INTEGRATED REPORT 2022

Resilience in Motion.

a Rogers enterprise

VELOGIC

Trade it easy

Dear Shareholder,

Your Board of Directors is pleased to present the Integrated Report of Velogic Holding Company Limited for the year ended 30 June 2022.

This report was approved by the board on 28 September 2022.

Please join us at the Annual Meeting of Shareholders of the Company,

on: 16 November 2022

at: 09h30, Educator Room, 4th floor, Voilà Hotel, Bagatelle Mall, Réduit

Sincerely,

Philippe Espitalier-Noël
Chairman

Nayendranath Nunkoo
Chief Executive Officer

About the report.

Towards Integrated Reporting

This Annual Report aims to provide information to shareholders on the business model, strategy, operational framework, business performance, risk management, corporate governance and financials of Velogic for the year ended 30 June 2022.

Board Responsibility Statement

The Board of Directors of Velogic acknowledges its responsibility to ensure the integrity of the integrated report. The Board has accordingly applied its collective mind and, in its opinion, this integrated report addresses all material matters, offers a balanced view of strategy, and how it relates to the organisation's ability to create value in the short, medium, and long term. The report adequately deals with the use of and effects on the capitals and the manner in which the availability of these capitals is impacting Velogic's strategy and business model.

Forward-Looking Statements

This integrated report may contain forward-looking statements. Words such as 'believe,' 'may', 'endeavour', 'expect' and similar expressions are intended to identify such forward-looking statements. However, these words are not the exclusive means of identifying such statements. While forward-looking statements represent our expectations, there are a number of risks, uncertainties and other important factors which could cause actual developments and results to differ materially from our expectations.

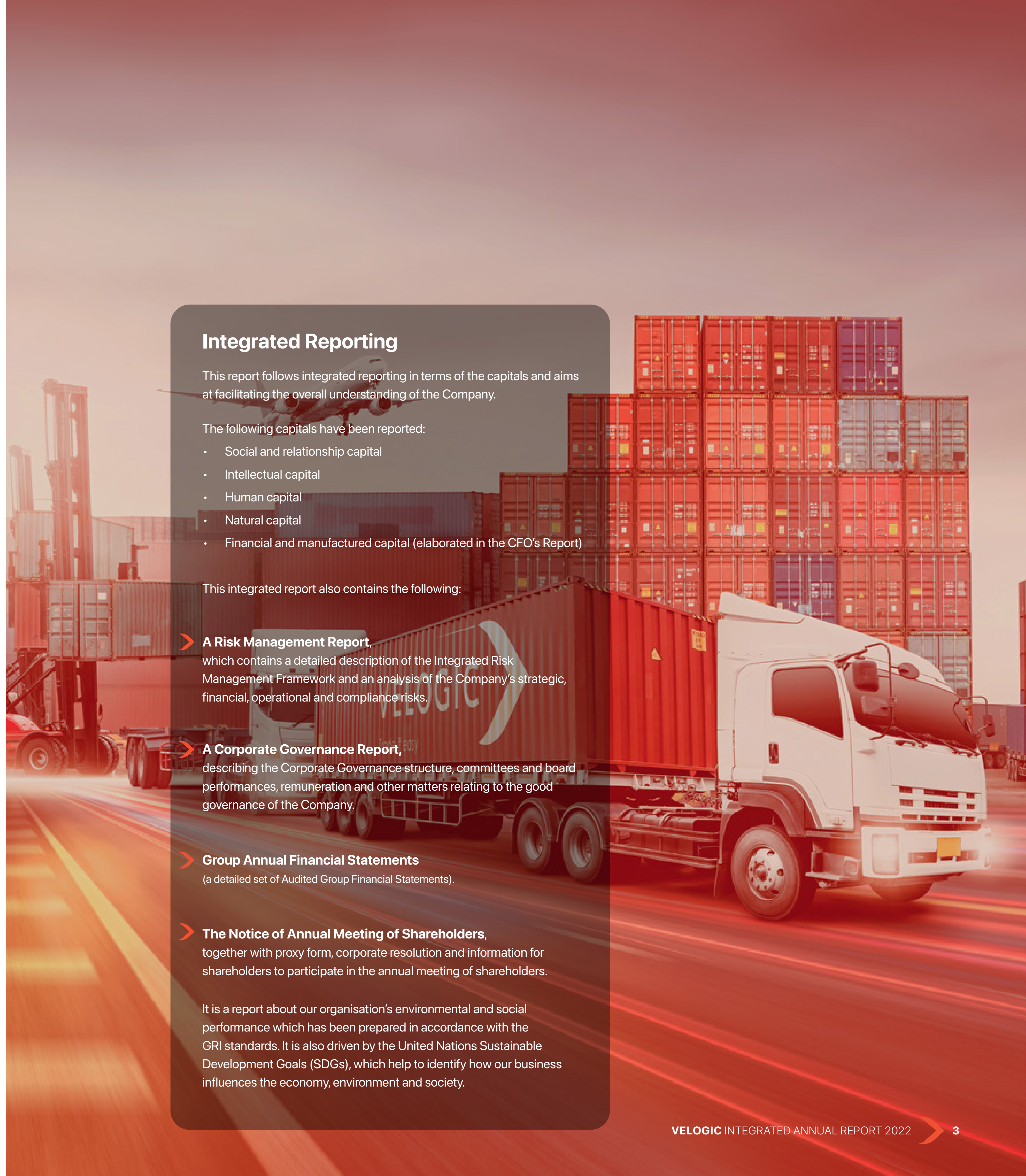
Framework, Standards and Principles

This report complies with the IIRC's (International Integrated Reporting Council) integrated reporting framework, the GRI (Global Reporting Initiative) standards, core options and all relevant regulatory requirements. The GRI standards are the first global standards for sustainability reporting. They help businesses, governments and other organisations understand and communicate their impacts on issues such as climate change, human rights and corruption.

This report, therefore, follows all four principles of GRI Standards namely Stakeholder Inclusiveness, Sustainability Context, Materiality and Completeness. The quality of the report is ensured by following the principles of Accuracy, Balance, Clarity, Comparability, Reliability and Timeliness.

Feedback

Your feedback is important to us and will help us enhance our reporting processes and ensure that we report on issues that matter to you. We encourage you to write to us at investors@velogic-mu.com with your insights, suggestions and recommendations to improve our reporting.



Integrated Reporting

This report follows integrated reporting in terms of the capitals and aims at facilitating the overall understanding of the Company.

The following capitals have been reported:

- Social and relationship capital
- Intellectual capital
- Human capital
- Natural capital
- Financial and manufactured capital (elaborated in the CFO's Report)

This integrated report also contains the following:

A Risk Management Report, which contains a detailed description of the Integrated Risk Management Framework and an analysis of the Company's strategic, financial, operational and compliance risks.

A Corporate Governance Report, describing the Corporate Governance structure, committees and board performances, remuneration and other matters relating to the good governance of the Company.

Group Annual Financial Statements (a detailed set of Audited Group Financial Statements).

The Notice of Annual Meeting of Shareholders, together with proxy form, corporate resolution and information for shareholders to participate in the annual meeting of shareholders.

It is a report about our organisation's environmental and social performance which has been prepared in accordance with the GRI standards. It is also driven by the United Nations Sustainable Development Goals (SDGs), which help to identify how our business influences the economy, environment and society.

Contents.

01. Overview

02. Leadership Review

03. Value Creation

04. Corporate Governance

05. Risk Management

06. Financial Performance

07. Supplementary Information

Glossary of terms.

Amethis	Amethis Africa Finance Ltd, a company incorporated on 10 August 2012 and holding a GBC 1 licence under the laws of Mauritius, having its registered address at C/O Rogers Capital Corporate Services Limited, 3rd Floor, Rogers House, No. 5, President John Kennedy Street, Port Louis, Mauritius
AMS	Annual Meeting of Shareholders
Board	The Board of Directors of the Company
B2B	Business-to-Business
B2C	Business-to-Consumer
BU	Business Unit
CA	Chartered Accountant
CAGR	Compound Annual Growth Rate
CDS	Central Depository & Settlement Co. Ltd
CEO	Chief Executive Officer
CFA	Chartered Financial Analyst
CGC	Corporate Governance Committee
CIMA	Chartered Institute of Management Accountants
Company	Velogic Holding Company Limited, a public limited liability company incorporated on 30 September 2004 and bearing business registration number C06052816, having its registered address at No. 5, President John Kennedy Street, Port Louis, Mauritius
CPD	Continuing Professional Development
DEM	Development & Enterprise Market of the SEM
DEM Rules	The Rules for DEM companies, issued by the SEM
Directors	The Directors constituting the Board of the Company
DPS	Dividend per Share
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EBIT	Earnings Before Interest and Taxes
ED	Executive Director
EPS	Earnings Per Share
ESG	Environmental, Social and Governance
EV	Electric Vehicle
FCL	Full Container Load. It is an ocean shipping term used to describe container loads, in which the entire cargo relates to a single order in a single container
FSC	Financial Services Commission
FY	Financial Year
IFRS	International Financial Reporting Standards
IIA	Institute of Internal Auditors
IPPF	International Professional Practices Framework
INED	Independent Non Executive Director
K TEU	1,000 TEUs
LCL	Less than Container Load. It is an ocean shipping term used to describe container loads, which are filled by multiple orders in a single container
M or m	Millions
MD	Managing Director
MUR or Rs	Mauritian Rupees
NAV	Net Asset Value
NAVPS	Net Asset Value Per Share
NED	Non Executive Director
Official Market	Official Market of the SEM
PAT	Profit after tax
PHEV	Plug-in Hybrid Electric Vehicle
PIE	Public Interest Entity
PV	Photovoltaics
RIDS	Rogers International Distribution Services
RMAC	Risk Management and Audit Committee
ROA	Return on Asset
ROI	Return on Investment
SDGs	Sustainable Development Goals
Securities Act	Securities Act 2005
SEM	The Stock Exchange of Mauritius Ltd
SIC	Sustainability and Inclusiveness Committee
SMS	Special Meeting of Shareholders
TEU	Twenty-foot Equivalent Unit - standard unit for counting containers and for describing the capacity of container ships or terminals. One 20 foot container equals to 1 TEU. One 40 foot container equals to 2 TEUs
The Act	Companies Act 2001
The Code	The National Code of Corporate Governance for Mauritius (2016)
Velogic	Velogic Holding Company Limited and its subsidiaries (where applicable)

Overview

Making trade easy.

About Velogic.

Present in 38 offices located strategically across 7 territories, Velogic serves clients worldwide in numerous sectors, from fashion and retail to construction and healthcare. Velogic leverages on the savoir-faire of its employees and the strong expertise of its management team in the logistics field, across all sectors and geographies. It also relies on its comprehensive network of over 300 agents worldwide to provide quality services.

Velogic combines almost 60 years of experience and in-depth expertise in the logistics business. The Company has a clear and ambitious growth strategy and leverages on its key competitive advantages through its extensive resources, networks and capabilities.

It has a proven track record in the industry and has consistently delivered good financial performances over the past years.

Velogic's purpose is to make trade easy for its clients by enabling them to get the best logistics solutions, providing relevant information proactively, thus helping them grow their business. Velogic simplifies the complexities of international trade and logistics for its customers by integrating the best available solutions.

It offers its customers an integrated and comprehensive logistics solution with a wide range of services including freight forwarding activities, customs brokerage, express courier, freeport operations, warehousing, road haulage, port & ship agency and sugar packing.

+300
Agents across the world

38
Offices

7
Territories

INDIA: 10

New Delhi, Mumbai, Chennai, Tirupur, Tuticorin, Bangalore, Ahmedabad, Hyderabad, Kolkata, Kanpur

MADAGASCAR: 8

Antananarivo (3), Antsirabe, Toamasina, Mahajanga, Fort Dauphin, Toliara

MAURITIUS: 11

Mer Rouge (3), Plaisance (2), Riche Terre (4), Rodrigues (2)

REUNION: 2

Le Port, Sainte Marie

FRANCE*: 4

Paris (Roissy), Dunkirk, Lille, Lyon

KENYA: 2

Nairobi, Mombasa

SINGAPORE: 1

Singapore

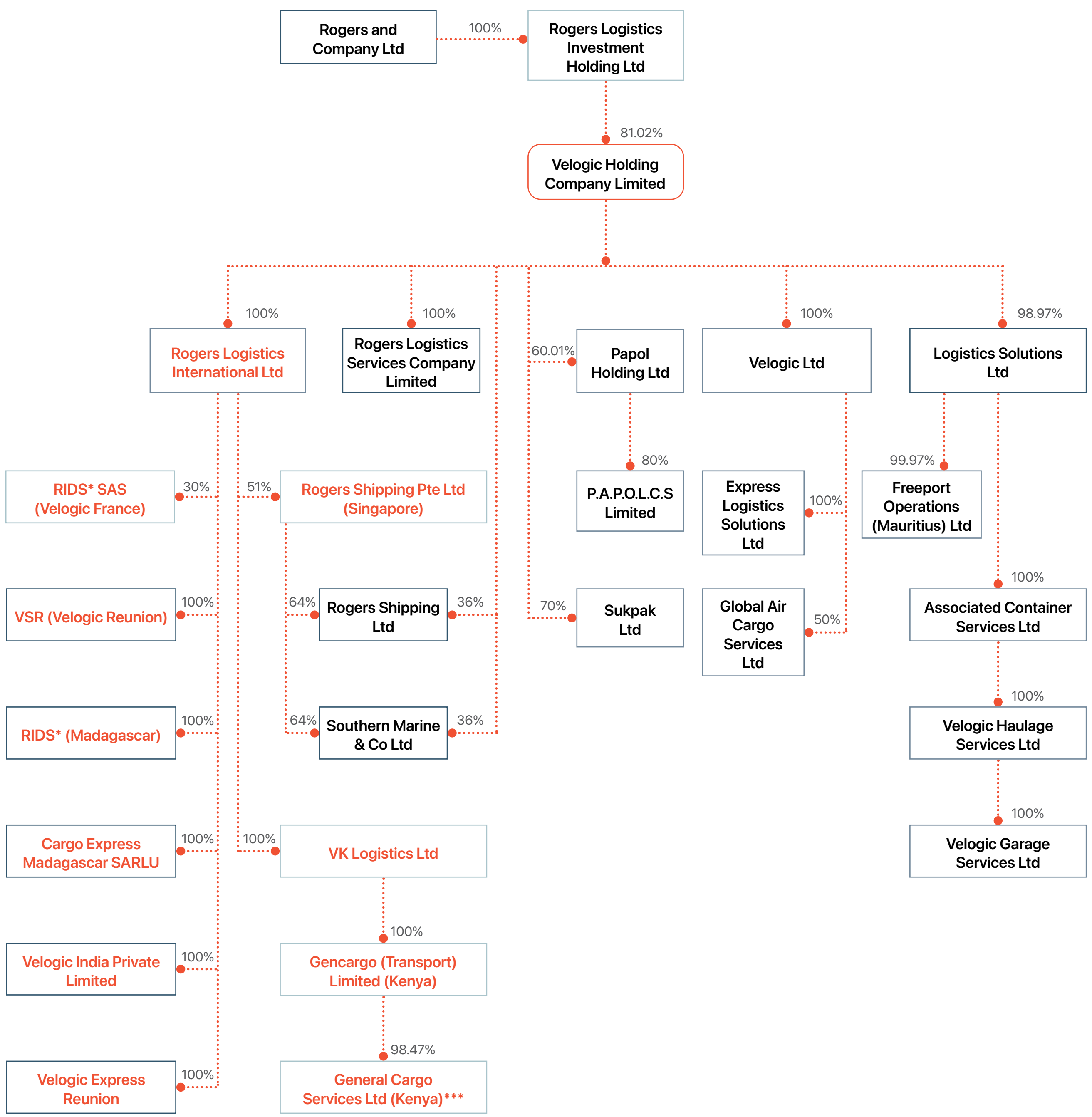
** Velogic France is an associate office since May 2022, following the disposal of 70% of its shareholding.*

Certifications and industry standards*

- International Air Transport Association
- International Federation of Freight Forwarders Associations
- Authorized Economic Operator France
- AJA Europe™

* Certifications are country specific

Shareholding structure.



*RIDS = Rogers International Distribution Services

** Companies highlighted in red are not serviced by Rogers and Company Ltd - Legal

***1.53% held by Mehul Hiteshkumar Bhatt

Performance snapshot.

Performance for the year ended 30 June 2022

FINANCIAL *

Revenue

MUR 4,627m

△ +25%

EBITDA**

MUR 490m

△ +9%

PAT**

MUR 194m

△ +28%

NAVPS

MUR 17.58

△ +3%

OPERATIONAL*

Freight forwarding

Total Air (Tons)

8,983

June 21: 7,480

Total Sea (TEUs)

11,405

June 21: 12,247

Port related and transport services

Container storage (K TEU days)

722

June 21: 1,638

Container transport (number of trips)

55,279

June 21: 63,190

Sugar packing

(Tons)

7,712

June 21: 7,975

* Note 1: The Group sold 70% of its stake in Velogic France in May 22, and therefore, the results include 11 months of discontinued operations.

