated closely with our partners to provide rental moratoria and help them through lockdown; and
- During that same period, the shift towards locally-made products helped Agrïa mitigate some of its losses.

A few days before lockdown in March 2020, we at Rogers embarked on several exercises to assess the financial and operational resilience of our investments. Our teams were hard at work deciphering the key areas where our businesses would be hit, as well as come up with adequate responses that would not only enable them to survive, but also rethink our operating model to adapt to the disruptions caused by the pandemic.

We particularly focused on the liquidity positions of our businesses, as well as the ability to raise funds to help sustain operations. During the year, the Rogers Group successfully raised Rs 2bn in the form of Notes from institutional investors to restructure existing credit facilities into longer-term ones, thus giving our investments more breathing room. As a result, Group borrowings increased by 18% to Rs 14.8bn. This inevitably led to a 10% increase in finance costs to Rs 628m, with about Rs 67m directly attributable to the implementation of IFRS 16.

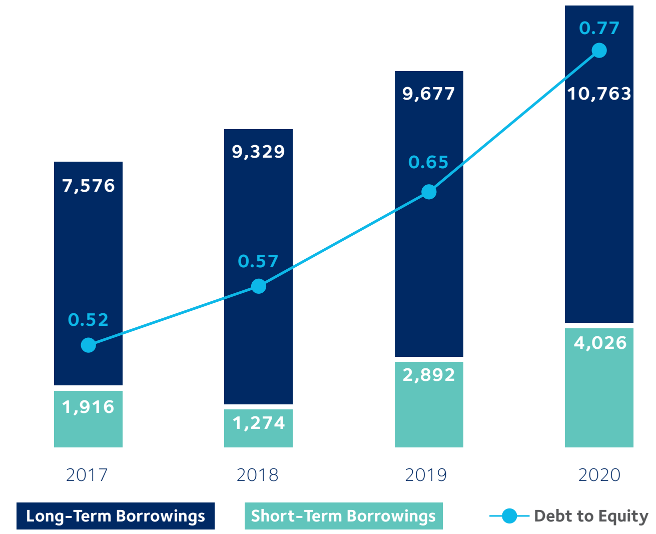
Our teams further undertook an analysis of our loan exposure, with a focus on our exposure to currency volatility. Such loans have effectively been contracted on a medium term to hedge against currency fluctuations and are mainly composed of loans in EUR and USD. On a shorter-term basis, currency forward contracts are entered into to hedge against movements in the underlying exchange rates. As at 30 June 2020, the net exposure of the Group to these instruments stood at Rs 2bn (2019: Rs 2bn).

From a liquidity perspective, the Group early adopted prudent debtor management policies, along with precautionary cash buffers to help our businesses withstand the ensuing financial shock linked to the pandemic and lockdown. We raised Rs 500m in May 2020 out of the initial Rs 2bn bond issue approved before the pandemic to provide comfort to our subsidiaries, while working with them to control our exposure to debtors and creditors. As a result, Group Trade Receivables decreased by Rs 395m to Rs 1,4bn.

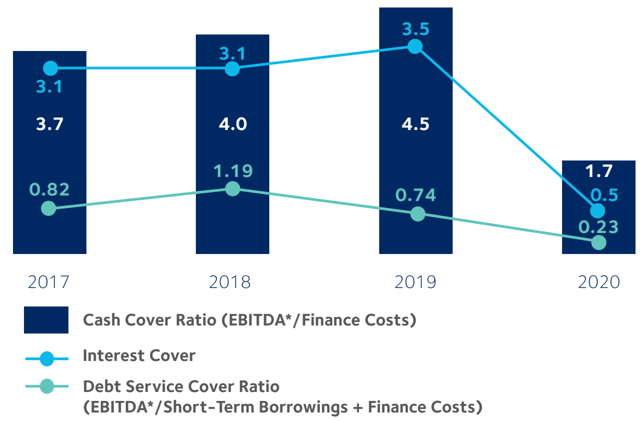
The Company's current liabilities exceeded current assets by Rs 290m (2019: Rs 1.4bn) mainly due to the excess cash generated by subsidiaries and deposited on an at-call basis.

With respect to financial performance, Group revenue dropped by 11% from Rs 10,247m to Rs 9,169m. This was mainly due to an overall 15% decrease in income generated by the Hospitality served market, which by itself contributed to about 35% of total revenue. The largest retrenchment in revenue over the financial year was recorded in the Travel sector (-34%), on account of closed borders and our national air carrier entering into voluntary administration at the start of the year. The share of FinTech's revenue grew from 9% to 11% over the period while Logistics remains a key investment for us, contributing about 34% to Group's revenue.

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

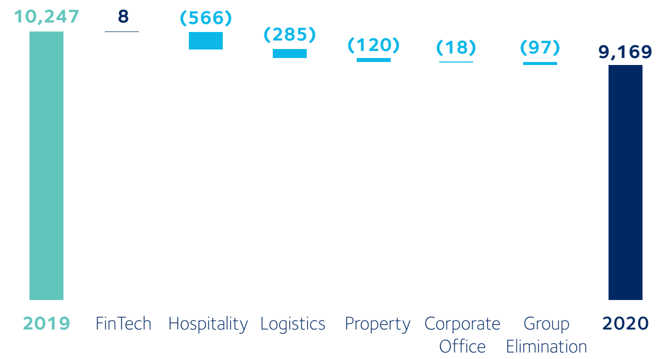


Coverage Ratios



*Excluding exceptional items

Movement in Group Revenue (Rs m)



The Group recorded an EBITDA* of Rs 1,054m, down by 59% from last year, while a Loss after Tax* of Rs 398m was registered compared to a Profit After Tax* of Rs 1,224m in 2019 (*excluding exceptional items).

The negative contribution of the Hospitality served market again weighed significantly on performance. However, this was partially offset by good operations from the other sectors.

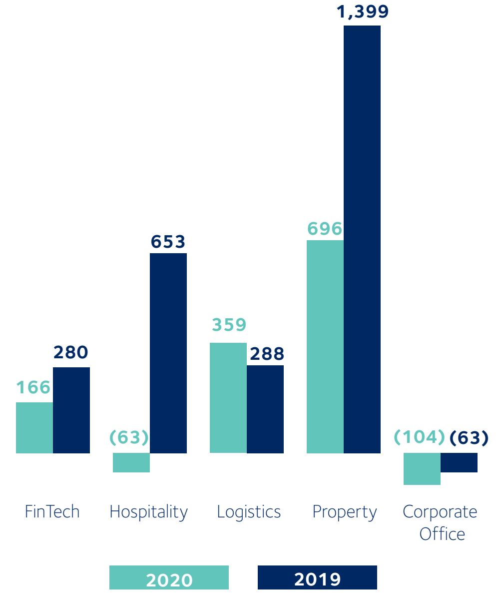
Of note, our Logistics investments recorded positive EBITDA of Rs 359m, up from Rs 288m last year and PAT of Rs 109m in 2020, slightly down from 2019 figures (Rs 116m). In the same line, the FinTech and Property served markets both had positive contributions to our bottom line, with a respective EBITDA of Rs 166m and Rs 696m (down by 41% and 50%) and respective PAT of Rs 49m and Rs 168m (down by 74% and 80%).

Loss per share for the year, excluding exceptional items, therefore stood at Rs 1.98 compared to positive earnings per share of Rs 2.61 for 2019.

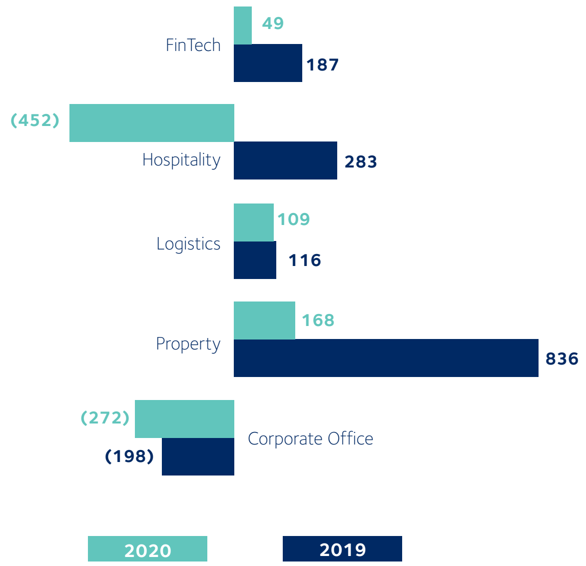
During the year, our share price took a notable hit as investors feared the worst and sold off stocks. Trading on the Stock Exchange of Mauritius was effectively suspended on 19 March and resumed on 06 April 2020. The limited liquidity, along with foreign selling pressure, led to uncertain trading sessions, with prices fluctuating even with small volumes traded over the period. The share price as at 30 June 2020 was Rs 21.50, representing a 42% drop compared to 30 June 2019.

Dividends per share (final) for this year were deferred by the Board of Directors of Rogers and Company Limited as a prudent response to the uncertainties surrounding the evolution and impact of the COVID-19 pandemic on the Group.

EBITDA excluding exceptional items (Rs m)



PAT excluding exceptional items (Rs m)



Served Market Highlights 2019-20

FinTech

- The positive contribution of the Corporate Services sector was counterbalanced by the higher impairment provisions associated with the implementation of IFRS 9 together with the worsening economic outlook due to COVID-19; and
- Higher trade volumes were recorded by the Consumer Finance business. However, the deterioration of the economic and market conditions following the advent of the COVID-19 pandemic and the ensuing lockdown period has had a significant impact on the level of provisions required per IFRS 9 accounting standard.

Hospitality

Hotels

- VLH recorded Rs 2,240m in revenue with good occupancy rates in the first half of the financial year; and
- The drop in PAT is explained by worldwide travel restrictions, exacerbated by border closures in place in all our markets. The lockdown period resulted in a collapse in occupancy rates for hotels and leisure operations.

Travel

- The positive trend recorded by the sector in the first semester was halted by the COVID-19 pandemic; and
- Ongoing cargo-related activities during lockdown helped mitigate the loss encountered in the report period.

Leisure

- Pre-COVID-19 revenue grew by 10% compared to the same period last year, but full-year revenue went down by 10%, with a loss of Rs 75m; and
- The pandemic impacted PAT in all business operations.

Logistics

- Port and Haulage as well as Shipping services improved their profitability over the previous financial year;
- However, Sugar Packing and Freight Forwarding were seriously impacted by lockdown measures; and
- The served market ultimately posted PAT amounting to Rs 109m against Rs 116m in 2019 despite COVID-19 setbacks.

Property

Property Investments

- The post-pandemic performance of Ascencia's malls was directly affected by lockdown in Mauritius while its full effect partly diluted average performance for the year; and
- Despite healthy vacancy levels and rent-to-turnover ratio, PAT for Ascencia significantly dropped to Rs 411m.

Property Development & Agribusiness

- The Real Estate segment showed reduced losses compared to last year mainly due to the realisation of more construction milestones, appreciation of USD vis-à-vis the Mauritian rupee and an increase in gross margins for ongoing VEFA projects;
- There was a pronounced decrease in losses from Agribusiness activities while the Leisure cluster was hugely impacted by the pandemic; and
- While total revenue remained stable at Rs 824m, losses went down by nearly 35% to Rs 95m in the report period.

Outlook

The operating context remains particularly challenging, with low visibility on the evolution of the economic situation going forward. This volatile, uncertain, complex and ambiguous ("VUCA") environment is expected to continue taking its toll on our main served markets.

The coming financial year is expected to remain embroiled in uncertainty. Even though the country did well in containing the first wave of the pandemic through a nationwide lockdown and Government assistance and support programmes, there is growing anxiety about the economic fallout of continued restrictions on foreign travel and a delayed restart to the tourism industry.

If unemployment were to rise, general consumption and investment would become increasingly strained. We are aware of the unprecedented turmoil triggered by the pandemic and the economic crisis, and will provide the Group with the necessary means to demonstrate strength to navigate these uncharted waters. We will tap into our resilient business model and the continued dedication of all our stakeholders with a view to fostering an even stronger and future-fit organisation.

The energy and agility displayed 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 their business and trust and to our shareholders for their faith in our ability to create sustainable value for them. My gratitude further 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 during this highly challenging period.

"We will tap into our resilient business model and the continued dedication of all our stakeholders with a view to fostering an even stronger and future-fit organisation."

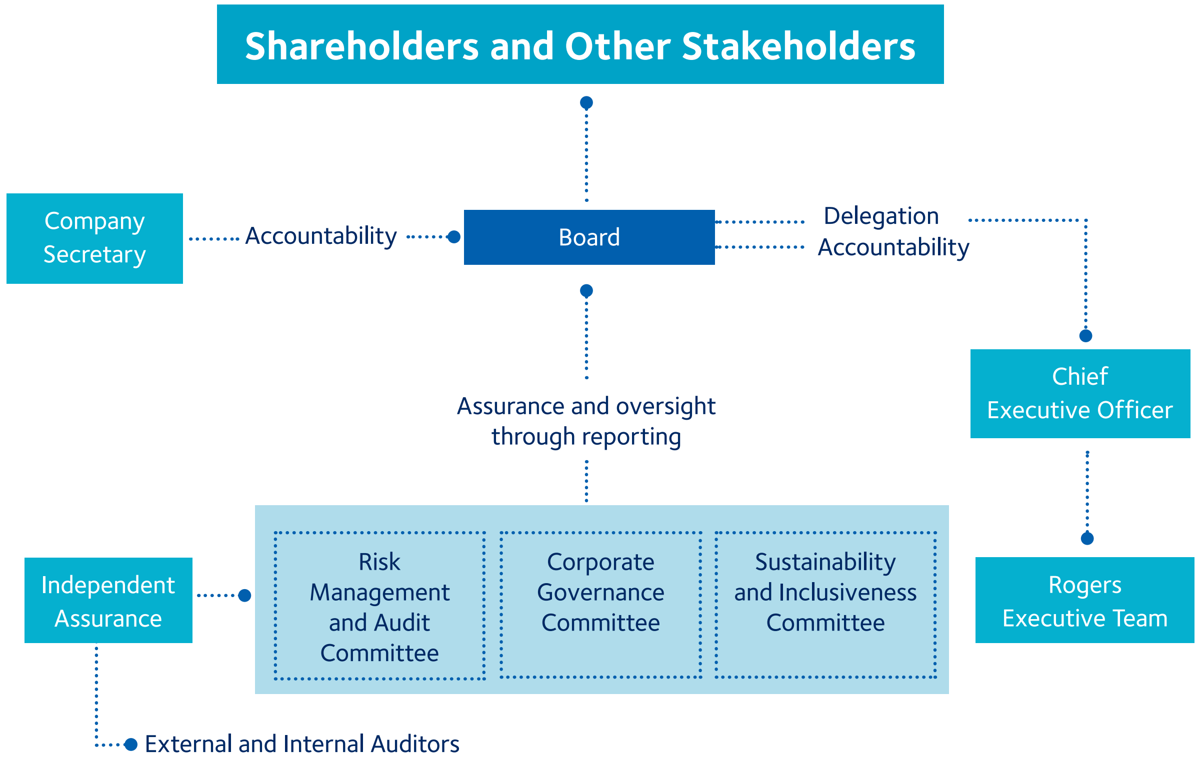
Governance
At Rogers

The Board of Rogers is committed to constantly reinforce its corporate governance structures in these unprecedented times arising from the COVID-19 pandemic. It has remained agile online, especially during the lockdown period, overseeing operations, receiving regular business updates and dedicating time to deliberate on urgent matter, emerging risks and uncertainties, so that appropriate actions could be taken.

Agility was of the essence during such period to manage risks and ensure business continuity. The board dynamics of Rogers has evolved significantly as virtual board meetings materialised to speed up decision-making. The Board of Rogers stepped up to support and challenge management operating in highly stressful conditions. Moreover, all officers of Rogers stepped up in their roles and functions to embrace the new realities.

The safety of employees, digital technology, containing costs, preserving cash and generating new streams of revenue became new priorities.

1. Governance framework



2. 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 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 44 of the Annual Report. As at 30 June 2020, there were four Executive Directors, five Non-Executive Directors and three Independent Non-Executive Directors who satisfied the independence 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 CEO and 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. No such independent advice was sought for the financial year ended 30 June 2020.

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.

On 05 March 2020, Rogers organised a workshop on the implications of the Workers' Rights Act 2019 for its Directors as well as the Independent Directors of its subsidiaries. The workshop was facilitated by Jurisconsult Chambers.

d. Committees

The Board is assisted in the performance of its duties by three Board Committees, namely the Corporate Governance Committee (acting also as Nomination Committee and Remuneration Committee) ("CGC"), the Risk Management and Audit Committee ("RMAC") and the Sustainability and Inclusiveness Committee ("SIC"). The governance, risk and audit issues relating to the businesses of the subsidiaries of Rogers operating in the Hospitality, Logistics and Property (excluding Ascencia Limited and FinTech) 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 19 August, 17 September and 18 September 2020, the CGC, SIC and RMAC respectively reviewed their terms of reference and noted that they had met their objectives.

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")	Meeting of Shareholders	Special Meeting of Shareholders	*Remuneration and benefits (in Rs)
Dr Guy Adam	NED	7/7	4/4	n/a	n/a	1/1	1/1	460,000
Eric Espitalier-Noël	NED	7/7	4/4	4/6	n/a	1/1	1/1	670,000
Gilbert Espitalier-Noël	NED	7/7	n/a	n/a	n/a	1/1	1/1	340,000
Hector Espitalier-Noël	NED	7/7	n/a	n/a	n/a	1/1	1/1	475,000
Philippe Espitalier-Noël	ED	7/7	3/4	n/a	1/1	1/1	1/1	21,101,015
Thierry Hugnin	INED	5/7	n/a	4/6	n/a	1/1	1/1	410,000
Damien Mamet	ED	7/7	n/a	n/a	1/1	1/1	1/1	9,124,389
Jean-Pierre Montocchio *(Chairman of the Board and CGC)*	NED	7/7	4/4	n/a	n/a	1/1	1/1	820,000
Deonanan Makoond *(Chairman of the SIC)*	INED	7/7	n/a	n/a	1/1	1/1	1/1	340,000
Vivian Masson *(Chairman of the RMAC)*	INED	7/7	n/a	6/6	n/a	1/1	1/1	660,000
Aruna Radhakeesoon	ED	7/7	n/a	n/a	n/a	1/1	1/1	9,760,106
Ashley Coomar Ruhee	ED	7/7	n/a	n/a	n/a	1/1	1/1	10,162,663

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

**Amended as per letter sent to shareholders dated 08 March 2021.*

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. During the lockdown period, a Vivacis Solidarity fund, which forms part of the Vivacis Resilience Programme of the Group in the fight against COVID-19, was set up. The main objectives of the fund are to alleviate the sufferings and support the most vulnerable people and communities in Mauritius in the fight against COVID-19. Part of the funds will go to the COVID-19 Solidarity Fund launched by the Government on 26 March 2020. Some directors of Rogers requested that the totality of their directors' fees for the period starting April to June 2020 be paid into the Vivacis Solidarity fund. 40% of managers of Rogers group contributed from their salary to the fund. Further details on the said fund are available on: https://www.rogers.mu/content/vivacissolidarity-fund.

f. Mandatory Disclosures

For the year under review, dealings in the shares of Rogers by Director are as set out in Table 2:

Table 2: Dealings in the Shares by Director

Name	No. of Shares disposed
Dr Guy Adam	250,000

For the year under review, instances where directors were conflicted were 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 process for the year under review were as follows:

- the disposal of 20% stake held by Agrïa Limited, a subsidiary of Rogers, in ESP Landscapers Ltd to ENL Agri Ltd ("ENL Agri");
- the disposal of two plots of land from Les Villas de Bel Ombre Ltée, a subsidiary of Rogers, to ENL Property Ltd; 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, a subsidiary of Rogers.

The percentage ratios for such related party transactions did not exceed the 5% threshold set out in the Listing Rules whether singly or on a cumulative basis.

g. Board and Individual Evaluation

The Board evaluation was conducted internally in July 2019. Below is an overview of how the evaluation was conducted.

Step 1	**Structure** The Chairman, the CGC members and the Company Secretary worked together to devise a structure for the internal evaluation process to enable a rigorous review of the Board as a whole, its Committees, as well as its dynamics, strategic and governance dimensions. The main recommendations of the Code of Corporate Governance were considered in so doing.
Step 2	**Evaluation process** A tailored web-based Board questionnaire was compiled to gather and distil feedback. The objectives of the review were to provide an assessment of the Rogers Group's Board effectiveness and governance, including the effectiveness of its Committees. The Company Secretary collated the responses from Directors and presented a summarised report to the CGC and Board on the input received in the evaluation.
Step 3	**Evaluation findings** • The Board and its Committees remain effective; • The Chairman of the Board leads meetings with a clear focus on big issues facing the Group; • The Board agenda devotes appropriate time to key items necessary for the Company's smooth running; • The Board to devote more time to long-term strategic discussion and emergency succession planning; • Developing the Board's understanding on the Company's talent retention strategy and human capital challenges; and • Allocating additional time to training on the operating environment, recent legal and governance developments impacting Rogers.
Step 4	At the time of approving this report, the Board has taken note of these findings and agreed on a course of action to address remedial issues.

As the COVID-19 pandemic impacted the business operations of the Group, it was agreed to defer the individual director evaluation.

h. Succession Planning

The Corporate Governance Committee 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 Annual Report.

3. Other Matters

3.1 Board Bonding

On 04 December 2019, a Board retreat was organised where the Directors of Rogers met some of the Directors of the Subsidiary Boards at an offsite event at Bel Ombre. This Board retreat has helped to foster deeper discussions on the businesses and issues facing the Group.

3.2 Policies

All the policies adopted by the Board are available on: https://www.rogers.mu/content/policies.

The Board is satisfied that the Annual Report and accounts of the Group taken are fair, balanced and understandable.

Sharing the *Spirit*

Clear minds, sincere hearts and purposeful actions.

- FinTech
- Hospitality
- Logistics
- Property

Selven Ramsamy
Garage Officer – Agrïa

Vimal Atchamah
Smart and Farming Assistant – Agrïa

FINTECH

Sectors
Corporate
Technology
Financial

Company
Rogers Capital

Key Investments
Swan General
Swan Financial Solutions

REVENUE	**Rs 964m**
EBITDA*	**Rs 166m**
PAT*	**Rs 49m**

*Excluding exceptional items

Served Market Overview

The FinTech served market of the Rogers Group operates under the brand name of Rogers Capital and regroups three core activities.

Rogers Capital Corporate Services ("RCCS") is a leading Management Company in Mauritius with assets under administration in excess of US$ 30bn; its client base has primary investment interests in Africa and Asia. RCCS is engaged in a broad range of fiduciary activities including corporate and trust services, fund administration as well as 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 provides cloud and data centre services, cybersecurity advisory services, enterprise infrastructure solutions, managed connectivity services as well as digital and data solutions.

Rogers Capital Finance Ltd ("RCFL") is a non-bank financial institution with a focus on domestic consumer finance. The company offers hire purchase services, leasing and credit finance facilities.

Market Overview

The Mauritius International Financial Centre remains an internationally recognised jurisdiction of choice and substance. It has been established on the basis of a strong legal framework supported by an independent judiciary.

The Global Business industry has faced major challenges recently. In February 2020, the Financial Action Task Force ("FATF") placed Mauritius on a list of 'Jurisdictions under Increased Monitoring' the ("FATF List"). Based on the FATF listing, the European Commission issued in October a list of High-Risk Third Countries for AML/CFT that includes Mauritius.

The Mauritian authorities have provided a prompt response to the deficiencies identified by the FATF and the EU by taking a number of urgent actions.

With the unprecedented situation caused by the COVID-19 pandemic, the ITES industry has been significantly impacted by supply chain disruptions, cancellation and/or postponement of large ICT initiatives. The inability to access customer sites to carry out on-site implementation of projects during the lockdown period has deepened the adverse impact.

Consumer Finance has been fundamental in driving household expenditure over the years. After years of sustained economic growth, the contraction of the economy in 2020 is expected to unfavourably impact this activity in Mauritius.

"The Mauritius International Financial Centre remains an internationally recognised jurisdiction of choice and substance."

Rs m	REVENUE 2020	REVENUE 2019	PAT* 2020	PAT* 2019 Restated
Rogers Capital Corporate Services	418	446	76	100
Rogers Capital Technology Services	303	357	(6)	2
Rogers Capital Financial Services	243	153	(160)	(91)
Rogers Capital Head Office	-	-	(63)	(29)
Total FinTech excluding Swan	**964**	**956**	**(153)**	**(18)**
Investments (Swan General and Swan Financial Solutions)	-	-	202	205
Total	**964**	**956**	**49**	**187**

*Excluding exceptional items

Performance Review

RCCS reported PAT of Rs 76m, representing a decrease of 24% compared to the previous year. Revenue contracted by 6% following the disposal of some businesses and the adverse impact of COVID-19. It has nonetheless benefitted from the cost containment initiatives implemented during the financial year. The COVID-19 pandemic has resulted in a slowdown of business since March 2020. The EU's list of High-Risk Countries, as long as it includes Mauritius, remains the single most important threat to the Global Business sector.

RCTS has been impacted by the lockdown period and the significant disruption in supply chains which has led to the postponement/cancellation of some large IT projects. A shortfall of 15% of its top line was recorded compared to 2019. Notwithstanding costs-saving initiatives realised during the financial year, RCTS reported a loss of Rs 6m (2019: PAT of Rs 2m).

RCFL recorded a 59% increase in its revenue to end the financial year at Rs 243m and continued its market share expansion.

However, the deterioration of the economic and market conditions following the advent of the COVID-19 pandemic and the ensuing lockdown period has had a significant impact on the level of provisions required per IFRS 9 accounting standard. RCFL reported a loss of Rs 160m for the financial year.

Losses reported by Rogers Capital Head Office increased by Rs 34m with the adoption of IFRS 16 accounting standard on Leases and an unrealised forex loss following the appreciation of the USD vis-à-vis the MUR.

The share of results of associated companies, Swan General and Swan Financial Solutions, was in line with last year.

5%

improvement of productivity for RCCS during the financial year ended June 2020

55,000

financing contracts were secured during the financial year despite the COVID-19 impact

> **"** *Significant cost reductions combined with accelerated digital transformation initiatives have been triggered across all three sectors.* **"**

Outlook

Companies have been forced to evolve rapidly to respond to the major disruptions that occurred over the year. Rogers Capital has implemented a series of measures to adapt accordingly. Significant cost reductions combined with accelerated digital transformation initiatives have been triggered immediately across all three sectors. At sectorial level, the following strategic initiatives have been formulated:

Corporate

- Active mining of client base for cross-selling and new business referral purposes; and
- Greater nurturing of existing clients through digital and social media channels to achieve more with less.

Technology

- Wallet share increase of Top 500 companies in Mauritius; and
- Enhanced focus on rapidly deployable efficiency-driven technology solutions.

Financial

- Enhanced customer centricity and disintermediation through digitalisation; and
- Faster time-to-market of new products as per the requirements of the new normal.

Main Risks and Mitigating Actions

Sectors	Risks	Actions
Corporate	**Legal and Jurisdictional**	• Enhanced Due Diligence ("EDD") on banking transactions;
	High-risk countries	• Regular client communication;
	Changes in laws and regulations	• Close monitoring of Development Finance Institutions ("DFIs") and assessment of new legislations and regulations; and
		• Monthly Risk and Management Committee.
Technology	**Concentration**	
	Dependency on few large clients	• Diversify portfolio of clients; and • Enhance customer centricity.
	Staff retention	
	Scarcity of adequate resources and loss of key personnel	• Emphasis on talent management and human capital development.
Financial	**Credit**	• New behavioural scorecard implemented; • Credit rules reviewed regularly; • Systematic and automated MCIB check; and • Collection team reinforced.
	Funding and liquidity	• Close monitoring of cash flow; • Conversion of short-term facilities to long-term loans; and • Negotiation of moratoria on existing facilities.

HOSPITALITY

Sectors
Hotels
Travel
Leisure

Main Companies
Veranda Leisure & Hospitality
Rogers Aviation
Island Living

Key Investments
New Mauritius Hotels
Air Mauritius
Mautourco

REVENUE	**Rs 3,196m**
EBITDA*	**Rs (63)m**
PAT*	**Rs (452)m**

*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 rental pool of 39 luxury villas at Heritage The Villas.

Heritage Resorts includes:

- Heritage Le Telfair Golf & Wellness Resort, 158 rooms/5*+
- Heritage Awali Golf & Spa Resort, 161 rooms/5*
- Heritage The Villas, 39 rental villas/5*+
- Heritage C Beach Club, 5* seafront beach club
- Heritage Le Château, 5*+ restaurant

Veranda Resorts comprises 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 at par compared to last year up to February 2020.

However, in March 2020, as the World Health Organisation declared the COVID-19 a global pandemic, the Government acted swiftly, decided to close the Mauritian borders and implemented a strict sanitary curfew in view of limiting the spread of the virus on the island.

Overall for the financial year, Mauritius has seen a significant drop of 26% in tourist arrivals compared to the previous period, with practically no tourist arrival since March 2020.

COVID-19 has disrupted world economies and the travel and tourism industry has undoubtedly been the most impacted. After the lift of the lockdown measures, Veranda Tamarin and Heritage Resorts have reopened to the public; while Veranda Grand Baie, Veranda Paul et Virginie and Veranda Pointe aux Biches hotels have been used as quarantine centres.

The group remains confident that it has the right mix of products and services, including sea, sport and nature to provide meaningful experiences.

Rs m	REVENUE 2020	REVENUE 2019	PAT* 2020	PAT* 2019 Restated
Veranda Resorts	781	892	101	139
Heritage Resorts	1,227	1,569	(42)	93
Corporate Services	232	82	(159)	26
Total Hotels excluding NMH	**2,240**	**2,543**	**(100)**	**258**
NMH	-	-	(215)	(37)
Total	**2,240**	**2,543**	**(315)**	**221**

*Excluding exceptional items

Performance Review

Despite lower occupancy rates, VLH has performed well up to February 2020 with 8% growth in revenue, 78% occupancy (2019: 80%), Guest Night Spending increasing by 2% and an average 3% rise in Average Daily Rate. VLH has recorded an EBITDA before unrealised gain on loan retranslation of Rs 452m (2019: Rs 436m). PAT for the period ending February 2020 was Rs 241m (2019: Rs 322m). This decrease is explained mainly by lower unrealised gain on loan retranslation and the first year recognition of IFRS 16 resulting in additional finance costs of Rs 15m up to February 2020.

As at February 2020, room occupancy for Veranda Resorts dropped to 80.3% (2019: 83.5%) and TRevPAR decreased by 2%. However, EBITDA increased by 31% and PAT by 41%, positively impacted by a full year operation of Veranda Tamarin.

Heritage Resorts has seen a drop in room occupancy to 74.7% (2019: 77.6%), which was compensated by a 2% increase in TRevPAR. On the other hand, EBITDA decreased by 15%, mainly due to an increase in staff costs and sales and marketing expenses.

Heritage The Villas underperformed compared to last year with a 49% decrease in EBITDA. Revenue dropped by 10%, mainly from a reduction in the rental pool of villas while operational costs rose by 15%, principally due to an increase in staff costs.

Heritage Le Château and Heritage C Beach Club recorded revenue at par with last year but EBITDA decreased by 4% and 24% respectively, mainly due to increased operational costs.

EBITDA for Heritage Golf Club decreased due to higher sales and marketing expenses relating to the launch of La Reserve Golf Course and the costs of holding the 2019 AfrAsia Bank Mauritius Open at Heritage Bel Ombre.

Since the third week of March 2020, all hotel operations have been suspended due to the closure of borders. Revenue for the financial year was lower by Rs 303m (12%) while EBITDA and loss after tax recorded were Rs (42)m (2019: Rs 516m) and Rs 100m (2019: PAT Rs 258m) respectively.

75.8%
occupancy

Outlook

As the world prepares for the new normal with an expected rise in the cost of air travel, rigorous sanitary measures and the current economic recession, the group's ability to generate revenue will be heavily impacted.

Responding to current market conditions, VLH and Island Living Ltd ("ISL") operations will be integrated to provide guests with a broader range of experiences under one umbrella, including hotel accommodation, para-accommodation, food & beverages, golf, adventure and wellness.

The consolidation of VLH and ISL is expected to improve operational performance through better synergies and economies of scale.

The group remains confident that it has the right mix of products and services, including sea, sport and nature to provide meaningful experiences coupled with the numerous sustainable initiatives underway.

With reduced air access and an expected rise in the cost of air travel, rigorous sanitary measures and the current economic recession, the group's ability to generate revenue will be heavily impacted.

Main Risks and Mitigating Actions

Risks	Actions
Economic factors and market conditions	• Reviewing current marketing strategies inclusive of target markets and new emerging markets; and • Developing a communication plan focused on securing the organisation's external reputation, COVID-19 free and safe destination.
Financial sustainability and liquidity	• Capturing market share through customer experience; • Hotels made available as quarantine sites; • Cost reduction measures underway; and • Government Wage Assistance Scheme and other facilities provided by authorities.
Foreign exchange	• Close monitoring and seeking alternatives for foreign currency loans and use of hedging instruments.

Rs 8,015
TRevPAR

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"), Systems Representation (Sabre Travel Network) and Visa Services;
- Travel Management Company serving both the corporate and leisure travel segments and holding the American Express Travel Franchise for Mauritius, Reunion Island and Mozambique; and
- Leisure Services with online tour operating under the brand names Islandian.com and Resamaurice.com.

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

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

25%

drop in cargo handled caused by COVID-19

Market Overview

The price of air transport for users continues to fall after adjusting for inflation. Compared to 20 years ago, real transport costs have more than halved due to increased competition. Airlines are under constant pressure to reduce costs and are thus adjusting their commission levels. This has had a direct impact on Rogers Aviation's performance in some countries.

Until March 2020, operational excellence and digitalisation were the main focus, with the implementation of the following initiatives:

- acquisition of a GSA company in South Africa to expand the airline portfolio;
- deployment of an online flight booking and payment solution for BlueSky Mauritius;
- implementation of touchless invoicing for selected clients;
- opening of BlueSky outlets in two provinces of Mozambique; and
- doubling of the conversion ratio and launch of an automated quote tool for Online Tour Operating.

After a promising start to 2020, the COVID-19 pandemic caused a 98% drop in worldwide air travel with most countries closing their borders. Travel accounts for 10.3% of global GDP and 300 million jobs worldwide and many airlines and other industry players are facing financial issues.

Rogers Aviation has not been spared and had to initiate major cost-cutting measures, including salary cuts, redundancies, an early retirement scheme and renegotiation of third-party contracts.

	REVENUE		PAT*	
Rs m	2020	2019	2020	2019 Restated
Airlines & Systems	191	231	(9)	16
Ground Handling	60	71	2	43
Travel Agencies	87	117	(31)	5
Leisure	44	163	(24)	10
Total	**382**	**582**	**(62)**	**74**

*Excluding exceptional items

Performance Review

The Travel sector recorded a loss of Rs 62m (2019: PAT Rs 74m) in the reporting period while EBITDA stood at Rs (29)m (2019: Rs 112m).

Airlines & Systems did not yield the expected PAT for the first semester with the postponement of the representation of Kenya Airways in Seychelles and delayed acquisition of a GSA business in South Africa. The acquisition in this country materialised in March 2020 and launch of operations in Seychelles is now planned for 2022. Furthermore, performance started to deteriorate from January 2020 with the absence of demand for air travel in all territories due to COVID-19. A loss of Rs 27m in the last quarter was mitigated by the operation of cargo charter flights in Mauritius and continued cargo activity in Reunion Island.

Ground Handling activities remained profitable on account of solid performance in the first three quarters. The dedicated workforce has always been a key success ingredient with continued investment in training and professional development programmes.

Until March 2020, Plaisance Air Transport Services Ltd ("PATS") posted a 2% increase in total revenue to Rs 54m. However, with airport closures due to the COVID-19 pandemic in the last quarter, results for the full year were 15% below last year, with a 25% drop in cargo handled.

The Travel Agencies business performed as expected in the first semester, with the onboarding of new clients in Mauritius and Mozambique. Treasury improved drastically following implementation of travel lodged cards, review of credit facilities and strict monitoring of debtors. Performance in Reunion Island and Mayotte were below expectations with relatively high costs of operation. Travel did not materialise due to COVID-19, hence impacting PAT by Rs 29m in the last quarter.

As planned, Leisure Services brought on board an online sales expert to drive productivity and successfully double the sales conversion ratio. The rightsizing of human resources and tighter control of digital marketing expenditure materially decreased costs. This resulted in a significantly reduced operating loss for the first semester. This positive trend was halted by the COVID-19 pandemic with all customers postponing holidays from March onwards.

Outlook

International passenger flights to the territories served remain suspended with most countries still under lockdown and quarantine. It is unclear when these restrictions will be lifted and most projections show that international air travel will resume in a slow and gradual way.

In the absence of short-term visibility, there are continued efforts to preserve cash flows, ramp up operational efficiency and reduce costs during the downturn and recovery period.

Travel should realistically pick up over time and client behaviour is also expected to change.

Rogers Aviation will gear up by adopting the following medium-term plans:

- further digitalisation of business units with the launch of a travel app as well as driving adoption rate of online corporate booking tools;
- expansion of the regional footprint to penetrate new markets;
- implementation of a carbon emission offset programme for the Travel Agencies activity; and
- digitalisation of the logistics platform in Mozambique.

Looking to the future, full recovery and pre-COVID-19 profitability levels are only expected in 2023.

Main Risks and Mitigating Actions

Risks	Actions
Business continuity	• Strategic plan encompassing measures to build resilience and reinvent the business to become a future-fit enterprise; • Pursuing the customer-centric strategy; • Uniting energies and tight collaboration with all partners to weather the current downturn together; and • Maintaining the focus on treasury management. Cash is the lifeblood of the company.
Innovation	• Digital transformation of operations to ensure adaptation to the new norm and remain future-fit; • Creating synergies through internal collaboration within the Rogers Group to ensure resilience; and • Optimising appropriate tools developed: bots, BI, CRM, digital platform, booking engine, tour operator tool and online system.
Skills attraction, performance and retention	• Development of Employee Value Proposition; • Creation of Employee Experience/HR Touchpoints; • Talent Management Strategy, coaching and internal promotion; and • HR Engagement Survey.

"Online Tour Operating was on target to achieve the ambition to double our conversion rate."

Leisure

Sector Review

Island Living Ltd, a subsidiary of VLH Ltd, operates in the Mid-Scale Accommodation, Quick Service and Destination Restaurants as well as Leisure market segments.

Island Living embraces an asset-light and insight-rich business model, operating on lease and management agreements, focusing on understanding its customers and markets, being customer-centric, investing into operational excellence and contemporary leadership as well as strong customer experience-driven strategies.

Island Living owns a portfolio of local brands and international franchises in the three segments served:

Mid-Scale Accommodation

- Voilà Hotels & Meetings
- Kaz'alala – Hosted B&B

Quick Service Restaurants ("QSR") & Destination Restaurants ("DR")

- Domino's Pizza Mauritius ("QSR")
- Ocean Basket Mauritius ("QSR")
- MOKA'Z ("QSR")
- Le Chamarel – Panoramic Restaurant ("DR")
- Savinia Bistrot ("DR")
- Case Noyale Events ("DR")

Leisure

- Chamarel 7 Coloured Earth Geopark
- Croisières Australes
- Heritage Nature Reserve
- World of Seashells
- Racing Republic

Market Overview

The emergence of COVID-19 has irreversibly changed the world economic and tourism landscape.

Since March 2020, the Mauritian hospitality industry has been severely impacted by the closure of borders and lockdown imposed by Government.

As per Statistics Mauritius, the country's GDP, which had recorded average growth of 3.8% over the period 2016-2018, posted reduced growth of 3% in 2019. During this period, a negative growth rate of -1.1% was reported in the Accommodation and Food Service sectors.