**Note 2: The EBITDA and PAT excludes profit arising on the 70% stake disposal of Velogic France.

Mission and vision.

Velogic's vision is to be **The Regional Logistics Leader** enabling trade sustainably.
Through its mission, it strives to:

- Be a partner of choice for logistics solutions;
- Collaborate closely with partners to facilitate international trade for customers through an effective and efficient service;
- Create and foster a performance-oriented culture and value the contribution of its employees;
- Maximise return on investment for its shareholders;
- Adopt best-in-class sustainability & inclusiveness practices; and
- Maximise the use of technology in order to offer world-class service.

Velogic in numbers

Employs **1,300** employees across various regions

8,983 tons of air shipments traffic in FY 2022

8.5 hectares site in the Mauritius Freeport Zone, adjacent to the Port Terminal and **3.6 hectares** in Riche Terre, in proximity to the port area

158 lorries, **7** container reach trucks, **175** trailers, **12** side lifters, **2** loaders and **1** excavator across various regions

A standard container capacity of **3,700** units for container services

+300 Agents Worldwide

More than **20,000m²** of warehousing space in Mauritius and approximately **1,000m²** in Kenya

11,405 TEUs of containerised ocean freight FY 2022

Main activities

Velogic serves customers in various sectors including consumer goods, retail, fashion, healthcare, technology, industrial, building & construction, providing them with the benefits of an end-to-end supply chain solution.

The services include the following:

Freight forwarding, customs brokerage and courier

- **Air freight activities**
  Consolidation and deconsolidation
  Cross-trade shipments and/or transhipments
  Project cargo
- **Sea freight activities**
  Full container load (FCL)
  Less than container load (LCL)
  Consolidation and deconsolidation
  Project cargo
- **Express courier service**
  UPS Authorised Service Contractor
  (Indian Ocean islands)
- **Customs brokerage**

Port related and transport services

- Freeport developer on a 8.5 hectares site at Mer Rouge
- Warehousing
- Road haulage of containers and bulk

Packing & shipping

- **Port & ship agency**
  Ship husbandry
  Crew change
  Bunkering
  Hull cleaning and inspection
  Ship inspection
  Ship and Cargo surveying
  Stevedoring
- **Sugar packing**
  Packing of unrefined special sugars
  for international brands

Main service brands

Velogic has a strong reputation and a powerful brand. This is supported by a portfolio of strong brands to conduct its freight forwarding, warehousing, container depot, haulage and special sugars packing activities. On the courier segment, Velogic is the UPS regional representative in Mauritius, Reunion, Madagascar, Seychelles, Comoros and Mayotte.

VELOGIC — Main brand of the Rogers Logistics sector.

GCS / VELOGIC — Kenya-based logistics company acquired in 2016.

FREEPORT OPERATIONS (MAURITIUS) LTD — Warehousing and Container Freight Station (CFS) in Mauritius since 1997.

Rogers Shipping — Rogers Shipping is a shipping agency that offers a full suite of maritime services.

SOUTHERN MARINE — Southern Marine is a specialized and dedicated shipping agency offering its services to bulk, pure car carrier and casual callers. It provides comprehensive shipping services with a one-stop-shop philosophy to cater for all client needs.

SUKPAK — Sukpak undertakes the packing of unrefined special sugars for international brands. The company exports primarily to the United Kingdom, the United States and Hong Kong.

Our One-Stop-Shop offer.

The value proposition of Velogic is based on integrated logistics solutions and a service along the supply chain to clients.

What we do and how we create value

Velogic bridges the distance between the needs of its clients with solutions through its comprehensive range of services, transforming the B2B/B2C delivery journey into a timely and seamless experience.

Customer experience

The excitement of its clients when receiving their delivery is what drives Velogic to improve its service to clients. Velogic's adaptable model proves successful with high retention rates.

Warehousing and distribution

Velogic cares about delivery and makes it a mission to safely store products until they are ready for their respective journeys.

Technology

Velogic's digital ecosystem connects it to the world, simplifying the chain between the clients and their needs.

Customs clearance

Compliance with regional laws and in-house expertise of industry practice limits waiting periods.

Relationships and brands

The extensive network of partners and associates enables the Company to cater for unique requests.

Financial capital

Velogic carefully manages its resources by ensuring a resilient balance sheet and tailor-made insurance covers to protect its assets and those of its clients.

Sustainability

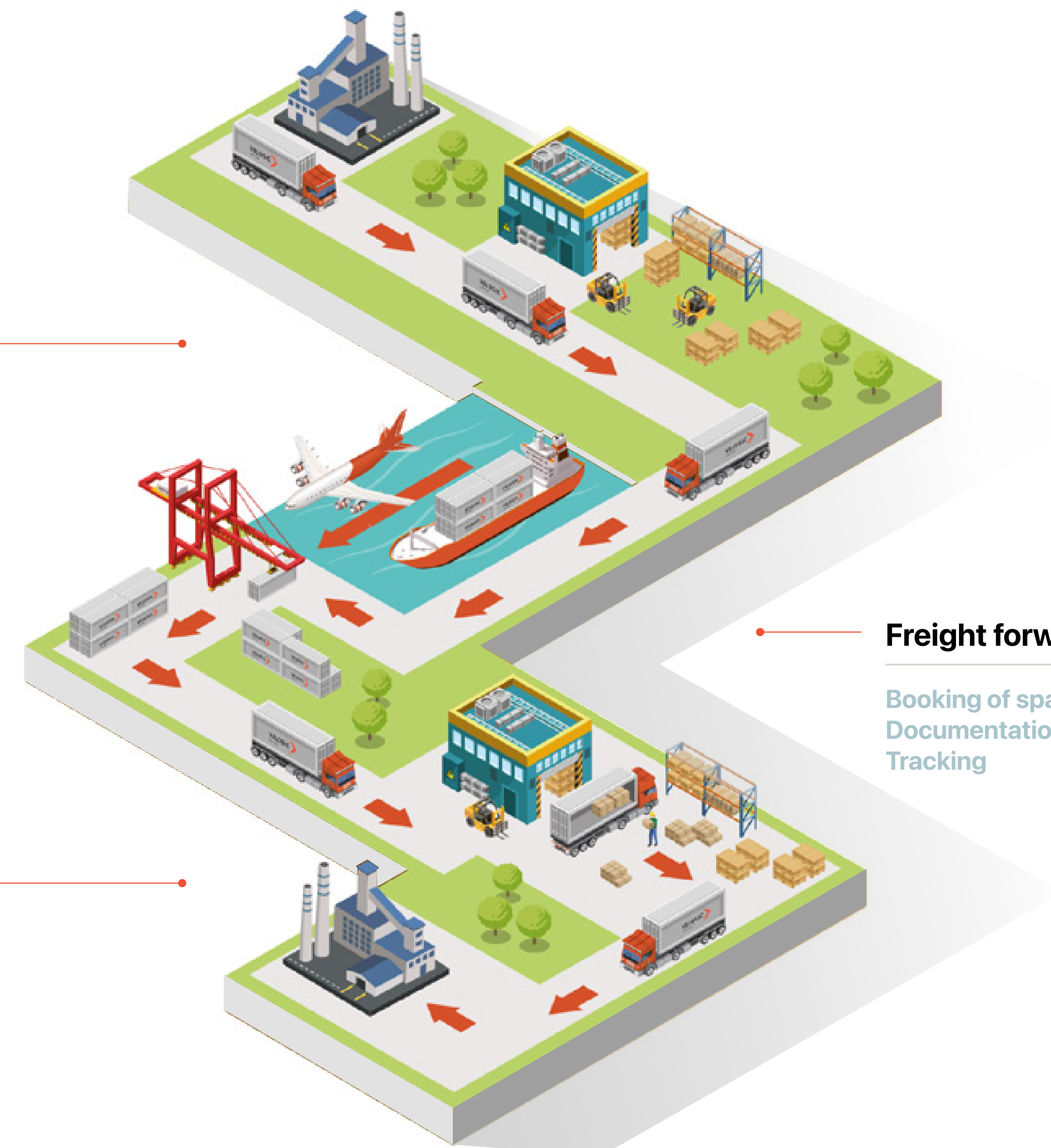
Velogic works closely with partners and collaborators towards reducing its carbon footprint through comprehensive planning and efficient energy usage.

Freight forwarding

Ability to leverage on global carrier and agent relationships.

Origin services

Vendor pick-up
Transport
Warehousing
Consolidation
Customs brokerage



Freight forwarding

Booking of space
Documentation
Tracking

Destination services

Customs brokerage
Warehousing
Deconsolidation
Transport
Customer delivery

Track record and key milestones.

The Group started its activity as a freight forwarder back in 1964 and steadily strengthened its market position through acquisitions, organic growth, setting up of new ventures and activities and an efficient brand recognition strategy.

1964

- Launching freight forwarding activities in Mauritius

1993

- Opening first international offices in France and Madagascar

2008

- Strengthening regional network and opening an office in India

2009

- Rebranding its logistics activities under one single brand: Velogic
- Acquiring majority stake in Société Du Port

2011

- Developing activities and opening a local office in Reunion

2013

- Opening Velogic's capital to PanAfrican Private Equity player Amethis, supporting geographic growth and services diversification, including the acquisition of entities in Mauritius in the shipping (Southern Marine) and transport (Haulage and Garage) segments

2016

- Developing activities and acquisition of two companies in Kenya in the custom clearance and transport segments

2017

- Securing the representation of global courier services leader UPS in the Indian Ocean Region and acquiring a dedicated entity in Reunion (Velogic Express Reunion)

2019

- Focusing on core countries and exiting Mozambique

2021

- Listing on the Stock Exchange of Mauritius after 50 years of successful organic and acquisitive growth, establishing Velogic as a regional leader
- Acquiring KIBO's 49% shareholding in the Kenya business

2022

- Sale of 70% of Velogic France to strategic partner with presence in Europe and the US

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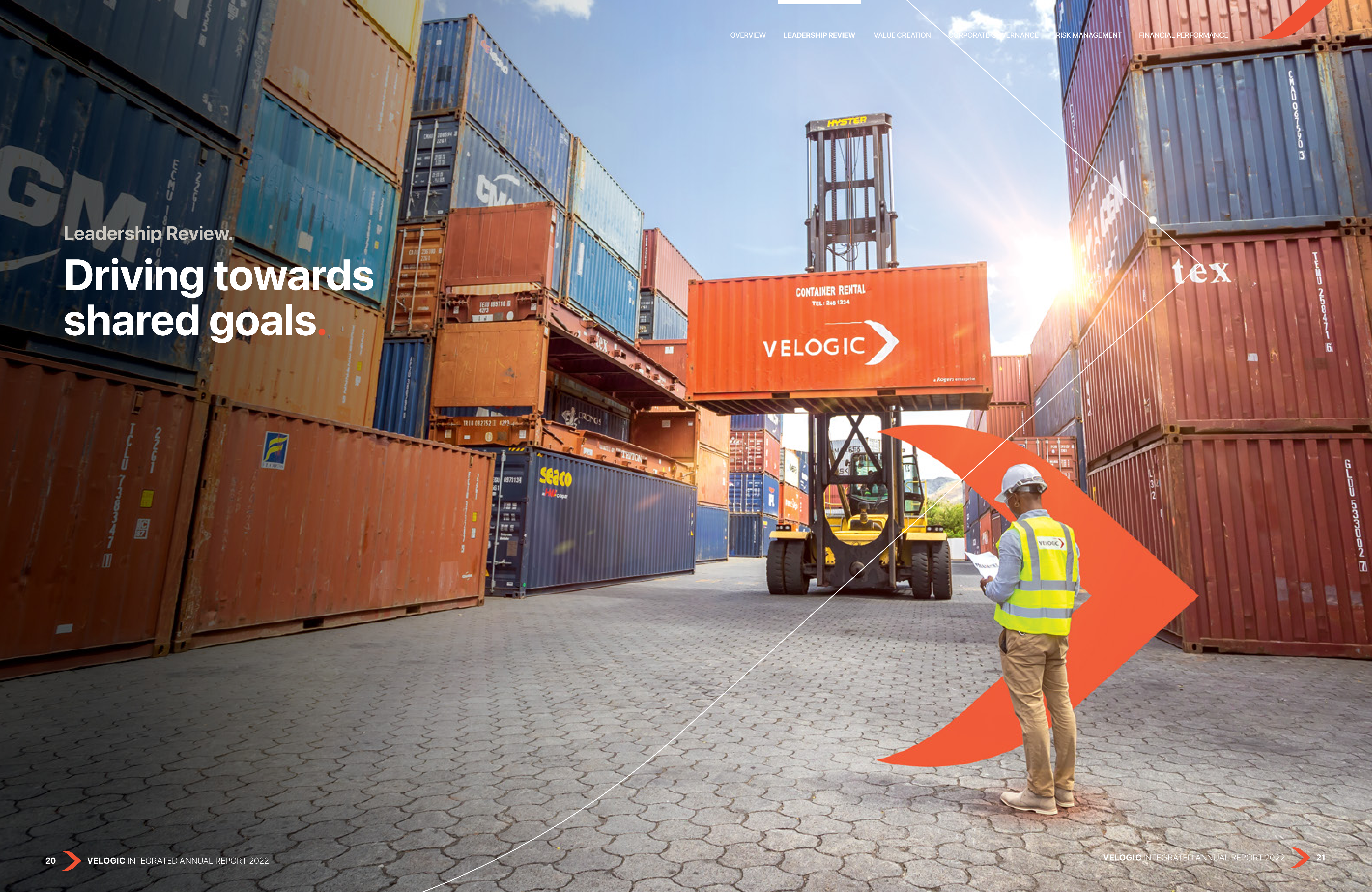
Leadership Review.

Driving towards shared goals.



Chairman's message.

Dear Shareholders,

Born from the trading DNA of Rogers and Company Limited, Velogic evolved over the years from the freight forwarding arm of the Rogers Group in 1964 to a leading 'One-Stop-Shop' offer of logistics services. By gradually adding new services to its offering, the Company has consistently created value through organic growth, vertical integration, acquisitions, and an efficient go-to-market approach. Led from Mauritius, the entrepreneurial acumen of the Velogic team has gradually enabled the creation of a strong network of offices and agents in key markets worldwide to respond to growing and more complex demands from clients.

Leveraging on its diverse skill sets and key competitive advantages honed over almost 60 years of operations, Velogic has a clear growth strategy driven by international expansion. In Mauritius, further growth will only be achieved when the port is transformed into a regional maritime hub, as announced by the government for a few years.

During these challenging past years, the team has remained agile, offering solutions for its clients in a challenging environment. The Company has created innovative solutions during the pandemic crisis, targeted new markets and onboarded new clients. Concerted and critical decisions across the supply chain helped improve our activities' performance and sustainability, consolidating the leading position of Velogic as a resourceful player in the Indian Ocean.

In December 2021, the Company was listed on the Development & Enterprise Market of the Stock Exchange of Mauritius Ltd, making Velogic the only pure logistics player available to investors on the local stock exchange. It is a significant milestone in the Company's development journey as it enhances the Company's profile towards the broader investment community, builds stakeholders' confidence and creates a platform to finance the international growth of the Company. This first Integrated Annual Report of the Company that you hold today in your hands is another outcome of the listing of the Company and another important milestone achieved by Velogic in terms of Governance and Reporting.

As Velogic continues to build its track record, it aims to drive growth and improve the liquidity of the Company's shares for its shareholders. Within its very first year of listing, the Company has delivered a commendable performance beyond the forecasts shared with investors before listing, boosted by the "Resilience in Motion" thrust: Velogic's performance improved with a 25% increase in sales to MUR 4.6 billion (2021: MUR 3.7 billion). Profit after tax surged by 28% to MUR 194 million (2021: MUR 151 million), while Profit for the year inclusive of gains realised on the sale of 70% of our stakes in the French operations, amounted to MUR 216 million.

Chairman's message. (cont.)

The new configuration of the French office, where we have decided to remain a 30% minority shareholder, allows us to focus our growth within fast-growing markets whilst maintaining the solidity of our commercial presence in France.

With this solid performance backdrop, the Velogic team has demonstrated its resilience and has provided the means for the Company to implement its growth strategies in Kenya, Madagascar, and India. Velogic has established a concrete platform from which to grow in Kenya, a country considered as one of East Africa's key business and logistic hubs. With its longstanding presence in Madagascar, the Company tends to benefit from the continued growth of the apparel manufacturing base and the implementation of numerous industrial and mining initiatives. Started as a 50% partnership in 2006, we now own 100% of some ten offices across India, placing Velogic as the primary trade enabler between Mauritius and the Great Peninsula. We have also grown our trade between India and other countries.