The latest 2020 GDP estimates suggest a double-digit (15%) contraction, which represents the worst slowdown since 1980.

Furthermore, Statistics Mauritius' June report suggests 67% contraction in 2020 in the Accommodation and Food Service sectors.

The substantial Rupee depreciation and foreign exchange liquidity issues will result in major inflationary pressure and have an impact on future costs.

The situation remains challenging with lack of visibility regarding the length and depth of the economic contraction and the subsequent shift to a new normal.

Within the Mauritian market, business activities have resumed under new health protocols since end-May. Our brands hold the FeelSafe label, which is an ISO accreditation and comply with national guidelines. This ensures the protection and well-being of our employees and customers.

Our brands serving the local market continue to perform. However, the pandemic which is impacting on both disposable income and consumer confidence is expected to affect negatively consumer spending as from the first quarter of calendar year 2021. Those geared towards international visitors remain in economic peril. The Government Wage Assistance Scheme gives moderate relief; however, the updated employment legislation will impose greater payroll and productivity burdens.

Within the current environment, all brands have implemented top-line revenue optimisation as well as cost minimisation actions.

"All brands have implemented top-line revenue optimisation as well as cost minimisation actions."

Rs m	REVENUE 2020	REVENUE 2019	PAT* 2020	PAT* 2019 Restated
Island Living (Holding Company)	23	37	(17)	2
Quick Service & Destination Restaurants	249	275	(39)	(21)
Mid-Scale Accommodation	117	148	(12)	10
Leisure	185	177	(7)	(3)
Total	**574**	**637**	**(75)**	**(12)**

*Excluding exceptional items

Performance Review

For the year under review, the business operations of Island Living were impacted by the lockdown and closure of borders. The performance prior to COVID-19 for the period July 2019 to February 2020 showed 10% growth in total revenue compared to same period last year. For the financial year ended 30 June 2020, revenue was down by 10% and a loss of Rs 75m was recorded.

Mid-Scale Accommodation

Voilà Bagatelle operated with an average occupancy rate of 80% up to February 2020 but closed the year with an average occupancy of 57% being heavily impacted by the closure of the borders in Mauritius. PAT as at February 2020 was at Rs 4m but the hotel finished the year at a loss of Rs 12m.

Quick Service & Destination Restaurants

At the level of QSR, Domino's Pizza opened its 4th store in Quatre Bornes in December 2019. The market has responded positively to the increased coverage with improved orders. After closure in late March due to lockdown, Domino's Pizza resumed activities in April 2020 for delivery. The franchised brand continues to leverage the strong app and delivery platform. Stores resumed normal operations in June. In December 2020, Domino's Pizza opened its 5th store in Grand Baie.

Ocean Basket went forward with the one-month refurbishment of its store at Grand Baie La Croisette in October 2019. The business started delivery in April 2020 with positive response from the market. Positive results have been achieved since reopening with volumes coming back faster than expected.

80%

occupancy at Voilà (pre-COVID-19)

Leisure

In July 2019, Island Living acquired the 100% equity share of Croisières Australes and the latter's investment in its subsidiary, Blue Alizé. The acquisition forms part of the strategy to further extend our offering in this segment.

For the period July 2019 to June 2020, Leisure activities, recorded an increase of 5% in its revenue. However, the Leisure sector was heavily impacted by the lockdown period and revenue was non-existent during that period.

In line with our strategy to enhance our Leisure offering in the South, we launched a seashells museum in December 2019 in Bel Ombre. The World of Seashells is an experience centre with a selection of 8,000 pieces collected in Mauritius and around the world.

Overall PAT for Leisure activities showed a loss of Rs 7m and was mainly impacted by COVID-19.

Outlook

In line with the Rogers CAP23 strategic plan, Island Living has updated its 3-year strategy. The plan is built upon a strategic 3-phased approach of Resilience (survival), Restart (rebuild) and Rebound (growth).

A number of strategies emphasising the Protection of People, Preserving Employment and Preparing for the new normal have been earmarked. Operational parameters will change post-COVID-19 with a new customer behaviour. We have put Digitalisation, Marketing, Leadership and Financing as key levers to build resilience, prepare for the new business era and take advantage of possible business opportunities.

Island Living is also reviewing its business organisation together with its holding company, VLH. The objective is to further build resilience and provide an integrated customer value proposition in the hospitality business.

Main Risks and Mitigating Actions

Risks	Actions
Economic	• Monitor closely international development and review strategy in the new post-COVID-19 world; and • Target local market.
Health & Safety	• New hygiene protocols in place; and • FeelSafe accreditation (ISO Certification).
Food safety	• All employees handling food and beverages as well as stock controllers have a food handler's certificate; and • Hospitality Excellence Programme Audit with SGS, In-house hygiene audits and food hygiene training.
Market & Competition	• Market intelligence in place and regular market surveys carried out; • Enhanced presence on online platforms; • Understanding new customer behaviour; and • Implementing new marketing and sales strategy.
Credit	• Close monitoring of debtors.

LOGISTICS

Sector
Logistics Solutions

Company
Velogic

REVENUE	**Rs 3,122m**
EBITDA*	**Rs 359m**
PAT*	**Rs 109m**

*Excluding exceptional items

Served Market Overview

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

The company operates 36 offices with a workforce of 1,500 employees in 6 countries: France, India, Madagascar, Reunion Island, Kenya 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 such as: freight forwarding, customs clearance, haulage, warehousing (including bond and container freight station), courier services, container handling and ship agency. Services offered also comprise stevedoring in Rodrigues and special sugar packing in Mauritius.

9.8m

air shipments (kg) in 2020

(2019: 18.1m)

Market Overview

Financial performance was in line with last year's figures until February, spearheaded by the Kenyan and Mauritian operations. The outbreak of the COVID-19 pandemic worldwide dampened performance from March with restrictions on the movement of goods, resulting from lockdowns and border closures. In Kenya, operations ran relatively normally as confinement measures were more lenient.

Freight forwarding and courier activities were the most affected by the sharp drop in air freight capacity as flights were reduced drastically and shippers used the limited space to transport mainly medical supplies and personal protective equipment. Capacity constraints and almost no passengers flying gave rise to prohibitively high freight rates which also contributed to unsettled supply chains and demand patterns. Ocean freight was impacted to a lesser extent as port terminals continued to function during the crisis, albeit at reduced efficiencies with new protocols, hence giving rise to some blank sailings due to congested platforms and increased prices.

In addition, the retail sector worldwide was also impacted with the lockdown further exacerbating the already dire situation of the textiles industry in Mauritius and disrupting operations in Madagascar, India and France. Furthermore, the standstill in the hospitality sector is severely impacting the Mauritian economy, resulting in a drop in imports due to reduced consumption and a shortage of foreign currency. The appreciation of the hard currencies against the Mauritian rupee and exchange controls were effectively managed through natural hedges and internal treasury management.

Land logistics activities in Mauritius delivered commendable results with container handling, transportation and warehousing delivering strong pre-COVID-19 results; they also continued to operate as an essential service during the confinement.

Cost-saving measures in France and diversification of the customer base in India were successfully implemented during the year but the adverse effects of the sanitary debacle on trade volumes more than offset the benefits. Madagascar still made a positive contribution to the group's results under challenging conditions whereas profitability improved in Kenya following a major restructuring exercise that included the office relocation to Nairobi, transport business re-engineering and recruitment of key management personnel.

> *"The Logistics served market achieved PAT of Rs 109m (2019: Rs 116m) despite the setbacks caused by the pandemic."*

Rs m	REVENUE 2020	REVENUE 2019	PAT* 2020	PAT* 2019 Restated
Port and Haulage Services	763	736	91	78
Sugar Packing	74	66	(7)	-
Shipping	61	56	14	13
Freight Forwarding	2,224	2,549	16	24
Corporate Services	-	-	(5)	1
Total	**3,122**	**3,407**	**109**	**116**

*Excluding exceptional items

Performance Review

The Logistics served market achieved PAT of Rs 109m (2019: Rs 116m) despite the setbacks caused by the pandemic; the application of accounting standards on leases (IFRS 16) and doubtful provision review (IFRS 9) also impacted profitability adversely by a total of Rs 37m (2019: Rs 6m).

Port and Haulage Services benefited from upsides in the volume of containers handled and appreciation of foreign currencies, as well as reefer and storage activities in the Freeport. The transport activity remained resilient on the back of a higher number of trips of containers for the year; oversized cargo movements on infrastructure projects; and incremental contribution from coal handling in the port area.

Sugar Packing remained non-operational for 2 months during the lockdown period but the appreciation of the GBP during the year generated some upside that partly mitigated the fall in profitability.

Ship Agency and Charter activities remained comparable to last year.

Freight Forwarding profits in all territories (Mauritius, Madagascar, France and India) were significantly impacted by airport shutdowns and restrictions, but continued ocean freight operations provided some relief to the sharp drop in air activities. Courier business in Mauritius, Reunion Island and Madagascar recorded rock-bottom volumes during the crisis.

The downsides were partly mitigated by ocean imports in Reunion Island performing above expectations and the strong performance in Kenya's operations. Growth in Kenya was achieved by better fleet usage, cost-saving measures implemented, higher bulk cargo volumes transported and increased customs agency work. The launch of warehousing and distribution services also generated upsides.

> **“** *With the pandemic still rampant in most of our key markets, the outlook for Logistics is shrouded with uncertainty and unpredictability for the year ahead.* **”**

12,465

maritime shipments (TEUs) in 2020

(2019: 13,938)

Outlook

With the pandemic still rampant in most of our key markets, the outlook for Logistics is shrouded with uncertainty and unpredictability for the year ahead. With a probable contraction in household consumption that a global economic downturn entails, the freight forwarding activity is poised to be challenged further in all geographies. It will also continue to struggle on the local scene as the woes on the textiles and hospitality sectors persist.

The performance of land logistics activities will also depend on how the situation pans out for the different sectors that it services. With infrastructure projects resuming and the stimuli granted by the Government to the construction industry in the recent budget, the demand for transport of materials should pick up.

The growth in scope of our service portfolio in Kenya should stand us in good stead for the future expansion of our venture but with the number of cases on the rise, potential disruptions should not be excluded.

In India, an extension of the geographical coverage driven by the opening of new offices and closer ties forged with new agents through network associations should generate incremental business, but the spread of COVID-19 continues to cause uncertainty.

Main Risks and Mitigating Actions

Risks	Actions
Pandemic Second wave of the pandemic in our geographies resulting in another lockdown	• Maintaining cash flow preservation and cost containment initiatives.
Market Further decline of the textiles sector in Mauritius affecting the export activity in freight forwarding	• Speedy diversification of the customer base in freight forwarding activities.
Economic Lower household consumption and a stricken hospitality sector leading to lower imports	• Containing costs to mitigate the impact on bottom line.
Financial sustainability Impact of a challenging business and economic environment in France	• Focusing on potential partnerships.

PROPERTY

Sectors

Property Investments

Property Development & Agribusiness

Main Companies

Agrïa

Ascencia

Case Noyale

Les Villas de Bel Ombre

Key Investments

Le Morne Development Corporation (“LMDC”)

Semaris

The Beauvallon Shopping Mall

REVENUE	**Rs 2,218m**
EBITDA*	**Rs 696m**
PAT*	**Rs 168m**

*Excluding exceptional items

Property Investments

Sector Overview

Ascencia was established in 2008 and is the leading retail property company in Mauritius with assets currently valued at more than Rs 13.6bn. The company has developed shopping malls, each with their own identity and inspired by the local history and culture. Bagatelle Mall, Phoenix Mall, Riche Terre Mall, Bo’Valon Mall, Kendra, Les Allées and So’flo are professionally managed by a focused, talented and passionate team geared to achieve stakeholder requirements.

The primary investment objectives of Ascencia are to provide dividend income and long-term capital gain to its shareholders. The company does so by acquiring properties that provide both attractive yields and capital gains.

1.2%

portfolio vacancy

(2019: 2.0%)

Market Overview

Prior to COVID-19, the key performance indicators for every property were in line with expectations of healthy trading densities and rent-to-turnover ratios as well as lower vacancies. Post-pandemic mall performance was directly affected by national lockdown while its effect partly diluted average performance for the year. These effects will be fully visible in the next period. Average trading densities were down by 12.1% on an annual basis as a direct result of lockdown from March 2020. Consequently, the rent-to-turnover ratio, even if it has remained within range of our benchmark, increased to 8.9% (2019: 7.7%). As for vacancies, they stand at 1.2% this year (2019: 2.0%), reflecting the resilience of our malls and the strong demand for space. Even if it is difficult to evaluate the impact of the pandemic on consumer behaviour in the medium term, we noted that trading density contracted slightly across the portfolio in the first couple of months of financial year 2021. We are anticipating a further decline in trading densities, especially on non-essential categories.

Rs m	REVENUE 2020	REVENUE 2019	PAT* 2020	PAT* 2019 Restated
Ascencia	1,365	1,472	411	933
Other Properties	29	41	14	11
Investments	-	-	(162)	35
Total	**1,394**	**1,513**	**263**	**979**

*Excluding exceptional items

Post-pandemic mall performance was directly affected by national lockdown while its full effect partly diluted average performance for the year.

Performance Review

The group recorded a net operational income of Rs 954m, compared to Rs 1,007m last year. As a consequence of the pandemic, the company has engaged with its tenants and agreed to a relief plan. In this respect, we recognised a provision of Rs 187m for the year that is reflected in PAT.

Fair value gains stood at Rs 110m across the portfolio for the year. The gains reflect the strength of the malls, the low level of vacancies and the ability for the group to successfully negotiate lease renewals at competitive rates. Of note, fair value gains included provisions for investments in the extension of Bagatelle Mall and the Decathlon shop.

Dividend payments have been reduced amid uncertainty in the current context, particularly when growth in property value slows down or becomes negative. Ascencia distributed Rs 0.53 per share, amounting to Rs 257m during the year (2019: Rs 0.82 per share). On another note, NAV lifted to Rs 16.62 per share (+2%) in 2020, driven by the profit and revaluation of properties which benefited the operating performance during the year.

Outlook

Ascencia will continue to roll out a shared vision and shape singular places by focusing on the company's basics and implementing various strategic and tactical initiatives as listed below:

- e-commerce platform, B'Local, safe shopping initiatives and implementation of the ASCE tool;
- setting cash flow management as a priority and cash earnings to provide the basis for maintaining a strong position;
- generating incremental income from Decathlon and Bagatelle Mall extension; and
- maintaining a strong credit rating across the portfolio.

Ascencia will continue to roll out a shared vision and shape singular places by focusing on the company's basics and implementing various strategic and tactical initiatives.

Main Risks and Mitigating Actions

Risks	Actions
Economic factors	• The sector's performance is monitored regularly at senior management level. Challenges are highlighted to the RMAC, the Strategic Committee and the Board. At country level, the Directors are well versed in developments in the country.
Competition	• The tenant mix is constantly reviewed and Ascencia looks to attracting new brands to maintain the attractiveness of its malls.
Clients' behaviour and disruptive technology	• Ascencia will continue to focus on the shopper experience and enhance digital capabilities within malls.
Service providers	• Contract administration with set Key Performance Indicators ("KPIs") which are monitored on a regular basis.
Pandemic lockdown	• A crisis committee has been set up to monitor the impact of the situation.

8.9%

rent-to-turnover ratio which remains at a healthy level

(2019: 7.7%)

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. This fascinating land bank is one of the Group's most valued assets.

The need for reinvention of the destination remains a key priority and our strategy to propose a transformation of the South-West experience into an agritourism offering remains at the forefront of our priorities. The rebranding of ex-Compagnie Sucrière de Bel Ombre into Agrïa with the objective of bringing together the agricultural and hospitality worlds has indeed been a positive process. Heritage Bel Ombre is now well established as a brand which the region leverages on to give more impetus and cohesion to its activities.

The South-West will be the favoured territory to showcase our commitment to sustainable and inclusive development through a Sustainable Living and world-class integrated agritourism projects.

Market Overview

The Property Development & Agribusiness sector of the Group continued its relentless efforts to turn around its agribusiness activities despite the negative impact of falling sugar prices and fragile conditions in its livestock activities. Crop diversification initiatives have been intensified to deliver a regional strategy based on strong partnerships with hospitality operators in the region. New avenues for the democratisation of venison meat have been deployed. Major steps towards the establishment of smart pasture practices have also been taken and should have a significant impact on livestock activities in the coming years.

The strategic reorientation of the sector's leisure activities, now in their third year under operational management by Island Living, is proving to be a success although growth was affected by the disruption in airline services due to COVID-19. 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 suffered difficult market conditions. Factors such as COVID-19 and the inclusion of Mauritius on the European Union's list of high-risk countries have piled additional pressure on the current business model. New marketing initiatives have been launched to tackle untapped markets while a new business model is being explored to accelerate sales and optimise operations.

> *"Improved construction management has seen VBO significantly reduce its losses for the financial year under review."*

	REVENUE		PAT*	
Rs m	2020	2019	2020	2019 Restated
Real Estate	593	567	(70)	(90)
Agribusiness	171	183	(59)	(104)
Leisure	60	75	34	48
Investments	–	–	–	3
Total	**824**	**825**	**(95)**	**(143)**

*Excluding exceptional items

Performance Review

In the Real Estate segment, Les Villas de Bel Ombre experienced an increase in revenue mainly driven by the realisation of 24 construction milestones in 2020 (2019: 19), albeit a decrease in land sales to 3 in 2020 (2019: 14). Appreciation of USD vis-à-vis the Mauritian rupee has also contributed to growth in revenue and an increase in gross margins mainly due to a drop in final construction costs relating to ongoing VEFA projects. This has resulted in reduced losses compared to last year.

Agribusiness activities posted a decrease in revenue mainly driven by lower returns from sugarcane activities due to a decline in sugar tonnage with 1,847 tons in 2020 (2019: 2,400 tons), decrease in coffee sales to 17 tons in 2020 (2019: 18 tons) and reduced landscaping revenue. Livestock revenue is in line with last year. Deer meat sales increased while hunting revenue decreased due to border closure. However agricultural revenue remains fragile with decreasing sugar prices and reduced demand from hotels.

Losses from Agribusiness activities have decreased significantly due to better performance of the livestock cluster, implementation of strict cost containment measures and a fair value gain of Rs 19m on revaluation of investment properties.

The Leisure cluster was hugely impacted by the interruption of airlines services due to COVID-19, experiencing a decrease in revenue due to a reduction in fixed rental from April to June 2020. The Chamarel 7 Coloured Earth Geopark recorded a 25% decrease in visitors compared to the previous year.

Outlook

The 2020-21 financial year will accelerate the paradigm shift of our agricultural operations with a progressive transition of our lands away from sugarcane monoculture to a diversified agricultural landscape. This will sow the seeds of our long-term agritourism vision for our Domaine.

Our livestock strategy will be geared towards maintaining healthy pastures through a precise management of herd size and movements, while also focusing on operational efficiency.

Real Estate operations will be focused on fostering new marketing ventures while revisiting their operational model to reduce costs. The focus will be geared towards creating a portfolio of Real Estate products with reliable rental income. The implementation of cost-cutting measures alongside a new sales approach should also result in further decrease in administrative, marketing and finance costs in the coming financial year.

Main Risks and Mitigating Actions

Risks	Actions
Economic factors and market conditions	• Strict cost reduction measures have been implemented; • Our "terroir" retail strategy has been boosted with the implementation of an online sales platform offering a wide range of Agrïa's products; and • Restructuring of Les Villas de Bel Ombre business model with the view of creating new revenue streams for the company.
Liquidity	• Opportunities for lower interest loans are being explored; and • Financial assistance schemes are being explored and negotiated with the authorities, more specifically low interest rate loans for food security projects.
Country's rating (High-risk country)	• Review measures in place such as proper due diligence and KYC on acceptance of clients to ensure that potential money laundering activities are identified and reported to authorities.

95,000 sqm

of instant lawn sold

Strength *in Diversity*

We believe in individual personalities, dreamers and doers.

FROM LEFT TO RIGHT

Salina Patel
Finance Manager – VLH

Vincent Cavalot
Chief Experience Officer – Mid-Scale Accommodation – Island Living

Ability to navigate the crisis and resilience depend on a sustainable agile risk response.

VIVIAN MASSON
Chairman - Risk Management and Audit Committee

1. Overview

The risk landscape in which the Rogers Group operates has been impacted by three major events, namely the pandemic ("COVID-19"), the decision of the European Union ("EU") to classify Mauritius as a High-Risk Jurisdiction and the oil spill caused by a bulk carrier in Mauritian waters. The oil spill has adversely impacted the reputation of Mauritius as a prestigious tourist destination and raised international concerns over the preservation of our natural resources.

These unprecedented events have brought much uncertainty and challenges across most sectors of the economy in Mauritius. Rogers incurred significant negative financial impacts in the Hospitality, Property (shopping malls - Ascencia) and FinTech (consumer finance business) served markets following the lockdown and closure of our borders due to COVID-19. The downgrading of the country's rating by the EU has brought an additional layer of uncertainty and is likely to have an adverse impact on the reputation of the country.

The management team of Rogers has demonstrated much agility with the launch of the Vivacis Resilience Programme before lockdown with the aim to contain the health, social and economic effects of the pandemic. An initial assessment of the potential impact and evaluation of the relevant risk response was performed. Much focus was placed on areas such as safety, liquidity, advocacy as well as support to economic and social causes that helped alleviate the sufferings of the most exposed persons and communities in Mauritius.

The strategic thinking process launched last year was reignited and revamped in view of the changing risk landscape, risk appetite and long-term sustainable goals of the Group. This was an opportunity for Rogers to redefine a clear plan to address the new challenges posed by the crisis. We strongly believe that the Group's ability to navigate the pandemic and economic crises and remain resilient depends on a sustainable, agile risk response from management.

Management response to the crisis

The Vivacis initiative was launched before lockdown with the aim to stay resilient during the crisis and be prepared to face unforeseen headwinds. So far, the initiative has achieved the following:

Actions **Mobilised work streams**	• Setting up of task forces at the Group and sector levels for impact assessment, mitigation and business continuity measures; • Provision of essential services in the country for activities like port services, distribution and the indispensable food and agro-industry; • Hotels were made available as quarantine sites; and • Ascencia malls operated during the lockdown period in a safe environment for essential services.
Arrangements **Prevention and protection**	• Provision of protective equipment and hygiene products to employees; • Creation of a Solidarity Fund for vulnerable persons and employees; • Donation of Rs 2m to the National COVID-19 Solidarity Fund; • Donation of masks to hospital and police station; • Protocols developed for a safe working environment; and • Work-from-home arrangements.
Awareness **Communication and education**	• Regular communication from the CEO of Rogers and CEOs of sectors to employees; • Use of collaborative tools for continuous awareness sessions on leadership and priorities during the lockdown period; and • Employee education on changes in laws.
Evaluation	• The Directors held two online Board meetings to discuss and evaluate: - the estimated impact of the crisis on current and future financial performance; - relevant mitigating actions; - opportunities cropping up; and - the revised strategic plan.

The Way Forward

Risk management is critical to the survival of the business during a crisis. The Vivacis programme initiated by management can be a catalyst to rebuild business, fuel growth, tap into relevant opportunities and better manage risks. The Risk Management and Audit Committee ("RMAC") will also continue to play a major role in Risk Governance (as described in the next section). 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, the management team, external auditors and the Risk & Audit Department for their constant support and commitment throughout the year.

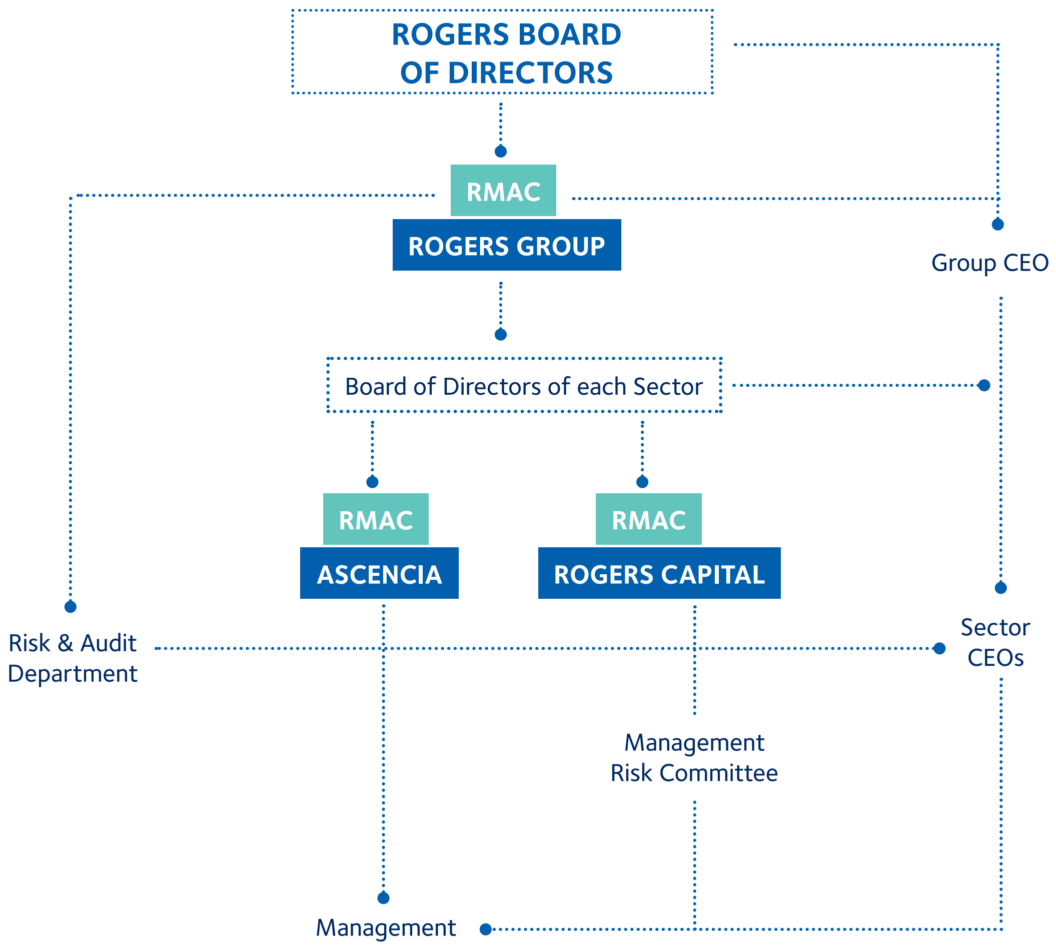
Vivian Masson
Chairman - Risk Management and Audit Committee

2. Risk *Framework*

2.1 Risk Governance

The Board of Directors of Rogers is responsible for the governance of risks and for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives.

Risk governance has been delegated to three established RMACs within the Group. These sub-committees, which consist mainly of Independent Directors, are governed by the terms of reference contained in their charters in line with the new Code of Corporate Governance for Mauritius (2016).



Risk Management and Audit Committees ("RMACs")

The three RMACs of the Group have continued to play a key oversight role for the Boards of Directors. The members of the committees are financially well-versed and experts in their respective fields. The composition of the RMAC and attendance at its meetings are disclosed in the Corporate Governance section on page 44.

6 Independent Directors

3 RMACs

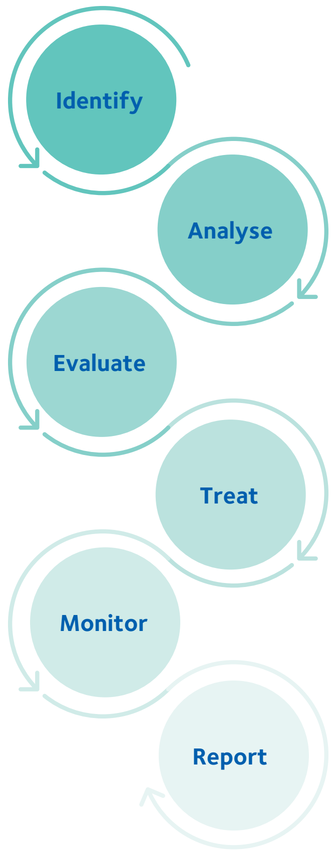
15 Meetings

The three committees ("RMACs") met during this financial year to acknowledge and review the following:

Principal risks and uncertainties	The principal risks and uncertainties which impact Rogers were reviewed by the RMACs and evaluated with the Group CEO, CFE and other Directors. Special RMAC meetings were held to discuss high-risk areas and turnaround plans post-financial year end. The main risks discussed are described in the Principal Risks section on pages 76-79.
Internal audit	**21** reports from internal auditors were reviewed and covered the following risk areas: • Compliance with internal policies; • Health & Safety; • Credit; • Fraud; and • Safeguard of Assets.
External audit	The audit approach was reviewed with the recently appointed audit firm (KPMG) and the following were discussed: • Significant audit matters; • Impact of recently introduced International Financial Reporting Standards; • Significant accounting judgements and estimates; and • Impact of COVID-19.
Other matters	• Integrity of quarterly abridged and annual financial statements; • Related party transactions; • Fair value of investment properties (Ascencia Limited); and • Impact of IFRS 9, 15 and 16.

2.2 Integrated Risk Management Process

Our risk management process for the identification, analysis, evaluation, treatment and monitoring of risks is as follows:



Identification, Analysis and Evaluation

- Regular meetings are held at operational level to identify, analyse and evaluate emerging and current risks.
- Compliance and Health & Safety Officers perform regular checks for the identification, analysis and evaluation of risks.
- Internal auditors perform regular audits in accordance with the approved audit plans reviewed by the RMAC on an annual basis.
- Analysis and evaluation of risks periodically with Senior Management and CEOs.

Treatment and Monitoring

- Significant inherent risks are treated in line with the risk appetite. Risks are transferred to insurance companies where applicable, otherwise risks are mitigated by additional controls or other measures.
- Monitoring is done by management in sectors either in meetings held on a regular basis or in Risk Committees.

Reporting

- Risks are reported to RMACs and Boards of Directors by CEOs, CFOs, Head of Risk and Senior Management with relevant risk responses and opportunities that have been thoroughly evaluated. A full review of risks is also reported on a half-yearly basis.
- External auditors report risks noted during their audit to Senior Management and RMACs.

2.3 Our Four Lines of Defence

At Rogers, the four lines of defence provide assurance to the RMAC and Board of Directors on the effectiveness of the Risk Management Framework.

1 People, Process and Technology

Controls are set at operations level in day-to-day activities. The adequacy and relevance of internal controls is supported by the Rogers Guidelines and Policies Manual and specific operating procedure manuals in each sector.

2 Management and Oversight

- Health & Safety checks;
- Compliance checks; and
- Management review.

3 Internal Audit

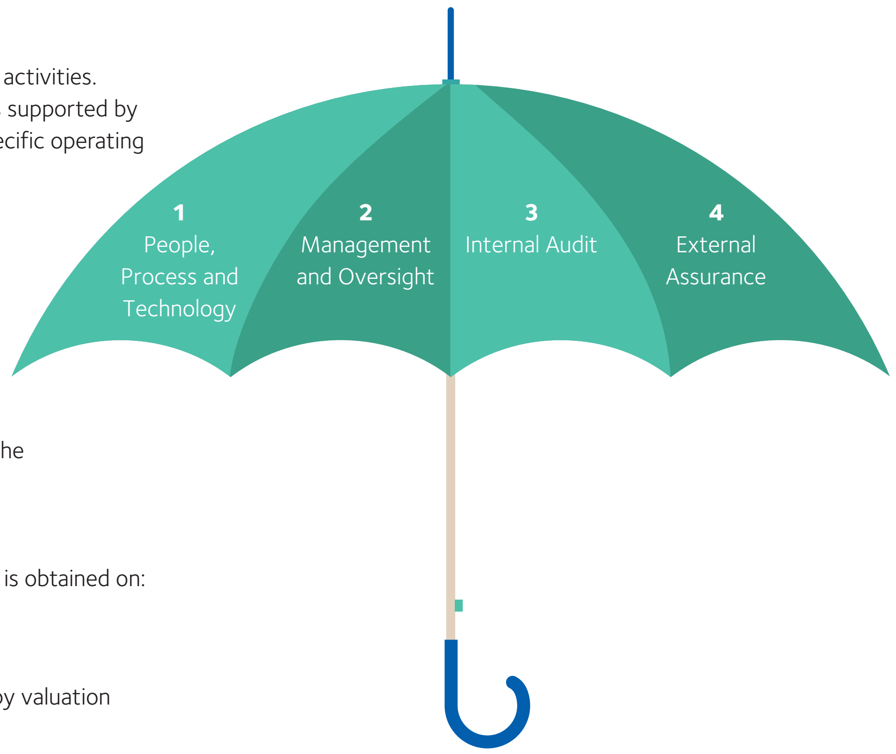
Independent in-house function which reports to the RMACs and Boards of sectors.

4 External Assurance

Assurance from independent external consultants is obtained on:

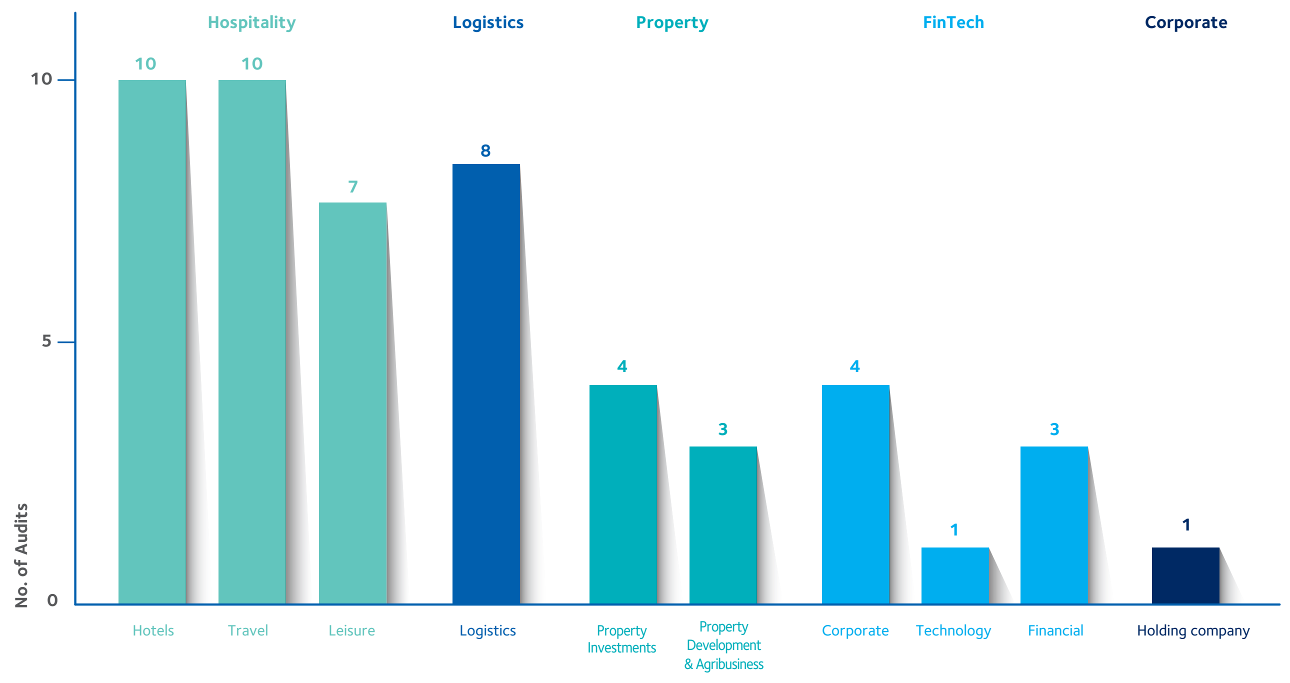
- fair value of investment properties;
- retirement benefit obligations; and
- significant related party transactions whereby valuation is independently performed.

Assurance is obtained on financial statements from the external auditors.



Internal Audit

The three-year internal audit plan covers financial years 2019-21. The number of audits completed by sector over the period is as follows:



There were no significant deficiencies in the Group's system of internal controls and no major limitations or restrictions in the audit scope, access to records, management and employees of audited entities.

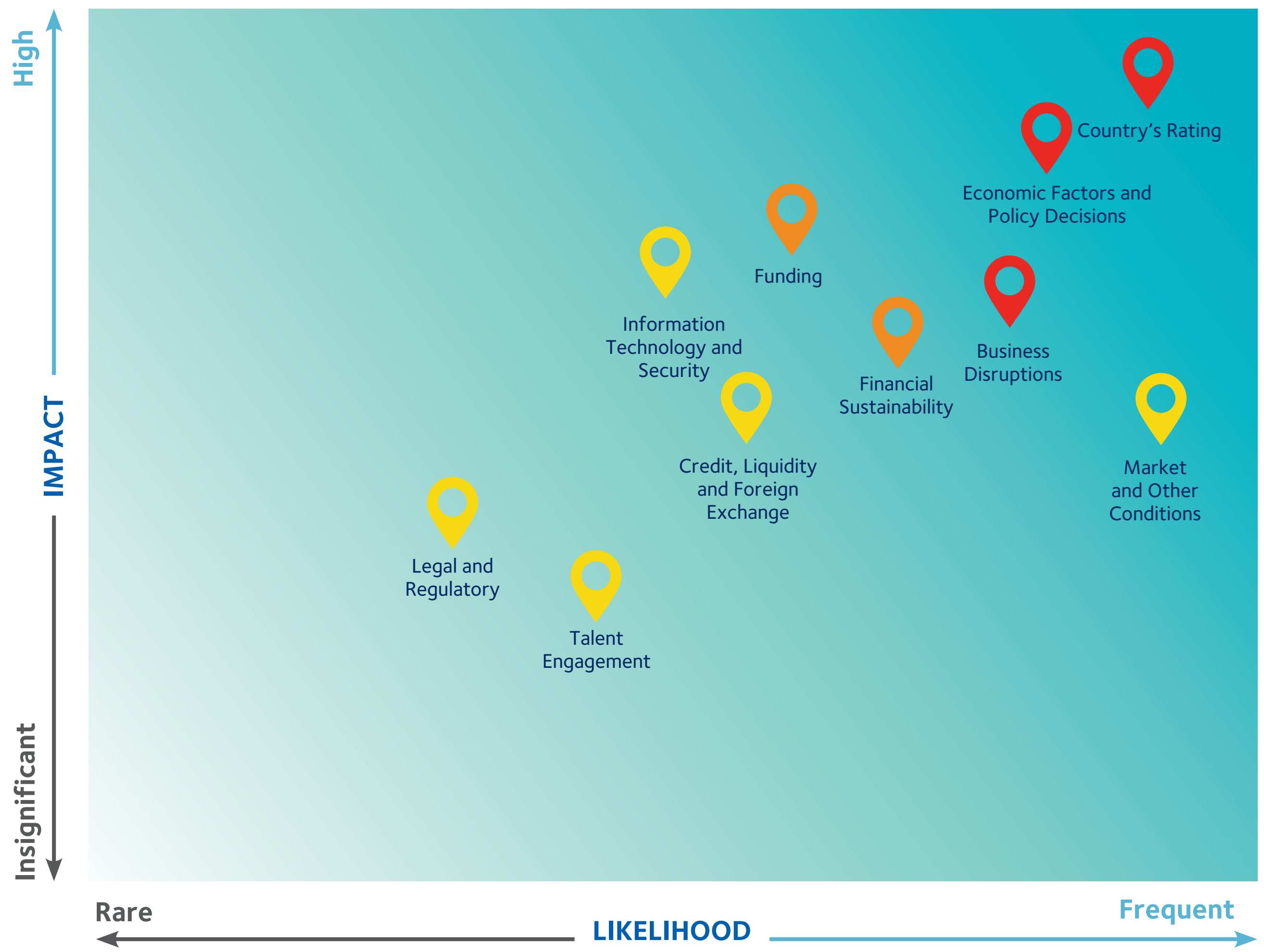
Internal Audit Team

There were no major changes in the composition of the team during the year. 50% of the team are qualified accountants and the average relevant experience is 6.5 years.