Yet, volatility and uncertainties in the market remain. Global trade and movements are still reeling from the impacts of the COVID-19 pandemic. The Russia-Ukraine conflict continues to fuel food and energy inflation across the world. At the same time, the effects of climate change on global food production are starting to become apparent. If we have learned anything in the past couple of years, it is that we should continue to expect the unexpected, as prospects of a strong and sustained recovery in our main markets remain uncertain.

The Rogers Group, including Velogic, has embarked on the journey towards sustainability. Operating within the transport industry, which is a business environment with a sizeable carbon footprint and engaging with its various stakeholders, Velogic will reach ambitious targets only through future trade-offs between Planet, People, and Prosperity. So far, Velogic is making good progress towards greener logistics. Its key focus areas are waste recycling, water efficiency, energy efficiency and carbon footprint reduction. Initial results are encouraging, and as for many other industries, the road towards decarbonisation remains challenging. The sustainability KPIs adopted by Velogic are described in detail in the Natural capital section of the Integrated Annual Report on page 48.

The Board of Velogic has welcomed Belinda Wong-Vacher, Vincent Barbier, Radhakrishna Chellapermal and Alvin Jeeawock as new Directors during the financial year 2022. We are confident that their expertise, skills, and experience will benefit the Company.

I want to extend the Board's appreciation to Vishal Nunkoo, the Chief Executive Officer of Velogic, for his infallible leadership during these testing times. Vishal and his team have reaped the benefits of years of navigation which have prepared Velogic to better surf uncharted waters. I also seize this opportunity to thank all our employees for their engagement and commitment to driving the "Resilience in Motion" theme implemented by Velogic.

From now on, we will remain attentive to the needs of our clients, and our growth focus will be on those territories where we can seize new opportunities. I thank all our shareholders and clients for their trust and commit to staying ahead of evolving trends to create sustainable value for all our stakeholders.

Philippe Espitalier-Noël
Chairman

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CEO's report.

Dear Shareholders,

It is with immense pleasure that we are presenting the first Integrated Annual Report of Velogic Holding Company Limited. The report focuses on the key events, the financial results and analysis for the year through June 2022.

Global context

The unprecedented COVID-19 pandemic spread and the related supply chain disruptions affected the world economy. Velogic was not spared, particularly in 2020-2021. As countries reopened their borders, goods started to shift across the world as backlogs were cleared. We have already noticed a downward trend in Air Freight rates on the back of increasing capacity.

However, the Russia-Ukraine conflict has added more pressure in an already challenging situation due to the drastic rise of fuel prices which directly impact transportation costs, resulting in fuel surcharges. Nevertheless, we expect the logistics industry to continue on its growth path.

At Velogic, we are 1,300 collaborators, 38 offices spread across 7 territories, with a strategic focus in the Indian Ocean region. Our regional footprint and comprehensive network of over 300 agents worldwide has enabled us to participate directly in the economic recovery in many countries. We provide quality logistics services to our clients trading globally.

Key achievements of the Year

Expansion

In October 2021, the Company completed the acquisition of the 49% minority stake in the existing Kenyan company from our private-equity partner, KIBO Fund II. Since 2016, this venture has grown successfully through expansion of the customer base and service offering. This transaction consolidated our presence in East Africa. In so doing, the Company embarked on a route to improving its financial performance through geographical diversification.

Listing

In December 2021, Velogic was listed on the Development & Enterprise Market of the Stock Exchange of Mauritius Ltd, becoming the second subsidiary of Rogers and Company Ltd. to go public. This allowed the successful exit of Amethis from Velogic through the disposal of its 33.77% stake on the market. Through the listing, the Company aims at enhancing its visibility at local and international level as an integrated logistics solution provider in the region. For Velogic, its shareholders and partners, this is a major step in providing the Company with an additional option to finance its growth.

CEO's report. (cont.)

Infrastructure

At the end of 2021, we also completed the construction of our own garage infrastructure on the freed-up land at the Riche Terre depot facility. These new facilities have enabled the transport activity to benefit from efficiency gains for maintenance of the vehicles. We also moved the Port-Louis office of UPS to our premises at Freeport Operations Mauritius, Mer Rouge. The combined rental savings following both projects is MUR 9 million per annum.

Partnership

A strategic partnership for the French entity was finalised in May 2022 with the disposal of 70% stake to an established local operator who has an active presence in Europe and the U.S. The partnership is expected to make Velogic France more resilient as it will be part of a bigger network that will enable it to rope in additional business opportunities and cost synergies. France continues to play a key role within the Velogic network of offices, particularly for Mauritius, Madagascar and India. A profit of MUR 22 million was generated from this transaction.

Our freight forwarding, customs clearance and express courier activities have been awarded the prestigious ISO Integrated Management System certification for ISO 9001-2015, 14001-2015 and 45001-2018, focused on quality management, sustainability, and Occupational Safety and Health Administration.

During the financial year under review, overseas activities contributed to 55% of Velogic's profitability compared to 44% in the prior period. Revenue improved by 25%. Profit after tax grew by 28%, with earnings per share increasing from MUR 1.23 to MUR 2.12.

Sustainable commitments

Velogic is committed to reduce its carbon footprint which is predominantly Scope 3 classified, that is, emitted by our main suppliers – Airlines and Shipping companies. As they embrace the use of greener fuel, our carbon footprint will also drop.

On our side, the haulage business has the highest carbon footprint and as such, we have pursued our initiative to reduce fuel consumption by providing eco-driving training to our truck drivers and maintained a fuel-efficient fleet. We have also invested in a software in Kenya to plan long distance deliveries in the most efficient way. We shall move to greener fuel as soon as this becomes possible.

We are also working on reducing plastic consumption by procuring re-usable wrap instead of single use plastic films. This will allow for the reduction of the carbon footprint by 30 tons each year. A reporting system for carbon footprint is being implemented before end of 2022 to monitor the reduction, following approved measures.

Prospects

Visibility for the year 2022-2023 remains blurred amidst lower growth prospects. Spill over effects of a prolonged Russia-Ukraine conflict will trigger far reaching consequences in the world in almost all geographies. The pace of inflation is slashing the purchasing power at grassroot level. At operational level, higher fuel prices could push transportation costs to unprecedented levels in relative terms.

Nevertheless, recovery is forecast to continue in Mauritius. Growth in tourists' arrivals for the year through June 2023 is expected to boost demands from hotel groups, and the broader economy. With regards to our overseas operation, Madagascar is expected to continue to grow on the back of increasing textile orders. India is projecting an interesting growth as well.

However, these could be impeded by rising fuel prices and potential recession in developed markets and an eventual spread to the global economy. The elections in Kenya are expected to hinder growth in the first quarter of the fiscal year.

We remain cautiously optimistic, nevertheless. We will closely monitor the situation.

Challenges and strategies

The Company pursues the endeavour of consolidating its strategic positioning as a one-stop-shop solutions provider in logistics. To achieve our targets, we will leverage on the right infrastructure already available in Mauritius and served markets to cement our position as a major regional player.

Bringing up our transformative steps to speed is of utmost importance when we take note of the current logistics industry landscape. Perpetual changes in the supply chains since the advent of the pandemic, the rising share of e-commerce and technological innovations have put the industry and key domestic players at the crossroads. Adapting to the fast evolving landscape is key to Velogic's future growth. Our dedicated teams will remain agile in understanding the customers' needs as well as finding solutions to make trade as sleek as possible. We further anticipate significant overseas' contributions increase spearheaded by growth in emerging markets. Velogic Kenya will continue to consolidate our position in East Africa. New acquisitions in the region will improve our service offering and develop additional business lines. Velogic India shall expand its coverage through the opening of new offices to offer an array of bespoke solutions to overseas agents and clients. The Mauritian haulage activities are set to benefit from the re-engineering of cane transportation in containers and lower personnel costs following the turnaround initiatives.

Velogic has developed an agile business model. Such a level of adaptability to the local and international dynamics provides a strong basis to face and overcome forthcoming and future challenges. Velogic is well positioned to take advantage of any development of the port which would make Mauritius a regional maritime hub.

Acknowledgements

I wish to express my immense gratitude to all of our clients for trusting us with the handling of their logistic needs. Rest assured, my teams and myself will walk by your side to deliver as per expectations in a volatile global environment. My grateful thanks go to the Chairman and the Board of Directors for their guidance and support in another eventful year for Velogic. Finally, no major milestones and targets could have been reached and achieved without the hard work, commitment and unflinching support of my fellow colleagues.

For the forthcoming year, my teams and myself are confident that **Together, We shall Make Trade Easy**!

Nayendranath (Vishal) Nunkoo
Chief Executive Officer

SCAN
to view
video

CFO's report.*

Robust performance in a volatile market

Throughout the fiscal year under review, a volatile business environment dampened the global recovery. The Russia-Ukraine conflict fueled energy prices and pushed inflation rates to unseen levels in decades, be it in major consumer-driven economies like the U.S or African and Asian developing countries. Such hindrances beyond our control added to existing challenging conditions for the logistics sector, including ongoing capacity constraints and high sea freight rates. Lower imports volumes in Mauritius and Kenya further impacted our revenue.

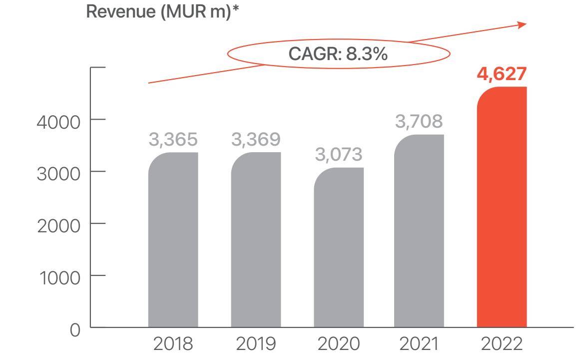
Despite the doom-and-gloom background, the Company witnessed a notable recovery of air freight activities as commercial flights resumed gradually across all our served markets as from the second quarter to date. The surge in e-commerce benefitted the express courier segment. This trend is nonetheless flattening since the last quarter as more Mauritians resumed travelling showing that the pandemic-generated backlog is clearing up.

Overall, Velogic cruised successfully through the uncertainties that prevailed to deliver growth in sales, following higher freight rates, and kept profit margin at a commendable level in a testing environment.

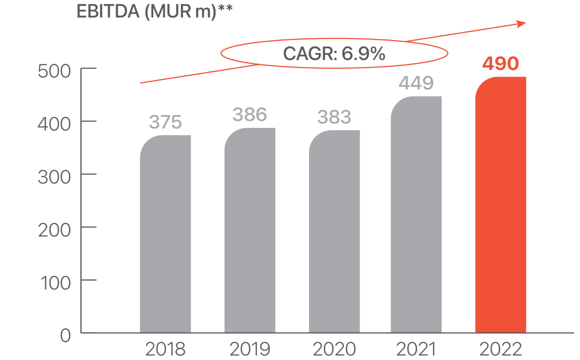
The Group's performance improved with a 25% increase in sales to MUR 4.6 billion (2021: MUR 3.7 billion). EBITDA increased from MUR 449 million to MUR 490 million. Profit after tax surged by 28% to MUR 194 million (2021: MUR 151 million), while Profit for the year inclusive of gains realized on the disposal of 70% of the French entity, amounted to MUR 216 million.

*** This report also serves for financial and manufactured capital reporting purposes.**

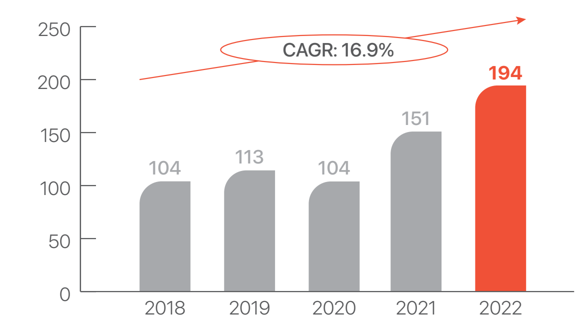
Revenue (MUR m)*



EBITDA (MUR m)**



PAT (MUR m)**



* The revenues for FY22 include only 11 months of activity for Velogic France, following the disposal of 70% of shares in May 22.

** The EBITDA and PAT exclude profit arising on the 70% stake disposal of Velogic France.

CFO's report. (cont.)

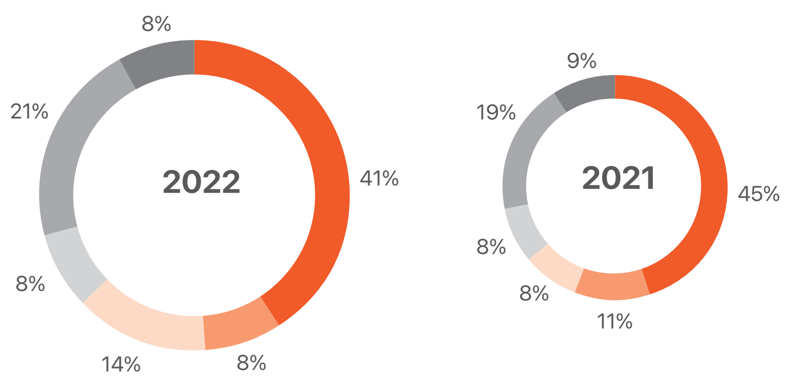
Financial review

THE GROUP						
Statement of Profit or Loss	**Continuing Operations**		**Discontinued Operations ***		**TOTAL**	
In MUR m	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Revenue from sales of services	**3,659**	3,060	**968**	648	**4,627**	3,708
Gross profit	**1,221**	1,173	**116**	95	**1,337**	1,268
Profit before finance costs, tax, depreciation and amortisation	**481**	438	**9**	11	**490**	449
Depreciation and amortisation	**(178)**	(191)	**(3)**	(4)	**(181)**	(195)
Finance costs	**(38)**	(38)	**(3)**	(3)	**(41)**	(41)
Profit before taxation	**265**	209	**3**	4	**268**	213
Taxation	**(74)**	(62)	**-**	-	**(74)**	(62)
Profit after tax	**191**	147	**3**	4	**194**	151
Profit on disposal of subsidiary	-	-	**22**	-	**22**	-
PROFIT FOR THE YEAR	**191**	147	**25**	4	**216**	151
Attributable to:						
Owners of the parent					**199**	115
Non-controlling interests					**17**	36
					216	151
Key ratios						
Gross profit margin (%)					**28.9%**	34.2%
PAT margin (%)					**4.2%**	4.1%
Gearing (%)					**34.1%**	21.4%
Earnings per share (EPS)						
• From continuing operations				MUR	**1.86**	1.19
• From continuing operations and discountinued operations				MUR	**2.12**	1.23
Number of ordinary shares used in calculation					**93,515,565**	93,515,565
Interim dividend per share				MUR	**0.29**	0.24
Final dividend per share				MUR	**0.43**	0.20
Total dividend per share (DPS)				MUR	**0.72**	0.44
Net asset value per share (NAVPS)				MUR	**17.58**	17.08

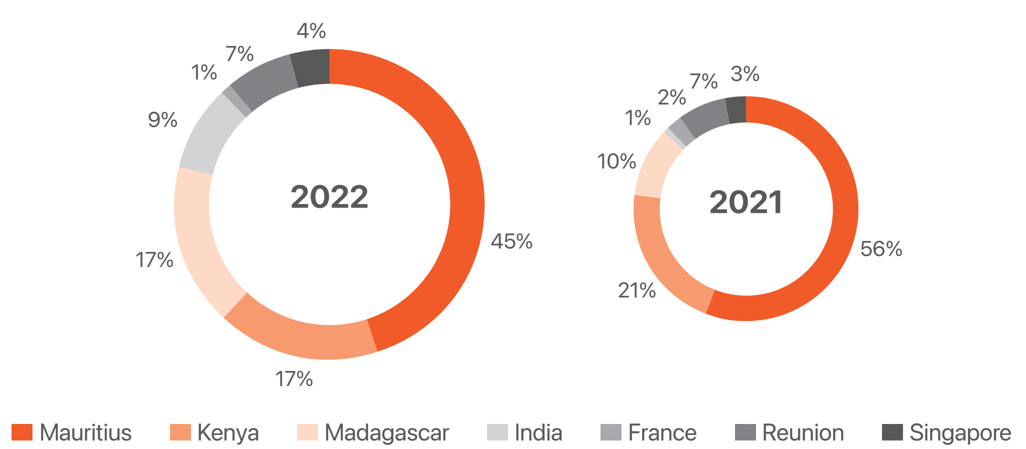
* The data and statistics reported include continuing and discontinued operations following the disposal of 70% of Velogic France in May 22. The discontinued operations cover 11 months of the financial year.

CFO's report. (cont.)

Revenue by country*



Share of profitability



* The revenues for FY22 include only 11 months of activity for Velogic France, following the disposal of 70% of shares in May 22.

Results

Mauritius

Sales and profitability of the Mauritian operations decreased as a percentage of the total compared to last year, from 45% to 41% and 56% to 45% respectively. Results showed a two-way speed recovery, led by a better performance in freight forwarding. This was mainly due to an increase in air freight following the reopening of borders in October and a 20% increase in courier business with e-commerce growth. On the other hand, Port-Related and Transport Services were adversely impacted by a downturn in import levels impacting containerised transportation and warehousing. Sugar cane transportation was impacted by lower volumes during the year. The container depot business performed below last year's output due to the expected internalisation of this activity by a major customer. Shipping benefited from project-related work last year but on a like-for-like basis, yielded better results. Sugar Packing volumes were also on the downside, as customers stocked up during the last financial year.

Overseas

There was a significant upturn in the performance of overseas entities compared to last year, contributing to over 50% of total sales and profits. An increase in freight forwarding activities drove the international performance.

Madagascar outperformed its pre-pandemic results with higher import and export volumes on key trade lanes. India generated record results as it leveraged on the strength of its agents' network worldwide and expanded its geographic footprint to better serve stakeholders. Kenya delivered a commendable performance with an increase in profitability despite being challenged by lower import volumes. The Kenyan customs clearing business was adversely impacted, but better fleet utilisation in the transport activity generated higher returns. Our Reunion Island operations improved on the back of higher freight forwarding volumes and project-related work. In Singapore, commissions from the bulk shipping activity increased because of the higher charter rates. France's sales improved during the year as air volumes recovered but the withdrawal of the wage assistance scheme increased personnel costs compared to last year, which dampened the bottom-line.

Performance by sector

REVENUE

In MUR m	Continuing Operations 2022	Continuing Operations 2021	Discontinued Operations 2022	Discontinued Operations 2021	TOTAL 2022	TOTAL 2021
Freight forwarding	**2,643**	1,892	**968**	648	**3,611**	2,540
Port related and transport services	**846**	970	**-**	-	**846**	970
Packing & shipping	**170**	198	**-**	-	**170**	198
Total	**3,659**	3,060	**968**	648	**4,627**	3,708

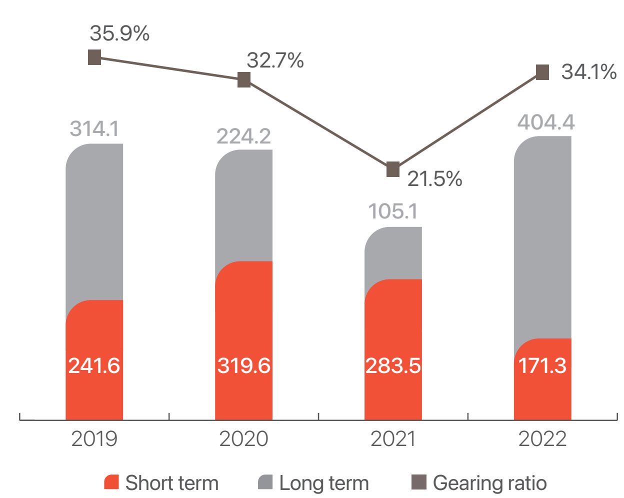
PROFIT FOR THE YEAR

In MUR m	Continuing Operations 2022	Continuing Operations 2021	Discontinued Operations 2022	Discontinued Operations 2021	TOTAL 2022	TOTAL 2021
Freight forwarding	**93**	9	**25**	4	**118**	13
Port related and transport services	**64**	94	**-**	-	**64**	94
Packing & shipping	**34**	44	**-**	-	**34**	44
Total	**191**	147	**25**	4	**216**	151

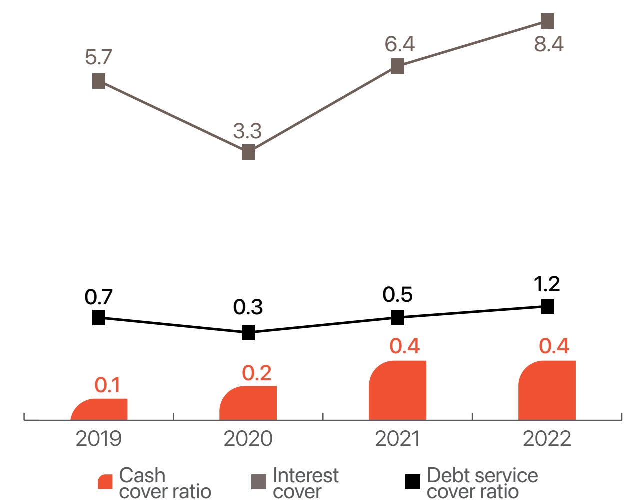
Exposures

The amount invested in strategic projects totalled MUR 349 million of which 71% was secured through debt. As a result, the long-term loans increased from MUR 105 million to MUR 404 million. Short-term loans decreased from MUR 284 million to MUR 171 million following repayments. There was therefore an increase in the total third-party debt, resulting to a rise in the gearing ratio from 21% in 2021 to 34% in 2022. Despite the increase in the Repo Rate totalling 40 basis points in 2022 and the increase in the debt level, the interest cover remains healthy.

Total borrowings (incl. third party) (MUR m) and gearing %



Coverage ratios**



** PAT used in above ratio excludes profit arising on the disposal of 70% stakes in Velogic France.

CFO's report. (cont.)

Working Capital / Treasury

Cash flow from operating activities was positively impacted by the increase in EBITDA before profit on disposal of subsidiary but was offset by higher working capital requirements associated with increased activity level in 2022, specially in freight forwarding. Net Cash outflow from investing activities was higher following the projects that were completed during the year. Projects were financed by additional loans contracted during the year which were more than offset by the repayments of existing loans. Dividend pay-outs grew 64% boosting the dividend per share to MUR 0.72. (MUR 0.44 per share in 2021).

Operating activities	2022	2021
Net inflow (MUR m)	352	519

Investing activities	2022	2021
Net outflow (MUR m)	(182)	(87)

Financing activities	2022	2021
Net outflow (MUR m)	(168)	(266)

Foreign exchange

The Mauritian Rupee depreciated further against the USD and GBP by 7% and 5% respectively, compared to the previous year. The depreciation benefited the container handling and sugar packing activities, which have inflows in GBP and USD respectively with upsides of MUR 10 million. Freight forwarding segment was not impacted, being naturally hedged.

Outlook

The global economic outlook for FY 2023 is unpredictable. In July, the International Monetary Fund signalled a significant correction in growth projections for 2022, slashing the forecast from 3.6% to 3.2%. The Russia-Ukraine conflict wheels a considerable influence on gas and oil costs with rising pressures on prices. Now, the Bank of Mauritius expects the average headline inflation to settle at 9.8% in December, from an 8.6% forecast in June. Despite an economic landscape strewn with uncertainty, Velogic's performance is expected to improve in the year ahead provided household consumption and trade patterns are not severely affected by the exogenous economic conditions.

In Mauritius, the freight forwarding sector should continue to benefit from the increase in air freight volumes as commercial flights are expected to operate normally for the full year. Higher tourist arrivals imply an increase in demand for fast-moving goods. Express courier business is seen to perform well but could be adversely impacted, as outward travel reaches pre-pandemic normality. On the ocean freight side, the situation is more unpredictable as there is no visibility on the timing and extent of the potential freight rate reduction. The containerised transport and warehousing activities may face uncertainties as they depend on the recovery of import volumes. However, performance for non-containerised activity should benefit from improved fleet utilisation.

Growth in overseas operations will be spearheaded by Kenya through expansion of existing activities such as customs clearance, distribution and bulk shipment transportation. We are in talks for a potential acquisition in Kenya in line with our strategic plan. Performance improvement is expected in India driven by ongoing initiatives to extend geographical coverage through opening of new offices and building of stronger agents' relationship. Madagascar should also deliver better results with its increased sales drive to grow customer base, tap into new industry verticals and expand service portfolio to new activities such as warehousing and distribution.

On the cost side, rising inflation represents a challenge. We will continue to drive efficiencies in our processes through automation to mitigate the potential price acceleration. In terms of debt exposure, gearing is expected to remain around the same level despite the new investment planned in Kenya as existing loans are repaid. Cash flow generation should remain strong with the effective working capital management in place.

Naveen Sangeelee
Chief Finance and Investment Officer

Value creation

Adapting to changes.

Value creation model.

Velogic's strengths

Environment
Sound & stable
Sustained track record

Human
Talented & diverse
Balanced skills set & International exposure

Digital
Strong digital solutions to enhance commercial and operational efficiency

Services
Fully comprehensive one-stop-shop logistics solution

Network
38 own offices in 7 territories
+300 agents worldwide

Environment
ESG driven and focused
Best ESG practices implemented

Opportunities

Growing people

Digitalisation and operational efficiency

Presence in emerging markets with growth potential

Contribution through business

Vision
To be the regional logistics leader enabling trade sustainably

Mission
Become a partner of choice for supply chain solution

Adopt best in class sustainability & inclusiveness practices

Maximise ROI for its shareholders

Foster a performance - oriented culture

Value created

Portfolio diversification attributable to geographical footprint

Continuous financial performance and ROI

Increased operational efficiency

Proven track record

Attractive future growth potential

Resilience of the logistics sector

Social and relationship capital.

We believe in constantly creating and nurturing long term relationships with our stakeholders through transparent and effective communication. At Velogic, we proactively engage with both internal and external stakeholders in an open and transparent manner. With this purpose in mind, our intention is to sustainably build strategic partnerships with all our stakeholders and increasingly engage them in our activities and operations globally.

Key stakeholders

Customers

In line with its core purpose "**Together, We Make Trade Easy**", Velogic keeps serving the growing needs of customers worldwide. Our one-stop-shop strategy enables us to deliver superior solutions across the supply chain.

Employees

As an essential service provider, our employees are geared to serve the business community. Our core values, Agility, Customer Centricity and Team Spirit guide us in our daily work. It is our ability to anticipate and adapt to changes by finding the right solutions as a team to keep creating value for our customers.

Shareholders & Investors

Our Investor Relations team coordinates investors' meetings, shareholders' meetings, press releases, financial communications and statutory publications.

Suppliers

Our relationship with our suppliers is guided by respect and transparency. We ensure that there is a reciprocal relationship, and an ongoing dialogue with our key partners.

Communities

At Velogic, we believe that it is critical for business to engage with the community at large in a meaningful manner and with long term commitments. More details are provided on our relationship with the community in the Natural Capital Section.

Trade Unions

We cannot achieve our goals without the support and collaboration of our employees. We consider Trade Unions as partners in the smooth running of the business. We consult and negotiate with the Unions to reach win-win solutions which serve all stakeholders.

Regulatory Bodies & Institutions

We believe in having constructive relationships with government agencies and regulatory bodies. We strictly comply with industry regulations and best practice benchmarks in the various territories in which we operate.

	Customers	Employees	Shareholders & Investors	Suppliers	Communities	Trade Unions	Regulatory Bodies & Institutions
Key Focus Areas	Customer engagement	Learning and development Health & safety Efficiency Productivity	Financial performance Business performance Return on equity Challenges and goals Risk assessment	Supplier assessment Process improvement	Governance Circular economy Climate Biodiversity	Industrial relations	Compliance reporting
Value Creation	Understanding the current and future needs of the customer	Employee development programmes Roadshows Training sessions Performance appraisal	Investors' meetings Annual meetings of shareholders Quarterly and annual results Annual report Website's investors' area Social media	Efficiency & flexibility Enhancing capabilities	Committees & policies Recycling and upcycling Driving training Awareness and cleanup	Increased transparency and accountability	Competitiveness Data centricity

Engagement with internal and external stakeholders creates value

Velogic records high customer retention rates in its main markets.

Geographical retention rates 2022

Geography	Retention rate
Mauritius	83%
France	86%
Madagascar	72%
India	70%
Kenya	96%
Reunion	83%

Note: Calculation is based on a three years' Customer Lifetime Value for Top 20% customers per geography, representing more than 80% of revenue.

Intellectual capital.

Value creation

Adapting to change

At Velogic, we rely on our experienced global personnel and flexible network of partners, which combine over 50 years of experience and in-depth expertise in logistics. During this challenging time, our team has been more than ingeniously agile in delivering value by combining best-in-class and innovative supply chain solutions, all supported by our robust digitalisation capabilities aligned with our vision of making trade easier.

Reflecting on 2022

Ingeniously agile

This know-how, has allowed the Company to find solutions in unprecedented circumstances.

Examples:

- Change of sourcing by use of our globalised network and teams.
- Creating connections via hubs and spokes, when there are no direct connections to the region.
- Merging operational system with our partners to manage tracking, alerts and deliveries using the existing resources and achieve better margin.
- Capitalising on our new service app, TrackRight, to improve efficiency.
- Usage of Bot to streamline processes.

This is evidenced by the better results delivered with lower volume for the year.

Key focus areas

- Services
- Intellectual
- Contract management
- Finance

Development skills

- Industry expertise
- Connectivity arrangements
- Functional expertise

- Efficient data analysis
- Building data warehouse
- Customisation capabilities
- Target services per customer
- Cost control per line

- Target pricing per category
- Standard Operating Procedures design and monitoring
- Credit management

- Relationship with providers of capital
- Back office processing capability

Operational skills

- Optimised capacity utilization
- Flexible use of available resources
- Technological support / Instant dashboard

- Multi modal transportation options/ efficient transit time
- Customised service
- Data intelligence support/ alternative plan through efficient investment/ margin

- Right price per category/ demands
- Adherence to terms
- Substitution/ Addition of products
- Financial strength/ track record/ debtors monitoring

- Funding
- Service quality/ costs
- Outsourcing opportunity

Systems

- TrackRight
- Purchase order tracking (VTT)

- Business intelligence
- Financial & accounting
- Transport management

- BI tools
- Cognos BI
- Sage Systems
- AKANEA TMS

New digital platform

Platform integration

Automation of mail processing

Process optimisation

Mitigate supply chain disruptions

Key objectives

Deliver best customer experience and maintain sustainable growth.

Outlook

Agility is key to supply chain disruptions

The next phase of our digitalisation will be the integration of different stakeholders to be initiated within tight deadlines. This agility shall lead to implementation of integrated systems within days instead of months when compared to other companies at a global level.

Moving into the digital era, we are now merging our operations with new digital platforms to integrate data and manage multi-party messaging, including automation of mail processing. We believe that this will make our communication with agents and offices more efficient, thus facilitating the flow of information within the supply chain.

Phase II of the service app, TrackRight, is well on track for our East African activities and is planned to be operational by the end of 2022. Automation with our service app will extend the streamlining of processes through which customers, besides having reliable automated audit trails of their cargo, will now significantly decrease their carbon footprint (see more details in Natural capital section).

Human capital.

Value creation

We act

Velogic is an essential service to the business community as we facilitate trade across all the geographies we operate, through our own offices or our network of agents worldwide.

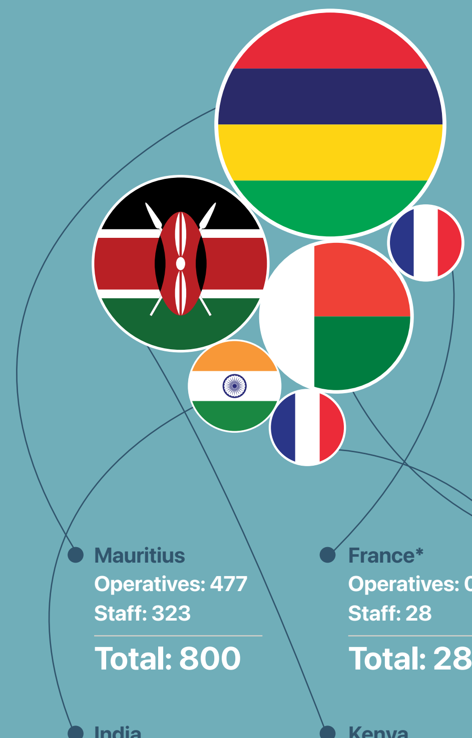
Our values are;

- *Agility*
- *Customer Centricity*
- *Team Spirit*

We believe that together, we can achieve great results as we are committed to creating value for our customers by agilely helping them to find the right solutions for their logistics and sourcing needs. We encourage our teams to embrace these values which are at the core of our approach to business. We are a performance driven company and we value the contribution of our employees.

How we leverage on our values

The pandemic has challenged our agility, customer engagement, our team effort and, ultimately, our ability to deliver results during an unprecedented time. The team has risen to all the disruptions and delivered on target.