Information on the composition and qualifications of the Internal Audit team is detailed on the website: **www.rogers.mu**

3. Principal *Risks*

The Risk Heat Map below 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.



CATEGORIES

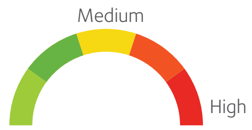
High | Medium high | Medium

The principal risks for the Group, which are classified as strategic, operational, financial and compliance risks, are monitored and evaluated by the RMACs and the Board of Directors. 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. The Group's served markets impacted by the principal risks are as follows:

	Principal Risks	Main Served Markets Impacted
A	Economic factors and policy decisions	FinTech, Hospitality, Logistics, Property
B	Country's rating	FinTech, Logistics, Property
C	Market and other conditions	FinTech, Hospitality, Logistics, Property
D	Financial sustainability	FinTech, Hospitality, Logistics, Property
E	Credit, liquidity and foreign exchange	FinTech, Hospitality, Logistics, Property
F	Funding	FinTech, Hospitality, Property
G	Business disruptions	FinTech, Hospitality, Logistics, Property
H	Information technology and security	FinTech, Hospitality, Logistics, Property
I	Talent engagement	FinTech, Hospitality, Logistics, Property
J	Legal and regulatory	FinTech, Hospitality, Logistics, Property

Principal Risks			Strategic Response & Opportunities	Capital Impacted
Strategic Risks				
Economic factors and policy decisions	Current crisis (due to COVID-19) has the following potential adverse effects: • economic recovery globally is slower, uneven and uncertain with potential for prolonged scenarios in some sectors (e.g. Hospitality); and • deterioration in main economic indicators such as GDP and consumption growth, inflation and unemployment rate. Decisions taken by the authorities that impact on businesses, such as: • new legislations (Workers' Rights Act 2019); • Government initiatives such as Minimum Wage and other budgetary measures like the new system of social contributions - Contribution Sociale Généralisée ("CSG"); and • the Metro Express project that impacts access to Phoenix Mall.		**Strategic Response** • Review current marketing strategies inclusive of target markets and emerging ones. • Negotiations with authorities to review access to Phoenix Mall following work underway for Metro Express project (Ascencia). **Opportunity** • Building scale in the retail of local products (Property Development & Agribusiness).	
Country's rating	• Classification of Mauritius as a high-risk country by the European Commission may have major repercussions for our sectors, including FinTech - Corporate Services and Property.		**Strategic Response** • At national level, the authorities have reinforced legislations and taken measures to enhance supervision in order to address recommendations raised by the Financial Action Task Force. • Strengthening the compliance function. • Regular communication with clients. **Opportunity** • Strengthening the procedures to anticipate Enhanced Due Diligence requirements of foreign banks.	
Market and other conditions	• Client expectations and behaviours are evolving and partly shaped by development in technology such as e-commerce. Should these expectations not be met, this may result in loss of market share and profitability. • Increase in the level of competition due to better agility and resilience of main competitors. • Lack of relevant and/or reliable information on local and foreign markets. • Reliance on foreign markets that are impacted by the crisis.		**Strategic Response** • Ensure marketing capabilities are adequate at sector level. • Perform regular market surveys to devise appropriate response to changing customer demand patterns. **Opportunity** • Identification and evaluation of alternatives to reduce client concentration.	
Financial Risks				
Financial sustainability	• Loss-making businesses that need turnaround. • Loss of revenue due to the impact of COVID-19.		**Strategic Response** • Appointment of a Project Manager to ensure implementation of strategy and turnaround of loss-making businesses. • Review of progress and challenges at RMAC level. • Cost reduction measures underway. • Sustainable project in Bel Ombre with different stakeholders within the Group for better synergy. • Looking for new partnership opportunities for Velogic France. • Scaling up of vegetable production for progressive replacement of sugarcane. **Opportunities** • Rethinking the business model. • Availing of facilities provided by the authorities.	
Credit, liquidity and foreign exchange	• Inappropriate credit assessments and default from debtors. • Inability to meet operational and financial obligations as well as loan covenants. • Insufficient cash for current/further planned investments. • Inability to pay dividends, thus failure to meet shareholders' expectations. • Inability of tenants to sustain their financial performance leading to an impact on Ascencia's ability to meet dividend payments. • Loan or other liabilities denominated in an appreciating foreign currency.		**Strategic Response** • Credit protection taken on debtors (Hospitality). • Tighter treasury management policies. • Tenant relief plan in place at Ascencia. • Seeking alternatives for foreign currency loans and using hedging instruments. **Opportunity** • Review of the existing credit assessment model and debtors' management policy.	
Funding	• Inability to obtain funding. • Clients from FinTech - Corporate Services opting for lower risk jurisdictions may result in capital erosion, impacting on local banks' ability to lend money. • Higher costs of capital due to liquidity crunch.		**Strategic Response** • Converting money market loans/overdraft facilities into term loans. • Securing additional loan facilities. • Issue of bonds. **Opportunity** • Availing of facilities offered by the authorities.	

Risk rating:



Principal Risks			Strategic Response & Opportunities	Capital Impacted
Operational Risks				
Business disruptions	**Pandemic** • Risk of second wave of COVID-19, resulting in another lockdown. • Border closure and travel bans impacting on the tourism industry and the Hospitality served market. • Failure to provide a safe environment (sanitary/hygiene) for workers and clients. **Climate and Environment** • Environmental risk - beach erosion, global warming, rising sea level, torrential rains and flash floods impacting activities. • Man-made environmental disasters (e.g. oil spills due to shipwreck). • Biodiversity loss in Mauritius, impacting the image of the country as a tourist destination. • Extremely severe cyclonic conditions causing damages to hotels. **Supply Chain Disruptions** • Restrictions in trade due to impact of border closures and lockdown in other countries. • Supply chain disruptions in clients' businesses leading to decrease in demand for our services (Logistics Solutions). **Other Disruptive Events** • Fire. • Social unrest: Increasing level of unemployment, unpopular policy measures paving the way to protests, riots and looting.		**Strategic Response** • Ensure adequate insurance cover. • Purchase locally (Made in Moris) and reduce dependency on imported products. • New health and safety policy and business continuity plan in place for epidemics/pandemics.. • Regular audits by external consultant for sustainability (Hospitality). • Work in close collaboration with local authorities and other associations to devise a plan/strategy in case of man-made disasters. • Utilisation of green energy (solar energy) in Ascencia malls. • Diversify suppliers and local sourcing to reduce carbon footprint. • Identification and evaluation of alternatives to reduce client concentration. • Review and ensure a business continuity and crisis management plan is in place. **Opportunities** • Opportunities for smart agriculture and local products (Property Development & Agribusiness). • Focusing on/promoting responsible and sustainable tourism activities.	
Information technology and security	**Lack of Innovation** • Not leveraging innovation to sustain competitive advantage or lack of operational excellence. **Information Security** • Cyberthreats such as fraudulent phishing attempts, spoofing e-mails, malware and/or ransomware. • Inadequate security of data and privacy issues.		**Strategic Response** • Transform innovation lab into digital factory to accelerate digitalisation initiatives. • Partner with other organisations to widen the innovation circle and share costs. • Cybersecurity maturity assessment performed by independent consultant (Rogers Corporate). • Regular penetration and vulnerability assessments. • Group cybersecurity plan in progress with external consultants (Ascencia). • IT audit carried out to detect and prevent risks. **Opportunity** • Creation of a virtual mall with a "click-and-collect" facility in each mall (Ascencia).	
Talent engagement	• Loss of key personnel and lack of succession plan for key executives and management. • Lack of adequate/missing skills in business and capability gaps in current teams. • Inability to adapt to challenges in a dynamic environment. • Low engagement level of our workforce.		**Strategic Response** • Adopt retention programmes that help boost employee morale and productivity. • Maintain an appropriate communication plan for employees.	
Compliance Risks				
Legal and regulatory	• Non-adherence to existing or new legislations and regulations such as Data Protection Act, General Data Protection Regulations, the Code of Corporate Governance for Mauritius (2016), Workers' Rights Act 2019 and the Quarantine ("COVID-19") Regulations 2020. • Changes in laws and regulations not communicated and training not provided. • Money Laundering and Terrorism Financing transactions not detected due to lack of visibility or internal procedures not followed. • Non-compliance with internal controls leading to theft, frauds and misappropriation of assets.		**Strategic Response** • Restructure organisations to ensure compliance at business and national levels. • Communication and awareness session on impact of new legislations provided. • Data protection gap analysis in the different sectors. • Health & Safety audits carried out in malls to ensure compliance with all relevant legislations (Fire Code, etc.) (Ascencia). • Safe shopping measures implemented (Ascencia). • Reinforce compliance function. Compliance checks and customer due diligence conducted on client transactions. • Reinforce internal controls and adequate segregation of duties. • Zero tolerance policy on risks of errors and fraud (FinTech). • Code of ethics and whistleblowing policy in place. **Opportunity** • Training and awareness programme.	

Risk rating: Low Medium High

Other statutory Disclosures

DIRECTORS

A list of Directors of the subsidiary companies of Rogers is given on pages 81 to 85.

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	2020	2019
DIRECTORS'REMUNERATION & BENEFITS		
Remuneration and benefits paid by the Company and subsidiary companies to:		
Directors of Rogers & Company Limited		
4 Executive-full time (4 in 2019)	50.1	43.4
8 Non-executive (8 in 2019)	4.2	4.4
Directors of subsidiary companies		
46 executive-full time (45 in 2019)	193.9	219.8
54 non-executive (64 in 2019)	3.4	3.9

	GROUP		COMPANY	
In Rs million	2020	2019	2020	2019
DONATIONS				
Donations made during the year				
Corporate Social Responsibility (2%)	9.0	1.6	-	-
Voluntary	1.7	1.4	0.5	1.0
Political	7.0	0.9	7.0	0.9
AUDITORS' REMUNERATION				
Audit fees paid to:				
KPMG (2019: BDO)	12.0	12.2	1.6	0.8
Other firms	7.7	8.1	-	-
Fees paid for other services provided by :				
KPMG (2019: BDO)	-	3.2	-	0.2
Other firms	14.3	6.7	1.2	-

Directors of Subsidiary Companies

FINTECH	Aubdool Muhammad Riad	Ah Ching Cheong Shaow Woo	Allagapen Gary Deva	André Emmanuel René	Bhoyroo Mohammad Yashinn	Bissessur Shreekantsing	Boullé Fabrice François	Chung Kai To Cyril Yin Choon	Chung Tick Kan Georges	Corneillet Virginie Anne	Desvaux de Marigny Angélique Anne	Espitalier-Noël Hector	Espitalier-Noël Philippe	Gopaul Sanjay	Guillaud Philippe Pierre Marcel	Harel Simon	Hurkoo Dev Harish	Jingree Jayechund	Koh Hwee Huang Nancy	Legrigore Jean-François	Le Roux Permaloo Hanjali	Leteipan Dave	Li Ting Chung Richard	Magon Georges	Mamet Damien	Mangar Binesh	Nathoo Roshan	Ndjemba Abessolo Jean Paul	Nunkoo Nayendranath	Radhakeesoon Aruna	Ramdoss Itysha Sharona	Ruhee Ashley Coomar	Ramessur Daya Prakash	Shah Sharmil Dhanraj	Soowamber Manesha	Tyack Frédéric Gérard	Ujoodha Dhanun	Vacher Belinda
Cheribinny Limited		X			X			R																								X						
Enterprise Information Systems Ltd																						X							X				X					
Globefin Corporate Services Ltd																				X							X											
Globefin Nominees Ltd																				X							X											
Rogers Capital Nominee 2 Ltd																											A					X					X	
Rogers Capital City Executives Ltd																											X					X					X	
Rogers Capital Nominee Ltd																											A					X					X	
Rogers Capital Accounting Services Ltd	R																										X								A		X	
Rogers Capital Business Services Ltd																											X										X	
Rogers Capital Corporate Services Ltd		X			X				X	X			X					X									X	A				A						
Rogers Capital Corporate Services (Singapore) Pte Ltd																			X				R				X					X						
Rogers Capital Corporate Services (Seychelles) Limited																							X									X						
RCAP Executives Ltd																								X			X											
Rogers Capital Specialist Services Ltd																					A		R				X					X					X	
Rogers Capital Captive Insurance Management Services Ltd		A																					R				A					C					X	
Rogers Capital Fund Services Ltd	R																										A					C			A		X	
Rogers Capital Finance Ltd		X			X			R		X			C	X	A										A					X		X				X		
Rogers Capital Nominee 1 Ltd																											A					X					X	
Rogers Capital Investment Advisors Ltd		X				A				X			C																		R	X						A
Rogers Capital Ltd		X			X		X		X	X	X	X	C	X		A		X							A							X						
Rogers Capital Management Services Ltd		X			X				X	X			X					X														X						
Rogers Capital Payroll Services Ltd	R																										X										X	
River Court Nominees Limited																											A										X	
Rogers Capital Trustees Services Limited																		X									X							X			X	
Rogers Capital Payment Solutions Ltd		C			X																					X						X						
Rogers Capital Outsourcing Ltd			X		X					X			C				X															X						
Rogers Capital Technology Services Ltd		X		X	X					X			C		A		X												X									

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

HOSPITALITY

HOSPITALITY	Arekion Charles Henri Thierry	Bastiaan Jeremy Steven	Berman Laurence Marie	Bouic Joseph Guillaume Karl	Cisneros Gilbert Jean Antoine	Cisneros Maria Antoinette Yolande	Colin Jean Michel Barthelemy	Dodds Ryan Matthew	Dupont Danielle Christine	Espitalier-Noël Eric	Espitalier-Noël Philippe	Eynaud François	Fayd'herbe de Maudave Alexandre	Hardy Jean Marie Bertrand	Hugnin Guy	Hugnin de Loppinot Brigitte	Kone-Dicoh Khady-Lika	Langlois Gérard Philippe Stéphane	Mamet M.J. Jean-Pierre	Mamet Damien	Marrier d'Unienville Jean Albert	Menteath Jonathan Lawrence	Montocchio François Thierry	Motet Joseph Jacques	Nadassen Kishen	Rey D.A. Thierry Hugues	Robert François Richard	Stedman Richard Sohrab	U King Im Marie Guylette Nicole	Yon Germain Joseph
Bagatelle Hotel Operations Company Limited											X																	X		
BlueAlizé Ltd	A			X							A		R	R				R							A			A		R
Cap d'Abondance Ltd											X																	X		
CCC LAH Limited																										X		X		
Croisières Australes Ltée											A		R	R				R										A	R	R
DOMC Ltd											C		X						X						X	X		X		
Island Living Ltd											C	R	X				A						A		X		X	X		
Seafood Basket Limited											X																	X		
Sweetwater Ltd		X									X																	X		
Sports-Event Management Operation Co. Ltd								X			C	R									X						X	X		
Heritage Events Company Ltd												R										X	X							
Heritage Golf Management Ltd								X				R											X							
VLH Ltd			R							X	X	R	X		X	R	A			X			X	X				X		
Seven Colours Spa Ltd										X		R			X	X														
VLH Training Ltd										X		R			X	x														
Adnarev Ltd										X		R			X	x														
Veranda Tamarin Ltd					X	X	A		A			R								A			X					A		
IslandHolidays Ltd											A		A				A								A		A	A		
Island Living Shared Services Ltd											A		A				A								A		A	A		
Bel Ombre Seashells Co. Ltd											A		A				A								A		A	A		
BookSimply Ltd											A		A				A								A		A	A		
Hotel Operations Company Ltd											C																	X		
Restaurant Operations Company Ltd											C																	X		

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

HOSPITALITY

HOSPITALITY	Bhoyroo Mohammad Yashinn	Cassam Raficq	Radhakeesoon Aruna	Corroy Marie Sybil Anick	Dupont Danielle Christine	Espitalier-Noël Philippe	Eynaud François	Fayd'herbe de Maudave Alexandre	Giraud Paul France	Granger Gilles	Guillaud Philippe Pierre Marcel	Langlois Gérard Philippe Stéphane	Laulloo Mohammad Faiz Hafiz	Le Roux Permalloo Hanjali	Masrani Hasu	Papet Mathias	Patel Kiran	Pitot Jean Michel	Ramchurn-Oogarah Soorya Devi	Robert François Richard	Ruhee Ashley Coomar	Stedman Richard Sohrab	Tyack Frédéric Gérard	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																	
Rogers Aviation Reunion S.A.R.L.								X																	
Rogers Aviation Kenya Ltd		X						X					X												
Beavia Kenya Limited				X				X							X		X		X						
Rogers Aviation International Ltd (ex-Ario Ltd)	X							X				X	X						X						
Rogers Aviation Madagascar S.A.R.L.								X				X							X						
Rogers Aviation Mayotte S.A.R.L.								X																	
Rogers Aviation Mozambique LDA				R				X				A							X						
Rogers Aviation (Mauritius) Ltd	X							C				X							X						
BS Travel Management Ltd								X				X	X						X						X
RUN TOURISME								X																	
BS Travel Management Limitada				R				X				A							X						
Bluesky Mayotte S.A.R.L.								X																	
Bluesky Madagascar S.A.R.L.								X				X							X						
Plaisance Air Transport Services Ltd								C				X	X												X
Rogers Aviation South Africa (Proprietary) Limited								X				X							X						
Rogers Aviation Holding Co. Ltd	X		X			C	X	X				X											X		
Transcontinent S.A.R.L.								X	X									A							
Islandian Ltd					X	X		X		X	A	X		A		X				R	R	X			R
Rogers International Distribution Services - Mozambique				X				X											X						
Islandian SARL								A																	
Border Air Propriety Limited								X				X							X						

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

LOGISTICS

	Abraham Bertrand Denis	Arrowsmith Sarah Carmen	Avrillon Francis Vincent	Bhatt Mehul Hitesh Kumar	Cargill Christopher	De Comarmond Marie Maurice André	Driver H.W. Anthony	Elysée David	Espitalier-Noël Gilbert	Espitalier-Noël Philippe	Evard Christoph	Girard Sylvain	Gobindram Shah Nawaz	Hugnin Thierry	Hung Han Yun Denis	Kone-Dicoh Khady-Lika	Lallchand Jawaharlall	Lim Guat Hua Shirley	Mamet Damien	Merrick Raymond	Mokar Shah Kirtikumar	Noel Alexandre Joseph Raoul	Nunkoo Nayendranath	Olivier Vivian	Rigouzzo Luc André 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	
Global Air Cargo Services Ltd					R	A									A													
Logistics Solutions Ltd									X	C									X				X					
Velogic Ltd						X																	X				X	
Velogic Holding Company Ltd				A					X	C						X			X				X		X		X	
P.A.P.O.L.C.S. Ltd							X										X						C	X		X	X	
Papol Holding Ltd							X	X															X				X	
Rogers IDS (Velogic France) SA												X																
Rogers IDS Madagascar SA						X																						X
Velogic Depot & Warehouse Ltd						X																	X					
VSR (Velogic Reunion)																											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	
Gencargo (Transport) Limited (Kenya)				X							X												X				X	
Rogers Logistics International Ltd										X													X				X	
Rogers Logistics Services Company Ltd	X					X									X								X				X	
Southern Marine & Co Ltd																							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	
Rogers Shipping Ltd																							X	X			X	
Rogers Shipping PTE Ltd									X	X								X				X	X					

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

PROPERTY

	Ah Ching Cheong Shaow Woo	Arnulphy Jean Arnaud	Blandin de Chalain Jean-Marie Nicolas	Boshoff Armond	Boullé Robert	Caine Russell Glenn	Conhye Koosiram	De Waal Anton	Dupont Jacques Désiré Dominic	Duvivier Marie Virginie	Espitalier-Noël Eric	Espitalier-Noël Hector	Espitalier-Noël Philippe	Eynaud François	Galea Marie Henri Dominique	Harel Jérôme Guy Antoine	Hart de Keating Christopher	Hebert Thierry Jacques	Hoolass Ashis Kumar	Jankeepersand Sailendrasing	Lam Kin Teng Dean Allen	Lenoir Gustave E. Jean Pierre	Louw Lucille Helen	Mamet Damien	Montocchio François Thierry	Pascal Pierre Yves	Pilot Joseph Michel	Pople Richard Clive	Radhakeesoon Aruna	Ramdoss Itysha Sharona	Tribolet Paul	Tyack Frédéric Gérard	Vacher Belinda	Veerasamy Naderasen Pillay	Weirich Eric Hendrik	Wong Choi Wah Jean Arnaud
Ascencia Limited	X			X			R					X	C		X				A		X		X	X		X				R		X	A	X	R	
Bagaprop Limited				X									X										X	X								X				
Floreal Commercial Centre Limited					R																			X								X	A			
Foresite Property Holding Ltd													C											X					X							
Motor Traders Limited										R																										A
South West Tourism Development Company Limited											X	X	X																							
Case Noyale Limitée											X	C	X	R		X	X					X			A		X									
Agria Limited											X	C	X	R		X	X					X			A		X									
Les Villas de Bel Ombre Ltée											X	R	C	R			X								A		X									
Les Villas de Bel Ombre Amenities Ltd											X	R	C	R			X																			
Terroirs Mauriciens Ltd																											A									
Estate Property Solutions Ltd			X					X	X									X										X			X					
Le Marché du Moulin Ltd		A				R														R																

OTHER INVESTMENTS

	D'Hotman de Villiers Audrey	De Comarmond Louis Marie Maurice André	Espitalier-Noël Philippe	Jullienne Marie Jean-Cyril	Makoond Deonanan	Mamet Damien	Piat Jean-Marie Alexandre Evenor	Pilot Joseph Michel	Radhakeesoon Aruna	Rogers François Michel	Sophie Marie Wendy Fabiola	Vacher Belinda
Rogers Foundation Ltd	X	X	C	R	A	X	A	A		R	A	A
Rogers Corporate Services Ltd			X					A				
Vivacis Solidarity Ltd	A		A		A	A	A	A	A		A	A

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

Focus & *Perform*

We believe in simple ideas, in raising the bar and stretching our limits.

Directors' Report
Independent Auditors' Report
Financial Statements

Darshan Baijnath
Head of Consumer Finance - Rogers Capital

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 Group and the Company;

(v) safeguarded the assets of the Group and 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 80.

STATEMENT OF COMPLIANCE

Throughout the year ended 30 June 2020, 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 94 to 183 were approved by the Board on

27 January 2021 and are signed on their behalf by:

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

Independent *Auditors' Report*

TO THE SHAREHOLDERS OF ROGERS AND COMPANY LIMITED

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Rogers and Company Limited (the Group and the Company), which comprise the Statements of Financial Position at 30 June 2020, and the Statements of Profit or Loss, Statements of Profit or Loss and Other Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows for the year ended, and the explanatory notes, including a summary of significant accounting policies, as set out on pages 94 to 183.

In our opinion, these consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Rogers and Company Limited at 30 June 2020, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act and Financial Reporting Act.

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 *Auditors' Responsibilities for the Audit of the consolidated and separate financial statements section* of our report. We are independent of the Group and the Company in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)*, 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 consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. **Impairment of investments in subsidiaries (applicable to the separate financial statements) and jointly controlled and associated companies (applicable to the consolidated and separate financial statements).**
   Refer to notes 13 and 14.

Key audit matter

The carrying amount recorded in the separate financial statements for investments in subsidiaries amounted to Rs 4,655.6m and investment in associated companies amounted to Rs 3,619.4m. In the consolidated financial statements, the investment in jointly controlled and associated companies amounted to Rs 178.1m and Rs 4,483.0m respectively.

The related impairment loss recognised in the separate financial statements amounts to Rs 179.3m for investment in subsidiaries and Rs 98.4m for investment in associated companies.

The Group and Company identify whether an impairment indicator occurs every year and perform impairment test over investments in subsidiaries and associates, and compare the carrying amount with the greater of the calculated value-in-use ("VIU") and fair value less cost to sell ("FVLCTS") to determine the impairment amount, if any.

Considering the significant degree of judgement in estimating VIU and FLVCTS, including the potential impact of COVID-19 on the current and future operations of the Group and Company, the likelihood of management bias, and the significance of the investments and impairment losses recorded, we determined this to be a key audit matter in the audit of the consolidated and separate financial statements.

How the matter was addressed in our audit

Our audit procedures in respect of this key audit matter included:

- Performed a qualitative assessment considering the minimum indications of impairment listed in *IAS 36 - Impairment of Assets* by conducting inquiries and discussions with management and review of investees' latest financial performance and financial position.

Independent Auditors' Report

Report on the Audit of the Consolidated and Separate Financial Statements (contd)

Key audit matters (contd)

For those investments for which there were indicators of impairment:

- Assessed the qualification and objectivity of the external expert engaged by the Company to assess the value-in-use and FVLCTS of the investments;
- Verified the mathematical accuracy of the underlying calculations used in the valuation models to determine the value-in-use and the FVLCTS;
- Evaluated the key assumptions used to determine the VIU and FVLCTS which included the estimated impact of COVID-19 on future cash flows, sales growth rate, terminal growth rate, discount rate and control premium. This was performed by benchmarking the latest financial forecast approved by the board of directors with historical performance and with market data where applicable; and
- Performed sensitivity analysis of the significant inputs and assessed the level of headroom as a consequence of reasonable changes in the main assumptions.

2. Valuation of land and buildings (applicable to consolidated financial statements) and investment properties (applicable to the consolidated and separate financial statements)
Refer to notes 10 and 11.

Key audit matter

At 30 June 2020, the Group had land and buildings amounting to Rs 9,314.3m. Investment properties amounted to Rs 13,301.3m for the Group and Rs 150.3m for the Company.

Land and buildings are stated at their revalued amount based on periodic revaluations carried out by external valuers, less subsequent depreciation and impairment for buildings. The fair value of land and buildings is arrived at by using the market value approach or depreciated replacement cost 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 a valuation carried out by external valuers which is based on the discounted cash flow model and open-market basis as appropriate.

The determination of the fair value of land and buildings and investment properties involves judgements and estimates that materially affect the carrying amounts of the revalued assets.

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

How the matter was addressed in our audit

Our audit procedures in respect of this key audit matter included:

- Evaluated the design and implementation of the relevant controls relating to the valuation of land and buildings and investment properties;
- Assessed the qualifications and objectivity of the external experts engaged by the Group and Company for the valuation of land and buildings and investment properties;
- Assessed the appropriateness of the valuation methods used by the external valuers in determining the fair values of land and buildings and investment properties at 30 June 2020; and
- Engaged with the external valuers and assessed the reasonableness of key inputs and assumptions used in the fair value determination. This was performed by involving our own valuation specialists who evaluated and corroborated the unobservable inputs, including potential impact of COVID-19, through benchmarking against available market data.

3. Impairment of goodwill and valuation of separately identifiable intangible assets arising on business acquisitions in the consolidated financial statements
Refer to Note 12.

Key audit matter

(a) The Group has goodwill after impairment amounting to Rs 858.1m and other intangible assets of Rs 517.8m at 30 June 2020. The impairment assessment and the calculation of the recoverable amount is subject to significant management judgement and estimation which includes the selection of the appropriate impairment model to be used, determination of the expected future cash flows from the businesses, setting appropriate terminal growth rates, selection of the appropriate discount rate and estimating and incorporating the potential impact of COVID-19 in the calculations.

(b) As disclosed in note 45, a prior year restatement was made with respect to goodwill. Other intangible assets of Rs 414.2m arising on business acquisitions which were previously not recognised, were estimated and recorded in the preceding year opening balances with a corresponding prior year adjustment to previously reported goodwill. The valuation of the separately identifiable intangible assets required the application of a number of significant assumptions for each acquisition date such as estimation of useful economic lives of the assets, growth rates and attrition rates to be applied to cash flows used and setting the appropriate discount rate.

Due to the significant level of judgement and estimation exercised by management in the impairment assessment process and in the valuation of the acquired intangible assets, we consider these to be key audit matters.

How the matter was addressed in our audit

Our audit procedures in respect of the impairment of goodwill included:

- Inspection of forecast financial information, through checking arithmetic accuracy and agreeing forecast financial information to approved budgets by the board of directors;
- Comparison of prior period budgets to actual results in order to assess the degree of accuracy with which the past forecasts were estimated;
- Obtained an understanding on how the potential impacts of COVID-19 were incorporated in the financial forecasts;
- Evaluated the key assumptions including sales growth, terminal growth and discount rates used in the impairment assessment. This was performed by benchmarking the assumptions with historical performance and with market data where applicable; and
- Performed sensitivity analysis of the significant inputs and assessed the level of headroom as a consequence of reasonable changes in the main assumptions.

Our audit procedures in respect of the valuation of identifiable intangible assets included:

- Assessed the qualifications and objectivity of the external expert engaged by the Company for the identification and valuation of the acquired intangible assets; and
- Involved our valuation specialists who evaluated the key assumptions used to identify and determine the valuation of the intangible assets and reperformed the valuation by developing their own set of assumptions.

4. Prior year restatements
Refer to Note 45.

Key audit matter

Following our appointment as auditors of the Group and Company for the year ended 30 June 2020, we were required to perform audit procedures on opening balances of the statements of financial position and on the consistent application of the accounting policies.

A number of prior period adjustments were identified as part of our audit requiring restatement of certain elements of the consolidated and separate financial statements.

This required significant audit effort, including the time of senior members of our audit team, in assessing the impact of these restatements and is therefore considered a key audit matter.

How the matter was addressed in our audit

Our audit procedures in respect of this key audit matter included:

- Compared the prior year's closing balances to the current year's opening balances (or restated opening balances where applicable) in the consolidated and separate financial statements;
- Compared the prior year group reporting packages to the prior year signed financial statements of components; and
- Reviewed the predecessor auditors' working papers to obtain evidence regarding the opening balances and to assess whether the opening balances reflect the application of appropriate accounting policies.

With the assistance of our technical accounting specialists, we:

- Evaluated the correct accounting treatment of the identified prior period errors, based on our understanding of the transactions and audit evidence obtained; and
- Evaluated the adequacy of the financial statement disclosures in accordance with the requirements of *IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors.*

Independent Auditors' Report

Report on the Audit of the Consolidated and Separate Financial Statements (contd)

Other matter relating to comparative information

The consolidated and separate financial statements of the Group and the Company as at and for the year ended 30 June 2019 and 30 June 2018 (from which the statements of financial position as at the beginning of the preceding period, 1 July 2019 has been derived), excluding the adjustments described in Note 45 to the consolidated and separate financial statements, were audited by another firm of auditors who expressed an unmodified opinion on those financial statements on 13 September 2019.

As part of our audit of the consolidated and separate financial statements as at and for the year ended 30 June 2020, we audited the adjustments described in Note 45 that were applied to restate the comparative information presented as at and for the year ended 30 June 2019 and the statement of financial position as at 1 July 2019. We were not engaged to audit, review, or apply any procedures to the consolidated and separate financial statements for the years ended 30 June 2019 or 30 June 2018 (not presented herein) or to the statements of financial position as at the beginning of the preceding period 01 July 2019, other than with respect to adjustments described in Note 45 to the consolidated and separate financial statements. Accordingly, we do not express an opinion or any other form of assurance on those respective financial statements taken as a whole. However, in our opinion, the adjustments described in Note 45 are appropriate and have been properly applied.

Other information

The directors are responsible for the other information. The other information comprises the Corporate Profile section, Leadership section, Served Market Performance section, Risk Management Report and Other Statutory Disclosures section, Directors' Report and Supplementary Information sections of the Integrated Report and the Sustainability Report but does not include the consolidated and separate financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the consolidated and separate financial statements

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

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

Auditors' responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- 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 the directors 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 the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Use of our Report

This report is made solely to the Company's shareholders, as a body, in accordance with Section 205 of the Mauritius Companies Act. Our audit work has been undertaken so that we might state to the Company's shareholders, as a body, those matters that we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Report on other legal and regulatory requirements

Mauritius Companies Act

We have no relationship with or interests in the Group and the Company other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all the 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.

Financial Reporting Act

Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance (the "Code") disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Company has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.

KPMG

KPMG	John Chung
Ebène, Mauritius	*Licensed by FRC*
27 January 2021	

FINANCIAL STATEMENTS

These financial statements have been approved for issue by the board of directors on 27 January 2021.

Jean-Pierre Montocchio
Chairman

Philippe Espitalier-Noël
Director & CEO

STATEMENTS OF PROFIT OR LOSS

Year ended 30 June 2020

		GROUP		COMPANY	
In Rs million	NOTES	2020	2019 Restated	2020	2019 Restated
Revenue	3	9,169.3	10,246.6	574.7	739.2
Profit from operations before impairment losses and finance costs	4	867.7	1,381.8	259.7	394.7
(Impairment losses) reversal of impairment losses on financial assets	16/17/22	(519.3)	(60.4)	41.6	(47.8)
Finance costs	5	(628.2)	(570.7)	(184.8)	(170.9)
Fair value gains (losses) on investment properties	11	129.1	394.0	(2.3)	2.6
Share of results of jointly controlled entities	14	(2.3)	14.8	-	-
Share of results of associated companies	14	(149.4)	275.3	-	-
(Loss) profit before exceptional items		(302.4)	1,434.8	114.2	178.6
Exceptional items					
Gain on bargain purchase	6	4.9	9.2	-	-
Impairment of goodwill	6	-	(14.1)	-	-
Impairment of subsidiaries and associates	6	-	-	(277.7)	-
Amortisation of market related intangibles	6	(37.6)	(37.6)	-	-
Profit (loss) on disposal of group entities	6	7.6	(13.9)	-	276.8
Profit on sale of properties	6	4.7	6.7	-	-
(Loss) profit before taxation		(322.8)	1,385.1	(163.5)	455.4
Taxation	7	(95.6)	(210.9)	-	-
(Loss) profit for the year		(418.4)	1,174.2	(163.5)	455.4
Attributable to					
Owners of the parent		(514.6)	616.0		
Non-controlling interests		96.2	558.2		
(Loss) profit for the year		(418.4)	1,174.2		
Basic and diluted (loss) earnings per share	8	Rs (2.04)	Rs 2.44		

The explanatory notes on pages 100 to 183 form an integral part of these financial statements.

Auditors' report on pages 89 to 93.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 30 June 2020

		GROUP		COMPANY	
		2020	2019 Restated	2020	2019 Restated
In Rs million	NOTES				
(Loss) profit for the year		(418.4)	1,174.2	(163.5)	455.4
Other comprehensive income					
Gains on property revaluation	9	654.8	-	-	-
Remeasurements of post-employment benefit obligations	9	(67.8)	(20.8)	(23.8)	1.6
Losses arising on financial assets at fair value through other comprehensive income	9	(112.4)	(4.4)	(112.6)	(6.9)
Share of other comprehensive income of associated companies	9	(520.1)	262.7	-	-
Items that will not be reclassified to profit or loss		(45.5)	237.5	(136.4)	(5.3)
Exchange differences on translating foreign entities	9	(22.7)	14.2	-	-
Share of other comprehensive income of jointly controlled entities	9	-	0.5	-	-
Share of other comprehensive income of associated companies	9	97.4	(17.5)	-	-
Items that may be reclassified subsequently to profit or loss		74.7	(2.8)	-	-
Other comprehensive income for the year, net of tax		29.2	234.7	(136.4)	(5.3)
Total comprehensive income for the year, net of tax		(389.2)	1,408.9	(299.9)	450.1

Attributable to			
Owners of the parent		(777.1)	846.6
Non-controlling interests		387.9	562.3
Total comprehensive income for the year, net of tax		(389.2)	1,408.9

The explanatory notes on pages 100 to 183 form an integral part of these financial statements.

Auditors' report on pages 89 to 93.

STATEMENTS OF FINANCIAL POSITION

30 June 2020

		GROUP			COMPANY		
		30 June 2020	30 June 2019 Restated	1 July 2018 Restated	30 June 2020	30 June 2019 Restated	1 July 2018 Restated
In Rs million	NOTES						
ASSETS							
Non current assets							
Property, plant and equipment	10	11,535.0	9,788.8	9,325.7	86.3	15.9	21.1
Investment properties	11	13,301.3	12,810.1	11,668.4	150.3	149.7	141.0
Intangible assets	12	1,449.0	1,438.3	1,479.5	14.9	10.5	5.2
Investment in subsidiary companies	13	-	-	-	4,655.6	4,488.2	4,212.6
Investment in jointly controlled entities	14	178.1	180.4	145.2	-	-	-
Investment in associated companies	14	4,483.0	5,196.3	5,019.5	3,619.4	3,717.8	3,720.8
Financial assets at fair value through other comprehensive income	15	157.5	269.2	288.9	145.7	258.3	271.2
Financial assets at fair value through profit or loss	15	268.1	294.2	301.7	-	-	-
Financial assets at amortised costs	16	60.2	53.6	52.5	350.9	324.7	75.9
Loans and advances	17	1,273.4	961.8	267.0	-	-	-
Deferred expenditure	18	211.2	116.0	139.4	-	-	-
Retirement benefit assets	30	28.0	43.1	35.7	28.0	43.1	35.7
Total non current assets		32,944.8	31,151.8	28,723.5	9,051.1	9,008.2	8,483.5
Current assets							
Consumable biological assets	19	79.2	77.9	77.3	-	-	-
Inventories	20	550.3	574.5	506.3	-	-	-
Prepayments		113.5	116.1	137.4	4.9	2.2	7.8
Loans and advances	17	889.6	699.5	171.2	-	-	-
Contract assets	21	181.3	146.7	96.1	-	-	-
Trade receivables	22	1,361.2	1,756.6	1,546.5	2.4	1.7	2.7
Financial assets at amortised costs	16	1,042.0	718.0	654.7	714.4	574.5	339.4
Bank balances and cash	33	1,525.4	1,033.1	1,538.3	99.3	2.8	12.5
Assets classified as held for sale	40	20.2	119.1	91.7	-	-	-
Total current assets		5,762.7	5,241.5	4,819.5	821.0	581.2	362.4
Total assets		38,707.5	36,393.3	33,543.0	9,872.1	9,589.4	8,845.9
EQUITY AND LIABILITIES							
Capital and reserves							
Share capital	23	1,260.2	1,260.2	1,260.2	1,260.2	1,260.2	1,260.2
Reserves	23	8,527.4	9,423.5	9,034.2	3,718.0	4,113.7	3,920.7
Equity attributable to owners of the parent		9,787.6	10,683.7	10,294.4	4,978.2	5,373.9	5,180.9
Non-controlling interests	24	9,483.7	8,561.5	8,211.3	-	-	-
Total equity		19,271.3	19,245.2	18,505.7	4,978.2	5,373.9	5,180.9
Non current liabilities							
Borrowings	27	10,763.2	9,676.5	9,329.6	3,719.9	2,150.0	2,553.5
Liabilities related to contracts with customers	32	155.5	-	-	-	-	-
Deferred tax liabilities	28	832.7	836.6	745.7	-	-	-
Retirement benefit obligations	30	333.2	243.3	219.9	63.1	53.6	47.5
Total non current liabilities		12,084.6	10,756.4	10,295.2	3,783.0	2,203.6	2,601.0
Current liabilities							
Borrowings	27	4,026.4	2,892.3	1,273.8	653.6	1,022.5	196.9
Trade and other payables	31	2,979.7	2,929.4	2,722.4	457.3	823.0	708.3
Liabilities related to contracts with customers	32	291.0	346.4	508.7	-	-	-
Income tax liabilities	29	52.0	54.5	38.8	-	-	-
Dividends payable	26	-	166.4	158.8	-	166.4	158.8
Liabilities directly associated with assets classified as held for sale	40	2.5	2.7	39.6	-	-	-
Total current liabilities		7,351.6	6,391.7	4,742.1	1,110.9	2,011.9	1,064.0
Total liabilities		19,436.2	17,148.1	15,037.3	4,893.9	4,215.5	3,665.0
Total equity and liabilities		38,707.5	36,393.3	33,543.0	9,872.1	9,589.4	8,845.9

The explanatory notes on pages 100 to 183 form an integral part of these financial statements.

Auditors' report on pages 89 to 93.