671
Operatives

617
Staff

1,288
Total workforce

Mauritius
Operatives: 477
Staff: 323
Total: 800

France*
Operatives: 0
Staff: 28
Total: 28

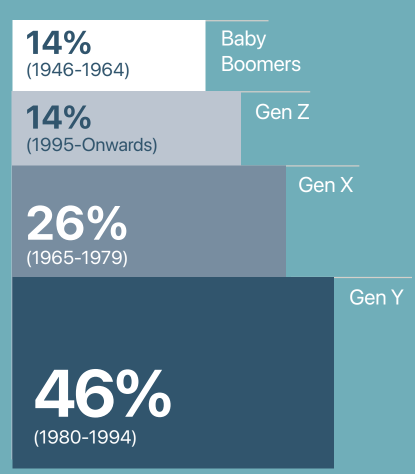
Madagascar
Operatives: 41
Staff: 83
Total: 124

India
Operatives: 9
Staff: 59
Total: 68

Kenya
Operatives: 144
Staff: 89
Total: 233

Reunion
Operatives: 0
Staff: 35
Total: 35

Generation



Gender diversity

30% Female

70% Male

Key Figures

200 Employees trained

18% Attrition

570 Training days

73% Engagement score

* Velogic France is an associate office since May 2022, following the disposal of 70% of its shareholding.

Reflecting on 2022

Developing our resources

It is important to continuously invest in the professional and personal development of our employees. We have organised during the financial year more than 25 training sessions, focusing on different areas we believe have helped create an impactful team.

Challenge	Agility	Customer Centricity	Team Spirit
Supply chain disruptions	Efficient analysis and find solutions	Understand the needs and the challenges of the customer	Work across departments to find the optimal solution
Traditional routing discontinued	Ability to find new routes	Work with the client to understand new origins and destinations	Use of globalised network
Uncertainty in time delivery	Create new routings and mode of transport	Work with the client to understand constraints	Use of globalised network
E-commerce surge	Merging operational system	Manage case by case	Delivery with same resources
Loss of business / Vacant space	Use of vacant space by a different business	Adapt to customer need	Re-allocate resources

Outlook

For the upcoming financial year, our team will focus on reinforcing our values and maintaining our commitment to keep creating value for our customers. We will continue our culture shaping journey with the organisation of workshops on Customer Centricity. The physical and mental health of our employees is important as we need to provide them with the necessary support specially after 2 years of pandemic crisis. Personal well-being activities will be provided to cater for this important requirement. We shall also favour sharing of knowledge within departments which will add value and raise interest amongst employees. Shadowing and mentoring are the new methods of uplifting our Talent Pool thus encouraging career growth.

Natural capital.

Value creation

Greener logistics

With a strong focus towards sustainable development, Velogic intends to deliver in "harmony with nature." In adherence to our SigneNatir charter, our focus area includes the integration of main pillars such as inclusive development and circular economy.

Reflecting on 2022

Sustainability journey

In our pursuit to embrace greener logistics, we endeavour to bridge the gap between actions and words. With this approach, we have initiated several action plans to move a step closer towards a sustainable future.

Waste recycling

This transition is marked by the recycling of wastes namely battery cells, plastic pens and coffee capsules. Likewise, we have converted used sugar bags into bin bags and reduced our heavy reliance on plastic through the usage of reusable covers at our sugar packaging facility. The recycling process of used cooking oil from the household of our employees is halfway to be fully initiated. PET bottles used by our employees and their families are regularly collected for recycling.

Water efficiency

Rain water harvesting projects have been completed at Velogic head office and haulage facility.

Outlook

We strive to build a broad value creating ecosystem through a strategic plan that secures sustainability. Driven by an eco-conscious attitude, we aspire to incorporate renewable resources in our operations to offer a decarbonized future for the forthcoming generation.

The project plans for the upcoming year are listed as follows:

- Waste efficiency
- Composting of organic waste (Dec22)
- Implementation of E-waste (Ongoing)
- Recycling of used cooking oil (in progress)
- Energy efficiency
- Possibility of generating own PV electricity

Energy efficiency

We have applied for PV installation on our building.

A new project to move towards EV and PHEV vehicles is being implemented.

Carbon footprint

Our main carbon footprint reduction initiative for the year has been the training of our truck drivers for eco driving. The carbon footprint calculation for 2021-22 is ongoing and the results will help to implement strategies to reduce greenhouse gas emissions.

Corporate Governance

Ensuring resilience.

Shareholder information.

Share price development

Velogic started trading officially on the Development & Enterprise Market (DEM) on 15 December 2021 at an introductory price of MUR 25.00 per share. As at financial year-end, the closing price of Velogic shares was MUR 24.90.

Over the past 6 months, the average daily trading volume was 238,791 shares with an average trading frequency of 62%.

As of 30 June 2022, Velogic's market capitalisation stood at MUR 2.3 billion.

Category of shareholders

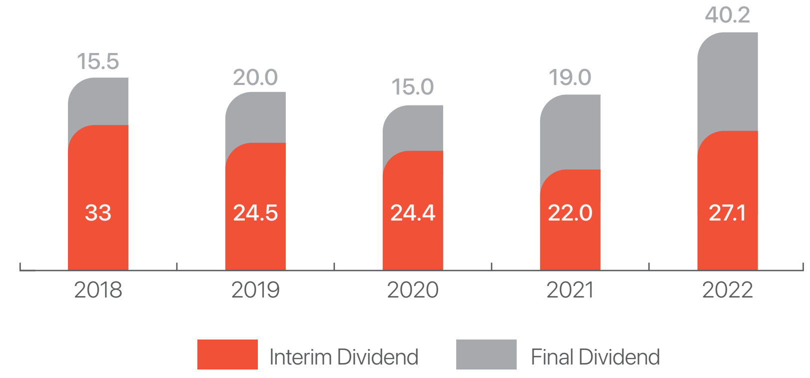
On 30 June 2022, Velogic had 93,515,565 issued shares of which the majority shareholder, Rogers Logistics Investment Holding Ltd had a 81.02% stake. There were no other shareholders who were holding more than 5% of the shareholding of Velogic.

Category	Number of shareholders	Number of shares held	% Holding
Individual	761	6,742,037	7.2095%
Insurance and Assurance companies	5	392,820	0.4201%
Investments and Trust companies	17	76,576,234	81.8861%
Pensions and Provident funds	35	8,557,990	9.1514%
Other Corporate Bodies	58	1,246,484	1.3329%
Total	**876**	**93,515,565**	**100%**

Dividends

For the financial year ending 30 June 2022, the Board of directors of Velogic has declared an interim dividend of MUR 0.29 and a final dividend of MUR 0.43 per share payable to ordinary shareholders. This represents a dividend yield of 2.9%.

Dividend evolution (MUR m)



Dividend yield 2022
2.9%

Investor relations

Velogic ensures that investors and other stakeholders are kept updated on the Company's latest developments through the annual report, investors' briefings, quarterly unaudited financial statements, meetings of shareholders, press communiques, social media and the corporate website.
The Investors' section is accessible here: https://www.velogic.net/investors/

Key investor ratios*

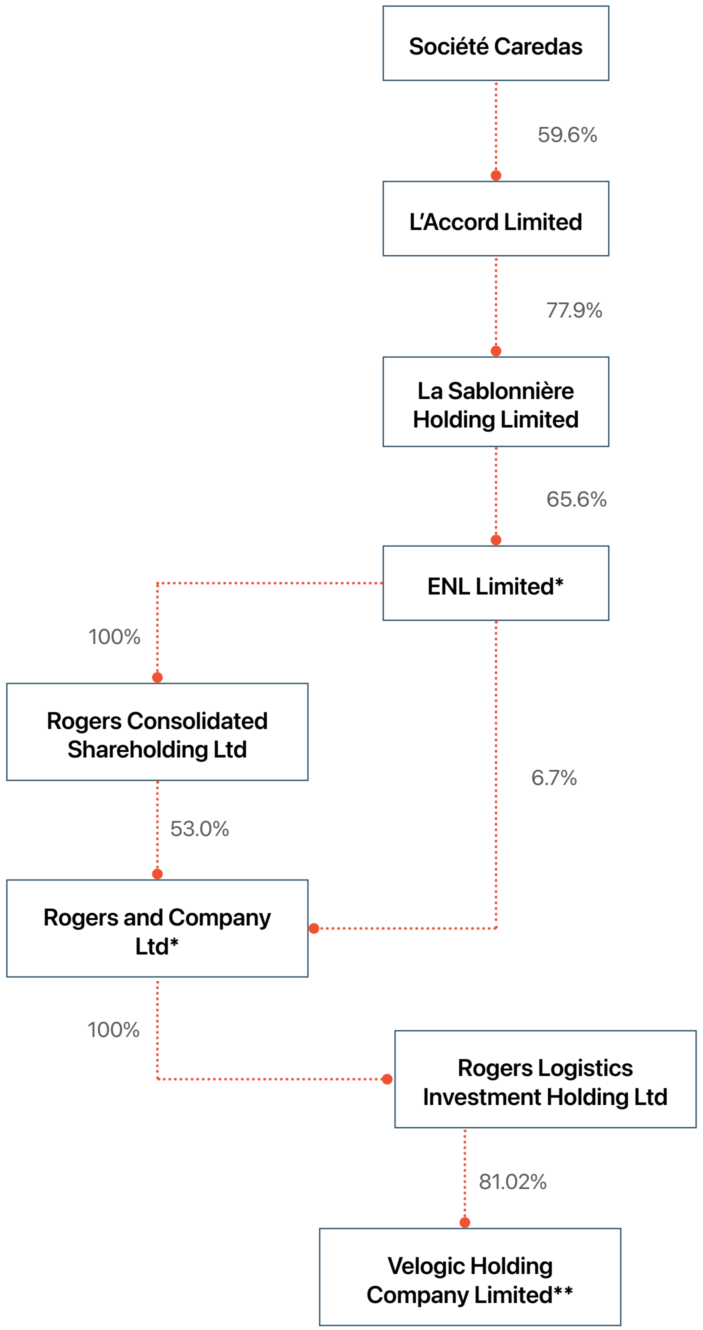
Investor KPIs	FY18 - FY22 average
ROE	7.3%
ROA	4.1%
NAVPS (MUR)	16.04

SCAN ME to visit Investors' Section

*The ratios exclude profit arising on the 70% stake disposal of Velogic France.

Voting Rights.

AS AT 30 JUNE 2022



* Listed on the Official Market of the Stock Exchange of Mauritius Ltd ("SEM")

** Listed on the Development & Enterprise Market of SEM

Corporate governance.

Velogic Holding Company Limited (the "Company" or "Velogic") is a subsidiary of Rogers Logistics Investment Holding Ltd, itself a subsidiary of Rogers and Company Limited ("Rogers"). Velogic was listed on the Development & Enterprise Market ("DEM") on 15 December 2021. Prior to its listing, Velogic had proactively applied the Corporate Governance principles in accordance with The Report on Corporate Governance for Mauritius (2004) and thereafter, The National Code of Corporate Governance for Mauritius (2016) (the "Code") within its business operations. For the year under review, it qualifies as a public interest entity as defined by the Financial Reporting Act and is therefore required to apply the eight principles set out in the Code.

The Company 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 38 owned and associated offices with a workforce of 1,300 employees in 7 countries: India, Madagascar, Reunion, France, Kenya, Singapore and Mauritius, where it is headquartered. It also serves customers worldwide through a global network of trusted partners. The Company 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.

Principle 1 - Governance structure

The Board assumes responsibility for leading and controlling the Company and is collectively responsible for its long-term success, reputation and governance while meeting all legal and regulatory requirements. As a subsidiary of Rogers, Velogic adopted its Code of Ethics, which is available on https://www.velogic.net/investors/corporate-governance/policies/. Pursuant to its listing, the Board adopted a Board Charter which shall be subsequently reviewed and updated when material changes occur. Furthermore, on 23 February 2022, the shareholders of Velogic adopted a constitution. The main salient points of the constitution are set out as follows:

Issue of shares	The Board may issue shares at any time, to any person and in any number, whether redeemable or not, and with such rights with regard to voting, dividend, distributions, or return of capital and in such classes as the Directors deem fit.
Pre-emptive rights	The pre-emptive rights on the issue of shares contained in section 55 of the Companies Act 2001 ("the Act") are hereby negated.

Shareholders' meetings

Annual Meeting of Shareholders	The Board shall call an annual meeting of Shareholders to be held: a. not more than once in each year; b. not later than 6 months after the balance sheet date of the Company; and c. not later than 15 months after the previous annual meeting. The business to be transacted at an annual meeting shall, unless already dealt with by the Company, include: a. the consideration and adoption of the audited financial statements; b. the receiving of any auditor's report; c. the consideration of the annual report; and d. the appointment of any auditor pursuant to Section 200 of the Act.
Special Meeting of Shareholders	A special meeting of Shareholders entitled to vote on an issue: a. may be called at any time by the Board; or b. shall be called by the Board on the written request of Shareholders holding Shares carrying together not less than 5% of the voting rights entitled to be exercised on the issue.
Resolution in lieu of meeting	A resolution in writing signed by not less than 75% of the Shareholders who would be entitled to vote on that resolution at a meeting of Shareholders who together hold not less than 75% of the votes entitled to be cast on that resolution is as valid as if it had been passed at a meeting of those Shareholders.
Notice of Meeting of Shareholders	Written notice of the time and place of a meeting of Shareholders shall be sent to every Shareholder and to every Director and the secretary and the auditor of the Company not less than 21 days before the meeting.

Shareholders' meetings

Methods of holding meetings	A meeting of Shareholders may be held either: a. by a number of Shareholders who constitute a quorum, being assembled together at the place, date and time appointed for the meeting; or b. by means of audio, or audio and visual, communication by which all Shareholders participating and constituting a quorum can simultaneously hear each other throughout the meeting.
Quorum	A quorum for a meeting of shareholder shall be present where 2 Shareholders present or represented, are between them, able to exercise at least 40% of the votes to be cast on the business to be transacted at the meeting.
Voting Rights	a. The ordinary shares of the Company shall entitle the holders thereof to attend and vote at any meeting of Shareholders and on any resolution; b. The Shares of any other class shall not entitle the holders thereof to attend or vote at any meeting of Shareholders. The chairperson of a meeting of Shareholders shall be entitled to a casting vote; c. No Shareholder shall be entitled to vote at any meeting of Shareholders unless all calls or other sums presently payable by him in respect of Shares in the Company have been paid; d. Where 2 or more persons are registered as the holder of a Share, the vote of the person named first in the share register and voting on a matter shall be accepted to the exclusion of the votes of the other joint holders.
Proxies	A Shareholder may exercise the right to vote either by being present in person or by proxy.

Dividend	A dividend may be authorised and declared by the Board at such time and in such amount (subject to the solvency test) as it thinks fit and to any shareholder as it thinks fit. For the purpose of Section 61 of the Act, the authorisation of the shareholders shall not be needed for distributions to Shareholders.
Directors	Directors may be appointed from time to time by: a. Ordinary Resolution, or b. The Board.

The Constitution and the Board Charter are available on https://www.velogic.net/investors/corporate-governance/constitution and https://www.velogic.net/investors/corporate-governance/board-charter respectively.

As a subsidiary of Rogers, Velogic has also adopted a number of policies, namely:

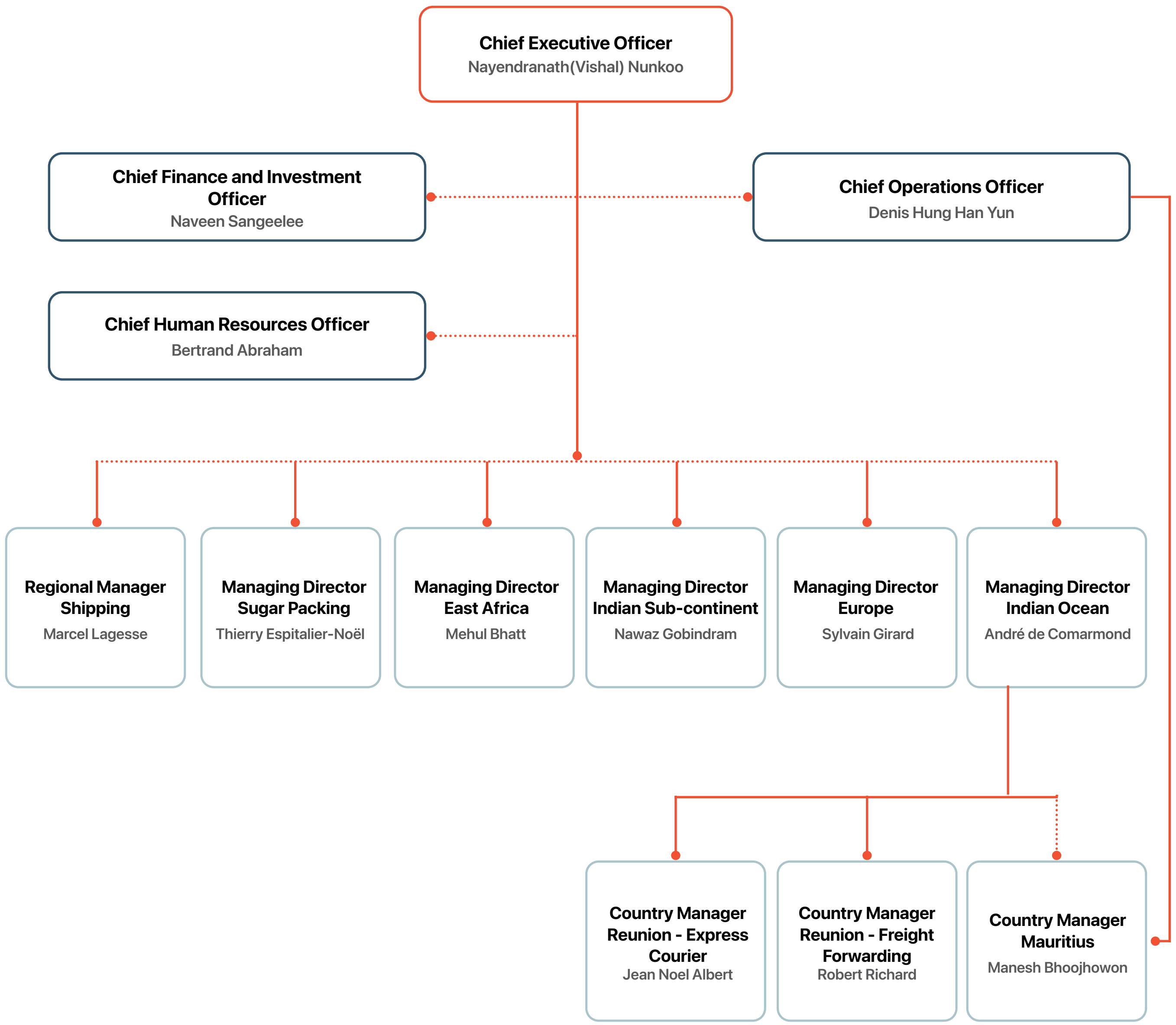
- its Data Protection Policy, Data Protection Notice and Data Protection Manual;
- the Information, Information Technology and Information Security Policy of Rogers;
- the Equal Opportunities Policy of Rogers; and
- the Malpractice Reporting Policy of Rogers.