STATEMENTS OF CHANGES IN EQUITY

Year ended 30 June 2020

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 2018 (as previously stated)		1,260.2	293.8	3,521.5	(183.4)	5,456.6	10,348.7	8,292.9	18,641.6
Effect of prior year restatements	45	-	(142.3)	61.2	-	26.8	(54.3)	(81.6)	(135.9)
At 1 July 2018 (restated)		1,260.2	151.5	3,582.7	(183.4)	5,483.4	10,294.4	8,211.3	18,505.7
Effect on issue of shares		-	-	-	-	-	-	72.6	72.6
Dividends	26	-	-	-	-	(257.1)	(257.1)	(295.9)	(553.0)
Profit for the year		-	-	-	-	616.0	616.0	558.2	1,174.2
Other comprehensive income for the year	9	-	-	43.7	(22.4)	209.3	230.6	4.1	234.7
Transfers		-	2.9	(21.2)	(16.6)	34.9	-	-	-
Movement in non-distributable reserves	14	-	(189.0)	-	-	-	(189.0)	-	(189.0)
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 (restated)		1,260.2	(34.6)	3,605.2	(222.4)	6,075.3	10,683.7	8,561.5	19,245.2
At 1 July 2019 (as previously stated)		1,260.2	268.7	3,526.5	(222.4)	5,992.6	10,825.6	8,644.4	19,470.0
Effect of prior year restatements	45	-	(303.3)	78.7	-	82.7	(141.9)	(82.9)	(224.8)
At 1 July 2019 (restated)		1,260.2	(34.6)	3,605.2	(222.4)	6,075.3	10,683.7	8,561.5	19,245.2
Effect on issue of shares		-	-	-	-	-	-	725.0	725.0
Dividends	26	-	-	-	-	(95.8)	(95.8)	(204.6)	(300.4)
(Loss) Profit for the year		-	-	-	-	(514.6)	(514.6)	96.2	(418.4)
Other comprehensive income for the year	9	-	-	129.3	85.6	(477.4)	(262.5)	291.7	29.2
Transfers		-	-	(130.2)	-	130.2	-	-	-
Changes in ownership interests in subsidiaries that do not result in a loss of control	25	-	-	-	-	(13.9)	(13.9)	13.9	-
Acquisition and deconsolidation of group companies		-	30.8	(29.7)	(46.7)	36.3	(9.3)	-	(9.3)
At 30 June 2020		1,260.2	(3.8)	3,574.6	(183.5)	5,140.1	9,787.6	9,483.7	19,271.3

COMPANY In Rs million	NOTES	Share capital	Revaluation reserves	Retained earnings	Total
At 1 July 2018 (as previously stated)		1,260.2	163.1	3,749.9	5,173.2
Effect of prior year restatements	45	-	7.7	-	7.7
At 1 July 2018 (restated)		1,260.2	170.8	3,749.9	5,180.9
Dividends	26	-	-	(257.1)	(257.1)
Profit for the year		-	-	455.4	455.4
Other comprehensive income for the year	9	-	(6.9)	1.6	(5.3)
At 30 June 2019 (restated)		1,260.2	163.9	3,949.8	5,373.9
At 1 July 2019 (as previously stated)		1,260.2	138.0	4,001.2	5,399.4
Effect of prior year restatements	45		25.9	(51.4)	(25.5)
At 1 July 2019 (restated)		1,260.2	163.9	3,949.8	5,373.9
Dividends	26	-	-	(95.8)	(95.8)
Loss for the year		-	-	(163.5)	(163.5)
Other comprehensive income for the year	9	-	(112.6)	(23.8)	(136.4)
At 30 June 2020		1,260.2	51.3	3,666.7	4,978.2

The explanatory notes on pages 100 to 183 form an integral part of these financial statements.

Auditors' report on pages 89 to 93.

STATEMENTS OF CASH FLOWS

Year ended 30 June 2020

In Rs million	NOTES	GROUP 2020	GROUP 2019 Restated	COMPANY 2020	COMPANY 2019 Restated
OPERATING ACTIVITIES					
Cash generated from (absorbed by) operations	34	693.1	(47.1)	(122.8)	(80.3)
Income tax paid	29	(117.6)	(104.7)	-	-
Net cash flows from (used in) operating activities		575.5	(151.8)	(122.8)	(80.3)
INVESTING ACTIVITIES					
Dividends received		129.5	134.8	380.6	465.6
Deposit on investments		-	-	-	(295.7)
Purchase of financial assets		(14.1)	-	-	-
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		110.0	53.2	-	-
Proceeds on disposal of associated companies		-	1.3	-	1.3
Interest received		209.7	86.8	17.3	16.8
Difference in exchange		181.1	8.7	-	-
Purchase of investment property and property, plant and equipment		(942.4)	(1,034.8)	(11.6)	(9.7)
Proceeds from sale of investment property and property, plant and equipment		12.5	39.2	0.7	0.8
Purchase of intangible assets		(50.6)	(40.5)	(4.6)	(5.7)
Loans granted		-	-	(372.8)	(198.9)
Loans recovered		-	-	18.3	315.5
Purchase of investment in jointly controlled entities and associated companies		-	(128.4)	-	-
Acquisition of subsidiaries net of cash	35	(26.5)	(109.9)	-	-
Deconsolidation of subsidiaries net of cash	36	8.5	2.2	-	-
Net cash flows (used in) from investing activities		(382.3)	(943.9)	27.9	290.0
FINANCING ACTIVITIES					
Proceeds from borrowings		7,422.9	2,855.6	2,488.4	188.3
Repayment of borrowings		(6,166.0)	(1,394.8)	(898.0)	(255.5)
Proceeds from loans and advances		-	-	1,156.0	1,483.1
Repayment of loans and advances		-	-	(2,002.3)	(1,332.0)
Rent paid		(178.8)	-	(9.3)	-
Interest paid		(554.0)	(561.1)	(164.2)	(170.9)
Dividends paid to shareholders of Rogers and Company Limited		(262.1)	(249.5)	(262.1)	(249.5)
Dividends paid to outside shareholders of subsidiary companies		(308.2)	(179.8)	-	-
Proceeds from issue of shares by subsidiary companies to non-controlling interests		688.3	35.5	-	-
Net cash flows from (used in) financing activities		642.1	505.9	308.5	(336.5)
Net increase (decrease) in cash and cash equivalents		835.3	(589.8)	213.6	(126.8)
Cash and cash equivalents - opening		267.6	866.5	(114.3)	12.5
Effects of exchange rate on cash and cash equivalents		(47.9)	(9.1)	-	-
Cash and cash equivalents - closing	33	1,055.0	267.6	99.3	(114.3)

The explanatory notes on pages 100 to 183 form an integral part of these financial statements.

Auditors' report on pages 89 to 93.

EXPLANATORY NOTES

30 June 2020

1. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted are disclosed below and in the individual notes to the financial statements:

(a) Basis of preparation

The financial statements comply with the requirements of the Companies Act 2001, the Financial Reporting Act 2004 and have been prepared in accordance with International Financial Reporting Standards ("IFRS") under the going concern basis. 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 Rogers and Company Limited (The Company) and its subsidiary companies (collectively referred to as The Group) and the separate financial statements of the Company. The financial statements are presented in Mauritian Rupees and all values are rounded to nearest million (Rs million) and to one decimal place, 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;
- financial assets at fair value through profit or loss are carried at fair value;
- other financial assets are stated at amortised cost;
- consumable biological assets are valued at fair value; and
- financial liabilities are stated at amortised cost.

Note 1 sets out the accounting policies that relate to the financial statements as a whole. The accounting policies apply to both Group and Company unless otherwise stated. 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 did not have a material impact on the Group's financial statements except for IFRS 16 - Leases.

IFRS 16 Leases

The Group has applied IFRS 16 Leases with effect from 1 July 2019 using the modified retrospective approach. Comparative information has therefore not been restated and continues to be reported under IAS 17 Leases and IFRIC 4 Determining whether an arrangement contains a lease.

Policy effective from 1 July 2019 (IFRS 16)

At inception, the Group assesses whether a contract is, or contains, a lease and that the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A contract conveys the right to control the use of an identified asset when:

- the contract involves the use of an identified asset, explicitly or implicitly specified, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset by having the right to decision-making related to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocate the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

On transition to IFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after 1 July 2019.

The Group used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17.

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Adjusted the right of use assets by the amount of IAS 37 onerous contract provision immediately before the date of initial application, as an alternative to an impairment review.
- Applied the exemption not to recognise right of use assets and liabilities for leases with less than 12 months of lease term and of low value assets.
- Excluded initial direct costs from measuring the right of use assets at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

1. PRINCIPAL ACCOUNTING POLICIES (CONTD)

(a) Basis of preparation (contd)

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

IFRS 16 Leases (contd)

Policy effective before 1 July 2019 (IAS 17)

Prior to 1 July 2019, the determination of whether an arrangement was, or contained, a lease was based on the substance of the arrangement at inception date of whether the fulfilment of the arrangement was dependent on the use of a specific asset or assets or the arrangement conveyed a right to use the asset. A reassessment was made after inception of the lease only if one of the following applied:

(a) there was a change in contractual terms, other than a renewal or extension of the arrangement;

(b) a renewal option was exercised or extension granted, unless the term of the renewal or extension was then initially included in the lease term;

(c) there was a change in the determination of whether fulfilment was dependent on a specified asset; or

(d) there was a substantial change to the asset.

Where a reassessment was made, lease accounting was to be commenced or ceased from the date when the change in circumstances gave rise to the reassessment for scenarios (a), (c) or (d) and at the date of renewal or extension period for scenario (b).

The impact of changes of the Group's transition to IFRS 16 is disclosed in note 44 and details with respect to right of use assets and lease liabilities are as given in note 10 property plant and equipment assets and 27 borrowings respectively.

IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 clarifies the accounting for income tax treatments that have yet to be accepted by tax authorities. Specifically, IFRIC 23 provides clarity on how to incorporate this uncertainty into the measurement of tax as reported in the financial statements. IFRIC 23 does not introduce any new disclosures but reinforces the need to comply with existing disclosure requirements about judgements made, assumptions and other estimates used and the potential impact of uncertainties that are not reflected.

Prepayment Features with Negative Compensation (Amendments to IFRS 9)

The amendments clarify that financial assets containing prepayment features with negative compensation can now be measured at amortised cost or at fair value through other comprehensive income ("FVOCI") if they meet the other relevant requirements of IFRS 9.

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

The amendments clarify that an entity applies IFRS 9 to long-term interests in an associate and joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

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

The IASB's amendments to IAS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, it is now mandatory for entities to use the updated actuarial assumptions to determine the current service cost and net interest for the period; and the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income.

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

Certain Standards, Amendments to published standards and interpretations are effective for annual periods beginning on or after 1 July 2019 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 except for COVID-19 - Related Rent Concessions - Amendment to IFRS 16 issued on 28 May 2020.

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

Amendments to References to Conceptual Framework in IFRS Standards

The IASB revised the Conceptual Framework because certain important issues were not covered and certain guidance was unclear or out of date. The revised Conceptual Framework, issued by the IASB in March 2018, includes a new chapter on measurement; guidance on reporting financial performance; improved definitions of an asset and a liability, and guidance supporting these definitions; and clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

The IASB also updated references to the Conceptual Framework in IFRS Standards by issuing Amendments to References to the Conceptual Framework in IFRS Standards. This was done to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction.

Although we expect this to be rare, some companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of the effective date, unless the new guidance contains specific scope outs.

The amendments are effective for annual periods beginning on or after 1 January 2020 and are not expected to have a significant impact on the Group's financial statements.

EXPLANATORY NOTES

30 June 2020

1. PRINCIPAL ACCOUNTING POLICIES (CONTD)

(a) Basis of preparation (contd)

Standards, Amendments to published standards and Interpretations issued but not yet effective (contd)

Definition of a Business (Amendments to IFRS 3)

Defining a business is important because the financial reporting requirements for the acquisition of a business are different from the requirements for the purchase of a group of assets that does not constitute a business. The proposed amendments are intended to provide entities with clearer application guidance to help distinguish between a business and a group of assets when applying IFRS 3.

In October 2018, the IASB issued this amendment to make it easier for companies to decide whether activities and assets they acquire are a business or merely a group of assets. The amendments:

- confirm that a business must include inputs and a process, and clarified that: (i) the process must be substantive and (ii) the inputs and process must together significantly contribute to creating outputs;
- narrow the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs; and
- add a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

The amendments are effective for annual periods beginning on or after 1 January 2020 and are not expected to have a significant impact on the Group's financial statements.

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

The IASB refined its definition of material to make it easier to understand. It is now aligned across IFRS Standards and the Conceptual Framework. The changes in Definition of Material (Amendments to IAS 1 and IAS 8) all relate to a revised definition of 'material' which is quoted below from the final amendments.

"Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The IASB has also removed the definition of material omissions or misstatements from IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The amendments are effective from 1 January 2020 but may be applied earlier. However, the IASB does not expect significant change – the refinements are not intended to alter the concept of materiality.

Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)

Amendments to IFRS 9, IAS 39 and IFRS 7 have now been issued to address uncertainties related to the ongoing reform of interbank offered rates ("IBOR"). The amendments provide targeted relief for financial instruments qualifying for hedge accounting in the lead up to IBOR reform.

The amendments address issues affecting financial reporting in the period leading up to IBOR reform, are mandatory and apply to all hedging relationships directly affected by uncertainties related to IBOR reform.

The amendments are effective for annual periods beginning on or after 1 January 2020 and are not expected to have a significant impact on the Group's financial statements.

Classification of liabilities as current or non-current (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged.

The amendments are effective for annual periods beginning on or after 1 January 2023 and are not expected to have a significant impact on the Group's financial statements.

IFRS 17 Insurance Contracts

IFRS 17 supersedes IFRS 4 Insurance Contracts and aims to increase comparability and transparency about profitability. The new standard introduces a new comprehensive model ("general model") for the recognition and measurement of liabilities arising from insurance contracts. In addition, it includes a simplified approach and modifications to the general measurement model that can be applied in certain circumstances and to specific contracts, such as reinsurance contracts held; direct participating contracts; and investment contracts with discretionary participation features.

Under the new standard, investment components are excluded from insurance revenue and service expenses. Entities can also choose to present the effect of changes in discount rates and other financial risks in profit or loss or other comprehensive income.

The new standard includes various new disclosures and requires additional granularity in disclosures to assist users to assess the effects of insurance contracts on the entity's financial statements.

The entity is in the process of determining the impact of IFRS 17 and will provide more detailed disclosure on the impact in future financial statements.

The standard is effective for annual periods beginning on or after 1 January 2023 (was initially 1 January 2021 but has been delayed by the IASB), early adoption is permitted. The Group is currently assessing the impact of IFRS 17 on the accounting of its investments in associated company, Swan General Ltd.

1. PRINCIPAL ACCOUNTING POLICIES (CONTD)

(a) Basis of preparation (contd)

Standards, Amendments to published standards and Interpretations issued but not yet effective (contd)

COVID-19 Related Rent Concessions (Amendment to IFRS 16)

The Group has early adopted COVID-19-Related Rent Concessions – Amendment to IFRS 16 issued on 28 May 2020. The amendment introduces an optional practical expedient for leases in which the Group is a lessee, i.e. for leases to which the Group applies the practical expedient, the Group is not required to assess whether eligible rent concessions that are a direct consequence of the COVID-19 coronavirus pandemic are lease modifications. The Group has applied the amendment retrospectively. The amendment has no impact on retained earnings at 1 July 2019.

(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 financial statements 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 identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the identifiable net assets acquired, the difference is recognised in the Statements of Profit or Loss for 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 Company'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 within translation reserves.

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

EXPLANATORY NOTES

30 June 2020

1. PRINCIPAL ACCOUNTING POLICIES (CONTD)

(f) Derivative financial instruments

Derivatives which comprise foreign exchange forward contracts are initially recognised at fair value on the dates the derivatives contracts are entered into and are subsequently remeasured 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.

(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 following notes:

Judgements

Note 13 - Investment in subsidiary companies: whether the Group has de facto control over an investee;

Note 14 - Investment in jointly controlled entities and associated companies: whether the Group has significant influence over an investee; and

Note 46 - Going Concern: Whether the Group as a whole has adequate resources to continue in operation for a period of 12 months from the date of approval of the financial statements.

Assumptions and estimation uncertainties

Note 10 - Property, plant and equipment: determining the fair value of property, plant and equipment as part of the revaluation exercise carried out every 3 years;

Note 11 - Investment properties: determining the fair value of investment property;

Note 12 - Intangible assets: impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts;

Note 15 - Investment in financial assets at fair value: determining the fair value of investments in financial asset on the basis of significant unobservable inputs;

Note 17 - Loan and advances: measurement of ECL allowance for loans and advances: key assumptions in determining the inputs to the ECL model;

Note 19 - Consumable biological assets: determining the fair value of biological assets on the basis of significant unobservable inputs;

Note 21 - Contract assets: measurement of ECL allowance for contract assets: key assumptions in determining the weighted-average loss rate;

Note 22 - Trade receivables: measurement of ECL allowance for trade receivables: key assumptions in determining the weighted-average loss rate;

Note 28 - Deferred tax liabilities: recognition of deferred tax assets/liabilities: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised; and

Note 30 - Retirement benefit assets/obligations: measurement of defined benefit assets/obligations: key actuarial assumptions.

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 economic 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.

30 June 2019 Restated			GROUP			COMPANY
In Rs million	EURO	USD	GBP	Rs & others	Total	Rs & others
Non current financial assets	-	56.2	-	1,522.6	1,578.8	583.0
Non current financial liabilities	(1,051.7)	(465.0)	(33.0)	(8,126.8)	(9,676.5)	(2,150.0)
Long term exposure	(1,051.7)	(408.8)	(33.0)	(6,604.2)	(8,097.7)	(1,567.0)
Current financial assets	736.0	456.4	16.3	2,998.5	4,207.2	579.0
Current financial liabilities	(505.4)	(1,197.7)	-	(4,285.0)	(5,988.1)	(2,011.9)
Short term exposure	230.6	(741.3)	16.3	(1,286.5)	(1,780.9)	(1,432.9)
Total exposure	(821.1)	(1,150.1)	(16.7)	(7,890.7)	(9,878.6)	(2,999.9)
30 June 2020						
Non current financial assets	-	59.9	-	1,699.3	1,759.2	496.6
Non current financial liabilities	(65.6)	(378.2)	(22.6)	(10,296.8)	(10,763.2)	(3,719.9)
Long term exposure	(65.6)	(318.3)	(22.6)	(8,597.5)	(9,004.0)	(3,223.3)
Current financial assets	484.4	340.4	0.9	3,992.5	4,818.2	816.1
Current financial liabilities	(654.2)	(1,104.6)	(25.1)	(5,222.2)	(7,006.1)	(1,110.9)
Short term exposure	(169.8)	(764.2)	(24.2)	(1,229.7)	(2,187.9)	(294.8)
Total exposure	(235.4)	(1,082.5)	(46.8)	(9,827.2)	(11,191.9)	(3,518.1)

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) below.

(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	2020	2019	2020	2019
Profit for the year (+ / -)	13.6	19.9	-	-
Equity (+ / -)	13.6	19.9	-	-

(b) Interest rate risk

The Group's income and operating cash flows are influenced by changing market interest rates. The Group's borrowings and lending 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	2020	2019	2020	2019
Profit for the year (+ / -)	38.5	31.4	10.8	7.9
Equity (+ / -)	38.5	31.4	10.8	7.9

(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, contract assets, trade receivables and cash and cash equivalents. The maximum exposure to credit risk at the reporting date is limited the fair value of each class of receivable net of any collateral held. In view of managing its credit risks, the Group has an established credit policy whereby new customers are individually analysed for creditworthiness 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. Further disclosures on credit risk and expected credit losses ("ECL") are provided in the following notes: Note 16 - Financial assets at amortised costs, Note 17 - Loans and advances, Note 21 - Contract assets, Note 22 - Trade receivables and Note 33 - Cash and cash equivalents.

Concentration of credit risk

The Group operates in diverse sectors and has a wide spread portfolio of customers and credit exposures. As such, the Directors consider that there is not significant concentration of credit risk for the Group.

EXPLANATORY NOTES

30 June 2020

2. FINANCIAL RISK MANAGEMENT (CONTD)

(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. The remaining contractual maturities for financial liabilities are provided in the following notes: note 26 - Dividends, note 27 - Borrowings, note 31 - Trade and other payables and note 32 - Liabilities related to contracts with customers.

(e) Derivative financial instruments

At 30 June 2020, the Group had foreign exchange contracts for a notional amount of Rs 204.2m (2019: Rs 537.1m) and a corresponding fair value of Rs 216.6m (2019: Rs 536.1m).

(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.

	GROUP		COMPANY	
In Rs million	2020	2019 Restated	2020	2019 Restated
Debt	14,789.6	12,568.8	4,373.5	3,172.5
Equity	19,271.3	19,245.2	4,978.2	5,373.9
Debt/equity ratio	0.77	0.65	0.88	0.59

(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) in equity by Rs 0.4m (2019: Rs 6.2m).

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.

(h) Risk associated with the Group's agricultural activities

The Group is exposed to the following risks associated with its agricultural activities namely standing crop, deer farming and palm trees.

(i) Regulatory and environmental risk

The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws.

(ii) Demand and supply risk

The Group is exposed to risks arising from fluctuations in the price and sales volume of standing crop, deer farming and palm trees. When possible, the Group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing.

(iii) Climate and other risk

The Group's standing crop and palm trees plantations and deer farming are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular forest health inspections and industry pest and disease surveys. The Group is also insured against natural disasters such as forest fires, floods and cyclones.

3. REVENUE

Accounting policy

The Group generates revenue primarily from the sale of goods and sale of services made to customers, management fees and fees and commissions. Other sources of income include rental income from owned and leased investment properties, interest income and investment income.

Revenue from contracts with customers

Sale of goods and sale of services

Performance obligations

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, consumer finance businesses, information technology and payroll. The Hospitality served market sells activities relating to boat cruises, catamaran, sightseeing, golf, general sales agency services for airlines, hotel and spa services, online tour operators and travel agencies. 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 in agriculture and leisure activities, construction and sale of villas, property investment and rental pool management company.

Timing of revenue recognition

Revenue generated from the sale of goods and sale of services defined above are recognised either at a point in time or on an over time basis depending on 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.

Determining transactions price

The transaction price of the Group's revenue streams is mostly derived from fixed price contracts and terms and therefore the amount of revenue to be earned from each activity is determined by reference to their respective prices.

Allocating amounts to performance obligations

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

Other revenues from contract with customers earned by the Group are recognised on the following bases:

Fee and commissions

Fee and commission income that are integral to the effective interest rate on a financial asset or financial liability are included in the effective interest rate.

Other fee and commission income - including account servicing fees - is recognised overtime as the related services are performed.

Management fees

Management fees are recognised when the control of services is transferred to the customer at an amount that reflects the condition to which the Group expects to be entitled in exchange of those services.

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3. REVENUE (CONTD)

Accounting policy (contd)

Other sources of income include:

Rental income

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

Investment income

Investment income is accrued when the shareholders' right to receive payment is established.

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. For financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial assets. If the assets are no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

	GROUP		COMPANY	
	2020	2019	2020	2019
In Rs million		Restated		
Revenue is made up of				
Sales of goods	1,467.8	1,665.1	-	-
Sales of services	6,997.0	7,873.8	-	-
Fees and commissions	239.3	301.5	-	-
Management fees and other income	237.7	289.2	210.4	227.5
Revenue from contracts with customers	8,941.8	10,129.6	210.4	227.5
Rental income	17.6	19.9	22.2	27.4
Investment income from equity investments in financial assets at fair value through profit or loss	1.0	1.7	-	-
Investment income from equity investments in financial assets at fair value through other comprehensive income held during the reporting period	3.3	6.1	3.3	6.1
Investment income from subsidiaries, jointly controlled entities and associates	-	-	321.5	459.1
Interest income	205.6	89.3	17.3	19.1
Total revenue	9,169.3	10,246.6	574.7	739.2

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

4. PROFIT FROM OPERATIONS BEFORE IMPAIRMENT LOSSES AND FINANCE COSTS

	GROUP		COMPANY	
	2020	2019	2020	2019
In Rs million		Restated		
Revenue (note 3)	9,169.3	10,246.6	574.7	739.2
Sundry income	7.5	5.5	0.7	0.6
Total income	9,176.8	10,252.1	575.4	739.8
Changes in inventories of finished goods and work in progress	141.3	41.0	-	-
Cost of raw materials, consumables and outsourced services	(3,874.3)	(4,423.3)	-	-
Employee benefits expense:				
Wages, salaries and related expense	(2,172.1)	(2,387.6)	(144.3)	(178.1)
Pension plans and other retirement benefit costs	(112.1)	(103.3)	(19.3)	(18.5)
Depreciation and amortisation (notes 10, 12 and 18)	(728.2)	(551.4)	(17.9)	(9.1)
Foreign exchange differences	(71.6)	70.9	0.1	-
Fair value gain from equity instruments in financial assets at fair value through profit or loss (note 15)	(26.1)	7.9	-	-
Other expenses and services including professional services	(1,466.0)	(1,524.5)	(134.3)	(139.4)
Profit from operations before finance costs	867.7	1,381.8	259.7	394.7

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.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability.

	GROUP		COMPANY	
	2020	2019	2020	2019
In Rs million		Restated		
The finance costs are on				
Bank overdrafts	29.8	34.8	0.5	0.5
Bank loans & other loans repayable by instalments	367.9	403.4	15.6	21.6
Bank loans & other loans not repayable by instalments	157.4	127.3	164.3	148.8
Finance leases	6.6	5.2	-	-
Lease liabilities related to right of use assets	66.5	-	4.4	-
Total finance costs	628.2	570.7	184.8	170.9

6. EXCEPTIONAL ITEMS

Accounting policy

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

	GROUP		COMPANY	
	2020	2019	2020	2019
In Rs million		Restated		
Gain on bargain purchase (see (a))	4.9	9.2	-	-
Impairment of goodwill (see (b)(ii))	-	(14.1)	-	-
Impairment of subsidiaries and associates (see (b)(i))	-	-	(277.7)	
Amortisation of market related intangibles (see (c))	(37.6)	(37.6)	-	-
Profit (loss) on disposal of group entities (see (d))	7.6	(13.9)	-	276.8
Profit on sale of properties (see (e))	4.7	6.7	-	-
Total exceptional items	(20.4)	(49.7)	(277.7)	276.8

(Loss) profit in 2020 arose mainly from:

(a) The excess of fair valuation of net assets over consideration price following the acquisition of 100% holding in Cheribinny Limited by Rogers Capital Finance Ltd, a subsidiary company.

(b)(i) The Company accounts for investment in subsidiaries and associates at cost. At the end of the financial year, the carrying amount of two subsidiaries and one associate exceeds their recoverable amounts. The decrease in value of the investments has been recognised against the cost of investment and reported as impairment in the Statements of Profit or Loss. Details on impairment has been disclosed as part of note 13 investment in subsidiaries and note 14 investment in jointly controlled entities and associated companies.

(c) Market related intangibles, as determined by the purchase price allocation exercise performed on acquired companies, have been amortised over the lifetime of the asset.

(d) Profit on disposal of its investment in the subsidiary, Rogers Capital Actuarial Services Limited and investment in the associated company, ESP Landscapers.

(e) The disposal of properties by Agria Limited, a subsidiary company.

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

(c) Market related intangibles, as determined by the purchase price allocation exercise performed on acquired companies, have been amortised over the lifetime of the asset.

(d) (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.

(e) The disposal of properties by Agria Limited (previously known as Cie Sucrière de Bel Ombre Ltd), a subsidiary company.

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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 base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred 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 tax is determined using tax rates (and laws) that have been enacted to apply when the related deferred tax asset is realised or the deferred 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.

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 financial statements. 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	
	2020	2019	2020	2019
In Rs million		Restated		
Charge for the year				
(15% - 35%) - (2019: 15% - 35%)	104.1	110.3	-	-
Corporate Social Responsibility (2%)	10.1	8.6	-	-
Under provision in previous years	0.6	0.7	-	-
Movement in deferred taxation (note 28)	(19.2)	91.3	-	-
Taxation charge for the year	95.6	210.9	-	-

The effective tax rate differs from that determined by applying the statutory income tax rate to profit (loss) 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.

7. TAXATION (CONTD)

	GROUP		COMPANY	
	2020	2019 Restated	2020	2019 Restated
	%	%	%	%
Reconciliation of effective tax rate is as follows				
Tax rate applicable	15.0	15.0	15.0	15.0
Allowable and non-allowable tax items	(37.0)	(11.6)	(15.0)	(15.1)
Corporate Social Responsibility tax	(6.7)	0.8	-	-
Tax losses utilised	(11.4)	(5.3)	-	-
Unrecognised tax losses	(37.9)	9.5	-	0.1
Effect of different tax rates	1.8	2.0	-	-
Deferred tax impact	12.7	8.0	-	-
Effective tax rate	(63.5)	18.4	-	-

(i) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profits will be available against which the Group can use the benefits therefrom.

	GROUP		COMPANY	
In Rs million	2020	2019	2020	2019
Unused tax losses available to offset against future profits	1,468.7	1,283.0	136.1	177.3
The tax losses expire on a rolling basis over 5 years as follows:				
Year 1	151.2	150.0	-	104.2
Year 2	241.1	151.2	-	-
Year 3	352.3	229.4	14.2	-
Year 4	343.1	346.0	58.9	14.2
Year 5	381.0	406.4	63.0	58.9
	1,468.7	1,283.0	136.1	177.3

(ii) Allowable and non-allowable tax items comprise mostly of depreciation of property, plant and equipment, amortisation of intangible assets and loss on foreign exchange and income not subject to tax which mainly includes dividends received and interest income.

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 Group 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. At the reporting date, the Group did not have shares with dilutive effects in issue (2019: nil).

GROUP In Rs million	2020	2019 Restated
Basic and diluted earnings per share:		
(Loss) profit attributable to owners of the parent	(514.6)	616.0
Adjustments for exceptional items	14.6	42.8
(Loss) profit attributable to the owners of the parent before exceptional items	(500.0)	658.8
Number of shares in issue	252,045,300	252,045,300
(Loss) earnings per share (in Rs)	(2.04)	2.44
(Loss) earnings per share (excluding exceptional items) (in Rs)	(1.98)	2.61

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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 2020						
Gains arising during the year (note 10)	338.6	-	-	338.6	335.1	673.7
Deferred tax on revaluation of land and buildings	(9.1)	-	-	(9.1)	(9.8)	(18.9)
Gains on property revaluation	329.5	-	-	329.5	325.3	654.8
Losses arising during the year (note 15)	(112.4)	-	-	(112.4)	-	(112.4)
Losses on financial assets at fair value through other comprehensive income	(112.4)	-	-	(112.4)	-	(112.4)
Losses arising during the year (note 30)	-	-	(44.7)	(44.7)	(27.1)	(71.8)
Deferred tax on post employment benefit obligations (note 28)	-	-	2.4	2.4	1.6	4.0
Remeasurement of post employment benefit obligations	-	-	(42.3)	(42.3)	(25.5)	(67.8)
Share of other comprehensive income of associated companies (note 14)	(87.8)	-	(435.1)	(522.9)	2.8	(520.1)
Other comprehensive income that will not be reclassified to profit or loss	129.3	-	(477.4)	(348.1)	302.6	(45.5)
Exchange differences on translating foreign entities	-	(11.3)	-	(11.3)	(11.4)	(22.7)
Share of other comprehensive income of associated companies (note 14)	-	96.9	-	96.9	0.5	97.4
Other comprehensive income that may be reclassified subsequently to profit or loss	-	85.6	-	85.6	(10.9)	74.7
Other comprehensive income for the year ended 30 June 2020, net of tax	129.3	85.6	(477.4)	(262.5)	291.7	29.2

In Rs million	Revaluation reserves	Translation reserves	Retained earnings	Attributable to owners of the parent	Non-controlling interests	Total
30 June 2019 Restated						
(Losses) gains arising during the year (note 15)	(5.0)	-	-	(5.0)	0.6	(4.4)
(Losses) gains on financial assets at fair value through other comprehensive income	(5.0)	-	-	(5.0)	0.6	(4.4)
Losses arising during the year (note 30)	-	-	(12.2)	(12.2)	(9.0)	(21.2)
Deferred tax on post employment benefit obligations (note 28)	-	-	0.4	0.4	-	0.4
Remeasurement of post employment benefit obligations	-	-	(11.8)	(11.8)	(9.0)	(20.8)
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	43.7	-	202.2	245.9	(8.4)	237.5
Exchange differences on translating foreign entities	-	2.1	-	2.1	12.1	14.2
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)	7.1	(17.5)	-	(17.5)
Other comprehensive income that may be reclassified subsequently to profit or loss	-	(22.4)	7.1	(15.3)	12.5	(2.8)
Other comprehensive income for the year ended 30 June 2019, net of tax	43.7	(22.4)	209.3	230.6	4.1	234.7

COMPANY In Rs million	Revaluation reserves	Retained earnings	Total
30 June 2020			
Losses on financial assets at fair value through other comprehensive income (note 15)	(112.6)	-	(112.6)
Gains arising on remeasurement of post employment benefit obligations (note 30)	-	(23.8)	(23.8)
Other comprehensive income that will not be reclassified to profit or loss	(112.6)	(23.8)	(136.4)
Other comprehensive income for the year ended 30 June 2020	(112.6)	(23.8)	(136.4)
30 June 2019 Restated			
Losses on financial assets at fair value through other comprehensive income (note 15)	(6.9)	-	(6.9)
Gains arising on remeasurement of post employment benefit obligations (note 30)	-	1.6	1.6
Other comprehensive income that will not be reclassified to profit or loss	(6.9)	1.6	(5.3)
Other comprehensive income for the year ended 30 June 2019	(6.9)	1.6	(5.3)

10. PROPERTY, PLANT AND EQUIPMENT

Accounting policy

In Rs million	GROUP 2020	GROUP 2019 Restated	COMPANY 2020	COMPANY 2019
Items of property plant and equipment include:				
Fixed assets (see note (a))	10,498.6	9,788.8	14.6	15.9
Rights of use assets (see note (b))	1,036.4	-	71.7	-
Property, plant and equipment	11,535.0	9,788.8	86.3	15.9

(a) Fixed assets

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 on a periodic basis. The latest valuation was performed in June 2020. All fair valuations are categorised in 'level 3' as per IFRS 13 definition.

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 of 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.

At each reporting date, the Group reviews the carrying amount of its property, plant and equipment to determine whether there is any indication of impairment. If such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its 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.

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10. PROPERTY, PLANT AND EQUIPMENT (CONTD)

(a) Fixed assets (contd)

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 over their estimated useful lives as follows:

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

Depreciation is recognised in profit or loss.

The asset's 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.

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 income approach and depreciated replacement cost approach are 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 life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

The depreciation 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.

10. PROPERTY, PLANT AND EQUIPMENT (CONTD)

(a) Fixed assets (contd)

GROUP In Rs million	Land and buildings	Plant and equipment	Vehicles	Bearer plants	Total
Cost or valuation					
At 1 July 2018 (as previously stated)	8,644.0	2,981.7	407.5	83.0	12,116.2
Effect of prior year restatements (note 45)	(122.5)	(347.0)	(13.9)	-	(483.4)
At 1 July 2018 (restated)	8,521.5	2,634.7	393.6	83.0	11,632.8
Additions	476.4	399.0	53.3	-	928.7
Disposals	(16.6)	(199.1)	(33.3)	-	(249.0)
Impairment losses	-	(3.9)	-	-	(3.9)
Exchange differences	2.0	0.5	-	-	2.5
Transfers	-	2.0	-	-	2.0
At 30 June 2019 (restated)	8,983.3	2,833.2	413.6	83.0	12,313.1
Additions	224.1	295.1	72.5	-	591.7
Disposals	(98.4)	(97.8)	(35.6)	-	(231.8)
Revaluation adjustment	652.7	-	-	-	652.7
Impairment losses	(26.4)	(6.1)	-	-	(32.5)
Exchange differences	18.4	24.9	(4.0)	-	39.3
Transfers	24.5	-	-	-	24.5
Acquisition of subsidiaries (note 35)	-	0.7	-	-	0.7
At 30 June 2020	9,778.2	3,050.0	446.5	83.0	13,357.7
Depreciation and impairment					
At 1 July 2018 (as previously stated)	210.6	2,155.8	264.0	71.0	2,701.4
Effect of prior year restatements (note 45)	(18.4)	(357.0)	(18.9)	-	(394.3)
At 1 July 2018 (restated)	192.2	1,798.8	245.1	71.0	2,307.1
Charge for the year	140.9	232.6	48.6	3.0	425.1
Disposal adjustment	-	(175.8)	(28.4)	-	(204.2)
Impairment losses	-	(3.9)	-	-	(3.9)
Exchange differences	-	0.2	-	-	0.2
At 30 June 2019 (restated)	333.1	1,851.9	265.3	74.0	2,524.3
Charge for the year	151.7	256.5	55.7	3.0	466.9
Disposal adjustment	-	(92.5)	(31.6)	-	(124.1)
Revaluation adjustment	(21.0)	-	-	-	(21.0)
Impairment losses	-	(6.1)	-	-	(6.1)
Exchange differences	0.1	21.3	(2.6)	-	18.8
Acquisition of subsidiaries (note 35)	-	0.3	-	-	0.3
At 30 June 2020	463.9	2,031.4	286.8	77.0	2,859.1
Carrying value					
At 30 June 2020	9,314.3	1,018.6	159.7	6.0	10,498.6
At 30 June 2019 (restated)	8,650.2	981.3	148.3	9.0	9,788.8
Carrying value of assets pledged					
At 30 June 2020	2,830.4	-	-	-	2,830.4
At 30 June 2019 (restated)	2,889.1	-	-	-	2,889.1

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10. PROPERTY, PLANT AND EQUIPMENT (CONTD)

(a) Fixed assets (contd)

COMPANY In Rs million	Land and buildings	Plant and equipment	Vehicles	Total
Cost or valuation				
At 1 July 2018	3.7	175.3	42.4	221.4
Additions	-	2.4	1.3	3.7
Disposals	-	(61.9)	(6.4)	(68.3)
Impairment losses	-	(3.9)	-	(3.9)
At 30 June 2019	3.7	111.9	37.3	152.9
Additions	-	1.6	7.3	8.9
Disposals	-	(3.6)	(7.7)	(11.3)
At 30 June 2020	3.7	109.9	36.9	150.5
Depreciation and impairment				
At 1 July 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 losses	-	(3.9)	-	(3.9)
At 30 June 2019	3.7	108.5	24.8	137.0
Charge for the year	-	2.1	6.8	8.9
Disposal adjustment	-	(3.6)	(6.4)	(10.0)
At 30 June 2020	3.7	107.0	25.2	135.9
Carrying value				
At 30 June 2020	-	2.9	11.7	14.6
At 30 June 2019	-	3.4	12.5	15.9
Carrying value of assets pledged				
At 30 June 2020	-	2.9	11.7	14.6
At 30 June 2019	-	3.4	12.5	15.9

	In Rs million	GROUP 2020	GROUP 2019 Restated	COMPANY 2020	COMPANY 2019
(i)	Land and buildings represent				
	Freehold land and buildings	9,688.0	8,370.5	3.7	3.7
	Buildings standing on leasehold land	90.2	612.8	-	-
	Land and buildings	9,778.2	8,983.3	3.7	3.7
	On the Cost basis, these properties would have been as follows:				
	Cost	3,818.9	3,702.0	3.7	3.7
	Accumulated depreciation	(1,300.7)	(1,159.8)	(3.7)	(3.7)
	Carrying value	2,518.2	2,542.2	-	-
(ii)	**Assets held under operating lease as lessor**				
	Plant and equipment	0.6	0.6	-	-
	Vehicles	49.1	29.7	-	-
	Cost	49.7	30.3	-	-
	Plant and equipment	0.2	0.1	-	-
	Vehicles	9.4	6.1	-	-
	Accumulated depreciation	9.6	6.2	-	-
	Plant and equipment	0.4	0.5	-	-
	Vehicles	39.7	23.6	-	-
	Carrying value	40.1	24.1	-	-

10. PROPERTY, PLANT AND EQUIPMENT (CONTD)

(b) Rights of use assets

Accounting policy

The Group has applied IFRS 16 Leases using the modified retrospective approach and therefore comparative has not been restated and continues to be reported under IAS 17 Leases and IFRIC 4 Determining whether an arrangement contains a Lease. The details of the impact of changes are disclosed in Note 44 changes in accounting policies.

The Group recognises a right of use asset and a corresponding lease liability at commencement date at which the leased asset is available for use.

The Group presents right of use assets that do not meet the definition of investment property as property, plant and equipment.

The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Depreciation

The depreciation period for right of use assets held by the Group are as described below

Land	1 - 60 years
Buildings	1 - 11 years
Plant and equipment	4 - 10 years
Motor vehicles	1 - 9 years

Short-term leases and leases of low-value assets

The Group has elected not to recognise right of use assets and the corresponding lease liabilities for short-term leases and low-value assets. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. The Group applies the exemption for low value assets on a lease by lease basis. While short term leases are leases with a term of twelve months or less, low-value assets are comprise of IT equipment including computers, mobile phones and small office equipment.

GROUP In Rs million	Land and buildings	Plant and equipment	Vehicles	Total
Cost				
At 1 July 2019 (as previously stated)	-	-	-	-
Adjustment on initial application of IFRS 16 - Leases (note 44)	990.1	73.1	20.4	1,083.6
At 1 July 2019 (restated)	990.1	73.1	20.4	1,083.6
Additions	111.1	0.9	3.0	115.0
Termination of lease contracts	(2.1)	-	-	(2.1)
Straight-lining of income	(3.3)	-	-	(3.3)
At 30 June 2020	1,095.8	74.0	23.4	1,193.2
Depreciation and impairment				
Charge for the year	128.6	20.0	8.2	156.8
At 30 June 2020	128.6	20.0	8.2	156.8
Carrying value				
At 30 June 2020	967.2	54.0	15.2	1,036.4

COMPANY In Rs million	Land and buildings
Cost	
At 1 July 2019 (as previously stated)	-
Adjustment on initial application of IFRS 16 - Leases (note 44)	80.4
At 1 July 2019 (restated)	80.4
Additions	-
At 30 June 2020	80.4
Charge for the year	8.7
At 30 June 2020	8.7
Carrying value	
At 30 June 2020	71.7

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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 investment properties at fair valuation, based on revaluation exercises carried out by qualified independent valuers at the end of each reporting year. 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.

Rental income from investment properties is recognised in revenue on a straight-line basis over the term of the lease. The effect of straight-lining of income is adjusted for in the fair value of investment properties.

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, who 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 inputs used in the valuation of commercial properties are as follows:

	2020	2019
Reversionary rate	7.75% - 8.75%	7.50% - 9.25%
Discount rate	10.75% - 14.50%	12.0% - 13.5%
Market rental growth	2% - 5%	5%
Expense growth	1.5% - 7.05%	3.5%
Net operating income from properties	Rs 17m - Rs 443m	Rs 17m - Rs 526m
DCF period	5 years	5 years

Sensitivity of fair value measurement to changes in unobservable inputs

Although management believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on profit or loss and equity.

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows: The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth, void periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (primary vs secondary), tenant credit quality and lease terms.	Expected market rental growth (2% - 5%) Void periods (1 to 6 months) Occupancy rate (90% - 100%) Rent-free periods (no rent-free period) Risk-adjusted discount rates (10.75% - 14.5%)	The estimated fair value would increase (decrease) if: • expected market rental growth were higher (lower); • void periods were shorter • rent-free periods were shorter (longer); or • the risk-adjusted discount rate were lower (higher)

11. INVESTMENT PROPERTIES (CONTD)

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.

GROUP		2020				2019 Restated
In Rs million	Level 2	Level 3	Total	Level 2	Level 3	Total
At 1 July (as previously stated)	468.9	12,305.0	12,773.9	339.9	11,286.2	11,626.1
Effect of prior year restatements (note 45)	–	36.2	36.2	–	42.3	42.3
At 1 July (restated)	468.9	12,341.2	12,810.1	339.9	11,328.5	11,668.4
Additions	–	349.4	349.4	–	97.7	97.7
Effect of straight-lining adjustment on rental income	–	28.9	28.9	–	124.8	124.8
Disposals	–	(36.6)	(36.6)	–	(12.4)	(12.4)
Fair value gains	19.4	109.7	129.1	–	394.0	394.0
Exchange differences	44.9	–	44.9	7.3	–	7.3
Transfers	(24.5)	–	(24.5)	–	(97.5)	(97.5)
Acquisition of subsidiaries	–	–	–	–	627.8	627.8
At 30 June	508.7	12,792.6	13,301.3	347.2	12,462.9	12,810.1
Value of assets pledged			4,941.1			4,895.4
Rental income			980.3			999.5
Direct operating expenses arising from investment properties that generate rental income			356.4			369.3
Direct operating expenses that did not generate rental income			38.8			25.1

COMPANY	2020	2019
In Rs million	Level 3	Level 3
At 1 July	149.7	141.0
Additions	2.9	6.1
Fair value (losses) gains	(2.3)	2.6
At 30 June	150.3	149.7
Rental income	22.2	19.9
Direct operating expenses arising from investment properties that generate rental income	14.8	10.3
Direct operating expenses that did not generate rental income	0.1	0.1

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12. INTANGIBLE ASSETS

Accounting policy

Intangible assets comprise of goodwill on acquisition of subsidiaries, computer software and other intangible assets including market related intangibles, any premium paid on acquisition of businesses and concession rights.

Goodwill

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.

Goodwill is tested annually for impairment. 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.

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

Computer software and other intangible assets

Computer software and other intangible assets including market related intangibles, any premium paid on acquisition of businesses and concession rights, that are acquired by the Group and have finite useful lives are initially recorded at cost. Other intangible assets are subsequently measured at cost less accumulated amortisation and impairment losses. The intangible assets are amortised using the straight-line method over its estimated useful life.

Amortisation methods, useful lives and residual values of computer software and other intangible assets are reviewed at each reporting date and adjusted if appropriate.

Gains or losses arising from derecognition of other intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

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.

The amortisation rates by class of other intangible assets held by the Group are as described below:

Computer software: 2 - 8 years

Customer relationships: 8 years

Purchased goodwill: 7 years

Concession rights: 9 - 60 years

Estimate of useful lives and residual value

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

The 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.

12. INTANGIBLE ASSETS (CONTD)

Significant accounting judgements and estimates

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. For the purpose of testing impairment on acquired goodwill, the recoverable amount of each CGUs were estimated using discounted cash flows. The impairment assessment and the calculation of the recoverable amount is subject to significant management judgement and estimation which includes the selection of the appropriate impairment model to be used, determination of the expected future cash flows from the businesses, setting appropriate terminal growth rates, selection of the appropriate discount rate.

GROUP In Rs million	Goodwill on acquisition of subsidiaries	Computer software	Other intangible assets	Total
Cost				
At 1 July 2018 (as previously stated)	1,303.1	232.7	211.8	1,747.6
Effect of prior year restatements (note 45)	(414.2)	-	576.4	162.2
At 1 July 2018 (restated)	888.9	232.7	788.2	1,909.8
Additions	-	25.4	14.8	40.2
Impairment	(14.1)	(9.0)	-	(23.1)
Deconsolidation of subsidiaries	(5.2)	-	-	(5.2)
At 30 June 2019 (restated)	869.6	249.1	803.0	1,921.7
Additions	17.0	40.7	16.5	74.2
Disposals	-	(3.3)	-	(3.3)
Impairment	-	(6.0)	-	(6.0)
Transfers	-	(1.3)	-	(1.3)
Exchange differences	-	2.9	6.1	9.0
At 30 June 2020	886.6	282.1	825.6	1,994.3
Amortisation and impairment				
At 1 July 2018 (as previously stated)	28.5	189.8	20.4	238.7
Effect of prior year restatements (note 45)	-	-	191.6	191.6
At 1 July 2018 (restated)	28.5	189.8	212.0	430.3
Charge for the year	-	12.2	50.3	62.5
Impairment	-	(9.4)	-	(9.4)
At 30 June 2019 (restated)	28.5	192.6	262.3	483.4
Charge for the year	-	16.4	45.5	61.9
At 30 June 2020	28.5	209.0	307.8	545.3
Carrying value				
At 30 June 2020	858.1	73.1	517.8	1,449.0
At 30 June 2019 (restated)	841.1	56.5	540.7	1,438.3

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12. INTANGIBLE ASSETS (CONTD)

For the purposes of goodwill impairment testing, goodwill has been allocated to the Group's Cash Generating Units as follows:

In Rs million	2020	2019 Restated
Fintech		
Corporate Services	408.6	408.6
Hospitality		
Hotels	39.6	39.6
Travel	52.1	38.2
Leisure	125.4	125.4
Logistics		
Logistics	232.4	229.3
At 30 June	858.1	841.1

Impairment test

The recoverable amounts for the cash generating units were based on their value in use, determined by discounting the future five year cash flows to be generated from the continuing use of the cash generating units. The carrying amounts of the cash generating units were determined to be higher than their recoverable amounts and no impairment has been booked during the year under review.

The key assumptions used in the estimation of value in use and recoverable amounts are as follows:

	2020	2019
	%	%
Fintech - Corporate Services		
Discount rate	14.2	9.7
Budgeted EBITDA growth rate (average over next five years)	6.3	5.4
Fintech - Technology Services		
Discount rate	10.7	9.8
Budgeted EBITDA growth rate (average over next five years)	8.4	7.4
Hospitality - Hotels		
Discount rate	11.3	10.3
Budgeted EBITDA growth rate (average over next five years)	18.1	10.7
Hospitality - Leisure		
Discount rate	10.4	13.4
Budgeted EBITDA growth rate (average over next five years)	(3.1)	11.2
Hospitality - Travel		
Discount rate	12.4	10.4
Budgeted EBITDA growth rate (average over next five years)	1.8	-
Logistics		
Discount rate	11.5	11.5
Budgeted EBITDA growth rate (average over next five years)	26.7	14.5

A five-year cash flow forecast is used and terminal value growth rate is assumed to be nil for the purpose of goodwill impairment tests.

The discount rate was a post-tax measure estimated based on the rate of 10-year government bonds issued by the Government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the risk of investing in equities generally and the systematic risk of the specific Cash Generating Unit.

Forecasted EBITDA has been based on the expectation of future outcomes adjusted for revenue growth and cost containment measures.

12. INTANGIBLE ASSETS (CONTD)

COMPANY In Rs million	Software	Others	Total
Cost			
At 1 July 2019	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
Additions	1.4	3.3	4.7
Impairment	(1.4)	-	(1.4)
At 30 June 2020	22.7	7.0	29.7
Amortisation			
At 1 July 2019	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
Charge for the year	0.3	-	0.3
Impairment	(1.4)	-	(1.4)
At 30 June 2020	14.8	-	14.8
Carrying value			
At 30 June 2020	7.9	7.0	14.9
At 30 June 2019	6.8	3.7	10.5

13. INVESTMENT IN SUBSIDIARY COMPANIES

Accounting policy

In the separate financial statements of the Company, investment in subsidiary companies is carried at cost less impairment.

	COMPANY In Rs million	2020	2019
(a)	At 1 July	4,488.2	4,212.6
	Additions	346.7	455.0
	Disposals	-	(179.4)
	Impairment losses	(179.3)	-
	At 30 June	4,655.6	4,488.2

Non-cash transactions included in additions and disposals amount to Rs 346.7m (2019: Rs 455.0m) and Rs nil (2019: Rs 179.4m) respectively.

The prevailing economic and market conditions, with the emergence of the COVID-19 pandemic early 2020, have brought significant uncertainty and adverse impact on recoverable amounts of some subsidiaries of the Company.

An impairment of Rs 179.3m, determined with reference to the appropriate valuation methodologies, has been recorded.

EXPLANATORY NOTES

30 June 2020

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	%	%	%	
FINTECH					
*Cheribinny Limited	45,947	-	100.0	31.1	Consumer finance
Enterprise Information Systems Ltd (Kenya)	-	-	100.0	31.1	IT services
Globefin Corporate Services Ltd	-	-	100.0	31.1	Global business
Globefin Nominees Ltd	11	-	100.0	31.1	Global business
*RCAP Executives Ltd	-	-	100.0	31.1	Global business
River Court Nominees Limited	100	-	100.0	31.1	Global business
Rogers Capital Accounting Services Ltd	-	-	100.0	31.1	Global business
Rogers Capital Business Services Ltd	-	-	100.0	31.1	Global business
Rogers Capital Captive Insurance Management Services Ltd	2,215	-	100.0	31.1	Global business
Rogers Capital City Executives Ltd	50	-	100.0	31.1	Global business
Rogers Capital Corporate Services Ltd	782	-	100.0	31.1	Global business
Rogers Capital Corporate Services (Seychelles) Limited	404	-	100.0	31.1	Global business
Rogers Capital Corporate Services (Singapore) Pte Ltd	238	-	100.0	31.1	Global business
Rogers Capital Finance Ltd	600,020	-	100.0	31.1	Leasing, Hire purchase and short term financing
Rogers Capital Fund Services Ltd	527	-	100.0	31.1	Global business
Rogers Capital Investment Advisors Ltd	11,000	-	100.0	31.1	Asset management
Rogers Capital Ltd	999,759	69.0	-	31.1	Investment
Rogers Capital Management Services Ltd	601	-	100.0	31.1	Investment
Rogers Capital Nominee Ltd	-	-	100.0	31.1	Global business
Rogers Capital Nominee 1 Ltd	-	-	100.0	31.1	Global business
Rogers Capital Nominee 2 Ltd	-	-	100.0	31.1	Global business
Rogers Capital Outsourcing Ltd	15,000	-	100.0	31.1	IT services
Rogers Capital Payment Solutions Ltd	-		100.0	31.1	Acquiring services
Rogers Capital Payroll Services Ltd	10	-	100.0	31.1	Payroll Services
Rogers Capital Specialist Services Ltd	100	-	100.0	31.1	Global business
Rogers Capital Technology Services Ltd	15,977	-	100.0	31.1	IT Services
Rogers Capital Trustees Services Limited	1,400	-	100.0	31.1	Global business

13. INVESTMENT IN SUBSIDIARY COMPANIES (CONTD)

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

	Issued capital	Proportion of ownership interests Direct	Indirect	Proportion of effective ownership interests held by non-controlling interests	Principal activity
	Rs 000	%	%	%	
HOSPITALITY					
Adnarev Ltd	76,464	-	100.0	31.3	Hotel
Ario (Seychelles) Ltd	47	-	100.0	-	GSA of airlines
Bagatelle Hotel Operations Company Limited	20,424	-	100.0	31.3	Hotel Accommodation and related services
BEAVIA Kenya Limited	35	-	70.0	30.0	Travel Agency
*Bel Ombre Seashells Co Ltd	1	-	100.0	31.3	Seashell museaum
Blue Alize Ltd	-	-	80.0	45.1	Catamaran sightseeing
Bluesky Madagascar S.A.R.L.U	1,080	-	100.0	-	Travel Agency
Bluesky Réunion S.A.S	5,513	-	100.0	-	Travel Agency
*BookSimply Ltd	1	-	100.0	31.3	Reservation of leisure activities
*Border Air Ltd	-	-	100.0	-	GSA of airlines
BS Travel Management Limitada	216	-	100.0	-	GSA of airlines
BS Travel Management Ltd	25,000	-	100.0	-	Travel Agency
Bluesky Mayotte S.A.R.L	325	-	100.0	-	Travel Agency
Cap D'Abondance Ltd	13,000	-	100.0	31.3	Leisure
CCC LAH Limited	14,500	-	86.2	40.8	Food Service industry
Croisières Australes Ltée	3,225	-	100.0	31.3	Catamaran sightseeing
DOMC Ltd	80,400	-	40.0	65.0	Leisure
Heritage Events Company Ltd	100	-	100.0	31.3	Investment
*Heritage Golf Management Ltd	500	-	75.0	48.5	Golf Course management
*Hotels Operations Company Ltd	10	-	100.0	31.3	Midscale hotel accommodation
Island Holidays Ltd	1	-	100.0	31.3	Leisure activities
Island Living Ltd	213,382	-	100.0	31.3	Leisure
*Island Living Shared Services Ltd	1	-	100.0	31.3	Management company
Islandian Ltd	70,094	72.2	97.5	2.4	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	31.3	Restaurant activities
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 Mozambique	39,493	-	100.0	-	Freight Forwarding
Seafood Basket Limited	25,107	-	100.0	31.3	Food Service
Seven Colours Spa Ltd	20,025	-	100.0	31.3	Management Services
Sports-Event Management Operation Co Ltd	7,501	-	100.0	53.6	Leisure
Sweetwater Ltd	11,300	-	55.0	62.2	Leisure
Transcontinent S.A.R.L.	617	-	66.6	33.4	Travel Agency
Veranda Tamarin Ltd	210,000	-	50.0	65.0	Hotel
VLH Ltd	1,501,304	66.2	2.5	31.3	Hotel
VLH Training Ltd	1,015	-	100.0	31.3	Training

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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 (contd).

	Issued capital	Proportion of ownership interests Direct	Indirect	Proportion of effective ownership interests held by non-controlling interests	Principal activity
	Rs 000	%	%	%	
LOGISTICS					
Associated Container Services Ltd	93,877	-	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 Warehouses Ltd	100	45.7	50.3	17.0	Dormant
Freeport Operations (Mtius) Ltd	178,429	-	100.0	34.4	Port Related Services
General Cargo Services Limited	889	-	100.0	66.2	Transport and port related services
Gencargo (Transport) Limited	1,422	-	100.0	66.2	Transport Services
*Global Air Cargo Services Ltd	433	-	50.0	33.5	Freight Forwarding
Logistics Solutions Ltd	525,690	1.0	99.0	33.5	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
Papol Holding Limited	100	-	60.0	60.3	Investment
Rogers International Distribution Services S.A.S	1,790	-	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	156,352	-	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	78.0	-	22.0	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	10,999	-	100.0	33.3	Transport Company
Velogic Haulage Services Ltd	31,514	-	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					
Agria Limited	33,300	1.2	52.3	62.7	Agriculture and Investment
Ascencia Limited	4,460,068	-	36.1	63.8	Property investment
Bagaprop Limited	1,252,101	-	100.0	63.8	Property investment
Case Noyale Limitée	7	1.3	52.3	62.7	Agriculture and Leisure
Estate Property Solutions Ltd	100	-	60.0	86.6	Rental pool management company
Floreal Commercial Centre Limited	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	86.6	Retail
Les Villas de Bel Ombre Ltée	291,135	-	60.0	77.6	Construction and Sales of Villa
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 Limited	700	100.0	-	-	Property
South West Tourism Development Co. Limited	4,950	68.9	-	31.1	Investment
Terroirs Mauriciens Ltd	1	-	100.0	62.7	Sale of agricultural products
CORPORATE OFFICE					
Rogers Corporate Services Ltd	357,543	100.0	-	-	Investment

* Not Consolidated in 2019

Note 1: Ordinary shares are issued by subsidiaries and their statutory reporting date is 30 June.

Note 2: Changes in ownership interest that do not result in changes in status are disclosed in note 25.

13. INVESTMENT IN SUBSIDIARY COMPANIES (CONTD)

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

	Country of incorporation/place of business
BS Travel Mayotte	Mayotte
BEAVIA Kenya Limited	Republic of Kenya
Blue Sky Réunion SAS	Reunion Island
Border Air Ltd	Republic of South Africa
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 36.14% 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 36.14% and 24.86% 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 post acquisition profits or losses is recognised in the Statements of Profit or Loss and its share of post acquisition movements in reserves are recognised 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 less impairment.

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	2020	2019 Restated
	Investment in jointly controlled entities		
(a)	Cost of investment in jointly controlled entities	188.7	188.7
	Share of reserves	(10.6)	(8.3)
	Carrying amount of the Group's interest in jointly controlled entities	178.1	180.4
(b)	Movement of share of net assets:		
	At 1 July (as previously stated)	144.1	145.2
	Effect of prior year restatements (note 45)	36.3	-
	At 1 July (restated)	180.4	145.2
	Additions	-	148.2
	Transfer to investment in subsidiary company	-	(130.5)
	Share of results for the year	(2.3)	14.8
	Share of other comprehensive income for the year	-	0.5
	Other movements	-	2.2
	At 30 June	178.1	180.4
(c)	Summarised financial information for jointly controlled entities is set out below:		
	Loss for the year	(4.1)	29.6
	Other comprehensive income for the year	-	1.0
	Total comprehensive income for the year	(4.1)	30.6
	Share of results for the year	(2.3)	14.8
	Share of other comprehensive income for the year	-	0.5
	Share of total comprehensive income for the year	(2.3)	15.3
	Carrying amount of the Group's interest in jointly controlled entities	178.1	180.4

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

(d)	GROUP	Country of incorporation/ place of business	Statutory reporting year	% Effective holding 2020	% Effective holding 2019	Principal activity
	FMVV Immobilier Ltee	Mauritius	30.06.20	11.2	11.2	Property
	Jacotet Bay Ltd	Mauritius	30.06.20	11.2	11.2	Property
	The Beauvallon Shopping Mall Ltd	Mauritius	30.06.20	18.1	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 2020.

The Group consolidates the above named companies as jointly controlled entities despite effectively holding less than 50% as its subsidiary companies namely Les Villas de Bel Ombre Limitee and Ascencia Limited holds jointly controlled arrangements along with third parties in these companies.

	GROUP In Rs million	2020	2019 Restated
	Investment in associated companies		
(e)	Cost of investment in associated companies	3,924.2	3,926.2
	Share of reserves	558.8	1,270.1
	Carrying amount of the Group's interest in associated companies	4,483.0	5,196.3
(f)	Movement of share of net assets:		
	At 1 July (as previously stated)	5,280.9	5,006.2
	Effect of prior year restatements (note 45)	(84.6)	13.3
	At 1 July (restated)	5,196.3	5,019.5
	Additions	824.4	-
	Disposals	(826.4)	(9.6)
	Share of results for the year	(149.4)	275.3
	Share of other comprehensive income for the year	(422.7)	245.2
	Dividends	(127.7)	(145.1)
	Movement in non distributable reserves	-	(189.0)
	Adjustments	(11.5)	-
	At 30 June	4,483.0	5,196.3

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

(g) Summarised financial information of material associated companies is set out below:

The financial information of Swan used for equity accounting is for the 9 months ended 31 March 2020. The Group changed its period for equity accounting of Swan from year ending 30 June to year ending 31 March due to the impracticability of obtaining audited figures of Swan for 30 June 2020.

GROUP In Rs million	30 June 2020 NMH	30 June 2020 Semaris	31 March 2020 Swan
Statements of Profit or Loss and Other Comprehensive Income			
Revenue	7,475.0	176.5	6,813.2
(Loss) profit for the year	(935.3)	(682.3)	580.2
Other comprehensive income for the year	(1,590.5)	254.1	(416.0)
Total comprehensive income for the year	(2,525.8)	(428.2)	164.2
Share of (loss) profit	(214.4)	(156.5)	170.4
Share of other comprehensive income	(364.6)	58.3	(122.2)
Share of total comprehensive income	(579.0)	(98.2)	48.2
Statements of Financial Position			
Non current assets	32,837.8	2,085.4	34,750.2
Current assets	3,122.2	4,399.2	13,226.8
Total assets	35,960.0	6,484.6	47,977.0
Capital and reserves	7,169.4	3,165.9	3,567.3
Non current liabilities	22,098.8	2,268.6	43,594.5
Current liabilities	6,691.8	1,050.1	815.2
Total equity and liabilities	35,960.0	6,484.6	47,977.0
Carrying amount of the Group's interest in the associated companies	1,578.2	726.2	1,650.3

GROUP In Rs million	30 June 2019 NMH	 Swan
Statements of Profit or Loss and Other Comprehensive Income		
Revenue	9,684.6	7,398.1
Profit for the year	15.4	743.9
Other comprehensive income for the year	887.8	(260.2)
Total comprehensive income for the year	903.2	483.7
Share of (loss) profit	(36.8)	218.5
Share of other comprehensive income	188.7	(76.4)
Share of total comprehensive income	151.9	142.1
Statements of Financial Position		
Non current assets	29,126.4	40,626.6
Current assets	7,889.1	10,141.3
Total assets	37,015.5	50,767.9
Capital and reserves	13,990.8	3,344.8
Non current liabilities	16,552.4	46,428.5
Current liabilities	6,472.3	994.6
Total equity and liabilities	37,015.5	50,767.9
Carrying amount of the Group's interest in the associated companies	3,038.0	1,667.7

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

GROUP In Rs million	2020	2019
Profit for the year	51.0	131.5
Other comprehensive income for the year	3.4	(4.8)
Total comprehensive income for the year	54.4	126.7
Carrying amount of the Group's interest in the immaterial associated companies	527.7	575.2

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

(i)

COMPANY In Rs million	2020	2019
At 1 July	3,717.8	3,720.8
Disposal	-	(3.0)
Impairment	(98.4)	-
At 30 June	3,619.4	3,717.8

An impairment of Rs 98.4m has been recorded for one of the Company's investment in associate which is involved in property development. Prevailing market conditions including effects of COVID-19 has led to a fall in the recoverable amount of this associate. The impairment has been determined with reference to the adjusted net assets method which takes into account the recoverable amount of the underlying investments.

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

	Country of incorporation/ place of business	Statutory reporting year	% Effective holding 2020	2019	Principal activity
Air Cargo Service Madagascar Ltd	Madagascar	31.12.19	50.0	50.0	Ground handling services
Bioculture (Mauritius) Ltd	Mauritius	31.12.19	25.4	25.4	Breeding and export of primates
Blue Connect Ltd	Mauritius	30.09.19	30.0	30.0	Business process outsourcing
**ESP Landscapers	Mauritius	30.06.20	-	7.5	Landscaping services
FPHL Infra Ltd	Mauritius	30.06.20	49.0	49.0	Investment
Lagoona Cruise Ltd	Mauritius	30.06.20	33.0	33.0	Boat cruises activities
Le Morne Development Corporation Ltd	Mauritius	30.09.19	20.0	20.0	Property
Mauritian Commodities and Allied Services Company Ltd	Mauritius	30.09.19	25.6	25.6	Coal supplier
Mozambique Airport Handling Services Limitada	Mozambique	30.09.19	29.0	29.0	Ground handling services
New Mauritius Hotels Limited	Mauritius	30.06.20	22.9	22.9	Hospitality
Reliance Facilities Ltd	Mauritius	30.06.20	49.0	49.0	Security services
Reliance Security Services Ltd	Mauritius	30.06.20	49.0	49.0	Security services
Reliance Systems Ltd	Mauritius	30.06.20	49.0	49.0	Security services
*Sainte Marie Crushing Plant Ltd	Mauritius	30.06.20	8.8	8.8	Manufacture and sale of building materials
Société Pur Blanca	Mauritius	30.09.19	49.0	49.0	Investment
Swan Financial Solutions Ltd	Mauritius	31.12.19	20.0	20.0	Investment holding
Swan General Ltd	Mauritius	31.12.19	29.4	29.4	Insurance
*** Semaris Ltd	Mauritius	30.06.20	22.9	-	Property

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 2020.

As at 30 June 2020, the fair value of the Company's interest in New Mauritius Hotels Limited, Semaris Ltd and Swan General Ltd which are listed on the Stock Exchange of Mauritius were as follows based on the quoted market price available, which is a level 1 input in terms of IFRS 13.

(k)

GROUP In Rs million	2020	2019
New Mauritius Hotel Limited	707.0	836.0
Semaris Ltd	138.0	-
Swan General Ltd	705.0	2,127.0
At 30 June	1,550.0	2,963.0

*Significant influence obtained through subsidiaries

**Disposed in 2020

*** Consolidated as investment in associated companies following reorganisation scheme of New Mauritius Hotels Limited

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15. 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 of 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.

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 measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. Equity instruments designated at fair value through OCI are not subject to impairment assessment. Upon disposal 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 profit or loss.

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	Total
Non current			
At 1 July 2018 (as previously stated)	263.0	295.1	558.1
Effect of prior year restatements (note 45)	25.9	6.6	32.5
At 1 July 2018 (restated)	288.9	301.7	590.6
Additions	-	22.3	22.3
Disposals	(15.3)	(37.7)	(53.0)
Change in fair value	(4.4)	7.9	3.5
At 30 June 2019 (restated)	269.2	294.2	563.4
Additions	0.7	-	0.7
Change in fair value	(112.4)	(26.1)	(138.5)
At 30 June 2020	157.5	268.1	425.6

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

GROUP In Rs million	2020	2019 Restated
Quoted Investments - Fair value hierarchy level 1		
Air Mauritius Limited*	-	39.4
Others	13.2	16.1
Unquoted investments - Fair value hierarchy level 3		
Air Mauritius Holding Ltd	-	85.1
Charles Telfair Company Ltd	77.7	69.3
Others	66.6	59.3
At 30 June	157.5	269.2

*transferred to level 3 in 2020

15. FINANCIAL ASSETS AT FAIR VALUE (CONTD)

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

Financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss are both 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.

Fair value hierarchy

The following table shows financial instrument recognised at fair value, analysed between those whose fair value is based on:

- Quoted prices in active markets for identical assets or liabilities (Level 1)

- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2)

- Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. During the financial year, Air Mauritius Limited went into voluntary administration. Hence, the valuation of Air Mauritius Limited was transferred from Level 1 to Level 3.

The table below sets out information about significant unobservable inputs used at 30 June 2020 in measuring financial instruments categorised as Levels 3 in the fair value hierarchy.

	Valuation technique 2020	Valuation technique 2019	Unobservable inputs	Range	Sensitivity to changes in significant unobservable inputs
Air Mauritius Limited	Write-down	-	-	-	-
Air Mauritius Holding Ltd	Write-down	-	-	-	-
Charles Telfair Company Ltd	Adjusted market multiple	Adjusted market multiple	Expected Value/ EBITDA	5.6x	The expected fair value will increase/(decrease) by Rs 0.7m, if the adjusted market multiple will be higher or lower by 1%.
Others	Net Asset Value	Net Asset Value	-	-	-

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

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.

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(a)).

The table below sets out information about significant unobservable inputs used at 30 June 2020 in measuring financial instruments categorised as Levels 3 in the fair value hierarchy.

	Valuation technique 2020	Valuation technique 2019	Unobservable inputs	Range	Sensitivity to changes in significant unobservable inputs
Moka City	Net Asset Value	Net Asset Value	-	-	-
Others	Net Asset Value	Net Asset Value	-	-	-

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15. FINANCIAL ASSETS AT FAIR VALUE (CONTD)

(d)

COMPANY In Rs million	2020	2019 Restated
Non current		
Financial assets at fair value through other comprehensive income		
At 1 July (as previously stated)	232.4	263.5
Effect of prior year restatements (note 45)	25.9	7.7
At 1 July (restated)	258.3	271.2
Disposals	-	(6.0)
Change in fair value	(112.6)	(6.9)
At 30 June	145.7	258.3

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

COMPANY In Rs million	2020	2019 Restated
Quoted Investments		
Air Mauritius Limited	-	39.4
Others	12.8	16.1
Unquoted investments		
Air Mauritius Holding Ltd	-	85.1
Charles Telfair Company Ltd	77.7	69.3
Others	55.2	48.4
At 30 June	145.7	258.3

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.

Fair value hierarchy

The following table shows financial instrument recognised at fair value, analysed between those whose fair value is based on:

- Quoted prices in active markets for identical assets or liabilities (Level 1)

- Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2)

- Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. During the financial year, Air Mauritius Limited went into voluntary administration. Hence, the valuation of Air Mauritius Limited was transferred from Level 1 to Level 3.

The table below sets out information about significant unobservable inputs used at 30 June 2020 in measuring financial instruments categorised as Levels 3 in the fair value hierarchy.

	Valuation technique 2020	Valuation technique 2019	Unobservable inputs	Range	Sensitivity to changes in significant unobservable inputs
Air Mauritius Limited	Write-down	-	-	-	-
Air Mauritius Holding Ltd	Write-down	-	-	-	-
Charles Telfair Company Ltd	Adjusted market multiple	Adjusted market multiple	Expected Value/ EBITDA	5.6x	The expected fair value will increase/(decrease) by Rs 0.7m, if the adjusted market multiple will be higher or lower by 1%.
Others	Net Asset Value	Net Asset Value	-	-	-

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 the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, are subsequently carried at amortised costs using the effective interest rate method less any provision from impairment. Financial assets at amortised costs exclude trade receivables (Note 22) and loans and advances (Note 17).

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 financial assets. Except for receivable from one subsidiary for 2019, the Group does not expect any default from the financial assets at amortised cost and is certain of the counterparties' ability to pay their debt 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 as deemed immaterial, except for impairment of receivables from one subsidiary amounting to Rs 51.4m accounted for in the restated separate financial statements in 2019. In 2020, an amount of Rs 42.0m in respect of impairment losses booked in previous years was reversed.

	GROUP		COMPANY	
In Rs million	2020	2019 Restated	2020	2019 Restated
Non current				
Loan receivable from subsidiary companies	-	-	350.9	28.2
Deposit on investments	-	-	-	296.5
Loan receivables from other companies	60.2	53.6	-	-
Non current financial assets at amortised costs	60.2	53.6	350.9	324.7
Current				
Receivables from subsidiary companies	-	-	695.4	549.8
Receivables from associated companies	42.7	54.8	2.5	2.0
Other receivables	999.3	663.2	16.5	22.7
Current financial assets at amortised costs	1,042.0	718.0	714.4	574.5
Financial assets at amortised costs	1,102.2	771.6	1,065.3	899.2

The carrying amount of loan receivables approximates their fair values as the loans are contracted on market-related terms.

17. LOANS AND ADVANCES

Accounting policy

(i) Recognition and initial measurement

The Group initially recognises loans and advances towards finance leases, loans and advances towards hire purchase, other loans and advances and borrowings on the date on which they are originated. All other financial instruments are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. The fair value of a financial instrument at initial recognition is generally its transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost or fair value through profit or loss ("FVTPL").

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interests ("SPPI").

All other financial assets are classified as measured at FVTPL.

EXPLANATORY NOTES

30 June 2020

17. LOANS AND ADVANCES (CONTD)

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model, the financial assets held within that business model and its strategy for how those risks are managed; and
- the frequency, volume and timing of sale in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

The Group has determined that it has one business model which includes held to collect business model. This includes cash and cash equivalents, loans towards finance leases, loans and advances towards hire purchase, other loans and advances and other assets. These assets are held to collect contractual cash flows.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse loans).

Non-recourse loans

In some cases, loans made by the Group that are secured by collateral of the borrower limit the Group's claim to cash flows of the underlying collateral (non-recourse loans). The Group applies judgment in assessing whether the non-recourse loans meet the SPPI criterion. The Group typically considers the following information when making this judgement:

- whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
- the fair value of the collateral relative to the amount of the secured financial asset;
- the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;
- whether the borrower is an individual or a substantive operating entity or is a special-purpose entity;
- the Group's risk of loss on the asset relative to a full-recourse loan;
- the extent to which the collateral represents all or a substantial portion of the borrower's assets; and
- whether the Group will benefit from any upside from the underlying assets.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

Subsequent measurement

- Financial assets at amortised cost; these assets are subsequently measured at amortised cost using the effective interest method. Interest income and any impairment losses are recognised in the Statements of Profit or Loss. Any gain or loss on derecognition is also recognised in profit or loss.
- Financial liabilities at amortised cost; these liabilities are subsequently measured at amortised cost using the effective interest method.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire (see also (iv)), or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability.

17. LOANS AND ADVANCES (CONTD)

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(iv) Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, then the Group evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see (iii)) and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Group plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place (see below for write-off policy). This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost does not result in derecognition of the financial asset, then the Group first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

Financial liabilities

The Group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Statements of Financial Position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Standards, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

(vi) Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the difference, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

EXPLANATORY NOTES

30 June 2020

17. LOANS AND ADVANCES (CONTD)

(vii) Impairment

Impairment of Financial asset

The Group recognises loss allowances for expected credit losses ("ECL") on the following financial instruments that are not measured at FVTPL:

- loans and advances towards hire purchase;
- loans and advances towards finance leases;
- other loans and advances; and
- other assets.

No impairment loss is recognised on equity investment.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- financial instruments that are determined to have low credit risk at the reporting date; and
- financial instruments on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL.

The Group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Group does not apply the low credit risk exemption to any other financial instruments.

12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which 12-month ECL are recognised are referred to as 'Stage 1 financial instruments'. Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument or the maximum contractual period of exposure. Financial instruments for which lifetime ECL are recognised but that are not credit-impaired are referred to as 'Stage 2 financial instruments'. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired.

Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as 'Stage 3 financial instruments'.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan, finance lease and hire purchase commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover.

Overview of ECL principles

The Group applies the IFRS 9 general approach to measure expected credit losses which uses a 12 month and lifetime expected loss allowance for net investment 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 cost 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'.

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 probability of default ("LTEPD") are based on the Company's historical credit losses based on the weighted transition rates of financial assets over their lifetime. An additional loss allowance for financial assets is recognised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of financial asset. The PD are adjusted to reflect current and forward-looking information on macroeconomic factors (Gross Domestic Product GDP) affecting the ability of the customers to settle the financial assets.

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.

17. LOANS AND ADVANCES (CONTD)

The calculation of ECLs

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 whether scheduled by contract, or expected drawdowns on committed facilities.

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).

The mechanics of the ECL method are summarised below:

- For each instrument, ECL is calculated as the product of EAD, LGD, PD and discounted based on annual interest rates over the remaining contractual terms.
- Stage 1: The 12-month ECL is calculated as the portion of Lifetime ECLs ("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 Company 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 Company records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs 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 Company 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%.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past-due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; and
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 90 days or more is considered credit-impaired even when the regulatory definition of default is different.

Purchased or Originated Credit-Impaired ("POCI") financial assets

POCI financial assets are assets that are credit-impaired on initial recognition. For POCI assets, lifetime ECL are incorporated into the calculation of the effective interest rate on initial recognition. Consequently, POCI assets do not carry an impairment allowance on initial recognition. The amount recognised as a loss allowance subsequent to initial recognition is equal to the changes in lifetime ECL since initial recognition of the asset.

Presentation of allowance for ECL in the Statements of Financial Position

Loss allowances for ECL are presented in the Statements of Financial Position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets; and
- financial guarantee contracts: generally, as a provision.

Write-off

Loans are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are recognised when cash is received and are included in 'impairment losses on financial instruments' in the Statements of Profit or Loss.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

EXPLANATORY NOTES

30 June 2020

17. LOANS AND ADVANCES (CONTD)

Financial guarantee contracts held

The Group assesses whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately. The factors that the Group considers when making this assessment include whether:

- the guarantee is implicitly part of the contractual terms of the debt instrument;
- the guarantee is required by laws and regulations that govern the contract of the debt instrument; and
- the guarantee is entered into at the same time as and in contemplation of the debt instrument.

If the Group determines that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The Group considers the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

If the Group determines that the guarantee is not an integral element of the debt instrument, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure neither is credit-impaired nor has undergone a significant increase in credit risk when the guarantee is acquired. The Group presents gains or losses on a compensation right in profit or loss in the line item 'impairment losses on financial instruments'.

Significant accounting judgements and estimates

The measurement of expected credit loss allowance for Loans and advances is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviours (e.g the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is detailed below. A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for measurement of ECL;
- Establishing multiple economic scenarios by using different cases for the value of index;
- An important consideration in the impairment model in IFRS 9 is the use of forward-looking information in the models; and
- Determining the assumed lifetime of products.