The policies are available on https://www.velogic.net/investors/corporate-governance/policies/.

Corporate governance.

Principle 1 - Governance structure (cont.)

The day-to-day operations of the Company are entrusted to the management under the responsibility of the Chief Executive Officer ('CEO'). The organisational chart of the Company is as follows:



The statement of accountability of the Company is available on https://www.velogic.net/what-we-do/freight-logistics-services/.

The Members of the Leadership Team are depicted in the table below. Each of them has a role profile as set out in their contract of employment. Furthermore, the position statement of the Senior Governance positions is available at https://www.velogic.net/our-company/management-team/

Name	Position
Nayendranath(Vishal) Nunkoo	Chief Executive Officer
Naveen Sangeelee	Chief Finance and Investment Officer
Denis Hung Han Yun	Chief Operations Officer
Bertrand Abraham	Chief Human Resources Officer
André de Comarmond	Managing Director - Indian Ocean
Mehul Bhatt	Managing Director - East Africa
Sylvain Girard	Managing Director - Europe
Nawaz Gobindram	Managing Director - Indian sub-continent
Marcel Lagesse	Regional Manager - Shipping
Thierry Espitalier-Noël	Managing Director - Sugar Packing

The profiles of the Members of the Leadership Team are available at pages 62-63 .

Whenever, there is a change in the statement of accountability and statement of major accountabilities, the necessary approval is sought, and the said documents are subsequently reviewed and updated.

Leadership Team.

Governance structure.

Profile of the Leadership Team

André de Comarmond
MANAGING DIRECTOR - INDIAN OCEAN

André was appointed as Managing Director Indian Ocean in March 2017. He has more than 30 years of experience in sales & marketing. He took employment in the Shipping Division of Rogers, at Société du Port in 2007, before being appointed as Country Manager of Velogic Mauritius (2010) and then Regional Manager – Indian Ocean (2011).

Bertrand Abraham
CHIEF HUMAN RESOURCES OFFICER

Bertrand holds an MSc in Human Resources Management and a Diploma in Personnel Management. Bertrand has several years' of experience in the field of human resources, having worked in the textile and sugar industries before joining Rogers Group in 2004. He moved to the Logistics sector in 2008 and holds the position of Chief Human Resources Officer of Velogic since July 2011.

Denis Hung Han Yun
CHIEF OPERATIONS OFFICER

Denis was appointed COO in March 2017. He previously held the Chief Processes & Systems Officer and Country Manager (Mauritius) positions. Prior to joining Rogers Group at Cargo Express in 1999, he worked as a web developer as well as analyst programmer and systems analyst. Denis holds a Bachelor of Business Science in the special field of Computer Science.

Marcel Lagesse
REGIONAL MANAGER - SHIPPING

Marcel has over 29 years of experience in road transport and project cargo, having been the manager as well as one of the shareholders of MTL, a transport company which was subsequently acquired by Velogic in October 2012. He therefore initially joined Velogic as Manager Garage, Transport and Project Cargo as from October 2012 and was subsequently appointed Project Manager responsible for Project Cargo and Shipping business in January 2014. Marcel was then appointed Regional Manager of the Shipping Services in December 2014 where he is now leading the shipping activities of Rogers Shipping and Southern Marine, stevedoring of PAPOL CS Ltd as well as Project Cargo of Velogic.

Mehul Bhatt
MANAGING DIRECTOR - EAST AFRICA

Mehul joined Velogic in 2015 and is responsible for driving the development and expansion of Velogic in Africa. He has previously worked for Chevron and A.P. Moller Maersk based in USA, Denmark, Africa and India. Mehul also has an MBA from London Business School.

Naveen Sangeelee
CHIEF FINANCE AND INVESTMENT OFFICER

Naveen joined Velogic in 2011 and is responsible for finance, transactions and strategy for the group. He is a Fellow of the Institute of Chartered Accountants in England & Wales and the Association of Chartered Certified Accountants. He also holds an MBA in Finance and a BSc (Hons) in Economics and Computing. Naveen has a rich international experience, having worked for blue chip companies in the U.K. for several years.

Nawaz Gobindram
MANAGING DIRECTOR - INDIAN SUB-CONTINENT

Nawaz took over as Regional Manager – Indian Subcontinent in July 2011. He previously gained valuable experience in the logistics sector by serving successively as Deputy Country Manager in Madagascar and Country Manager in India. Nawaz holds a DESS in Management Logistique Ingénierie Transports and a MIAGE degree.

Nayendranath (Vishal) Nunkoo
CHIEF EXECUTIVE OFFICER

Vishal is CEO of Velogic since 2011. He previously joined Rogers Group in 1993, where he held various positions within the Service Planning & Development, the Aviation and Logistics and the Enterprise Information Solutions departments. He holds an MBA in Finance and an MSc in Engineering.

Sylvain Girard
MANAGING DIRECTOR - EUROPE

Sylvain was appointed Regional Manager-Europe in 2015, after taking employment as Deputy Country Manager at Velogic France in the same year. With more than 25 years of experience in International Transport, he notably served as Country Manager of Velogic Madagascar. Sylvain started his career in the department of project transport at Alcatel Telspace in France and Kenya.

Thierry Espitalier-Noël
MANAGING DIRECTOR - SUGAR PACKING

Thierry has over 30 years of experience in the manufacturing field, half of which was spent overseas (South Africa and Madagascar). His expertise covers sectors like chemical processing, paper making, optical glasses & sunglasses, ice making and distribution, printing & packaging, baby diapers & sanitary napkins. Thierry holds an Executive MBA (Heriot-Watt University, Scotland) and a Higher Diploma in Chemical Engineering (SA). He was appointed Operations Manager at Sukpak in March 2020 and is now the Manager of the sugar packing activities.

Principle 2 - The structure of the board and its committees

Structure of the board

As at 30 June 2022, the Company was headed by a unitary board comprising of nine directors. The Board is made up of two Executive Directors, five Non-Executive Directors and two Independent Non-Executive Directors, under the Chairmanship of Mr. Philippe Espitalier-Noël, who is a Non-Executive Director. Moreover, the functions and responsibilities of the Chairman and the Chief Executive Officer are distinct and separate.

The profiles of the directors including their qualifications and nationality are available at pages 74-78 and the balance of skills of the Board is set out in the table below. Moreover the list of directorships of each director will be made available upon request to the Company Secretary.

Skills	Name of directors								
	Marie Hector Philippe Espitalier-Noël	Nayendranath Nunkoo	Naveen Sangeelee	Mehul Hiteshkumar Bhatt	Gianduth Jeeawock	Belinda Wong-Vacher	Vincent Jean Pierre Barbier	Radhakrishna Chellapermal	Marie Edouard Gilbert Espitalier-Noël
Mergers and acquisitions	>	>	>	>		>			>
Strategy development	>	>		>		>	>	>	
Business development	>	>		>		>	>		
Property development	>					>			
International development		>	>	>		>			
Sustainability				>					
Commercial	>			>			>		
FinTech	>					>			
Hospitality	>								>
IT		>							
Logistics	>	>	>	>					
Property	>					>			
Corporate Governance & Governance	>		>			>			>
Accounting			>					>	
Leadership	>			>	>		>	>	
Finance		>	>		>	>			
Management	>	>	>		>	>	>		
Risk Management				>	>	>			
Fund Raising						>			
Communication strategy						>			
Branding and marketing						>			
Broad board experience across sectors									>
Deep knowledge in shipping		>		>					
Compliance						>			

The attendance of the directors at the Board Meetings of the Company for the period from 01 July 2021 to 30 June 2022 is as per Table 1.

Table 1

Date of Board meetings	Attendance at Board Meetings	Category	Remuneration and benefits
Mr ESPITALIER-NOËL Marie Hector Philippe	5 on 5	NED	Nil
Mr BARBIER Vincent Jean Pierre*	4 on 4	INED	MUR 213,387
Mr BHATT Mehul Hiteshkumar	5 on 5	NED	Nil
Mr CHELLAPERMAL Radhakrishna*	4 on 4	INED	MUR 213,387
Mr ESPITALIER-NOËL Marie Edouard Gilbert	2 on 5	NED	Nil
Mr NUNKOO Nayendranath	5 on 5	ED	Nil
Mr RIGOUZZO Luc Andre Emmanuel**	2 on 2	NED	Nil
Mr SANGEELEE Naveen	5 on 5	ED	Nil
Mrs KONE-DICOH Khady-Lika	3 on 3	NED	Nil
Mrs WONG-VACHER Belinda***	2 on 2	NED	Nil
Mr JEEAWOCK Gianduth***	2 on 2	NED	Nil

* appointed on 25 August 2021
**resigned on 14 February 2022
***appointed on 13 April 2022

Definition of NED, ED and INED are in line with the criteria of the National Code of Corporate Governance for Mauritius.

Mr. Gianduth (Alvin) Jeeawock has been appointed to the Board by virtue of a Shareholders' Agreement between two current shareholders of the Company, namely Rogers Logistics Investment Holding Ltd and Swan Life Ltd.

Directors' remuneration

Furthermore, as a principle, the Executive and Non-Executive Directors of the Company who are employed by either the Rogers Group or its associates are not entitled to any directors' fees while serving on the Board of Velogic and its subsidiaries. The Independent Non-Executive Directors of Velogic perceive a fee as follows:

- Fixed monthly fee of MUR 15,000; and
- Attendance fee of MUR 20,000 per board attendance.

Board committees

Prior to the listing of Velogic, its Board had resolved that its governance matters as well as risk management, internal control and audit matters be overseen by the Corporate Governance Committee ("CGC") and Risk Management and Audit Committee ("RMAC") of Rogers. For the purpose of the listing, the Board of Velogic agreed that such governance structure operates well and there will be no change thereto. It was further resolved that the newly set up Sustainability and Inclusiveness Committee ("SIC") of Rogers assist the directors of the Company in the performance of their duties.

The Chief Finance and Investment Officer of Velogic is a permanent attendee of the RMAC of Rogers for the Velogic part. The Chief Executive Officer of Velogic has a standing invitation to attend the meetings of the SIC and CGC of Rogers.

The Company Secretaries of Rogers and Velogic further coordinate to ensure timely flow of information between the CGC, RMAC and SIC of Rogers and the Board of Velogic

The attendance to Rogers Corporate Governance Committee ("CGC"), Risk Management and Audit Committee ("RMAC") and Sustainability and Inclusiveness Committee ("SIC") Meetings for the period from 01 July 2021 to 30 June 2022 was as per Table 2.

Table 2

CGC Members	Attendance to CGC meetings
Jean Pierre Montocchio (Chairman)	4 on 4
Eric Espitalier-Noël	4 on 4
Philippe Espitalier-Noël	4 on 4
Guy Adam	4 on 4
RMAC Members	**Attendance to RMAC meetings**
Jean-Pierre Vivian Masson (Chairman)	7 on 7
Eric Espitalier-Noël	5 on 7
Thierry Hugnin	7 on 7
SIC Members	**Attendance to SIC meeting**
Deonanan (Raj) Makoond (Chairman)	1 on 1
Philippe Espitalier-Noël	1 on 1
Damien Mamet	1 on 1

The membership and terms of reference of the said committees are available on https://www.rogers.mu.

At the time of approving this report, the Board of Velogic approved to set up its own RMAC, given that its businesses have grown significantly in size.

The Members of the RMAC of the Company are Radhakrishna Chellapermal (Chairperson), Belinda Wong-Vacher and Damien Mamet.

The charter of the said RMAC is available on https://www.velogic.net/investors/corporate-governance/rmac-charter.

Principle 3 - Directors' appointment procedures

On 14 April 2022, Mrs. Khady-Lika Kone-Dicoh and Mr Luc Andre Emmanuel Rigouzzo resigned as directors of the Company. Subsequently, Mr. Gianduth (Alvin) Jeeawock and Mrs. Belinda Wong-Vacher have been appointed as Non-Executive Directors of the Company.

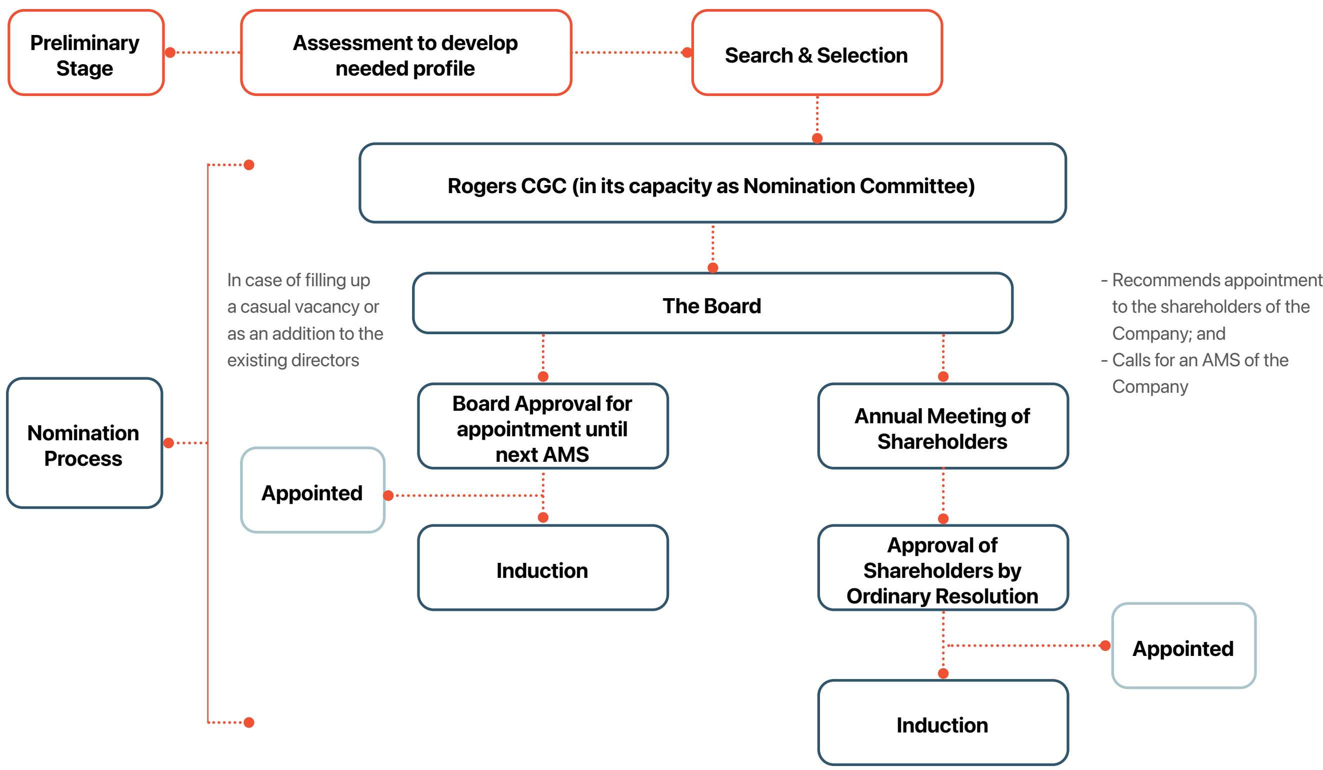
At the time of approving this report, the Board approved the appointment of Mr. Damien Mamet as Non-Executive Director of the Company.