The ECL models set up by the Group are driven by internal and external data and this required significant judgements and estimates in relation to the determination of forward-looking information defining elements of a significant increase in credit risk and staging of financial instruments.

The economic outlook of the markets in which the Group is present has been impacted by the ongoing COVID-19 pandemic. The consequent impact on the Group is uncertain, thereby increasing the degree of judgement required to be exercised in calculating ECL:

- Models used to calculate ECL are inherently complex and judgement is applied in determining the appropriateness of the ECL model;
- A number of inputs, assumptions are made by the Group concerning the values of inputs to the models and how the inputs correlate with one another; including the incorporation of the current macro-economic scenario through the forward-looking information; and
- Evidence of significant increase in credit risk and hence the relevant staging and credit worthiness of the Group's clients.

While complying with international practices advocating post-model adjustments in instances where effects of COVID-19 cannot be accurately reflected in models and given relative lack of data, the Group aligned one of important risk parameters, namely the probability of default, to factor in potential ramifications of the pandemic.

Incorporation of forward-looking information

The Group incorporates forward-looking information into the measurement of ECL.

The Group formulates three economic scenarios: a base case, which is a central scenario developed internally based on the consensus forecasts, the upside and downside scenarios. An estimated PD is developed for each scenario. The Group then calculates a scenario probability weighted PD which is applied to the ECL model.

Collateral held and other credit enhancements

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of the loans and advances. However, the collateral provides additional security and may take in the form of the items acquired by the borrower and other liens and guarantees. The fair value of the collateral are assessed at periodical intervals to ensure that the portfolio is sufficiently collaterised.

Assets obtained by taking possession of collateral

The Group's policy is to pursue timely realisation of the collateral in an orderly manner. The Group does not generally use the non-cash collateral for its own operations.

Significant increase in credit risk

As a backstop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured at 12-month ECL.

The Group monitors the effectiveness of the criteria used to identify significant increase in credit risk by regular reviews of its portfolio.

Credit quality analysis

As highlighted above, the Group has witnessed a major increase in its ECL for the current year, reflecting the difficult context. The average loss rate for 30 June 2020 is 12% (2019: 5%).

17. LOANS AND ADVANCES (CONTD)

	GROUP In Rs million	Finance leases	Other credit agreements	2020 Total	2019 Total
	Loans and advances at 30 June				
(a)	Gross investment				
	Within one year	376.8	989.2	1,366.0	899.4
	After one year and before two years	353.1	263.0	616.1	526.5
	After two years and before five years	769.4	25.1	794.5	571.0
	After five years	82.9	-	82.9	78.8
		1,582.2	1,277.3	2,859.5	2,075.7
	Unearned future finance income	(266.0)	(88.1)	(354.1)	(282.4)
	Unearned future processing fee	-	(0.1)	(0.1)	(0.3)
	Unearned future merchant discount	-	(30.8)	(30.8)	(32.9)
	Unearned commitment fee	(9.4)	-	(9.4)	(6.1)
	Loans and advances before allowance for impairment	1,306.8	1,158.3	2,465.1	1,754.0
	Less allowance for credit impairment	(5.0)	(297.1)	(302.1)	(92.7)
	Loans and advances at 30 June	1,301.8	861.2	2,163.0	1,661.3
	Made up of:				
	Current	275.1	614.5	889.6	699.5
	Non-current	1,026.7	246.7	1,273.4	961.8
	Loans and advances at 30 June	1,301.8	861.2	2,163.0	1,661.3
(b)	Remaining term to maturity				
	Within one year	280.1	889.1	1,169.2	631.7
	After one year and before two years	278.7	241.8	520.5	549.0
	After two years and before five years	669.5	27.4	696.9	498.1
	After five years	78.5	-	78.5	75.2
	Loans and advances at 30 June	1,306.8	1,158.3	2,465.1	1,754.0
(c)	Allowance for credit impairment				
	At 1 July	(1.6)	(91.1)	(92.7)	(22.2)
	Allowance for credit impairment for the year	(3.4)	(206.0)	(209.4)	(70.5)
	At 30 June	(5.0)	(297.1)	(302.1)	(92.7)

(d) At reporting date, 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 loans and advances				
At 1 July 2019	1,347.1	238.0	168.9	1,754.0
New assets originated or purchased	1,047.8	207.7	104.0	1,359.5
Assets derecognised or repaid (excluding write offs)	(343.5)	(248.1)	(56.8)	(648.4)
Transfers to Stage 1	(408.6)	228.1	180.5	-
Transfers to Stage 2	21.2	(64.4)	43.2	-
Transfers to Stage 3	14.8	5.4	(20.2)	-
At 30 June 2020	1,678.8	366.7	419.6	2,465.1
Expected credit loss				
At 1 July 2019	15.3	5.7	71.7	92.7
Allowance for credit impairment	99.1	17.8	92.5	209.4
Transfers to Stage 1	(24.2)	11.1	13.1	-
Transfers to Stage 2	0.9	(4.0)	3.1	-
Transfers to Stage 3	1.0	0.3	(1.3)	-
At 30 June 2020	92.1	30.9	179.1	302.1
Net carrying amount at 30 June 2020	1,586.7	335.8	240.5	2,163.0

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18. DEFERRED EXPENDITURE

Accounting policy

Advanced payments

Advanced payments refer to payments made to external parties for the construction of a second golf course. The amount shall only be transferred to property, plant and equipment upon completion of the construction of the golf course.

Others

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

GROUP In Rs million	Advanced payments	Premium on leasehold land	Others	Total
Cost				
At 1 July 2018 (as previously stated)	-	29.9	442.1	472.0
Effect of prior year restatements (note 45)	-	(29.9)	(272.4)	(302.3)
At 1 July 2018 (restated)	-	-	169.7	169.7
Additions	-	-	72.1	72.1
Exchange differences	-	-	(0.3)	(0.3)
At 30 June 2019 (restated)	-	-	241.5	241.5
Additions	151.6	-	3.5	155.1
Exchange differences	-	-	30.5	30.5
At 30 June 2020	151.6	-	275.5	427.1
Amortisation				
At 1 July 2018 (as previously stated)	-	17.9	72.1	90.0
Effect of prior year restatements (note 45)	-	(17.9)	(41.8)	(59.7)
At 1 July 2018 (restated)	-	-	30.3	30.3
Charge for the year	-	-	94.8	94.8
Exchange differences	-	-	0.4	0.4
At 30 June 2019 (restated)	-	-	125.5	125.5
Charge for the year	-	-	73.6	73.6
Exchange differences	-	-	16.8	16.8
At 30 June 2020	-	-	215.9	215.9
Carrying value				
At 30 June 2020	151.6	-	59.6	211.2
At 30 June 2019 (restated)	-	-	116.0	116.0

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 standing crop biological assets has been arrived at by discounting the present value of expected net cash flows at the relevant market prices determined pre-tax rate. The expected cash flows have been computed by estimating the expected crop extraction rate and the forecasts of prices which will prevail in the forecasted period. The harvesting costs and other direct expenses are based on the yearly budgets. Other biological assets of fair valued at their Net Realisable Value.

GROUP In Rs million	2020	2019
At 1 July	77.9	77.3
Movement in fair value	1.3	0.6
At 30 June	79.2	77.9
Made up of:		
Standing crop	16.7	16.3
Deer farming	36.2	39.3
Palm trees	26.3	22.3
At 30 June	79.2	77.9

At 30 June 2020, standing canes comprised approximately 318 hectares of cane plantations (2019: 484 hectares).

During the year, the Group harvested approximately 23,617 tonnes of canes (2019: 28,779 tonnes of canes).

Measurement of fair values

(i) Fair value hierarchy

The fair value measurements for the deers, palm trees, plants and grass have been categorised as Level 3 fair values based on the inputs to the valuation techniques used described below while the fair value measurements of standing canes have been categorised as Level 2 fair values based on observable market sales data.

(ii) Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Standing cane	Discounted cash flows: The valuation model considers the present value of the net cash flows expected to be generated by sugarcane plantation.	Estimated future price of Sugar per tonne - Rs 10,000 (2019: Rs 11,000). Extraction rate per tonne -10.25% (2019: 10.03%). Discount rate 6% (2019 6%).	The estimated fair value would increase (decrease) if: • Expected income from Sugar were higher (lower). • Costs were lower (higher).
Palms	Discounted cash flows: The valuation model considers the present value of the net cash flows expected to be generated by Palm over the next 5 years.	Estimated average price of palms - Rs 295 per palm tree (2019: Rs 295).	The estimated fair value would increase (decrease) if: • Expected selling price were higher (lower). • Costs were lower (higher).
Plants	Net Realisable Value	Future selling price of different type of plants.	The estimated fair value would increase (decrease) if: • Expected selling price were higher (lower). • Costs were lower (higher).
Grass	Net Realisable Value	Estimated future contribution of grass - Rs 55 (2019: Rs 55).	The estimated fair value would increase (decrease) if: • Expected selling price were higher (lower). • Costs were lower (higher).
Deer	Net Realisable Value	Average weight of deer - 45 kg and 35 kg for local breed (2019: 45 kg and 35 kg for local breed). Average price of deer per Kg - Rs 180 (2019: Rs 180).	The estimated fair value would increase (decrease) if: • Expected weight per deer were higher (lower). • Selling price higher (lower).

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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	2020	2019 Restated
Raw materials and consumables	132.4	145.7
Goods for resale	413.8	376.2
Work in progress	4.1	52.6
Total inventories	550.3	574.5
Value of inventories at cost	568.8	574.5
Value of inventories written off during the year	11.6	-
Values of inventories written down to Net Realisable Value	6.9	-
Carrying value of inventories pledged	533.7	339.2

Inventories have been reduced by Rs 6.9m (2019: Nil) as a result of the write-down to net realisable value. This write-down was recognised as an expense during 2020.

In 2020, changes in inventories of Rs 141.3m (2019: Rs 41.0m) have been recognised in the Statements of Profit or Loss during the year and included in note 4.

21. CONTRACT ASSETS

Accounting policy

A contract asset is the right to consideration in exchange for services transferred to the customer. In cases, where 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.

The Group has made an impairment assessment by considering the previous repayment behaviours. The Group does not expect any default from them and is certain of their ability to pay their debt 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 as the resulting expected credit loss was deemed to be immaterial.

GROUP In Rs million	2020	2019
At 1 July (as previously stated)	-	-
Effect of prior year restatements (note 45)	146.7	96.1
At 1 July (restated)	146.7	96.1
Additions	493.1	145.6
Transfer to contract liabilities	(106.9)	-
Charge to profit and loss	(369.1)	(98.7)
Forex adjustments	17.5	3.7
At 30 June	181.3	146.7

22. TRADE 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.

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

The trade receivables have been divided into uninsured and insured. For insured receivables, the Group considers insurance proceeds as an integral part of the impairment assessment 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 collateral.

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 is not 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 analysis 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.

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	2020	2019 Restated	2020	2019 Restated
Trade receivables	1,891.8	1,971.2	2.9	1.8
Less loss allowance	(530.6)	(214.6)	(0.5)	(0.1)
Carrying value of trade receivables	1,361.2	1,756.6	2.4	1.7

The carrying amount of the trade receivables is considered as a reasonable approximation of fair value given the short-term nature of the receivables. Loss allowance increased significantly on account of the higher loss rates being applied.

At 30 June 2020, the carrying value of trade 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 past due	1.9	883.1	(16.8)	866.3
Less than 30 days	6.0	153.2	(9.2)	144.0
Between 30 to 60 days	48.8	201.8	(98.5)	103.3
Between 60 to 90 days	54.1	250.4	(135.4)	115.0
Between 90 to 180 days	23.6	133.0	(31.4)	101.6
Between 180 to 360 days	73.8	63.7	(47.0)	16.7
More than 360 days	93.1	206.6	(192.3)	14.3
Carrying value of trade receivables net of ECL		1,891.8	(530.6)	1,361.2

Trade receivables past due more than 360 days were credit impaired.

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22. TRADE RECEIVABLES (CONTD)

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 past due	-	0.8	-	0.8
Less than 30 days	25.0	0.4	(0.1)	0.3
Between 30 to 60 days	50.0	0.2	(0.1)	0.1
Between 60 to 90 days	33.3	0.3	(0.1)	0.2
Between 90 to 180 days	11.1	0.9	(0.1)	0.8
Between 180 to 360 days	33.3	0.3	(0.1)	0.2
Carrying value of trade receivables net of ECL		2.9	(0.5)	2.4

None of the trade receivables were credit impaired.

At 30 June 2019, the carrying value of trade 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 past due	2.4	1,017.6	(24.2)	993.4
Less than 30 days	4.3	349.5	(14.9)	334.6
Between 30 to 60 days	10.3	119.0	(12.3)	106.7
Between 60 to 90 days	15.7	97.9	(15.4)	82.5
Between 90 to 180 days	30.2	115.2	(34.8)	80.4
Between 180 to 360 days	43.0	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		1,971.2	(214.6)	1,756.6

Trade receivables past due more than 360 days were credit impaired.

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 past due	-	0.5	-	0.5
Less than 30 days	-	0.9	-	0.9
Between 60 to 90 days	-	0.2	-	0.2
Between 90 to 180 days	-	0.1	-	0.1
Between 180 to 360 days	100.0	0.1	(0.1)	-
Carrying value of trade receivables net of ECL		1.8	(0.1)	1.7

Loss allowances for trade receivables are:

	GROUP		COMPANY	
In Rs million	2020	2019	2020	2019
At 1 July	(214.6)	(219.8)	(0.1)	(3.7)
Increase in loss allowances recognised in profit or loss during the year	(268.0)	(63.3)	(0.4)	-
Receivables written off during the year as uncollectible	(44.4)	(10.6)	-	-
Reversal of provision for bad debts no longer required	2.5	84.0	-	3.6
Exchange difference	(6.1)	(4.9)	-	-
At 30 June 2020	(530.6)	(214.6)	(0.5)	(0.1)

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.

Each share confers to its holders the right to one vote at general meetings of the Company and a proportional right to dividends.

Capital reserves

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

Revaluation reserves

The revaluation reserves comprise of the cumulative gains/losses arising from revaluation of the Group's property, plant and equipment and the cumulative net change in the fair value of financial assets at fair value through other comprehensive income.

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	2020	2019
Authorised		
At 30 June, 252,045,300 ordinary shares of no par value	1,260.2	1,260.2
Issued and fully paid		
At 30 June, 252,045,300 ordinary shares of no par value	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	2020	2019
Rogers Capital Ltd ("RC")	FinTech	31.05%	43.56%
VLH Ltd ("VLH")	Hospitality	31.32%	19.77%
Velogic Holding Company Ltd ("VHL")	Logistics	33.77%	33.77%
Ascencia Limited (Ascencia)	Property	63.86%	63.81%
Agria Limited (Agria)	Property	62.74%	62.74%

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24. NON-CONTROLLING INTERESTS (CONTD)

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

GROUP In Rs million	RC	VLH	VHL	Ascencia	Agria
30 June 2020					
Statements of Profit or Loss and Other Comprehensive Income					
Revenue	1,286.9	3,395.8	3,747.6	1,712.6	845.8
Profit (loss) for the year	32.6	(698.1)	101.8	143.1	(19.2)
Other comprehensive income for the year	(44.7)	145.5	155.8	59.2	313.7
Total comprehensive income for the year	(12.1)	(552.6)	257.6	202.3	294.5
Profit (loss) for the year attributable to NCI	10.1	(216.4)	34.6	91.6	(12.1)
Other comprehensive income attributable to NCI	(13.9)	45.1	53.0	37.9	197.7
Total comprehensive income attributable to NCI	(3.8)	(171.3)	87.6	129.5	185.6
Dividends paid to NCI	-	16.3	15.9	164.3	8.1
Statements of Financial Position					
Non current assets	613.8	2,089.1	506.4	8,348.4	3,223.7
Current assets	632.9	2,134.0	647.5	800.1	513.6
Non current liabilities	213.3	717.7	274.2	3,219.9	443.9
Current liabilities	1,048.4	2,168.6	504.8	669.8	839.1
Accumulated NCI	(15.2)	1,295.4	452.6	5,152.7	2,486.5
Statements of Cash Flows					
Net cash flow (used in) from operating activities	(197.5)	171.9	166.2	235.0	(19.6)
Net cash flow from (used in) investing activities	54.9	(261.6)	(3.2)	181.7	6.3
Net cash flow from (used in) financing activities	119.1	199.8	(118.9)	(704.0)	116.8
Net (decrease) increase in cash and cash equivalents	(23.5)	110.1	44.1	(287.3)	103.5
30 June 2019 Restated					
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	(22.9)	259.1	114.2	889.9	(137.4)
Other comprehensive income for the year	(4.4)	(2.8)	(4.3)	-	16.4
Total comprehensive income for the year	(27.3)	256.3	109.9	889.9	(121.0)
(Loss) profit attributable to NCI	(9.3)	24.7	46.6	563.3	(95.3)
Other comprehensive income attributable to NCI	(1.9)	(0.6)	(2.0)	-	14.2
Total comprehensive income attributable to NCI	(11.2)	24.1	44.6	563.3	(81.1)
Dividends paid to NCI	-	23.7	19.1	252.0	-
Statements of Financial Position					
Non current assets	2,601.1	6,254.0	3,242.9	15,467.1	5,624.7
Current assets	1,963.4	4,987.2	2,059.8	1,158.2	739.2
Non current liabilities	1,023.1	1,970.4	919.2	5,053.9	490.4
Current liabilities	2,574.1	4,692.4	1,516.1	706.3	1,417.5
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	(1,208.8)	435.8	188.3	514.4	34.4
Net cash flow (used in) from investing activities	(323.3)	(1,054.5)	9.7	(110.4)	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	(343.3)	(172.7)	31.0	(95.1)	207.9

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 13.9m in retained earnings and an increase of Rs 13.9m in non-controlling interests.

Name of entity	From %	To %
Fintech		
Cheribinny Limited	56.5	69.0
Globefin Corporate Services Ltd	56.5	69.0
Globefin Nominee Ltd	56.5	69.0
RCAP Executives Limited	56.5	69.0
River Court Nominees Limited	56.5	69.0
Rogers Capital Accounting Services Ltd	56.5	69.0
Rogers Capital Business Services Ltd	56.5	69.0
Rogers Capital Captive Insurance Management Services Ltd	56.5	69.0
Rogers Capital City Executives Limited	56.5	69.0
Rogers Capital Corporate Services (Seychelles) Ltd	56.5	69.0
Rogers Capital Corporate Services (Singapore) Pte Ltd	56.5	69.0
Rogers Capital Corporate Services Ltd	56.5	69.0
Rogers Capital Finance Ltd	56.5	69.0
Rogers Capital Fund Services Ltd	56.5	69.0
Rogers Capital Investment Advisors Ltd	56.5	69.0
Rogers Capital Ltd	56.5	69.0
Rogers Capital Management Services Ltd	56.5	69.0
Rogers Capital Nominee 1 Limited	56.5	69.0
Rogers Capital Nominee 2 Limited	56.5	69.0
Rogers Capital Nominee Ltd	56.5	69.0
Rogers Capital Outsourcing Ltd	56.5	69.0
Rogers Capital Payment Solutions Ltd	56.5	69.0
Rogers Capital Payroll Services Ltd	56.5	69.0
Rogers Capital Specialist Services Ltd	56.5	69.0
Rogers Capital Technology Services Ltd	56.5	69.0
Rogers Capital Trustees Services Limited	56.5	69.0
Hospitality		
Adnarev Ltd	80.2	68.7
Bagatelle Hotel Operations Co Ltd (VOILA)	80.2	68.7
Bel Ombre Seashells Co Ltd	80.2	68.7
Blue Alize Ltd	64.2	54.9
BookSimply Ltd	80.2	68.7
Cap D'Abondance Ltd	80.2	68.7
CCC LAH Ltd (Moka'z)	69.2	59.2
Croisieres Australes Ltee	80.2	68.7
DOMC Ltd	40.9	35.0
Heritage Events Company Ltd	80.2	68.7
Heritage Golf Management Ltd	60.2	51.5
Hotels Operations Company Ltd	80.2	68.7
Island Holidays Ltd	80.2	68.7
Island Living Ltd	80.2	68.7
Island Living Shared Services Ltd	80.2	68.7
Restaurants Operations Company Ltd	80.2	68.7
Seafood Basket Ltd	80.2	68.7
Seven Colours Spa Ltd	80.2	68.7
Sports Event Management Operation Co Ltd	52.2	46.4
Sweetwater Ltd	44.1	37.8
Veranda Tamarin Ltd	40.9	35.0
VLH Ltd	80.2	68.7
VLH Training Ltd	80.2	68.7

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

Name of entity	From %	To %
Logistics		
Associated Container Services Ltd	66.7	66.6
Freeport Operations (Mauritius) Ltd	65.3	65.6
Gencargo (Transport) Ltd	27.0	33.8
Logistics Solution Ltd	66.7	66.6
MTL Logistics & Distribution Co Ltd	66.7	66.6
Thermoil Company Limited	80.0	78.0
Velogic Garage Services Ltd	66.7	66.6
Velogic Haulage Services Ltd	66.7	66.6
Property		
Ascencia Limited	36.2	36.1
Bagaprop Limited	36.2	36.1
Floreal Commercial Centre Limited	36.2	36.1

26. DIVIDENDS

COMPANY In Rs million	2020	2019
Declared and paid		
Interim dividend of Rs 0.38 per ordinary share (2019: Rs 0.36)	95.8	90.7
Declared and payable		
Final dividend of Rs Nil per ordinary share (2019: Rs 0.66)	–	166.4
Total dividends	95.8	257.1

No final dividend per share was declared and paid for the year ended 30 June 2020.

27. BORROWINGS

Accounting policy

Borrowings are recognised initially at fair value net of any transaction costs directly attributable to the issue of the financial instruments. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Statements of Financial Position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption as well as any interest 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 Statements of Profit or Loss as interest expense. The liability components of convertible preference shares 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 Statements 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.

Policy effective from 1 July 2019

The Group presents lease liabilities related to right of use assets in 'borrowings' in the Statements of Financial Position.

Lease liabilities related to right of use assets are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group are reasonably certain not to terminate early.

Lease liabilities related to right of use assets are subsequently measured at amortised cost using the effective interest method. Lease liabilities are subject to remeasurement if there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. Upon remeasurement, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right of use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Group recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

COVID-19-related rent concessions

The Group has applied COVID-19-Related Rent Concessions – Amendment to IFRS 16. The Group applies the practical expedient allowing it not to assess whether eligible rent concessions that are a direct consequence of the COVID-19 pandemic are lease modifications. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

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30 June 2020

27. BORROWINGS (CONTD)

	In Rs million	GROUP 2020	GROUP 2019 Restated	COMPANY 2020	COMPANY 2019 Restated
(a)	Non-current				
	Bank borrowings - Secured (note b)	6,551.4	7,787.0	650.0	650.0
	- Unsecured	10.4	125.0	-	-
	Secured fixed and floating rate notes (note d)	3,000.0	1,500.0	3,000.0	1,500.0
	Debentures (note f)	189.6	210.7	-	-
	Borrowings with other financial institutions (note g)	40.3	53.8	-	-
	Lease liabilities (note h)	971.5	-	69.9	-
	Total non current borrowings	10,763.2	9,676.5	3,719.9	2,150.0
	Current				
	Bank overdrafts (note 33)	470.4	765.5	-	117.1
	Bank borrowings - Secured (note b)	2,740.1	1,692.1	-	460.0
	- Unsecured	58.0	-	-	-
	Secured floating rate notes (note d)	500.0	-	500.0	-
	Convertible preference shares (note e)	-	37.5	-	-
	Loans from subsidiary companies	-	-	98.6	108.2
	Loans from other companies	-	307.2	-	307.2
	Debentures (note f)	21.1	-	-	-
	Borrowings with other financial institutions (note g)	30.1	34.7	-	-
	Lease liabilities (note h)	119.1	-	5.6	-
	Total current borrowings	3,938.8	2,837.0	604.2	992.5
	Interest payables	87.6	55.3	49.4	30.0
	Total current borrowings and accrued interests	4,026.4	2,892.3	653.6	1,022.5
	Total borrowings	14,789.6	12,568.8	4,373.5	3,172.5

In prior years, the Group accounted financing arrangements for purchase of motor vehicles with financial institutions as finance leases under IAS 17 Leases. Based on contractual terms, these arrangements were in effect borrowings to be accounted for as a financial liabilities rather than finance leases. The comparatives have therefore been re-presented to reflect the correct borrowings classification. This restatement is not material and did not have any impact on the reported figures for 2019 since the subsequent measurement requirements under IFRS 9 for borrowings were similar to finance leases under IAS 17.

(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% (2019 - 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.

	In Rs million	GROUP 2020	GROUP 2019 Restated	COMPANY 2020	COMPANY 2019
(c)	Repayable otherwise than by instalments				
	After one year and before two years				
	Other borrowings	352.3	-	350.0	-
	Secured floating rate notes	-	500.0	-	500.0
	After two years and before five years				
	Other borrowings	-	405.6	-	350.0
	Secured fixed and floating rate notes	2,000.0	500.0	2,000.0	500.0
	After five years				
	Secured bank loans	6.4	-	-	-
	Secured fixed and floating rate notes	1,000.0	500.0	1,000.0	500.0
	Repayable by instalments				
	After one year and before two years	414.9	721.1	100.0	100.0
	After two years and before five years	1,772.3	1,190.0	200.0	200.0
	After five years	4,205.5	5,806.0	-	-
	Total non current borrowings*	9,751.4	9,622.7	3,650.0	2,150.0

* Excluding borrowings with other financial institutions and lease liabilities

27. BORROWINGS (CONTD)

(d) Secured fixed and 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.

On 29 November 2019, the Company issued a mixture of 1.5m secured floating and fixed rate notes and on 05 May 2020, 0.5m secured floating rate notes on private placement as follows:

Note description	Maturity	Interest rate
Tranche 3 Years (0.50m notes at Rs1,000 per note)	29 November 2022	Reference Bank of Mauritius repo rate + 0.65% p.a
Tranche 5 Years (0.25m notes at Rs1,000 per note)	29 November 2024	Reference Bank of Mauritius repo rate + 0.95% p.a
Tranche 5 Years (0.25m notes at Rs1,000 per note)	29 November 2024	Fixed rate 4.90% p.a
Tranche 7 Years (0.25m notes at Rs1,000 per note)	29 November 2026	Reference Bank of Mauritius repo rate + 1.30% p.a
Tranche 7 Years (0.25m notes at Rs1,000 per note)	29 November 2026	Fixed rate 5.25% p.a
Tranche 10 Years (0.50m notes at Rs1,000 per note)	05 November 2030	Reference Bank of Mauritius repo rate + 1.70% p.a

These notes are secured by pledge of shares.

(e) Convertible preference shares to non-group entities

On 30 June 2020, preference shares have been converted to Class A ordinary shares for an amount of Rs 37.5m (2019: Rs 48.7m).

Salient features of the convertible preference shares are as follows:

Preference shares shall be converted mandatorily on 30 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

Ascencia Limited, a subsidiary company has in issue 17,556,676 redeemable bonds at an issue price of Rs 12 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 30 June of every financial year over 5 consecutive years starting 30 June 2021, without paying any additional fee.

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30 June 2020

27. BORROWINGS (CONTD)

	In Rs million	GROUP 2020	GROUP 2019
(g)	Borrowings with other financial institutions		
	Within one year	20.1	29.5
	After one year and before two years	29.3	33.7
	After two years and before five years	14.5	16.3
	After five years	0.2	2.4
	Borrowings with other financial institutions, excluding finance charges	64.1	81.9
	Future finance charges	6.3	6.6
	Borrowings with other financial institutions	70.4	88.5
	Within one year	30.1	34.7
	After one year and before two years	23.4	36.4
	After two years and before five years	13.1	15.1
	After five years	3.8	2.3
	Borrowings with other financial institutions	70.4	88.5

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.

	In Rs million	GROUP 2020	COMPANY 2020
(h)	Lease liabilities		
	Within one year	129.6	9.7
	After one year and before two years	461.7	10.2
	After two years and before five years	232.7	33.7
	After five years	464.3	42.2
	Undiscounted lease liabilities	1,288.3	95.8
	Future finance charges	(197.7)	(20.3)
	Discounted lease liabilities	1,090.6	75.5
	Within one year	119.1	5.6
	After one year and before two years	422.8	6.4
	After two years and before five years	206.7	24.9
	After five years	342.0	38.6
	Discounted lease liabilities	1,090.6	75.5
(i)	Amounts recognised in profit or loss		
	Interest on lease liabilities	66.5	4.4
	Variable lease payments not included in the measurement of lease liabilities	6.7	-
	Income from sub-leasing right of use assets	11.4	0.2
	Expenses relating to short-term leases	58.7	0.5
	Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	47.6	0.5
(j)	Amounts recognised in the Statements of Cash Flows		
	Total cash outflow for leases	178.8	9.3

The Group leases out its investment property. The Group has classified those leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 11 sets out information about the operating leases of investment property.

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.

	In Rs million	GROUP 2020	GROUP 2019 Restated
(a)	At 1 July (as previously stated)	737.8	665.6
	Effect of prior year restatements (note 45)	98.8	80.1
	At 1 July (restated)	836.6	745.7
	Charged to Statements of Profit or Loss (note 7)	(19.2)	91.3
	Charged (credited) to Statements of Other Comprehensive Income (note 9)	14.9	(0.4)
	Acquisition of subsidiary companies (note 35)	0.4	-
	At 30 June	832.7	836.6

(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 2018 (as previously stated)	291.6	6.9	367.1	665.6
Effect of prior year restatements (note 45)	2.3	-	77.8	80.1
At 1 July 2018 (restated)	293.9	6.9	444.9	745.7
Charged to Statements of Profit or Loss	(2.0)	2.3	91.0	91.3
Credited to Statements of Other Comprehensive Income	-	(0.4)	-	(0.4)
At 30 June 2019 (restated)	291.9	8.8	535.9	836.6
Charged to Statements of Profit or Loss	39.1	(15.1)	(43.2)	(19.2)
Credited to Statements of Other Comprehensive Income	-	(4.0)	18.9	14.9
Acquisition of subsidiary companies	0.4	-	-	0.4
At 30 June 2020	331.4	(10.3)	511.6	832.7

29. INCOME TAX LIABILITIES

Accounting policy

Income tax

Income tax for the current and prior periods is, to the extent that it is unpaid, recognised as a liability. Overpayment of income tax is recognised as an asset. Income tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

	In Rs million	GROUP 2020	GROUP 2019 Restated
(a)	At 1 July (as previously stated)	63.3	38.8
	Effect of prior year restatements (note 45)	(8.8)	-
	At 1 July (restated)	54.5	38.8
	Income tax charged to Statements of Profit or Loss (note 7)	104.1	110.3
	Corporate Social Responsibility charged to Statements of Profit or Loss (note 7)	10.1	8.6
	Underprovision for income tax (note 7)	0.6	0.7
	Income tax paid	(117.6)	(104.7)
	Exchange differences	0.3	0.8
	At 30 June	52.0	54.5

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30 June 2020

30. RETIREMENT BENEFIT ASSETS/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 benefits 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 Workers Rights Act 2019 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 assets/obligations are recognised in the Statements of Financial Position as non current assets/liabilities, 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 assets/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	2020	2019 Restated	2020	2019 Restated
Amounts recognised in the Statements of Financial Position				
Pension plan (note a)	28.0	43.1	28.0	43.1
Retirement benefit asset	28.0	43.1	28.0	43.1
Pension plan (note b)	93.6	67.1	–	–
Other retirement benefits (note c)	239.6	176.2	63.1	53.6
Retirement benefit obligations	333.2	243.3	63.1	53.6

(a) Retirement benefit asset – Pension plan

The Group runs a defined benefit 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 exDBSF. 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.

30. RETIREMENT BENEFIT ASSETS/OBLIGATIONS (CONTD)

(a) Retirement benefit asset – Pension plan (contd)

	GROUP		COMPANY	
In Rs million	2020	2019 Restated	2020	2019 Restated
Amounts recognised in the Statements of Financial Position				
Present value of funded obligations	1,708.8	1,749.8	1,708.8	1,749.8
Fair value of plan assets	(1,736.8)	(1,853.4)	(1,736.8)	(1,853.4)
Excess of fair value of plan assets over present value of funded obligations	(28.0)	(103.6)	(28.0)	(103.6)
Impact of minimum funding requirement/asset ceiling	–	60.5	–	60.5
Asset in the Statements of Financial Position	(28.0)	(43.1)	(28.0)	(43.1)
Reconciliation of net defined benefit liability (asset)				
At 1 July (as previously stated)	–	–	–	–
Effect of prior year restatements (note 45)	(43.1)	(35.7)	(43.1)	(35.7)
At 1 July (restated)	(43.1)	(35.7)	(43.1)	(35.7)
Amount recognised in profit or loss	2.5	2.8	2.5	2.8
Amount recognised in other comprehensive income	12.8	(9.3)	12.8	(9.3)
Less employer contributions	(0.2)	(0.9)	(0.2)	(0.9)
At 30 June	(28.0)	(43.1)	(28.0)	(43.1)
Reconciliation of fair value of plan assets				
At 1 July (as previously stated)	–	–	–	–
Effect of prior year restatements (note 45)	1,853.4	1,932.4	1,853.4	1,932.4
At 1 July (restated)	1,853.4	1,932.4	1,853.4	1,932.4
Interest income	98.3	102.5	98.3	102.5
Employer contributions	0.2	0.9	0.2	0.9
Employee contributions	–	0.2	–	0.2
Benefits paid	(163.0)	(206.7)	(163.0)	(206.7)
Return on plan assets excluding interest income	(52.1)	24.1	(52.1)	24.1
At 30 June	1,736.8	1,853.4	1,736.8	1,853.4
Reconciliation of present value of defined benefit obligation				
At 1 July (as previously stated)	–	–	–	–
Effect of prior year restatements (note 45)	1,749.8	1,796.3	1,749.8	1,796.3
At 1 July (restated)	1,749.8	1,796.3	1,749.8	1,796.3
Current service cost	5.0	4.8	5.0	4.8
Employee contributions	–	0.2	–	0.2
Interest expense	92.5	94.7	92.5	94.7
Other benefits paid	(163.0)	(206.7)	(163.0)	(206.7)
Liability experience (loss) gain	(239.7)	12.6	(239.7)	12.6
Liability loss due to change in financial assumptions	264.2	47.9	264.2	47.9
At 30 June	1,708.8	1,749.8	1,708.8	1,749.8

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30. RETIREMENT BENEFIT ASSETS/OBLIGATIONS (CONTD)

(a) Retirement benefit asset - Pension plan (contd)

In Rs million	GROUP 2020	GROUP 2019 Restated	COMPANY 2020	COMPANY 2019 Restated
Reconciliation of the effect of the asset ceiling				
At 1 July (as previously stated)	-	-	-	-
Effect of prior year restatements (note 45)	60.4	100.4	60.4	100.4
At 1 July (restated)	60.4	100.4	60.4	100.4
Amount recognised in profit or loss	3.4	5.8	3.4	5.8
Amount recognised in other comprehensive income	(63.8)	(45.7)	(63.8)	(45.7)
At 30 June	-	60.5	-	60.5
Components of amount recognised in Profit and Loss				
Current service cost	5.0	4.8	5.0	4.8
Service cost	5.0	4.8	5.0	4.8
Net interest on net defined benefit asset	(2.5)	(2.0)	(2.5)	(2.0)
Amounts recognised in profit or loss	2.5	2.8	2.5	2.8
Components of amount recognised in other comprehensive income				
Return on plan assets excluding interest income	52.1	(24.1)	52.1	(24.1)
Liability experience (loss) gain	(239.7)	12.6	(239.7)	12.6
Liability loss due to change in financial assumptions	264.2	47.9	264.2	47.9
Change in effect of asset ceiling	(63.8)	(45.7)	(63.8)	(45.7)
Amounts recognised in other comprehensive income	12.8	(9.3)	12.8	(9.3)
Allocation of Plan assets at End of Year (%)				
Equity - Overseas quoted	21	20	21	20
Equity - Local quoted	35	38	35	38
Debt - Overseas unquoted	9	2	9	2
Debt - Local unquoted	26	27	26	27
Property - Local	2	3	2	3
Cash and other	7	10	7	10
Allocation of Plan Assets at End of Period				
- Reporting entity's own transferable financial instruments	3	2	3	2
Principal Assumptions used at End of Period				
Discount rate	3.5%	5.6%	3.5%	5.6%
Rate of salary increases	2.5%	4.0%	2.5%	4.0%
Rate of pension increases	60 years	60 years	60 years	60 years
Average retirement age ("ARA")				
Average life expectancy for:				
- Male	19.5 years	19.5 years	19.5 years	19.5 years
- Female	24.2 years	24.2 years	24.2 years	24.2 years
Sensitivity Analysis on Defined Benefit Obligation at End of Period on:				
Increase due to 1% decrease in discount rate	215.0	164.9	215.0	164.9
Decrease due to 1% increase in discount rate	171.6	136.2	171.6	136.2
Future cashflows				
The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries.				
Expected employer contribution for the next year	230.0	242.0	230.0	242.0
Weighted average duration of the defined benefit obligation	10 years	9 years	10 years	9 years

30. RETIREMENT BENEFIT ASSETS/OBLIGATIONS (CONTD)

(a) Retirement benefit asset - Pension plan (contd)

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. The results are particularly sensitive to a change in discount rate due to the nature of the liabilities being the difference between a minimum defined benefit ("DB") liability and the projected defined contribution ("DC") liabilities, the latter being Rs 218.4m as at 29 February 2020. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

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.

(b) Retirement benefit obligation - Pension plan

In Rs million	GROUP 2020	GROUP 2019 Restated	COMPANY 2020	COMPANY 2019 Restated
Amounts recognised in the Statements of Financial Position				
Present value of funded obligations	194.5	175.3	-	-
Fair value of plan assets	(100.9)	(105.3)	-	-
Excess of fair value of plan assets over present value of funded obligations	93.6	70.0	-	-
Impact of minimum funding requirement/asset ceiling	-	(2.9)	-	-
Liability in the Statements of Financial Position	93.6	67.1	-	-
Reconciliation of net defined benefit liability (asset)				
At 1 July (as previously stated)	24.0	31.0	(43.1)	(35.7)
Effect of prior year restatements (note 45)	43.1	35.7	43.1	35.7
At 1 July (restated)	67.1	66.7	-	-
Amount recognised in profit or loss	(3.9)	5.7	-	-
Amount recognised in other comprehensive income	33.3	7.2	-	-
Less employer contributions	(2.9)	(12.5)	-	-
At 30 June	93.6	67.1	-	-
Reconciliation of fair value of plan assets				
At 1 July (as previously stated)	1,958.8	2,070.3	1,853.4	1,932.4
Effect of prior year restatements (note 45)	(1,853.4)	(1,932.4)	(1,853.4)	(1,932.4)
At 1 July (restated)	105.4	137.9	-	-
Interest income	10.7	5.0	-	-
Employer contributions	2.9	12.4	-	-
Employee contributions	(0.3)	0.7	-	-
Benefits paid	(13.8)	(40.9)	-	-
Return on plan assets excluding interest income	(4.0)	(9.8)	-	-
At 30 June	100.9	105.3	-	-

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30. RETIREMENT BENEFIT ASSETS/OBLIGATIONS (CONTD)

(b) Retirement benefit obligation - Pension plan (contd)

	GROUP		COMPANY	
	2020	2019	2020	2019
In Rs million		Restated		Restated
Reconciliation of present value of defined benefit obligation				
At 1 July (as previously stated)	1,925.3	2,001.7	1,749.8	1,796.3
Effect of prior year restatements (note 45)	(1,749.8)	(1,796.3)	(1,749.8)	(1,796.3)
At 1 July (restated)	175.5	205.4	-	-
Current service cost	(6.0)	2.9	-	-
Employee contributions	(0.3)	0.7	-	-
Interest expense	9.0	9.0	-	-
Past service cost	1.0	0.2	-	-
Other benefits paid	(14.0)	(40.9)	-	-
Liability experience loss	2.0	(3.9)	-	-
Liability gain due to change in demographic assumptions	(2.7)	-	-	-
Liability loss due to change in financial assumptions	30.0	1.9	-	-
At 30 June	194.5	175.3	-	-
Reconciliation of the effect of the asset ceiling				
At 1 July (as previously stated)	57.5	99.6	60.5	100.4
Effect of prior year restatements (note 45)	(57.5)	(100.4)	(60.5)	(100.4)
At 1 July (restated)	-	(0.8)	-	-
Amount recognised in profit or loss	-	(1.4)	-	-
Amount recognised in other comprehensive income	-	(0.7)	-	-
At 30 June	-	(2.9)	-	-
Components of amount recognised in Profit and Loss				
Current service cost	(6.0)	2.9	-	-
Past service cost	1.0	0.2	-	-
Service cost	(5.0)	3.1	-	-
Net interest on net defined benefit liability	1.1	2.6	-	-
Amounts recognised in profit or loss	(3.9)	5.7	-	-
Components of amount recognised in other comprehensive income				
Return on plan assets excluding interest income	4.0	9.8	-	-
Liability experience gain (loss)	2.0	(3.9)	-	-
Liability gain due to change in demographic assumptions	(2.7)	-	-	-
Liability loss due to change in financial assumptions	30.0	1.9	-	-
Change in effect of asset ceiling	-	(0.6)	-	-
Amounts recognised in other comprehensive income	33.3	7.2	-	-

30. RETIREMENT BENEFIT ASSETS/OBLIGATIONS (CONTD)

(b) Retirement benefit obligation - Pension plan (contd)

	GROUP		COMPANY	
	2020	2019	2020	2019
Allocation of Plan assets at End of Year (%)				
Equity - Overseas quoted	0 - 21	15 - 21	-	-
Equity - Overseas unquoted	0 - 4	0 - 5	-	-
Equity - Local quoted	27 - 35	24 - 38	-	-
Equity - Local unquoted	0 - 2	0 - 3	-	-
Debt - Overseas quoted	0 - 10	0 - 10	-	-
Debt - Overseas unquoted	0 - 9	0 - 2	-	-
Debt - Local quoted	0 - 5	0 - 10	-	-
Debt - Local unquoted	0 - 8	8 - 27	-	-
Property - Local	2 - 19	3 - 19	-	-
Cash and other	4 - 7	4 - 11	-	-
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	-	-
Principal Assumptions used at End of Period				
Discount rate	3.5%	5.6%	-	-
Rate of salary increases	2.5%	3.8% - 4.0%	-	-
Rate of pension increases	0.0%	0.5% - 1.5%	-	-
Average retirement age ("ARA")	60 years	60 - 65 years	-	-
Average life expectancy for:				
- Male	19.5 - 23.2 years	13.0 - 23.2 years	-	-
- Female	24.2 - 26.2 years	14.0 - 26.2 years	-	-
Sensitivity Analysis on Defined Benefit Obligation at End of year on:				
Increase due to 1% decrease in discount rate	13.0	23.2	-	-
Decrease due to 1% increase in discount rate	25.6	18.2	-	-
Future cashflows				
The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries.				
Expected employer contribution for the next year	9.7	7.7	-	-
Weighted average duration of the defined benefit obligation	3 - 21 years	6 - 25 years	-	-

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30. RETIREMENT BENEFIT ASSETS/OBLIGATIONS (CONTD)

		GROUP		COMPANY	
		2020	2019	2020	2019
	In Rs million		Restated		Restated
	Defined contribution plan				
	Contributions to Rogers Pension Fund	98.1	74.3	11.0	9.2
(c)	Other retirement benefits				
	Other retirement benefits comprise retirement gratuity and unfunded pensions paid to ex-employees of the Group				
	At 1 July (as previously stated)	176.2	153.2	53.6	47.5
	Effect of prior year restatements (note 45)	-	-	-	-
	At 1 July (restated)	176.2	153.2	53.6	47.5
	Amount recognised in profit or loss	49.3	11.1	4.0	3.4
	Amount recognised in other comprehensive income	25.7	23.3	11.0	7.6
	Less employer contributions	(11.6)	(11.4)	(5.5)	(4.9)
	Acquisition of subsidiaries	-	-	-	-
	At 30 June	239.6	176.2	63.1	53.6
	Reconciliation of present value of defined benefit obligations				
	At 1 July (as previously stated)	176.2	153.2	53.6	47.5
	Effect of prior year restatements (note 45)	-	-	-	-
	At 1 July (restated)	176.2	153.2	53.6	47.5
	Current service cost	38.8	5.2	1.3	0.9
	Interest expense	9.5	1.9	2.8	2.5
	Past service cost	1.0	4.8	(0.1)	-
	Settlement gain	-	(0.8)	-	-
	Benefits paid	(11.6)	(11.4)	(5.5)	(4.9)
	Liability experience loss	5.1	6.4	2.1	4.3
	Liability (loss) gain due to change in demographic assumptions	(1.2)	0.1	-	-
	Liability loss due to change in financial assumptions	21.8	16.8	8.9	3.3
	At 30 June	239.6	176.2	63.1	53.6
	Components of amount recognised in profit or loss				
	Current service cost	38.8	5.2	1.3	0.9
	Past service cost	1.0	4.8	(0.1)	-
	Settlement gain	-	(0.8)	-	-
	Service cost	39.8	9.2	1.2	0.9
	Net interest on net defined benefit liability	9.5	1.9	2.8	2.5
	Amounts recognised in profit or loss	49.3	11.1	4.0	3.4
	Components of amount recognised in other comprehensive income				
	Liability experience loss	5.1	6.4	2.1	4.3
	Liability loss due to change in demographic assumptions	(1.2)	0.1	-	-
	Liability loss due to change in financial assumptions	21.8	16.8	8.9	3.3
	Amounts recognised in other comprehensive income	25.7	23.3	11.0	7.6
	Principal Assumptions used at End of Period				
	Discount rate	3.5%-5.6%	5.5%-5.6%	3.5%	5.6%
	Rate of salary increases	3.0%	3.5%-4.0%	1%-2.5%	4.0%
	Rate of pension increases	1.0%	0.5%-2.0%	0.0%	0.8%-2.0%
	Average retirement age ("ARA")	60-65 years	60-65 years	65 years	65 years
	Average life expectancy for:				
	- Male at ARA	15.9 - 23.2 years	15.9-19.5 years	15.9 years	15.9 years
	- Female at ARA	20 - 26.2 years	20.0-24.2 years	20 years	20.0 years
	Sensitivity Analysis on Defined Benefit Obligation at End of Period				
	Discount rate				
	Increase due to 1% decrease in discount rate	42.2	52.5	10.9	11.8
	Decrease due to 1% increase in discount rate	65.0	36.2	7.5	9.5
	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.				
	Future cashflows				
	- Expected employer contribution for the next year	23.5	17.2	-	5.0
	- Weighted average duration of the defined benefit obligation	0-39 years	2-38 years	11-18 years	3-15 years
	Retirement benefit obligations have been based on the report dated June 2020 submitted by Aon Hewitt Limited and Swan Actuarial Services Ltd.				
(d)	State pension plan				
	National Pension Scheme contributions expensed	42.9	40.1	1.0	0.9

31. 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	
	2020	2019	2020	2019
In Rs million		Restated		Restated
Trade payables	922.6	1,146.0	12.3	12.1
Accruals	866.8	857.2	34.3	87.3
Other payables	1,190.3	926.2	27.2	28.6
Amounts payable to group companies	-	-	383.5	695.0
Total trade and other payables	2,979.7	2,929.4	457.3	823.0

The carrying amounts of trade and other payables are considered as a reasonable approximation of fair value due to their short term nature. Trade and other payables are repayable within one year.

32. LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS

Accounting policy

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.

GROUP		
	2020	2019
In Rs million		Restated
Non-current		
At 1 July	-	-
Additions during the year	155.5	-
Liabilities related to contracts with customers	155.5	-
Current		
At 1 July (as previously stated)	291.7	425.2
Effect of prior year adjustments (note 45)	54.7	83.5
At 1 July (restated)	346.4	508.7
Transfer to contract assets	(106.9)	-
Additions during the year	190.6	214.4
Charged to Statements of Profit or Loss	(177.8)	(360.1)
Exchange differences	38.7	(16.6)
Liabilities related to contracts with customers	291.0	346.4
Total liabilities related to contracts with customers	446.5	346.4

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

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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.

In Rs million	GROUP 2020	GROUP 2019 Restated	COMPANY 2020	COMPANY 2019 Restated
Bank balances and cash	1,525.4	1,033.1	99.3	2.8
Bank overdrafts (note 27)	(470.4)	(765.5)	-	(117.1)
Total cash and cash equivalents	1,055.0	267.6	99.3	(114.3)
The bank overdrafts are secured by floating charges on the assets of the borrowing companies. The rate of interest varies between 1% and 19%, inclusive of foreign denominated overdrafts.				
Non cash transactions	13.7	24.3	-	-

At 30 June 2020, cash and cash equivalents have been considered for impairment and impairment loss was negligible and hence not accounted for.

Non cash transactions relate to the purchase of equipment and motor vehicles by means of leasing arrangements.

34. NOTES TO THE STATEMENTS OF CASH FLOWS

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

In Rs million	GROUP 2020	GROUP 2019 Restated	COMPANY 2020	COMPANY 2019 Restated
(Loss) profit before taxation	(322.8)	1,385.1	(163.5)	455.4
Share of results of jointly controlled entities	2.3	(14.8)	-	-
Share of results of associated companies	149.4	(275.3)	-	-
Exceptional items	20.4	49.7	277.7	(276.8)
(Loss) profit from operations	(150.7)	1,144.7	114.2	178.6
Depreciation	615.8	426.1	17.6	8.7
Amortisation	112.4	125.3	0.3	0.4
Fair value (gains) losses and straightlining adjustment	(131.9)	(526.7)	2.3	(2.6)
Exchange difference on borrowings	19.4	(5.6)	-	-
Profit on sale of investment properties and property, plant and equipment	(7.5)	(6.7)	(0.7)	(0.7)
Profit on disposal of financial assets at fair value through profit or loss	-	(2.4)	-	-
Profit on disposal of assets held for sale	-	(3.7)	-	-
Impairment losses (reversal of impairment losses) on financial assets	519.3	60.4	(41.6)	47.8
Investment income	(4.3)	(7.8)	(324.8)	(465.2)
Interest expense	628.2	570.7	184.8	170.9
Interest income	(205.6)	(89.3)	(17.3)	(19.1)
Retirement benefit obligations	1.2	1.0	1.0	0.4
Cash generated from (used in) operations before working capital changes	1,396.3	1,686.0	(64.2)	(80.8)
Changes in working capital (excluding the effects of acquisition and disposal of subsidiaries)				
Net increase in loans and advances	(630.4)	(1,316.8)	-	-
Inventories	139.3	(108.5)	-	-
Trade receivables and financial assets at amortised costs	14.8	(397.0)	(4.4)	(18.3)
Liabilities related to contracts with customers	118.2	218.8	-	-
Trade and other payables	(345.1)	(129.6)	(54.2)	18.8
Cash generated from (used in) operations	693.1	(47.1)	(122.8)	(80.3)

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

(b) Reconciliation of liabilities arising from financing activities

GROUP In Rs million	Bank and other borrowings excluding bank overdraft	Secured fixed and floating rate notes	Convertible preference shares	Debentures	Borrowings with other financial institutions	Lease liabilities	Total liabilities from financing activities
At 1 July 2019 (as previously stated)	9,893.7	1,500.0	37.5	210.7	88.5	-	11,730.4
Effect of prior year restatements (note 45)	17.6	-	-	-	-	-	17.6
Effect of adopting IFRS 16 - Leases	-	-	-	-	-	1,198.5	1,198.5
At 1 July 2019 (restated)	9,911.3	1,500.0	37.5	210.7	88.5	1,198.5	12,946.5
Net cash flows	(722.1)	2,000.0	-	-	(21.0)	(178.8)	1,078.1
Leases contracted during the year	-	-	-	-	2.8	-	2.8
Non-cash transactions	(15.0)	-	(37.5)	-	-	70.9	18.4
Acquisitions of subsidiaries	4.0	-	-	-	-	-	4.0
Revaluation of foreign currency	181.8	-	-	-	-	-	181.8
Total liabilities from financing activities	9,360.0	3,500.0	-	210.7	70.3	1,090.6	14,231.6

COMPANY In Rs million	Bank and other borrowings excluding bank overdrafts	Secured fixed and floating rate notes	Lease liabilities	Total liabilities from financing activities
At 1 July 2019	1,525.4	1,500.0	-	3,025.4
Effect of adopting IFRS 16 - Leases	-	-	80.4	80.4
At 1 July 2019 (restated)	1,525.4	1,500.0	80.4	3,105.8
Net cash flows	(764.1)	2,000.0	(9.3)	1,226.6
Non-cash transactions	(12.7)	-	4.4	(8.3)
At 30 June 2020	748.6	3,500.0	75.5	4,324.1

EXPLANATORY NOTES

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35. ACQUISITION OF SUBSIDIARIES

During the year, the Group acquired the following subsidiaries:

	% holding	Group Effective % Holding	Principal Activity
Fintech			
Cheribinny Limited	100.0	69.0	Consumer finance
Hospitality			
Border Air Limited	100.0	100.0	GSA
Logistics			
Global Air Cargo Services Limited	50.0	33.5	Freight forwarding

The fair value of assets acquired and liabilities assumed were as follows:

GROUP In Rs million	2020
Property, plant and equipment	0.4
Trade and other receivables	24.7
Cash and cash equivalents	1.1
Borrowings	(4.0)
Trade and other payables	(5.6)
Deferred tax liability	(0.4)
	16.2
Excess of fair value of net assets acquired over settlement price	12.1
	28.3
Non-controlling interests not acquired	(0.7)
	27.6
Cash and cash equivalents acquired	(1.1)
Cash outflow on acquisition net of cash and cash equivalents	26.5
Satisfied by:	
Consideration paid in cash	27.6

The revenue and loss consolidated in the Group's Statements of Profit or Loss for the year ended 30 June 2020 amounted to Rs 26.9m and Rs 5.5m respectively.

36. DISPOSAL OF SUBSIDIARIES

On 1 July 2019, the Group disposed of its shareholding in Rogers Capital Actuarial Services Ltd. Assets and liabilities disposed of are as follows:

GROUP In Rs million	2020
Trade and other receivables	2.8
Cash and cash equivalents	0.1
Trade and other payables	(1.0)
	1.9
Profit on disposal	6.7
	8.6
Cash and cash equivalents disposed	(0.1)
Cash flow on disposal net of cash and cash equivalents	8.5
Satisfied by:	
Cash	8.5

The Group realised a profit of Rs 6.7m on the disposal Rogers Capital Actuarial Services Ltd and this profit is arrived at as follows:

Consideration received	8.6
Net assets disposed	(1.9)
Profit on disposal	6.7

37. COMMITMENTS

In Rs million	GROUP 2020	GROUP 2019	COMPANY 2020	COMPANY 2019
Capital commitments				
Authorised by the Board of Directors				
(i) but not contracted for	898.0	804.9	115.0	462.4
(ii) contracted for but not provided in the financial statements	965.5	528.7	-	-

In Rs million	GROUP 2020	GROUP 2019	COMPANY 2020	COMPANY 2019
Future minimum lease receivable under non-cancellable operating leases may be analysed as follows:				
Within one year	8.7	4.4	-	-
After one year and before five years	20.7	13.0	-	-
After five years	0.1	0.7	-	-
Future minimum lease receivable under non-cancellable operating leases	29.5	18.1	-	-

38. CONTINGENT LIABILITIES

In Rs million	GROUP 2020	GROUP 2019	COMPANY 2020	COMPANY 2019
Pending legal matters (note (a))	45.4	61.3	5.2	5.2
Guarantees given (note (b))	3,286.2	3,675.8	-	353.8
Total contingent liabilities	3,331.6	3,737.1	5.2	359.0

(a) At 30 June 2020, pending legal matters relate to a court case against some subsidiary companies, the outcome of which is unknown.

(b) At 30 June 2020, the Group had contingent liabilities in respect of bank and other guarantees arising in the ordinary course of business from which it is anticipated that no material liabilities would arise.

39. EVENTS AFTER THE REPORTING DATE

On 29 December 2020, Ascencia Limited, a subsidiary company, has successfully raised the issue of secured rated bonds of Rs 1.5bn as part of its approved bond programme of Rs 2.5bn. The proceeds will be used to fund the Bagatelle Mall Extension, the Decathlon building as well as the acquisition of the remaining stake in the Bo'Valon Mall to bring the total shareholding to 100%.

EXPLANATORY NOTES

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40. ASSETS CLASSIFIED AS HELD FOR SALE/LIABILITIES ASSOCIATED WITH 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	2020	2019
Investment properties	20.0	119.1
Trade receivables	0.2	-
Assets classified as held for sale	20.2	119.1
Trade and other payables	2.5	2.7
Liabilities associated with assets classified as held for sale	2.5	2.7
Cash inflows from operations	5.4	3.9
Cash inflows from investing activities	98.6	12.5
Cash inflows from assets classified as assets held for sale	104.0	16.4

At 30 June 2020, Ascencia Limited, a subsidiary company from the property investment sector, disposed of investment properties.

41. IMMEDIATE AND ULTIMATE HOLDING ENTITY

The immediate holding company is Rogers Consolidated Shareholding Ltd and the ultimate holding entity is Société Caredas, a "société civile" registered in Mauritius.

42. RELATED PARTIES TRANSACTIONS

Related parties are individuals or entities related to the Group where:

- the individual or a close member of that individual's family is related to the Group if the individual has control, joint control, or significant influence over the Group or is a member of its key management personnel.
- the entity is related to the Group if, among other circumstances, it is a parent, subsidiary, fellow subsidiary, associate, or joint venture of the Group, or it is controlled, jointly controlled, or significantly influenced or managed by a person who is a related party.

(a) During the year, the Group transacted with related parties. Transactions which are not dealt with elsewhere in the consolidated financial statements are as follows:

	GROUP		COMPANY	
In Rs million	2020	2019	2020	2019
Sales of goods & services to				
Associates	19.2	92.0	-	-
Jointly controlled entities	1.4	0.7	-	-
Other related parties	51.9	77.1	-	-
Dividend and other income from				
Subsidiaries	-	-	476.4	617.6
Associates	-	-	71.1	76.9
Other related parties	-	-	2.3	5.8
Purchase of goods & services from				
Subsidiaries	-	-	29.2	33.3
Associates	45.1	27.4	-	0.2
Other related parties	243.0	124.7	29.8	35.5
Loans payable to				
Subsidiaries	-	-	103.6	108.3
Associates	-	7.2	1.2	6.2
Other related parties	-	300.0	-	300.0
Loans receivable from				
Subsidiaries	-	-	396.9	93.9
Jointly controlled entities	72.1	-	-	-
Other related parties	-	53.6	-	-
Amount owed by				
Subsidiaries	-	-	662.8	834.6
Associates	1.5	30.3	-	2.0
Jointly controlled entities	0.4	-	-	-
Other related parties	4.1	7.2	-	-
Amount owed to				
Subsidiaries	-	-	379.4	695.0
Associates	4.9	-	-	-
Other related parties	64.6	-	10.0	10.0
Remuneration of key management personnel				
Short term employee benefits	104.9	101.3	52.2	48.6
Post employment benefits	7.9	7.3	4.1	3.5

These represent loans receivable from and payable to associates and joint controlled entities for which there is no fixed repayment terms, security or guarantee.

There has been no guarantees provided or received for any related party receivables or payables.

EXPLANATORY NOTES

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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 2020

In Rs million	FinTech	Hospitality	Logistics	Property	Corporate Office	Corporate Treasury	Group Elimination	Total
Revenue	964	3,196	3,122	2,218	198	-	(529)	9,169
Profit (loss) from operations before impairment losses and finance costs	95	(96)	211	805	(134)	(13)	-	868
Impairment losses on financial assets	(224)	(58)	(29)	(208)	-	-	-	(519)
Finance costs	(48)	(81)	(50)	(299)	-	(150)	-	(628)
Fair value gain on investment properties	-	-	-	129	-	-	-	129
Share of results of jointly controlled entities and associated companies	202	(220)	-	(159)	25	-	-	(152)
Profit (loss) before exceptional items	25	(455)	132	268	(109)	(163)	-	(302)
Exceptional Items (note 6)	(16)	(3)	(7)	6	-	-	-	(20)
Profit (loss) before taxation	9	(458)	125	274	(109)	(163)	-	(322)
Taxation	24	3	(23)	(100)	-	-	-	(96)
Profit (loss) for the year	33	(455)	102	174	(109)	(163)	-	(418)
Assets	5,844	11,145	3,188	19,698	1,962	-	(3,129)	38,708
Liabilities	3,461	4,268	1,810	8,091	4,935	-	(3,129)	19,436
Capital expenditure	(98)	(456)	(122)	(410)	(13)	-	-	(1,099)
Depreciation & amortisation	(93)	(311)	(177)	(129)	(18)	-	-	(728)
Disaggregation of revenue from contracts with customers:								
Segment revenue	788	3,075	3,207	2,136	53	-	-	9,259
Inter-segment revenue	(97)	(74)	(97)	(6)	(43)	-	-	(317)
Revenue from contracts with external customers	691	3,001	3,110	2,130	10	-	-	8,942
Primary Geographic markets								
Asia	6	-	211	-	-	-	-	217
Europe	53	1,237	565	513	-	-	-	2,368
Africa and others	632	1,764	2,334	1,617	10	-	-	6,357
Revenue from primary geographic markets	691	3,001	3,110	2,130	10	-	-	8,942
Contract counterparties								
Individual	-	2,029	411	1,063	-	-	-	3,503
Corporate	691	972	2,699	1,067	10	-	-	5,439
Revenue by contract counter parties	691	3,001	3,110	2,130	10	-	-	8,942
Timing of revenue recognition								
At a point in time	606	2,816	2,273	218	-	-	-	5,913
Over time	85	185	837	1,912	10	-	-	3,029
Revenue by timing of revenue recognition	691	3,001	3,110	2,130	10	-	-	8,942

(a) Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officers.

(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 Limited, 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.

43. BUSINESS SEGMENTS (CONTD)

Year ended 30 June 2019 (restated)

In Rs million	FinTech	Hospitality	Logistics	Property	Corporate Office	Corporate Treasury	Group Elimination	Total
Revenue	956	3,762	3,407	2,338	216	-	(432)	10,247
Profit (loss) from operations before impairment losses and finance costs	95	389	178	849	(106)	(23)	-	1,382
Impairment losses on financial assets	(74)	8	8	(2)	-	-	-	(60)
Finance costs	(38)	(54)	(33)	(320)	-	(126)	-	(571)
Fair value gain on investment properties	-	-	-	395	(1)	-	-	394
Share of results of jointly controlled entities and associated companies	206	10	-	16	58	-	-	290
Profit (loss) before exceptional items	189	353	153	938	(49)	(149)	-	1,435
Exceptional Items (note 6)	(28)	(23)	(8)	14	(5)	-	-	(50)
Profit (loss) before taxation	161	330	145	952	(54)	(149)	-	1,385
Taxation	(2)	(70)	(37)	(102)	-	-	-	(211)
Profit (loss) for the year	159	260	108	850	(54)	(149)	-	1,174
Assets	5,288	10,511	2,891	18,918	1,846	-	(3,061)	36,393
Liabilities	3,064	3,527	1,697	7,746	4,175	-	(3,061)	17,148
Capital expenditure	(117)	(598)	(100)	(405)	(9)	-	-	(1,229)
Depreciation & amortisation	(53)	(246)	(102)	(141)	(9)	-	-	(551)
Disaggregation of revenue from contracts with customers:								
Segment revenue	894	3,823	3,505	2,227	63	-	-	10,512
Inter-segment revenue	(134)	(98)	(102)	(5)	(43)	-	-	(382)
Revenue from contracts with external customers	760	3,725	3,403	2,222	20	-	-	10,130
Primary Geographic markets								
Asia	129	149	264	-	-	-	-	542
Europe	123	1,873	1,005	-	-	-	-	3,001
Africa and others	508	1,703	2,134	2,222	20	-	-	6,587
Revenue from primary geographic markets	760	3,725	3,403	2,222	20	-	-	10,130
Contract counterparties								
Individual	1	1,133	85	535	-	-	-	1,754
Corporate	759	2,592	3,318	1,687	20	-	-	8,376
Revenue by contract counter parties	760	3,725	3,403	2,222	20	-	-	10,130
Timing of revenue recognition								
At a point in time	760	3,725	3,403	1,978	-	-	-	9,866
Over time	-	-	-	244	20	-	-	264
Revenue by timing of revenue recognition	760	3,725	3,403	2,222	20	-	-	10,130

44. CHANGES IN ACCOUNTING POLICIES

(a) Impact on the financial statements

The Group has adopted IFRS 16 - Leases 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 2020 but have been recognised in the opening balance of note 10 right of use assets and lease liabilities (note 27).

Restatement of impact lines of the financial statements for prior periods are as follows:

(b) Impact on transition

On transition to IFRS 16, the Group recognised additional right of use assets, additional lease liabilities, recognising the difference if any in retained earnings. The impact on transition is summarised below.

	GROUP	COMPANY
In Rs million	1 July 2019	1 July 2019
Right of use assets	1,083.6	80.4
Lease liabilities	1,083.6	80.4

For the impact of IFRS 16 on profit or loss for the period, see Note 27. For the details of accounting policies under IFRS 16 and IAS 17, see Note 10. When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate at 1 July 2019.

	GROUP	COMPANY
	1 July 2019	1 July 2019
Operating lease commitments at 30 June 2019 as disclosed under IAS 17 in the Group's consolidated financial statements	1,912.5	105.2
Discounted using the incremental borrowing rate at 1 July 2019	1,121.6	80.9
Recognition exemption for leases of low-value assets	(12.0)	(0.5)
Recognition exemption for leases with less than 12 months of lease term at transition	(26.0)	-
Lease liabilities recognised at 1 July 2019	1,083.6	80.4

EXPLANATORY NOTES

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45. PRIOR YEAR RESTATEMENTS

In preparing the financial statements for the year ended 30 June 2020, the Group and the Company identified prior year restatements and made necessary corrections. Restatements were made to the financial statements, presentation and disclosures of certain transactions and balances, in accordance with International Accounting Standard, IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. They refer to the comparatives for 01 July 2018 and 30 June 2019, unless where specified.

(i) Impact on the consolidated financial statements

Restatement of impact lines of the financial statements for prior periods are as follows:

Group In Rs million	See note below	2019 As previously stated	Prior Year Adjustment	2019 Restated	2018 As previously stated	Prior Year Adjustment	2018 Restated
Statements of Financial Position							
ASSETS							
Property, plant and equipment	b3, b5, b6, d1, d2, d3, e1, e3, e11	9,829.5	(40.7)	9,788.8	9,414.8	(89.1)	9,325.7
Investment properties	b5, e11	12,773.9	36.2	12,810.1	11,626.1	42.3	11,668.4
Intangible assets	a, b3, d3, e3	1,515.6	(77.3)	1,438.3	1,508.9	(29.4)	1,479.5
Investment in jointly controlled entities	c1	144.1	36.3	180.4	145.2	-	145.2
Investment in associated companies	e7, e13	5,280.9	(84.6)	5,196.3	5,006.2	13.3	5,019.5
Financial assets at fair value through other comprehensive income	c2, e6	225.1	44.1	269.2	263.0	25.9	288.9
Financial assets at fair value through profit or loss	c2	282.1	12.1	294.2	295.1	6.6	301.7
Financial assets at amortised costs		53.6	-	53.6	52.5	-	52.5
Loans and advances	b9, e8, e9	1,029.5	(67.7)	961.8	306.3	(39.3)	267.0
Deferred expenditure	b3, b6, e3	337.1	(221.1)	116.0	382.0	(242.6)	139.4
Defined Benefits Assets	b4	-	43.1	43.1	-	35.7	35.7
Total non current assets		31,471.4	(319.6)	31,151.8	29,000.1	(276.6)	28,723.5
Consumable biological assets		77.9	-	77.9	77.3	-	77.3
Inventories	b6, e11	409.1	165.4	574.5	296.2	210.1	506.3
Prepayments	b7	198.7	(82.6)	116.1	137.4	-	137.4
Loans and advances		699.5		699.5	171.2	-	171.2
Contract assets	b1	-	146.7	146.7	-	96.1	96.1
Trade receivables	b6, b7, e5, e6, e10, e11, e12	1,741.2	15.4	1,756.6	1,548.0	(1.5)	1,546.5
Financial assets at amortised costs	b1, b6, e11, e13	867.8	(149.8)	718.0	742.6	(87.9)	654.7
Bank balances and cash	e10, e11	1,100.6	(67.5)	1,033.1	1,543.9	(5.6)	1,538.3
Assets classified as held for sale	e11	118.5	0.6	119.1	91.7	-	91.7
Total current assets		5,213.3	28.2	5,241.5	4,608.3	211.2	4,819.5
Total assets		36,684.7	(291.4)	36,393.3	33,608.4	(65.4)	33,543.0
EQUITY AND LIABILITIES							
Share capital		1,260.2	-	1,260.2	1,260.2	-	1,260.2
Reserves	a, b5, b6, c1, c2, d1, d2, d3, e1, e2, e3, e4, e6, e7, e9, e11, e12	9,565.4	(141.9)	9,423.5	9,088.5	(54.3)	9,034.2
Equity attributable to owners of the parent		10,825.6	(141.9)	10,683.7	10,348.7	(54.3)	10,294.4
Non-controlling interests	a, b6, c1, d1, d2, d3, e1, e2, e3, e4, e9, e11, e12	8,644.4	(82.9)	8,561.5	8,292.9	(81.6)	8,211.3
Total equity		19,470.0	(224.9)	19,245.2	18,641.6	(135.9)	18,505.7
Borrowings	b10, e11	10,095.2	(418.7)	9,676.5	9,594.2	(264.6)	9,329.6
Deferred tax liabilities	a, e1, e2, e11	737.8	98.8	836.6	665.6	80.1	745.7
Retirement benefit obligations	b4	200.2	43.1	243.3	184.2	35.7	219.9
Total non current liabilities		11,033.2	(276.8)	10,756.4	10,444.0	(148.8)	10,295.2
Borrowings	b8, b10, e11	2,400.6	491.7	2,892.3	933.3	340.5	1,273.8
Trade and other payables	b2, b7, b8, b9, b10, d2, e4, e5, e6, e8, e10, e11	3,256.8	(327.4)	2,929.4	2,927.1	(204.7)	2,722.4
Liabilities related to contracts with customers	b2	291.7	54.7	346.4	425.2	83.5	508.7
Income tax liabilities	e11	63.3	(8.8)	54.5	38.8	-	38.8
Dividends payable		166.4	-	166.4	158.8	-	158.8
Liabilities directly associated with assets classified as held for sale		2.7	-	2.7	39.6	-	39.6
Total current liabilities		6,181.5	210.2	6,391.7	4,522.8	219.3	4,742.1
Total liabilities		17,214.7	(66.6)	17,148.1	14,966.8	70.5	15,037.3
Total equity and liabilities		36,684.7	(291.4)	36,393.3	33,608.4	(65.4)	33,543.0

45. PRIOR YEAR RESTATEMENTS (CONTD)

STATEMENTS OF PROFIT OR LOSS

Group In Rs million	See note below	2019 As previously stated	Prior Year Adjustment	2019 Restated
Revenue	b11	10,297.0	(50.4)	10,246.6
Profit from operations before impairment losses and finance costs	a, b5, b6, b11, c2, d1, d2, e1, e3, e4, e9, e11	1,382.5	(0.7)	1,381.8
Impairment losses on financial assets		(60.4)	-	(60.4)
Finance costs	d1, e11	(567.8)	(2.9)	(570.7)
Fair value gains on investment properties	b5, e11	399.1	(5.1)	394.0
Share of results of jointly controlled entities	c1	(21.5)	36.3	14.8
Share of results of associated companies	e7	193.8	81.5	275.3
(Loss) profit before exceptional items		1,325.7	109.1	1,434.8
Exceptional items			-	-
Excess of fair value of net assets over consideration price		9.2	-	9.2
Impairment of intangibles		(14.1)	-	(14.1)
impairment of goodwill	a	-	(37.6)	(37.6)
(Loss) profit on disposal of financial assets		(13.9)	-	(13.9)
Profit on sale of properties		6.7	-	6.7
Profit before taxation		1,313.6	71.5	1,385.1
Taxation	a, e1, e2, e11	(204.4)	(6.5)	(210.9)
Profit for the year		1,109.2	65.0	1,174.2
Attributable to				
Owners of the parent	a, b3, b5, b6, c1, c2, d1, d2, e1, e2, e3, e4, e7, e9, e11	555.1	60.9	616.0
Non-controlling interests	a, b3, b6, c1, d1, d2, e1, e2, e3, e4, e9, e11	554.1	4.1	558.2
Profit for the year		1,109.2	65.0	1,174.2
Basic and diluted earnings per share	a, b, c, d, e	Rs2.20	Rs0.24	Rs2.44

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Group In Rs million	2019 As previously stated	Prior Year Adjustment	2019 Restated
(Loss) profit for the year	1,109.2	65.0	1,174.2
Other comprehensive income			
Gains on property revaluation	-		-
Remeasurements of post employment benefit obligations	(14.6)	(6.2)	(20.8)
Losses arising on financial assets at fair value through other comprehensive income	(21.9)	17.5	(4.4)
Share of other comprehensive income of associated companies	262.7		262.7
Items that will not be reclassified to profit or loss	226.2	11.3	237.5
Exchange differences on translating foreign entities	19.6	(5.4)	14.2
Share of other comprehensive income of jointly controlled entities	0.5		0.5
Share of other comprehensive income of associated companies	(18.7)	1.2	(17.5)
Items that may be reclassified subsequently to profit or loss	1.4	(4.2)	(2.8)
Other comprehensive income for the year, net of tax	227.6	7.1	234.7
Total comprehensive income for the year, net of tax	1,336.8	72.1	1,408.9
Attributable to			
Owners of the parent	555.1	291.5	846.6
Non-controlling interests	554.1	8.2	562.3
Profit for the year	1,109.2	299.7	1,408.9

EXPLANATORY NOTES

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45. PRIOR YEAR RESTATEMENTS (CONTD)

STATEMENTS OF CASH FLOWS

Group In Rs million	See note below	2019 As previously stated	Prior Year Adjustment	2019 Restated
PRIOR YEAR ADJUSTMENTS (CONTD)				
Net cash flow used in operating activities	e10, e11	(84.2)	(67.6)	(151.8)
Net cash used in investing activities		(943.9)	-	(943.9)
Net cash from financing activities		505.9	-	505.9
Net decrease in cash and cash equivalents		(522.2)	(67.6)	(589.8)

a Differentiating acquired goodwill from other intangible assets.

No Purchase Price Allocation (PPA) exercise was performed to account for any identifiable intangibles separately from Goodwill. The financial statements have been restated to reflect the effects of the retrospective adjustment of goodwill arising from acquisitions after 1 July 2003. The Group appointed an independent business valuation specialist to perform the PPA exercise. Consequently, identified marketing and customer related intangibles, which should have been recognised separately from goodwill have now been restated.

An amount of Rs 414.2m was transferred from 'Goodwill on acquisitions' to 'Other intangibles' in the line item of the Statements of Financial Position 'Intangible assets' as at 1 July 2018. This amount was subject to an accumulated amortisation of (2019 Rs (166.9)m, 2018 Rs (133.8)m) and related deferred tax impact of (2019 Rs 51.5m, 2018 Rs 58.2m). This also impacted 'Statements of Profit or Loss' (2019 Rs (33.1)m), 'Retained earnings' (2019 Rs (99.0)m, 2018 Rs (79.9)m) and 'Non-controlling interests' (2019 Rs (67.9)m, 2018 Rs (53.9)m).

The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods are detailed in the consolidated Statements of Changes in Equity and note 45 (i) above.

The restatements did not have any impact on the consolidated Statements of Cash Flows.

b Reclassification restatements

b1 Some subsidiaries accounted 'Contract assets' within 'Accounts receivable' caption of the 'Statements of Financial Position' in their Group Reporting pack in the prior years. This led to a presentation issue in the opening balances and was corrected by reclassifying Rs 146.7m from 'Financial assets at amortised costs' to 'Contract assets' for 2019 and Rs 96.1m for 1 July 2018.

b2 Conversely some subsidiaries accounted 'Contract liabilities' within 'Accounts payable' caption in the Group Reporting pack of prior years. This was corrected by reclassifying Rs 54.7m from 'Trade and other payables' to 'Liabilities related to contracts with customers' for 2019 and Rs 83.5m for 01 July 2018.

b3 Leasehold rights for some subsidiaries were reclassified in the Statements of Financial Position from 'Property, plant and equipment' (2019 Rs (62.7)m, 2018 Rs (65.0)m) and 'Deferred expenditure' (2019 Rs (16.3)m, 2018 Rs (16.9)m) to 'Intangible assets' (2019 Rs 79.0m, 2018 Rs 82.0m) to reflect the correct classification of these items.

b4 Retirement benefit assets arising on Rogers Pension Plan was netted off against liabilities arising on retirement gratuity and unfunded pensioners scheme which was accounted within 'Retirement benefit obligations' in the Statements of Financial Position. The Group does not have the right to use a surplus in one plan to settle obligations under the other plans and accordingly it has reclassified the Pension fund asset from 'Retirement benefit obligations' to 'Retirement benefit assets' (2019 Rs 43.1m, 2018 Rs 35.7m).

b5 A Group's building was previously considered to be fully owner occupied and treated in full as 'Property, plant and equipment' when part of the building was infact let out to third parties. The Group has therefore reclassified that portion to 'Investment property'. This impacted 'Statements of Profit or Loss' (2019 Rs 3.3m), 'Property, plant and equipment' (2019 Rs (38.2)m, 2018 Rs (37.6)m), 'Investment properties' (2019 Rs 43.9m, 2018 Rs 42.3m), 'Revaluation reserve' (2019 Rs (2.9)m, 2018 Rs (2.9)m) and 'Retained earnings' (2019 Rs 8.5m, 2018 Rs 7.5m).

b6 Reclassification to and from 'Inventories' on the Statements of Financial Position for some subsidiaries has been necessary to reflect the correct classification. Line items impacted are 'Property, plant and equipment' (2019 Rs 46.9m 2018 Rs 3.1m), 'Deferred expenditure' (2019 Rs (210.8)m, 2018 Rs (231.7)m), 'Inventories' (2019 Rs 163.7m, 2018 Rs 210.1m), 'Trade receivables' (2019 Rs 42.6m, 2018 Rs 18.3m), 'Financial assets at amortised costs' (2019 Rs (42.8)m), 'Retained earnings' (2019 Rs (0.2)m, 2018 Rs (0.1)m), 'Non-controlling interests' (2019 Rs (0.2)m, 2018 Rs (0.1)m) and 'Statements of Profit or Loss' (2019 Rs (0.2)m).

b7 In the previous years, certain subsidiaries have incorrectly netted-off credit balances against accounts receivables and debit balance against payables. These have therefore been reclassified in the right caption of the 'Statements of Financial Position'. This has impacted 'Trade receivables' (2019 Rs 27.4m, 2018 Rs 52.2m), 'Prepayment' (2019 Rs (82.6)m) and 'Trade and other payables' (2019 Rs (55.5)m, 2018 Rs 52.2m).

b8 Accrued interest on borrowings which was incorrectly reported as 'Trade and other payables' has now been reclassified to 'Borrowings' (2019 Rs 55.3m, 2018 Rs 46.3m).

b9 A subsidiary previously recognised upfront fees on lease contract under 'Trade and other payables' instead of netting off against 'Loans and advances'. Even though upfront fees is integral to the computation of the effective interest rate, there was no impact on the Statements of Profit or Loss as upfront fees on lease contract under 'Trade and other payables' was correctly being amortised over the lease contract term. Adjustments have been effected to reflect the correct classification in the Statements of Financial Position. This has impacted 'Trade and other payables' and 'Loans and advances' (2019 Rs (39.4)m, 2018 Rs (13.1)m).

b10 Certain subsidiaries did not split their borrowings into current and non-current portion and also incorrectly included borrowings under 'Accounts payable' in the Group Reporting pack. This led to a presentation issue in the opening balances of the consolidated Statements of Financial Position and was corrected by reclassifying (2019 Rs (309.6)m, 2018 Rs (264.6)m) from 'Borrowings' under Non current liabilities to 'Borrowings' under current liabilities (2019 Rs 339.1m, 2018 Rs 294.2m) and 'Trade and other payables' under current liabilities (2019 Rs (29.5)m, 2018 Rs (29.3)m).

b11 Certain subsidiaries have recorded group revenue and related expense of Rs 50.4m as non group in the prior year group reporting pack. This has been corrected in the comparatives. The following line items were impacted following correction of the above: 'Revenue' (2019 Rs (50.4)m) and 'Profit from operations before impairment losses and finance costs' (2019 Rs (50.4)m).