The Board is satisfied that the newly appointed Non- Executive Directors will contribute to the success of the Company given their skills and experience.

The Board assumes the responsibilities for succession planning and for the appointment and induction of new directors to the Board.

The Corporate Governance Committee of Rogers, acting in its capacity as Nomination Committee recommends the appointment of new directors for approval by the Board. When appointing directors, the Board takes cognizance of its needs in terms of skills, experience, diversity and size.

The appointment process of the directors is in line with the constitution of the Company and is presented below.



Notes:

1. CGC means the Rogers Corporate Governance Committee
2. Board means the Board of Velogic Holding Company Limited
3. AMS means Annual Meeting of Shareholders

All directors stand for re-election at the Annual Meeting of Shareholders of the Company.

All new directors, upon joining the Board, attend and participate in an induction and orientation process. They also receive a comprehensive induction pack from the Company Secretary. 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.

The position statement of the Company Secretary is available on https://www.velogic.net/investors/corporate-governance/. All directors have access to the advice and services of the Company Secretary who then provides guidance to the Directors on their statutory duties, ethics and good governance.

The following documents are available on the website of the Company:

Nomination and appointment process at https://www.velogic.net/investors/corporate-governance/director-appointment;

Short biographies of each director including their experience, skills, expertise, and continuing professional development at https://www.velogic.net/board-of-directors/; and

Short biography of the Company Secretary including her experience, skills, expertise and continuing professional development at https://www.velogic.net/investors/corporate-governance/.

Principle 4 - Directors' duties, remuneration and performance

All directors are familiar with their legal duties. They are required to exercise that degree of care, skill and diligence which a reasonably prudent and competent director in his or her position would exercise. A director may seek independent professional or legal advice, at the expense of the Company, in respect of any aspect of his or her duties.

Dealing in the shares

Upon its listing on the DEM and pursuant to the Securities Act 2005, Velogic qualified as a reporting issuer. Accordingly, the officers of the Company and those of its subsidiaries will be qualified as officers. More so, the directors of Velogic who are officers of the Company are also required to comply with Appendix 6 - Model Code For Securities Transactions By Directors of Listed Companies. The said Code provides guidance in respect of the dealing in shares of the Company.

The absolute prohibitions are as follows:

- A director should not deal in any of the securities of the issuer at any time when he is in possession of unpublished price-sensitive information in relation to those securities.
- A director should not deal in the securities of any other listed issuer when by virtue of his position as a director of his own company, he is in possession of unpublished price-sensitive information in relation to those securities.

For the period under review, the directors' interests in Velogic Holding Company Limited (the "Company") and its subsidiaries were as follows:

Surnames	Names	% Direct interest in Velogic Holding Company Limited % Holding
CHELLAPERMAL	Radhakrishna	Nil
ESPITALIER-NOËL	Philippe	Nil
NUNKOO	Nayendranath (Vishal)	0.0043
SANGEELEE	Naveen	0.0009
WONG-VACHER	Belinda	Nil
JEEAWOCK	Gianduth	Nil
BHATT	Mehul	Nil
ESPITALIER-NOËL	Gilbert	Nil
BARBIER	Vincent Jean	Nil

Save for Mr. Mehul Bhatt who held a direct interest of 1.53% in General Cargo Services Ltd (Kenya), the other directors of the Company do not hold any direct interest in the shareholdings of the subsidiaries of the Company.

Interests of directors and conflicts of interest

Any instances where directors are conflicted are noted by the Company Secretary who maintains a conflict of interests register as well as an interests register. The latter register is available for consultation to shareholders, upon written request to the Company Secretary.

The conflict of interest register records all potential conflicts of interests between any duties to the Company of the directors and their private interests and/or other duties. Any instances where directors of Velogic are conflicted are noted by the Company Secretary. Furthermore, a director who is interested in a transaction entered into, or to be entered into, by the Company may not vote on any matter relating to the transaction and if he/she does vote, his/her vote shall not count. As at 30 June 2022, there was no conflict of interest entered in the said register.

Related party transactions

The Company applies the requirements of the DEM Rules pertaining to the disclosure of corporate transactions, including related party transactions. Related party transactions are adequately addressed through proper monitoring, approval and disclosure, in line with the related party transaction approval process of the Company. The said approval process can be consulted on the Company's website. All related party transactions are recorded in the related party transaction register of the Company. For the year under review, there was no related party transaction to that end.

Information technology, security and policy

The Company is a registered controller with the Data Protection Office. In keeping with Data Protection Act 2017, the Company has endeavoured to reinforce the safety and security measures in place to protect personal data it collects, stores and processes. It has thus adopted the following documents:

- A Data Protection Policy, which summarises the principles which will be applied by the Company when processing data;
- A Data Protection Notice, which explains in detail to data subjects the purpose for and manner in which the Company processes data, as well as the rights of data subjects relating to the data processed; and
- An Information, Information Technology and Information Security Policy which sets out the IT safeguards which have been put in place to ensure security of data.

The Company has also adopted a Data Protection Compliance Manual, which describes the comprehensive approach of the Company to personal data protection. Regular audits and training of the personnel will be carried out to ensure compliance with the said Manual.

The Board monitors and evaluates the significant expenditures on information technology. Technology has allowed the Company to gather data in real-time, making it possible to react to customer trends and new habits immediately. The need to be agile and the need to embrace change are considered vital for the Company, in keeping with its customer promise.

Board evaluation

The Board resolved that no Board evaluation be conducted for the year ended 30 June 2022 since there were new directors joining the Board. It is earmarked that such exercise be carried out in the financial year ending 30 June 2023 to allow new directors understand the board dynamics of the Company. Furthermore, the individual director evaluation is yet to be finalised as appropriate timing and suitable technique to conduct same, remains to be agreed.

Principle 5 – Risk governance and internal control

The Board is responsible for the system of internal control and the governance of risks of Velogic. It is committed to continuously maintain adequate control procedures with a view to safeguard the assets and reputation of Velogic. It also ensures that Velogic develops and executes a robust system of risk management whereby areas with high residual risks are continuously reviewed and assessed by the RMAC of Rogers with the assistance of the Risk and Audit department of Rogers. The RMAC of Rogers has allocated time, on a quarterly basis, for the oversight of risk management and internal controls of Velogic.

Management is accountable to the Board for the design, implementation and enforcement of internal controls, ensuring that the associated processes and systems are operating satisfactorily. The Board derives assurance that the internal control systems are effective through the lines of defence and risk management processes as described in the Risk Management report on pages 84-93. In the design of the internal control system, entities are encouraged to have the right level of internal controls whereby the costs and time involved in operating these controls is balanced against the nature and significance of the risks they mitigate. The Board also recognises that any system of internal control is designed to understand and manage rather than eliminate.

The group reporting malpractice policy sets out the process whereby information relating to questionable practices within the group is disclosed in good faith by employees. They are encouraged to raise such questionable practices to their direct reporting manager or if this is considered inappropriate, the issue should be raised with the Chief Human Resource Executive at Corporate office . The latter will consequently report to the Chief Executive Officer of Rogers Group.

For more information on risk governance and internal control of the Company, please refer to pages 84-93 of the Annual Report.

Principle 6 - Reporting with integrity

During the year under review, the main Board deliberations were as follows:

23 August 2021	• Approval of the Business plan 2023 – 2026; • Deliberations on exit of shareholder from the shareholding of VK Logistics; and • In principle, approval of the proposed listing of the Company on the Development & Enterprise Market of the Stock Exchange ("DEM").
22 September 2021	• Approval of the preparation of the admission document in accordance with the DEM Rules and Securities Act 2005 and reviewed by Listing Division and the Financial Services Commission; and • Approval of audited financial statements for nine months ended 31 March 2021 of the Company.
06 October 2021	• Approval of communique for communication to the Stock Exchange of Mauritius Ltd and publication in two widely read newspapers relating to commencement of trading on DEM.
13 October 2021	• Approval of the revised share subscription form.
15 October 2021	• Approval of Term Loan amounting to MUR 198,000,000.
06 December 2021	• Registration of the Company as a Reporting Issuer with the Financial Services Commission.
13 December 2021	• Approval of the Annual Report including the audited financial statements of the Company for the financial year ended 30 June 2021.
10 February 2022	• Resignation of director and representative of Amethis Africa Finance Ltd; • Abridged results for the period ended 31 December 2021, approved for publications; • Declaration of interim dividends of MUR 0.29 per share; • Approval of Board Charter.
23 February 2022	• Draft constitution of the Company recommended to Shareholders of Velogic, for approval; Approval of notice of SMS.
23 March 2022	• Offer made to acquire all the stakes in Rongai Workshop and Transport Ltd.
13 April 2022	• Appointment of additional director of the Company.
10 May 2022	• Abridged results for the period ended 31 March 2022, approved for publications; • Approval of Communique de Presse for electronic release to investors & press forums; and • Took note of signed term sheet with Rongai Workshop and Transport Ltd.
15 June 2022	• Declaration of final dividends of MUR 0.43 per share

The Corporate and Social Responsibilities of the Company are aligned with the Rogers Group's engagement of "making the world a better place than the one we inherited". The action points of Velogic revolve around 3 main themes, namely:

1. Waste Management with the 3Rs (Reduce, Reuse, Recycle);

2. Renewable Energy (Rain water harvest, study on installation of solar panels and fuel efficiency); and

3. Education (continuous defensive driving for our lorry drivers and sensitization for cleaning the planet).

An Environmental Policy as well as Procurement Policies which include environmental criteria are also in place.

Moreover, the Company did not make any political donations for the year under review.

Please refer to pages 42-43 section Social capital for more details.

Regarding environmental responsibilities, please refer to page 48 section Natural capital

The financial responsibilities are outlined at pages 31-37 section Financial capital.

Principle 7 – Audit

Internal Audit

The internal audit team from Rogers provides independent assurance that the governance, risk management and internal control processes operate effectively. Internal audit engagements are carried out according to Rogers' Internal Audit Methodology based on the International Professional Practices Framework (IPPF) of the IIA. Areas covered by internal audit during the financial year under review are detailed in the Risk Management report on pages 84-93. Internal auditors present their reports and the status of implementation of past recommendations to the RMAC and the Board of Directors of Velogic. Through discussions of reports received, the RMAC evaluates the effectiveness of the internal audit function on an ongoing basis. The RMAC of Rogers has assessed the independence of the internal audit function and is satisfied of its independence.

The internal audit team consists of qualified and partly qualified accountants, with an average experience of eight years in audit and related fields, which includes the logistics sector. They have unlimited access to Velogic's management, employees and records. They are not involved in management activities which may threaten their independence and objectivity.

External Audit

Appointment

Ernst and Young was appointed as external auditors for the current financial year at the annual meeting of shareholders.

Effectiveness

The external audit process, planning, observations, recommendations and accounting principles are evaluated and discussed with the RMAC. The external auditor has direct access to the RMAC, should they wish to discuss any matter in the absence of management.

Non-audit services

During the year under review, Ernst & Young performed the review of a three-year investment valuation report for the Group.

Principle 8 - Relations with shareholders and other key stakeholders

The shareholding structure of Velogic Holding Company Limited as at 30 June 2022 is set out at page 12.

The Annual Meeting of Shareholders is held annually, in compliance with the constitution of the Company and the Companies Act 2001. At the annual meetings, shareholders are encouraged to ask questions.

The Company is in a constant dialogue with its shareholders and stakeholders through:

- Investors' Briefings
- Quarterly Unaudited Financial Statements
- The Meetings of Shareholders
- Press communiques
- Social Media
- Its website

Having taken all the matters considered by the Board and brought to the attention of the Board during the year into account, the Board is satisfied that the Annual report and accounts taken as a whole are fair, balanced and understandable.

A copy of the Annual report will be published on the website of the Company.

Board of directors.

Board of directors.

Belinda Wong-Vacher (37 years)

NON-EXECUTIVE DIRECTOR

Nationality: Mauritian
Date of Appointment: 13/04/2022

Qualifications/Continuing Professional Development:

- LL.M. International Business Law, Université Paris II, Panthéon-Assas;
- Strategy Execution for Business Leaders, INSEAD, France;
- Financing the Entrepreneurial Business Programme, London Business School, UK;
- Master's in business administration, University of Mauritius;
- Certificate in Business Accounting, Chartered Institute of Management Accountant, UK;
- BSc (Hons) Finance, University of Mauritius;
- AML/CFT workshop: a case-based approach for MLROs; and
- Mauritius Sustainable Finance Intensive workshop.

Professional Journey:

- Chief Fund Management Executive, Rogers & Co Ltd
- Fund Manager and Executive Director of Ascencia Ltd (Listed Company since 2008)
- Member of Risk Management & Audit Committee of Ascencia Ltd; and
- Fellow Member – Mauritius Institute of Directors.

Skills:

- Strong expertise and experience across all arrays of corporate finance, finance modelling, business valuation, deal structuring and investment appraisal (specialisation in M&A);
- Excellent network for fund raising (both equity & debt) and proven track record; and
- Experience in other domains such as company listing, compliance and relevant governance, risk management, strategic planning, due diligence, investor relations, communication strategy and implementation of branding and marketing.

Gianduth Jeeawock (38 years)

NON-EXECUTIVE DIRECTOR

Nationality: Mauritian
Date of Appointment: 13/04/2022

Qualifications/Continuing Professional Development:

- Executive MBA (jointly by Paris Dauphine and Sorbonne Business School);
- Obtained Chartered Financial Analyst (CFA) designation; and
- Graduated with a second class first division bachelor in finance from the University of Mauritius.

Professional Journey:

- Currently Senior Manager at Swan Wealth Managers Ltd

Skills:

- Stakeholder management skills;
- Highly skilled in managing and interpreting financial data; and
- Excellent collaborative leadership skills.

Marie Edouard Gilbert Espitalier-Noël (58 years)

NON-EXECUTIVE DIRECTOR

Nationality: Mauritian
Date of Appointment: 18/07/2011

Qualifications/Continuing Professional Development:

- BSc (University of Cape Town, South Africa);
- BSc (Hons) (Louisiana State University, USA);
- MBA (INSEAD Fontainebleau, France); and
- Cybersecurity Workshops.

Professional Journey

- Joined Food and Allied Group in 1990 and was appointed Group Operations Director in 2000;
- Joined the ENL Group in February 2007;
- Was Chief Executive of ENL Property Ltd;
- Currently CEO of New Mauritius Hotels Ltd; and
- Past President of various private sector institutions, including MCCI, JEC.

Skills:

- Detailed knowledge of the Group;
- Broad experience in the hospitality sector;
- Experienced non-executive director in several sectors;
- Significant M&A experience locally and regionally; and
- Well versed in Corporate Governance.

Board of directors.
(cont.)

Marie Hector Philippe Espitalier-Noël (57 years)
CHAIRMAN,NON-EXECUTIVE DIRECTOR

Nationality: Mauritian
Date of Appointment: 08/10/2004

Qualifications/Continuing Professional Development:
- Bsc in Agricultural Economics (University of Natal, South Africa); and
- MBA (London Business School).

Professional Journey:
- Worked for CSC Index in London as Management Consultant from 1994 to 1997;
- Joined Rogers in 1997; and
- Was appointed Chief Executive Officer of the Rogers Group in 2007.

Skills:
- Proven experience of mergers and acquisitions, business turnaround and transformation;
- Extensive expertise with strategy development and execution;
- Inspiring leadership with senior management in the Group's four served markets, FinTech, Hospitality, Logistics and Property; and
- Well versed in Corporate Governance.

Mehul Hiteshkumar Bhatt (42 years)
NON-EXECUTIVE DIRECTOR

Nationality: Indian
Date of Appointment: 27/02/2020

Qualifications/Continuing Professional Development:
- MBA from London Business School (UK);
- Bachelor's in Nautical Science from BITS, Pilani (India);
- Fellow of Institute of Chartered Shipbrokers (UK), and Associate Fellow of Nautical Institute (UK); and
- Cybersecurity workshops.

Professional Journey:
- Started career in Merchant Marine at the age of 18 with Chevron, an oil major based out of San Ramon, USA;
- Worked across US, Denmark, East Africa, UK and India prior to moving to Mauritius in 2019; and
- Worked with international groups like A. P. Moller-Maersk and Chevron in various strategy, finance, general management, performance management, operations and commercial roles.

Skills:
- Over 20 years in shipping and logistics;
- People and organizational leadership experience since 2010; and
- Currently also heads strategy, sustainability and International Development for Rogers Group.