The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods for the above reclassification restatements are detailed in the consolidated Statements of Changes in Equity and note 45 (i) above. The above restatements did not have any impact on the consolidated Statements of Cash Flows and any material tax impact.

45. PRIOR YEAR RESTATEMENTS (CONTD)

c Fair value adjustments

c1 For the year ended 30 June 2019, the share of results and net assets for one of the Group's Jointly Controlled Entities (The Beauvallon Shopping Mall Ltd) were based on preliminary figures in the Group reporting pack due to the late finalisation of the fair value of Bo Valon Mall. Differences between the audited fair value and preliminary figures used resulted in a restatement for the year ended 30 June 2019. This has impacted 'Investment in jointly controlled entities' (2019 Rs 36.3m), 'Profit for the year' (2019 Rs 36.3m), 'Retained earnings' (2019 Rs 13.1m) and 'Non-controlling interests' (2019 Rs 23.3m).

c2 IFRS 13 does not mandate the use of a particular valuation technique but sets out a principle requiring an entity to determine a valuation technique that is appropriate in the circumstances for two of its investments for which sufficient data is available and for which the use of relevant observable inputs is maximized. In prior years, valuation was based on 'Net assets values' and was inappropriate for the circumstances. The Group has therefore changed the basis of valuation of these investments to Multiples Valuation technique. This impacted 'Financial assets at fair value through other comprehensive income' (2019 Rs 25.9m, 2018 Rs 7.7m), 'Financial assets at fair value through profit or loss' (2019 Rs 12.1m, 2018 Rs 6.6m), 'Fair value reserve' (2019 Rs 25.9m 2018 Rs 7.7m), 'Retained earnings' (2019 Rs 12.1m, 2018 - Rs 6.6m), 'Profit for the period' (2019 Rs 5.5m).

The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods for the above restatements are detailed in the consolidated Statements of Changes in Equity and note 45 (i) above.

The above restatements did not have any impact on the consolidated Statements of Cash Flows and any material tax impact.

d Expenses capitalised

d1 A subsidiary had undertaken refurbishment with respect to its leasehold property and had incurred construction expenditure during the construction period from 01 July 2018 to 31 December 2018. The subsidiary had capitalised finance cost over a period of 1 year (01 July 2018 to 30 June 2019), which was beyond the construction period. Capitalisation of finance cost ceases when the activities necessary to prepare the asset for its intended use or sale are substantially complete which was by 31 December 2018. The carrying amount of Property, plant and equipment and retained earnings were therefore overstated. This was corrected by recognising the excess finance cost capitalised under 'Finance costs' (2019 Rs (3.4)m) and by reversing the resulting excess depreciation (2019 Rs 0.2m) in the consolidated Statements of Profit and Loss. The net impact of excess finance cost and excess depreciation was adjusted to the carrying amount of Property, plant and equipment. The impacted line items are 'Property, plant and equipment' (2019 Rs (3.2)m), 'Retained earnings' (2019 Rs (1.8)m), 'Non-controlling interests' (2019 Rs (1.4)m).

d2 The Subsidiary also expensed the operating lease costs incurred during the construction period. The operating lease costs incurred during the construction period should have been capitalised in 'Property, plant and equipment' because they are directly attributable to bringing the premises to the condition necessary to be capable of operating in the manner intended by the subsidiary. This was corrected by derecognising the operating lease costs incurred (2019 Rs 4.7m) and recognising the resulting additional depreciation (2019 Rs 0.3m) in the Statements of Profit and Loss. Previously unrecognised straightlining impact of the operating lease costs amounting to Rs 2.5m was partly capitalised to 'Property, plant and equipment' (2019 Rs 0.8m) and partly expensed in the Statements of Profit of Loss (2019 Rs 1.7m) with the corresponding entry to 'Trade and other payables'. The effect of such change was to increase property, plant and equipment by an amount of Rs 5.2m in 2019.

d3 A subsidiary incorrectly included legal costs amounting to Rs 18.4m in purchase consideration during goodwill calculation. This resulted in 'Intangible assets' being overstated by Rs 18.4m in the Statements of Financial Position. Part of the legal costs amounting to Rs 11.5m should have been capitalised to 'Property, plant and equipment' and the rest should have been expensed in the Statements of Profit and Loss. The following line items were impacted following correction of the above: 'Retained Earnings' (2019: Rs (2.8)m, 2018 Rs (2.8)m), 'Non-controlling interests' (2019 Rs (4.1)m, 2018 Rs (4.1)m), 'Intangible assets' (2019 Rs (18.4)m, 2018 Rs (18.4)m) and 'Property, plant and equipment' (2019 Rs 11.5m, 2018 Rs 11.5m).

The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods for the above restatements are detailed in the consolidated Statements of Changes in Equity and note 45 (i) above. The above restatements did not have any impact on the consolidated Statements of Cash Flows and any material tax impact.

e Other prior year restatements

e1 Certain subsidiaries did not review and revise the residual values and useful lives of the assets annually in line with the Group's accounting policies. This was corrected and impacted 'Property, plant and equipment' (2019 Rs 7.2m 2018 8.4m), 'Retained earnings' (2019 Rs 3.7m, 2018 Rs 4.3m), 'Non-controlling interests' (2019 Rs 2.2m, 2018 Rs 2.6m), 'Deferred tax liabilities' (2019 Rs 1.3m, 2018 Rs 1.4m), 'Profit for the period' (2019 Rs (1.1)m).

e2 Provision for deferred taxes for some subsidiaries has been retrospectively restated to reflect adjustment on tax losses which was not accounted for at consolidation level and impacted 'Retained Earnings' (2019 Rs (37.2)m, 2018 Rs (16.4)m), 'Non-controlling interests' (2019 Rs (8.8)m, 2018 Rs (4.1)m), 'Deferred tax liabilities' (2019 Rs 46.0m, 2018 Rs 20.5m) and 'Statements of Profit or Loss' (2019 Rs (25.5)m).

e3 Intangible assets for some subsidiaries which were previously amortised on an incorrect number of years have been restated. Further intangible asset for a subsidiary was incorrectly classified within 'Property, plant and equipment'. Following corrections, this impacted 'Intangible assets' (2019 Rs (22.5) m, 2018 Rs (17.4)m), 'Property, plant and equipment' (2019 Rs (9.5)m, 2018 Rs (9.5)m), 'Deferred Expenditure' (2019 Rs 6.0m, 2018 Rs 6.0m), 'Retained Earnings' (2019 Rs (12.5)m, 2018 Rs (10.5)m), 'Non-controlling interests' (2019 Rs (13.9)m, 2018 Rs (10.4)m) and 'Statements of Profit or Loss' (2019 Rs (5.0)m). The adjustment did not have any material tax impact.

e4 A subsidiary booked certain accruals when purchase orders were raised. In essence, these accruals were booked based on the purchase orders raised instead of when adequate risks and rewards were transferred. Consequently, corrections were made to rectify those issues and impacted 'Statements of Profit or Loss' (2019 Rs 1.6m), 'Trade and other payables' (2019 Rs (9.6)m, 2018 Rs (8.1)m), 'Retained Earnings' (2019 Rs 3.5m, 2018 Rs 2.9m), 'Non-controlling interests' (2019 Rs 6.1m, 2018 Rs 5.4m). The adjustment did not have any material tax impact.

e5 As part of their business model, certain subsidiaries require that tenants make a deposit when renting spaces in their malls. Previously, the deposit was being accounted for upon signature of the lease contracts, without any cash consideration received at year end. These balances were subsequently reversed and this impacted 'Trade receivables' (2019 Rs (20.0)m, 2018 Rs (17.7)m) and 'Trade and other payables' (2019 Rs (20.0)m, 2018 Rs (17.7)m). The adjustment did not have any material tax impact.

e6 The Group continued to book consolidation entries with regards to cost of investment of certain deconsolidated subsidiaries, pending liquidation. These consolidation entries were not reversed in prior years when the liquidation of those deconsolidated subsidiaries were completed. This has resulted in a restatement and impacted 'Financial assets at fair value through other comprehensive income' (2019 Rs 18.3m, 2018 Rs 18.3m), 'Trade receivables' (2019 Rs (26.6)m, 2018 Rs (26.6)m), 'Retained earnings' (2019 Rs 18.0m, 2018 Rs 18.0m), 'Trade and other payables' (2019 Rs (26.3)m, 2018 Rs (26.3)m). The adjustment did not have any material tax impact.

EXPLANATORY NOTES

30 June 2020

45. PRIOR YEAR RESTATEMENTS (CONTD)

e Other prior year restatements (contd)

e7 One of the associates reported prior year restatement in its 2019 financial statements. These restatements relate to non consolidation on a line-by-line basis of one of its subsidiaries, the restatement of figures for its life insurance activities and the adjustment of Retirement benefit obligation. Consequently upon equity accounting, the Group's share of those restatements have been retrospectively adjusted and have impacted 'Investment in associated companies' (2019 - Rs (115.4)m 2018 - (34.9)m), 'Fair value reserves' (2019 Rs (0.6)m), 'Actuarial reserves' (2019 Rs (304.8)m, 2018 Rs (142.3)m), 'Retained earnings' (2019 – Rs 188.9m, 2018 – Rs 107.4m) and 'Profit for the year' (2019 Rs 82.6m). The adjustment did not have any material tax impact.

It was also noted that the associate's accounting policy with regards to Land and Building was to measure at historical cost while the Group applies the revaluation model. The alignment to the Group accounting policy by the associate was not accounted for in previous years. This has resulted in a restatement and impacted 'Investment in associated companies' (2019 Rs 55.3m, 2018 Rs 56.4m), 'Revaluation reserves' (2019 Rs 55.3m, 2018 Rs 56.4m) and 'Profit for the year' (2019 Rs (1.1)m).

e8 One subsidiary recognised all its loans and advances towards finance leases (principal amount) based on the letter of intent date instead of that of the legal contract. Where the transactions straddled the year end cut off date, this resulted in incorrect recording of transactions in the proper accounting period. Restatements have been effected to account for the transactions in the correct period. This impacted 'Loans and advances' (2019 Rs (24.6) m, 2018 Rs (22.4)m) and 'Trade and other payables' (2019 Rs (24.6)m, 2018 Rs (22.4)m). The adjustment did not have any material tax impact.

e9 Penalty Fees for non payment were incorrectly charged to customers in prior year. These amounts have therefore been reversed and impacted 'Statements of Profit & Loss' (2019 Rs (3.8)m), 'Loans and advances' (2019 Rs (3.8)m, 2018 Rs (3.8)m), 'Retained earnings' (2019 Rs (2.1)m, 2018 Rs (2.1)m) and 'Non-controlling interests' (2019 Rs (1.7)m, 2018 Rs (1.7)m). The adjustment did not have any material tax impact.

e10 One subsidiary recognised client monies as an asset and corresponding liability on its Statements of Financial Position. The client monies were not a resource controlled by the subsidiary, thus should have been treated as an off-balance sheet item. Corrections have impacted 'Trade receivables' (2019 Rs (6.7)m, 2018 Rs (4.5)m), 'Bank balances and cash' (2019 Rs (0.3)m, 2018 Rs (5.6)m) and 'Trade and other payables' (2019 Rs (7.0)m, 2018 Rs (10.1)m). The adjustment did not have any material tax impact.

e11 For the year ended 30 June 2019, the group reporting packs of certain subsidiaries within the property investment sector and aviation sector were based on preliminary figures due to the late finalisation of their audited accounts. Differences between the audited and preliminary figures used resulted in a restatement. This has impacted 'Property, plant and equipment' (2019 Rs 2.1m), 'Investment properties' (2019 Rs (7.7)m), 'Inventories' (2019 Rs 1.7m), 'Trade receivables' (2019 Rs 21.9m), 'Financial assets at amortised costs' (2019 Rs 15.2m), 'Bank balances and cash' (2019 Rs (67.2)m), 'Assets classified as held for sale' (2019 Rs 0.6m), 'Retained earnings' (2019 Rs (1.6)m), 'Non-controlling interests' (2019 Rs (3.0)m), non current 'Borrowings' (2019 Rs (109.1)m), current 'Borrowings' (2019 Rs 97.3m), 'Trade and other payables' (2019 Rs (8.1)m), 'Income tax liabilities' (2019 Rs (8.8)m) and Statements of Profit and Loss (2019 Rs 6.5m). The adjustment had a tax impact.

e12 Upon the loss of control in its investee Island Bulk Carriers (IBC), Rogers Shipping Pte Ltd (RSPL), deconsolidated the results of IBC from those of RSPL in reporting pack and accounted the investment as 'Financial asset at fair value through other comprehensive income'. A gain of Rs 23.2m was recorded in reporting pack upon deconsolidation under trade receivables and reversed in the consolidated accounts of Velogic Holding Company Ltd. The following line items are impacted: 'Trade receivables' (2019 Rs (23.2)m, 2018 Rs (23.2)m), 'Retained earnings' (2019 Rs (7.9)m, 2018 Rs (7.9)m) and 'Non-controlling interests' (2019 Rs (15.4)m, 2018 Rs (15.4)m).

e13 Previously unrecognised dividend declared and receivable from an associate company has been restated and now recognised in the comparatives thereby impacting 'Financial assets at amortised costs' (2019 Rs 24.5m, 2018 Rs 8.2m) and 'Investment in associates' (2019 Rs (24.5)m, 2018 Rs (8.2)m). The adjustment did not have any material tax impact.

The impact on the consolidated financial statements line items and Earnings Per Share (EPS) in the prior periods for the above restatements are detailed in the consolidated Statements of Changes in Equity and note 45(i) above.

The impact on the consolidated Statements of Cash Flows for the above restatements, if any, is shown above.

45. PRIOR YEAR RESTATEMENTS (CONTD)

(ii) Impact on separate financial statements

STATEMENTS OF FINANCIAL POSITION

Company In Rs million	See note below	2019 As previously stated	Prior Year Adjustment	2019 Restated	2018 As previously stated	Prior Year Adjustment	2018 Restated
ASSETS							
Property, plant and equipment		15.9	-	15.9	21.1	-	21.1
Investment properties		149.7	-	149.7	141.0	-	141.0
Intangible assets		10.5	-	10.5	5.2	-	5.2
Investment in subsidiary companies		4,488.2	-	4,488.2	4,212.6	-	4,212.6
Investment in associated companies		3,717.8	-	3,717.8	3,720.8	-	3,720.8
Financial assets at fair value through other comprehensive income	g	232.4	25.9	258.3	263.5	7.7	271.2
Financial assets at amortised costs	i	376.1	(51.4)	324.7	75.9		75.9
Defined benefits assets	f	-	43.1	43.1	-	35.7	35.7
Total non current assets		8,990.6	17.6	9,008.2	8,440.1	43.4	8,483.5
Prepayments		2.2	-	2.2	7.8	-	7.8
Trade receivables		1.7	-	1.7	2.7	-	2.7
Financial assets at amortised costs		574.5	-	574.5	339.4	-	339.4
Bank balances and cash		2.8	-	2.8	12.5	-	12.5
Total current assets		581.2	-	581.2	362.4	-	362.4
Total assets		9,571.8	17.6	9,589.4	8,802.5	43.4	8,845.9
EQUITY AND LIABILITIES							
Share capital		1,260.2	-	1,260.2	1,260.2		1,260.2
Reserves	i, g	4,139.2	(25.5)	4,113.7	3,913.0	7.7	3,920.7
Total equity		5,399.4	(25.5)	5,373.9	5,173.2	7.7	5,180.9
Borrowings		2,150.0	-	2,150.0	2,553.5		2,553.5
Retirement benefit obligations	f	10.5	43.1	53.6	11.8	35.7	47.5
Total non current liabilities		2,160.5	43.1	2,203.6	2,565.3	35.7	2,601.0
Borrowings	h	992.5	30.0	1,022.5	163.7	33.2	196.9
Trade and other payables	h	853.0	(30.0)	823.0	741.5	(33.2)	708.3
Dividends payable		166.4		166.4	158.8		158.8
Total current liabilities		2,011.9	-	2,011.9	1,064.0	-	1,064.0
Total liabilities		4,172.4	43.1	4,215.5	3,629.3	35.7	3,665.0
Total equity and liabilities		9,571.8	17.6	9,589.4	8,802.5	43.4	8,845.9

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Company In Rs million	See note below	2019 As previously stated	Prior Year Adjustment	2019 Restated
Revenue		739.2	-	739.2
Profit from operations before impairment losses and finance costs		394.7	-	394.7
Impairment losses on financial assets	i	3.6	(51.4)	(47.8)
Finance costs		(170.9)	-	(170.9)
Fair value gains on investment properties		2.6	-	2.6
Profit before exceptional items		230.0	(51.4)	178.6
Exceptional items				-
Profit on disposal of group entities		276.8	-	276.8
Profit for the year		506.8	(51.4)	455.4
Other comprehensive income				-
Remeasurements of post employment benefit obligations		1.6	-	1.6
Losses arising on financial assets at fair value through other comprehensive income	g	(25.1)	18.2	(6.9)
Total comprehensive income for the year		483.3	(33.2)	450.1

EXPLANATORY NOTES

30 June 2020

45. PRIOR YEAR RESTATEMENTS (CONTD)

STATEMENTS OF CASH FLOWS

Group		2019		2019
In Rs million	See note below	As previously stated	Prior Year Adjustment	Restated
PRIOR YEAR ADJUSTMENTS (CONTD)				
Net cash flow used in operating activities		(80.3)	-	(80.3)
Net cash used in investing activities		290.0	-	290.0
Net cash from financing activities	j	(487.6)	151.1	(336.5)
Net decrease in cash and cash equivalents		(277.9)	151.1	(126.8)

(f) Retirement benefit assets arising on Rogers Pension Plan was netted off against liabilities arising on retirement gratuity and unfunded pensioners scheme which was accounted within 'Retirement benefit obligations' in the Statements of Financial Position. The Company does not have the right to use a surplus in one plan to settle obligations under the other plans and accordingly it has reclassified the Pension Plan asset from 'Retirement benefit obligation' to 'Retirement benefit assets' (2019 Rs 43.1m, 2018 Rs 35.7m). The restatement did not have any impact on the separate Statements of Cash Flows and any tax impact.

(g) IFRS 13 does not mandate the use of a particular valuation technique but sets out a principle requiring an entity to determine a valuation technique that is appropriate in the circumstances for one of its investments for which sufficient data is available and for which the use of relevant observable inputs is maximized. In prior years, valuation was based on 'Net assets values'. The Company has therefore changed the basis of valuation of this investments to Multiples Valuation technique. This impacted 'Financial assets at fair value through other comprehensive income' (2019 Rs 25.9m, 2018 Rs 7.7m), 'Fair value reserve' (2019 Rs 25.9m, 2018 Rs 7.7m). The restatement did not have any impact on the separate Statements of Cash Flows and any material tax impact.

(h) In prior years, accrued interest on borrowings which was incorrectly reported as 'Trade and other payables' has now been reclassified to 'Borrowings' (2019: Rs 30.0m 2018: Rs 33.2m). The restatement did not have any impact on the separate Statements of Cash Flows and any tax impact.

(i) The probability of default for one of the Company's financial assets at amortised costs which had impairment indicators was considered to be negligible and hence adequate expected credit losses were not recorded in the prior year. This resulted in a restatement of comparatives with additional impairment losses of Rs 51.4m being recorded. The restatement impacted 'Profit for the period' (2019 Rs (51.4)m) and 'Financial assets at amortised costs' (2019 Rs (51.4)m). The restatement did not have any impact on the separate Statements of Cash Flows and any tax impact.

(j) In prior years, the Company classified short term loan receivable/payable from/to subsidiaries and short term money market lines as cash and cash equivalents in the separate Statements of Cash Flows and explanatory note on cash and cash equivalents. However, these did not meet the definition of cash and cash equivalents under IAS 7. This was adjusted for and had the above effect on separate Statements of Cash Flows.

46. IMPACT OF COVID-19 AND GOING CONCERN

The outbreak of COVID-19 resulted in associated risks and the need for further judgements and assumptions.

Changes to the estimates and outcomes that have been applied in the measurement of the Group's assets and liabilities may arise in the future due to:

- the dynamic and evolving nature of COVID-19;
- the limited experience of the economic and financial consequences of such a pandemic; and
- the short duration between the declaration of the pandemic and the preparation of these financial statements.

Other than the apparent conditions that existed at the end of the reporting period, the impact of events arising after the reporting period will be accounted for in future reporting periods.

The Group operates in four served markets namely Fintech, Hospitality, Logistics and Property across 10 countries including Mauritius. It has considered the impact of the COVID-19 outbreak on its operations along the following identified reporting aspects.

Going concern

For the purpose of assessing the appropriateness of the preparation of the Group's Financial Statements on a going concern basis, multiple financial forecast scenarios of increasing severity have been prepared. The forecasts consider the current cash position, the availability of banking facilities and an assessment of the principal areas of risk and uncertainty. The forecasts incorporate the full use of Government Wage Assistance Scheme, application for finance from Mauritius Investment Corporation Ltd (MIC) and the possibility of deferring loan repayments.

The four served markets suffered from the lockdown period and reduced activities thereafter:

• FinTech - Corporate

To counteract the disruption in normal workstreams, digital platforms have been put in place and tested. The sector maintained continued service through a work-from-home infrastructure and used social media to enhance business relationship with customers. The lockdown and inability to travel, compensated by a high presence on social media, have in some ways impacted the opportunity to contract new customers. The sector remains resilient and will financially be able to meet all commitments for the next 12 months from the date of approval of the financial statements.

• FinTech - Technology

Disruption in supply chains and difficult economic context leading to cancellation of IT projects have impacted the activities of the sector. However, the implementation of severe cost-saving initiatives has helped to mitigate this impact. Revenue prospects on most service lines remain sufficiently promising, cash flows and financial ratios of the sector are within set parameters. The sector will be able to meet financial commitments for the next 12 months from the date of approval of the financial statements.

46. IMPACT OF COVID-19 AND GOING CONCERN (CONTD)

Going concern (contd)

• FinTech - Financial

The sector's activities namely leasing, hire purchase and short term financing suffered from the lockdown period both in terms of new contracts generated and debt collection. This leads also to a deterioration of Expected Credit Losses ("ECL"), hence an increase in provision for loss allowances on receivables, essentially from Hire Purchase contracts. Mitigating measures such as behavioural scorecard, Mauritius Credit Information Bureau ("MCIB") check and a focused collection team have been reinforced. The sector has reengineered processes and made significant costs savings. With the tightening of loan facilities from financial institutions, funding working capital needs will be very challenging. In line with the action plan for the forthcoming financial year, the sector:

- has secured adequate working capital funding for the forthcoming financial year;
- is converting short-term facilities into longer term loans; and
- is considering alternative sources of funding should the above be inadequate.

The sector does not foresee any going concern issue for the next 12 months from the date of approval of the financial statements.

• Hotels

The sector operates seven three-to-five-star hotels, totalling 802 rooms and a managed rental pool of 39 luxury villas. Its main activity is in Mauritius, with main markets in Europe and South Africa and Middle East, Eastern Europe, India, China and Africa as emerging markets. The business activity is directly impacted by the effects of the COVID-19 and the closure of the Mauritian and international borders. The hotels have been closed during the lockdown period and forward bookings have been cancelled. The financial position of the sector at the end of the reporting period remains comfortable, however the nature of uncertainty makes forecasting exercises difficult. For the purpose of assessing the appropriateness of forecasts, several financial scenarios of increasing severity have been prepared and the following considered:

- liquidity position and working capital management;
- prepayment of borrowings and capacity to raise finance, including debt restructuring;
- KPIs and monitored financial ratios;
- loan covenants and their renegotiation; and
- cost control and voluntary salary deduction.

The sector concludes that despite the difficulty associated with current uncertainties related to the COVID-19 pandemic, it will not cast significant doubt on its ability to continue as a going concern for the next 12 months from the date of approval of the financial statements.

• Travel

The sector has been directly impacted by COVID-19 following closure of borders and lockdown. However some lines of business, namely cargo and warehousing activities, restarted rapidly and are generating revenue. Travel agencies, servicing mainly the oil & gas companies, continue to operate whilst those serving the corporate and leisure businesses are facing difficulties. Likewise the online tour operating business remains under pressure as its main market is Europe, which is severely impacted. Close cash monitoring, cost cutting measures and Government assistance help to mitigate the impact. Based on the forecast for the next 12 months from the date of approval of the financial statements, management foresee difficulties with the uncertainty in the market but expect to operate as a going concern.

• Leisure

The sector operates in Hotel accommodation, Restaurants, Sports events management and Land and sea leisure activities. It has been impacted by the closure of borders and the lockdown period. It has benefitted from Government Wage assistance scheme and Shareholders injection of capital where required. Management concluded that there is no material uncertainty relating to events or conditions that may cast significant doubt on the sector's ability to continue as a going concern for the next 12 months from the date of approval of the financial statements.

• Logistics

In the Logistics served market, the Air freight and Courier activities have been affected by the airport closure and is expected to impact revenues and profits. Other activities were not directly impacted but will be on a reducing trend resulting from lower export volume. There will not be any going concern issue for the next 12 months from the date of approval of the financial statements.

• Property Investments

On the basis of current projections, the property Investment sector namely Ascencia has adequate resources to continue operating for the foreseeable future. The subsidiary has liquid assets and cash flows to meet all its current obligations and financial commitments over at least the next twelve months. Following the confinement period, it has implemented a safe shopping measures and has provided an amount of Rs 187m in respect of the agreed tenant's relief plan. Management does not foresee any going concern issue for the next 12 months from the date of approval of the financial statements.

• Property Development & Agribusiness

The Agribusiness activity derives its revenue from sugarcane and other diversified plantation, and Livestock from Deer Farming and hunting activities. This activity continues to operate despite the COVID-19 pandemic situation and has been boosted by online retailing and Government incentives for food security. It is not directly impacted and financial resources will be enhanced by the sale of land. The Property Development activity and the real estate arm will be under further pressure with borders closed and economic downturn. Overall, projection for 12 months from the date of approval of the financial statements has concluded that the sector will continue activity on a going concern basis.

EXPLANATORY NOTES

30 June 2020

46. IMPACT OF COVID-19 AND GOING CONCERN (CONTD)

Going concern (contd)

• Rogers and Company Limited

Apart from being the Group's holding company, it also operates the Rogers Corporate Office which forms an integral part of the Group's value creation process. The Corporate Office is responsible for defining policies and strategies, maintain Corporate Governance and ensure adequate risk management. Its main functions consist of Finance, Legal & Compliance, Risk & Audit, Human Resources, International Development and Project, Marketing & Communication. During the lockdown period, work-from-home has ensured work continuity of its processes and operations, however revenue streams from management fees and dividends receivable will be reduced in the foreseeable future with the current economic context. The Company debt to equity level and cash flow remain comfortable, with advanced progress on debt restructuring with financial institutions.

Directors have a reasonable expectation that the Group as a whole has adequate resources to continue in operation for a period of at least 12 months from the date of approval of the financial statements, hence adopting the going concern basis in preparing the financial statements for the year ended 30 June 2020.

Revenue

Group Revenue for the year ended 30 June 2020 dropped by 11% to Rs 9,169m (2019: Rs 10,247m). Performance to February 2020 was in line with last year but the outbreak of the COVID-19 in March 2020 impacted revenue for the remaining months of the financial year. A drop in revenue was experienced by mainly all served markets with Hospitality being the hardest hit due to prolonged travel restrictions.

Impairment of financial instruments

Impairment of financial assets consists mainly of increase in ECL allowances and amounts written off receivables during the year. The Group followed its policy as per note 17 and 22 and put special considerations on the potential impact of COVID-19 on future customer account payment behaviour in the calculation of the expected credit losses. The impact of lockdown and consumers reaction due to COVID-19 has been factored in parameters used in each financial model. Economic parameters used are as per official sources and are used consistently in all financial models. The Group reported a net impairment loss of Rs 519m (2019: Rs 60m).

Profit after tax

The Group incurred a loss after tax excluding exceptional items, of Rs 398m for the year ended 30 June 2020 as compared to a profit of Rs 1,224m in 2019:

- Fair value gain of Rs 129m in 2020 (2019: Rs 394m) was realised, the market conditions at measurement date was affected by COVID-19 through challenges of maintaining rental increases on a year on year basis;
- Impairment losses on financial assets amounted to Rs 519m in 2020 (2019: Rs 60m), the impact of lockdown, consumers reaction due to COVID-19 and future customer payment behaviours have been considered in ECL models; and
- Excluding the above factors, the Group incurred a loss of Rs 8m in 2020 (2019: Rs 889m). The Hospitality served market incurred additional losses of over Rs 500m on that of comparative period 2019.

Revaluation of properties

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 involve information on market sales comparison, income and depreciated replacement cost and market sales of similar asset.

Given that the long term impact of the pandemic on the local real estate market is unknown, the revaluation has been based on latest and supportable information available at the reporting date.

Impairment testing on acquired goodwill

Impairment tests to acquired goodwill are carried out using discounted cash flow methods on expected future cash flow forecasts prepared by management. The estimated discount rate was based on the rate of 10-year Government bonds and in the same currency as the cash flows, adjusted for a risk premium to reflect both investing and systematic risk of the specific Cash Generating Unit. All COVID-19 impacts are inbuilt in the cash flows of the respective CGUs.

Fair value of Investment Properties

The fair value of an asset is determined as per the market conditions at the measurement date. Fair value of investment properties was affected by COVID-19 through challenges of maintaining rental increases on a year on year basis. Reduced trading density will impact rental revenue linked to turnover, break in rentals and a lower exhibition income. The Group recorded fair value gains on investment properties of Rs 129m (2019: Rs 394m).

Retirement benefit obligations

The present value of retirement benefit obligations (RBO) and the fair value of plan assets (PA) are calculated by independent actuaries. The actuarial valuation includes assumptions on discount rates, future pension increases, mortality rates, salary increases and expected return on plan assets. The discount rate, salary and pension increases consider all the elements surrounding the underlying inflation rate and current market conditions.

46. IMPACT OF COVID-19 AND GOING CONCERN (CONTD)

Government Grants and Assistance

Government Wage Assistance Scheme ("GWAS")

Following the confinement period, the Government introduced a wage subsidy programme to assist companies to pay the salaries of their full-time or part-time employees based on defined eligibility criteria. The Group benefitted from this scheme for the year ended 30 June 2020 and accounted it as a deduction from the reported wages and salaries expense.

Cashflow and liquidity

The Group debt to Equity ratio (excluding the consumer credit business) remained at a comfortable 0.69 at 30 June 2020 compared to 0.60 at 30 June 2019. The Group has taken the following measures to improve cashflow and liquidity management:

- Eligible sectors have obtained short term moratorium on the repayment of bank loans and interest;
- Each sector monitors closely its capital expenditure and the lifetime of some assets has been extended;
- Regular committee meetings ensure that the working capital is well managed, especially debtors collection and creditors payment due dates;
- Directly impacted sectors have negotiated for extended suppliers' credit and deferred rent payment during the lockdown period as per the Government regulations;
- Under a 'Secured fixed and Floating Rate Notes' program, Rogers and Company Limited raised Rs 1.5bn tranches of Notes in November 2019 and Rs 0.5bn in May 2020. The Rs 2bn was used to restructure existing credit facilities into long term borrowings;
- Some covenants on borrowings have been breached and as a consequence those loans have been reclassified to current liabilities. The concerned subsidiaries are liaising with their respective financial institutions for waivers;
- Eligible subsidiaries have made applications for financing from the MIC; and
- The Group's holding company also provides financial support to certain subsidiaries in need.

The above measures taken will reduce liquidity issues and increase resilience. They will help the Group to weather the crisis whilst continuing to invest in businesses for long term growth.

47. 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	Note	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Financial assets at amortised costs	Total
Per Statements of Financial Position					
At 30 June 2020					
Financial assets at fair value through other comprehensive income	15	157.5	-	-	157.5
Financial assets at fair value through profit or loss	15	-	268.1	-	268.1
Financial assets at amortised costs	16	-	-	1,102.2	1,102.2
Loans and advances	17	-	-	2,163.0	2,163.0
Trade receivables	22	-	-	1,361.2	1,361.2
Bank balances and cash	33	-	-	1,525.4	1,525.4
Total financial assets		157.5	268.1	6,151.8	6,577.4
At 30 June 2019 Restated					
Financial assets at fair value through other comprehensive income	15	269.2	-	-	269.2
Financial assets at fair value through profit or loss	15	-	294.2	-	294.2
Financial assets at amortised costs	16	-	-	771.6	771.6
Loans and advances	17	-	-	1,661.3	1,661.3
Trade receivables	22	-	-	1,756.6	1,756.6
Bank balances and cash	33	-	-	1,033.1	1,033.1
Total financial assets		269.2	294.2	5,222.6	5,786.0

EXPLANATORY NOTES

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47. FINANCIAL ASSETS/LIABILITIES BY CATEGORY (CONTD)

COMPANY In Rs million	Note	Financial assets at fair value through other comprehensive income	Financial assets at amortised costs	Total
Per Statements of Financial Position				
At 30 June 2020				
Financial assets at fair value through other comprehensive income	15	145.7	-	145.7
Financial assets at amortised costs	16	-	1,065.3	1,065.3
Trade receivables	22	-	2.4	2.4
Bank balances and cash	33	-	99.3	99.3
Total financial assets		145.7	1,167.0	1,312.7
At 30 June 2019 Restated				
Financial assets at fair value through other comprehensive income	15	258.3	-	258.3
Financial assets at amortised costs	16	-	899.2	899.2
Trade receivables	22	-	1.7	1.7
Bank balances and cash	33	-	2.8	2.8
Total financial assets		258.3	903.7	1,162.0

(b) Financial liabilities by category

GROUP In Rs million	Note	Financial liabilities at amortised costs
Per Statements of Financial Position		
At 30 June 2020		
Borrowings	27	14,789.6
Trade and other payables	31	2,979.7
Total financial liabilities		17,769.3
At 30 June 2019 Restated		
Borrowings	27	12,568.8
Trade and other payables	31	2,929.4
Dividends payable	26	166.4
Total financial liabilities		15,664.6

COMPANY In Rs million	Note	Financial liabilities at amortised costs
Per Statements of Financial Position		
At 30 June 2020		
Borrowings	27	4,373.5
Trade and other payables	31	457.3
Total financial liabilities		4,830.8
At 30 June 2019 Restated		
Borrowings	27	3,172.5
Trade and other payables	31	823.0
Dividends payable	26	166.4
Total financial liabilities		4,161.9

48. FINANCIAL SUMMARY

GROUP In Rs million		2020	2019 Restated	2018 Restated
Statements of Profit or Loss and Other Comprehensive Income				
Revenue		9,169.3	10,246.6	9,390.0
Profit from operations before impairment losses and finance costs		867.7	1,381.8	1,050.1
Impairment losses on financial assets		(519.3)	(60.4)	(8.2)
Finance costs		(628.2)	(570.7)	(550.4)
Fair value gains on investment properties		129.1	394.0	495.7
Share of results of jointly controlled entities		(2.3)	14.8	(11.7)
Share of results of associated companies		(149.4)	275.3	202.9
(Loss) profit before exceptional items		(302.4)	1,434.8	1,178.4
Exceptional items		(20.4)	(49.7)	187.3
(Loss) profit before taxation		(322.8)	1,385.1	1,365.7
Taxation		(95.6)	(210.9)	(205.3)
(Loss) profit for the year		(418.4)	1,174.2	1,160.4
Attributable to				
Owners of the parent		(514.6)	616.0	609.4
Non-controlling interests		96.2	558.2	551.0
(Loss) profit for the year		(418.4)	1,174.2	1,160.4
Number of shares in issue		252,045,300	252,045,300	252,045,300
Basic and diluted (loss) earnings per share	Rs	(2.04)	2.44	2.42
(Loss) Profit attributable to owners of the parent from operations (excluding exceptional items)		(500.0)	658.8	472.8
Number of shares in issue		252,045,300	252,045,300	252,045,300
EPS (excluding exceptional items)	Rs	(1.98)	2.61	1.88
Other comprehensive income for the year, net of tax		29.2	234.7	(335.5)
Cash dividends per ordinary share	Rs	0.38	1.02	0.97

GROUP In Rs million	2020	2019 Restated	2018 Restated
Assets and Liabilities			
Non current assets	32,944.8	31,151.8	28,723.5
Current assets	5,762.7	5,241.5	4,819.5
Total assets	38,707.5	36,393.3	33,543.0
Share capital	1,260.2	1,260.2	1,260.2
Reserves	8,527.4	9,423.5	9,034.2
Non-controlling interests	9,483.7	8,561.5	8,211.3
Non current liabilities	12,084.6	10,756.4	10,295.2
Current liabilities	7,351.6	6,391.7	4,742.1
Total equity and liabilities	38,707.5	36,393.3	33,543.0
Share Capital			
Authorised			
Number of ordinary shares	252,045,300	252,045,300	252,045,300
Ordinary shares of	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	1,260	1,260	1,260

Glossary *of Terms*

AFPIF	African Peering and Interconnection Forum
AML/CFT	Anti-Money Laundering and Countering the Financing of Terrorism
ASCE	Accessibility, Safety, Comfort and Engagement
B&B	Bed and Breakfast
B2B	Business to Business
BI	Business Intelligence
CEO	Chief Executive Officer
CFE	Chief Finance Executive
CFO	Chief Finance Officer
CGC	Corporate Governance Committee
CO_2	Carbon dioxide
COVID-19	Coronavirus
CRM	Customer Relationship Management
CSR	Corporate Social Responsibility
DR	Destination Restaurants
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EPS	Earnings per share
EU	European Union
FATF	Financial Action Task Force
FY	Financial year
GDP	Gross Domestic Product
GSA	General Sales Agent
HR	Human Resources
IFRS	International Financial Reporting Standards
IR	Integrated Reporting
IRS	Integrated Resort Scheme
ISL	Island Living Ltd
ISO	International Organisation for Standardisation
ITES	Information Technology Enabled Services
Kg	Kilogram
KPIs	Key Performance Indicators
KYC	Know your customer
MCIB	Mauritius Credit Information Bureau
MWp	Megawatt peak
NAV	Net Asset Value
NGO	Non-Governmental organisation
NMH	New Mauritius Hotels
PAT	Profit after tax
PIE	Public Interest Entity
QSR	Quick Service Restaurants
RCCS	Rogers Capital Corporate Services
RCFL	Rogers Capital Finance Ltd/Rogers Capital Financial Services
RCTS	Rogers Capital Technology Services
RMAC	Risk Management and Audit Committee
Rogers/RCL/ the Company	Rogers and Company Limited
SDGs	Sustainable Development Goals
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
USP	Unique Selling Proposition
VEFA	Vente en état futur d'achèvement
VLH	Veranda Leisure & Hospitality
VUCA	Volatile, uncertain, complex and ambiguous