Naveen Sangeelee (54 years)
EXECUTIVE DIRECTOR,CHIEF FINANCE AND INVESTMENT OFFICER

Nationality: Mauritian
Date of Appointment: 29/08/2018

Qualifications/Continuing Professional Development:
- Fellow of the Institute of Chartered Accountants in England & Wales (FCA);
- Fellow of the Association of Chartered Certified Accountants (FCCA);
- MBA – Finance; and
- BSc (Hons) in Economics and Computing.

Professional Journey:
- Previously Senior Manager at Warner Bros. Inc & UPS Inc (London); and
- Appointed Chief Finance Officer at Velogic, effective since May 2011.

Skills:
- Has a rich accounting and finance experience at international level;
- Strong managerial and financial skills; and
- Well versed in Corporate Governance.

Nayendranath Nunkoo (Vishal) (53 years)
EXECUTIVE DIRECTOR,CHIEF EXECUTIVE OFFICER

Nationality: Mauritian
Date of Appointment: 21/06/2011

Qualifications/Continuing Professional Development:
- MBA Majoring in Finance;
- MSc in Engineering;
- Workshops
  Cybersecurity Workshop; and
  CXO LinkedIn Accelerator

Professional Journey
- Joined Rogers Group in 1993 and worked in various positions, in the Planning & Development department, the Aviation and Logistics sectors;
- General Manager Software Services – Enterprise Information Solutions; and
- Corporate Manager - Strategic Planning at the Head Office of Rogers and Company Limited

Skills:
- Significant experience in General Management in the Logistics and IT sectors;
- Broad experience in the strategic and business development field; and
- Strong managerial and financial skills.

Board of directors.
(cont.)

Radhakrishna Chellapermal (66 years)
INDEPENDENT DIRECTOR

Nationality: Mauritian
Date of Appointment: 25/08/2021

Qualifications/Continuing Professional Development:
- Fellow of the Association of Chartered Certified Accountants (FCCA).

Professional Journey:
- Current chairperson of the Central Electricity Board;
- Former deputy financial secretary at the Ministry of Finance - Mauritius; and
- 37-year career in the Ministry of Finance - Mauritius.

Skills:
- Strong accounting and leadership skills; and
- Significant experience in the strategic development and planning.

Vincent Jean Pierre Barbier (56 YEARS)
INDEPENDENT DIRECTOR

Nationality: Slovak and French
Date of Appointment: 25/08/2021

Qualifications/Continuing Professional Development:
- General Engineer E.N.S.E.M. (National School of Electricity and Mechanics) – Nancy in France, Electricity and Mechanics, specialised in thermal engineering and fluid mechanics;
- CEFA-MBA, Reims Management School (CEFA) in France, MBA Degree at the Superior School of Commerce. Specialised in international trade; and
- English Language Programs, Berkeley (California), upgrading the English language in United States.

Professional Journey
- Founder of KORSO, development and management of projects with a special focus in energy and environment activities;
- Former CEO of VEOLIA ENERGIE CESKA REPUBLIKA and SLOVAKIA; and
- Former CEO of DALKIA.

Skills:
- Strong managerial and leadership skills; and
- Significant experience in the strategic, business development and commercial field

Board of Directors' Statements

1. Other Statutory disclosures

(Pursuant to Section 221 of The Companies Act 2001 and Section 88 of The Securities Act 2005)

Directors' Service Contracts

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

Directors' Remuneration & Benefits

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Remuneration and benefits paid by the Company and subsidiary companies to:		
Executive-director	**6,568**	5,107

Donations and Social Contribution

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Donations made during the year :				
Corporate Social Responsibility (2%)	**2,623**	2,288	**63**	32
Voluntary	**116**	40	**-**	-
	2,739	2,328	**63**	32

Auditor's Remuneration

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Audit fees paid to:				
Ernst and Young	**6,500**	7,680	**1,300**	3,680
	6,500	7,680	**1,300**	3,680
Fees paid for other services provided by:				
Ernst and Young	**1,200**	385	-	385
	1,200	385	**-**	385

Major Transactions

No major transaction to be disclosed under this Section of the Companies Act 2001 for financial year end 30 June 2022.

2. Statement of Directors' Responsibilities

Directors acknowledge their responsibilities for:

(i) adequate accounting records and maintenance of effective internal control systems;

(ii) the preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year, the results of its operations and the cash flows for the year and which comply with International Financial Reporting Standard (IFRS), International Accounting Standards and the Companies Act;

(iii) the selection of appropriate accounting policies supported by reasonable and prudent judgements and estimates.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The Directors report that:

(i) adequate accounting records and an effective system of internal control and risk management have been maintained while an internal audit function has been established;

(ii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;

(iii) International Financial Reporting Standards have been adhered to. Any departure has been disclosed, explained and quantified in the interest of fair presentation; and

(iv) the National Code of Corporate Governance for Mauritius (2016) has been adhered to in all material aspects.

3. Statement of Compliance

Section 75 (3) of the Financial Reporting Act

Name of Public Interest Entity (PIE): Velogic Holding Company Limited ("the Company")

Reporting Period: **01 July 2021 to 30 June 2022**

We, the Directors of Velogic Holding Company Limited, confirm that to the best of our knowledge, the Company has complied with the National Code of Corporate Governance for Mauritius (2016) (the Code).

The Company has applied all of the principles set out in the Code and explained how these principles have been applied.

Signed by:

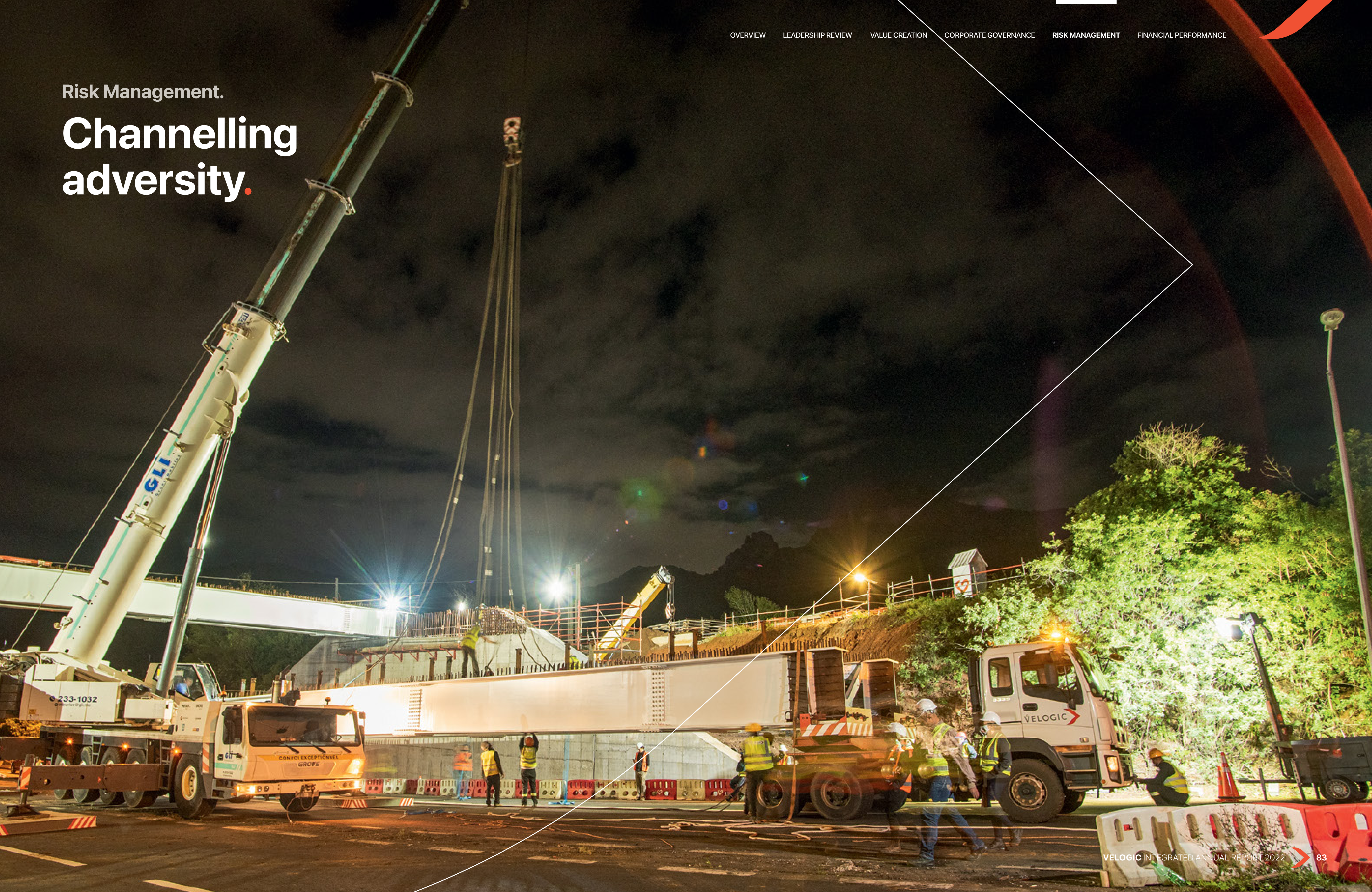
Philippe Espitalier-Noël
Chairman

Nayendranath Nunkoo
Executive Director and Chief Executive Officer

Date: 28 September 2022

Risk Management.

Channelling adversity.



Risk Management Report.

> Velogic has navigated through unchartered waters and the changing risk landscape with agility and has shown much resilience with the achievement of strong financial results.

1. Overview

The logistics business has been challenged by the COVID-19 pandemic, worldwide uncertainty, disruption in the availability of shipping containers and in supply chains. During the first semester of the current financial year, the vaccination campaign, as well as other efforts to control the spread of the pandemic and the reopening of international borders contributed to a return to the new normal. However, during the year, the world witnessed rising inflation, increases in freight rates and fuel prices. This created a difficult business environment for Velogic.

Velogic has navigated through unchartered waters and the changing risk landscape with agility and has shown much resilience with the achievement of strong financial results. The leadership team has efficiently managed the risks in times of uncertainty on the back of diversified geographical footprint and activities. Velogic has played a key role in the recovery of the Mauritian economy as logistic services proved to be essential during and after the lockdowns.

The main strategic responses to the changing risk landscape during the financial year were as follows:

- Consolidation of the governance structure, in terms of improvement of board diversity with the appointment of four new directors of which two are independent.
- The Risk Management and Audit Committee (RMAC) of Rogers acted as the RMAC of Velogic and dedicated additional time for focus on key matters.
- Listing of all its shares on the Development & Enterprise Market which allowed one major partner to exit.
- Participation to the 'Challenging the Status Quo & Collaborating Forward' programme has enabled the management team to transform challenges into opportunities within their respective business units.
- Onboarding of a strategic partner in Velogic France so as to maintain competitive position, derive economies of scale, lower operational costs and reduce risk exposure.
- Investment in a digital platform to improve customer service, operational efficiency and optimize costs.
- Review of current risk management process including cybersecurity risk.
- Construction of new garage infrastructure to use freed-up land following departure of customer in Depot.

Risk Indicators – (Mauritius)

11% Inflation

+48% Fuel Price

Risk Owners

21 Leadership team

11 years Average tenure

Diversification

7 Territories

+2 Independent Directors

The Way Forward

To progress in its risk management journey, the following targets have been set for the next financial year:

- At the time of approving this report, a dedicated RMAC for Velogic has been constituted to oversee risk management and audit matters on behalf of the board.
- Risks identified as impactful to be closely monitored on the radar.
- Mitigating measures and internal controls to be evaluated in terms of effectiveness on a more regular basis.
- Risk policy to be formalized with clear appetite for each business unit and indicators to be set for efficient monitoring and regular reporting.

Risk Management Report. (cont.)

2. Risk Management Framework

Velogic recognizes the importance of having an effective risk management framework to achieve its objectives and sustain the growth of shareholders' wealth. To that effect, a risk management framework comprising identification of risks from both a top-down strategic approach and a bottom-up operational perspective has been set up.

Velogic adheres to the Rogers Group Guidelines and Policies. The risk management framework, applicable to all subsidiaries, is structured according to the three lines model explained below.

Board and Risk Management and Audit Committee

Leadership and oversight

1st line: Management – People, process and technology

2nd line: Management – Oversight

BU Managers adhere to internal policies and procedures.

Senior management and health and safety reviews.

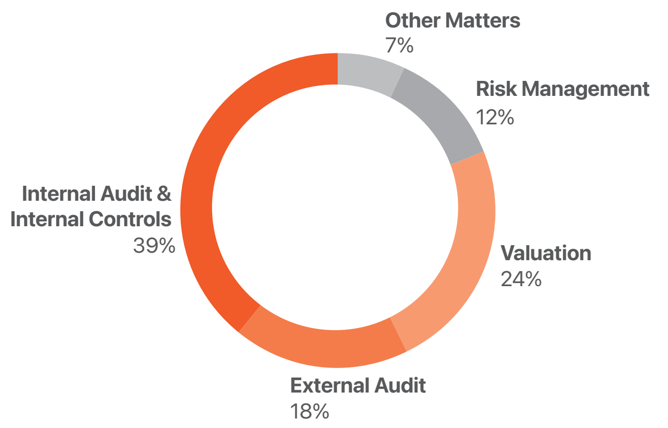
3rd line: Internal Audit

Independent value-adding review of operating processes, risk management and internal control.

2.1 Risk Governance Structure

The Board is responsible for the governance of risk and ensures that Velogic develops and executes a robust system of risk management. It takes responsibility for determining the nature and extent of the principal risks it is willing to take in line with the business model and its strategic objectives. It considers the most significant risks facing Velogic as part of its decision-making process.

The RMAC of Rogers has allocated additional time, on a quarterly basis, for the oversight of financial and non-financial reporting, risk management, internal audit and internal controls of Velogic Group. Estimated time spent by the RMAC for Velogic's review was as follows:

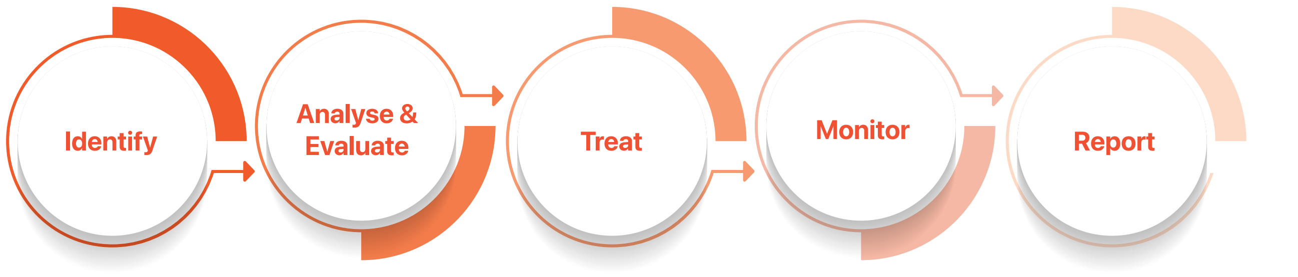


In line with their position statements, the Chief Executive Officer and Chief Operations Officer are responsible for assessing the principal risks and to ensure that these risks are being managed. The Chief Finance and Investment Officer holds the same responsibilities for financial risks and Business Unit Managers are responsible to identify their respective operational risks along with the corresponding mitigating actions.

2.2 Risk Management Process

The risk management process comprises of the following stages namely: identification, analysis, evaluation, treatment, monitoring and reporting and are embedded into the operational responsibilities of management. These activities form an integral part of Velogic's overall planning, decision-making and organisational day to day management.

Management evaluates options available for the treatment of strategic or significant financial risks. Strategic decisions are taken considering the risk appetite.



How risks are managed at Velogic

Significant risks are treated in line with risk appetite as illustrated below:

A. Financial sustainability risk – Velogic France

With regards to the challenging business and economic environment in France, Velogic sold 70% of its equity shareholding in Velogic France to a new strategic partner having offices in Europe and the US. It will thus create economies of scale, synergies, and provide growth opportunities.

B. Strategic partner engagement risk

Stakeholders' expectations are carefully managed to ensure there is no loss of investors' confidence. The private equity investor's expectation to exit within agreed timeframe was successfully met following listing of Velogic's shares on the stock exchange and raising of funds to repay the equity partner. The risk has been well managed and turned into opportunity as the listing will enable Velogic to raise capital and have alternative sources of finance for future investments. The exit of an equity partner in Kenya was also successfully completed.

Risk Management Report. (cont.)

2.3 Internal Controls

Internal controls are reviewed independently by the internal audit team from Rogers. The three-year audit plan is based on the level of risks which is reviewed on an annual basis by the RMAC to incorporate changes in the risk landscape.

During the last three financial years, audits planned for overseas subsidiaries were postponed mainly due to sanitary travel restrictions related to COVID-19 and two national lockdowns. The overseas audits will resume in year ending 30 June 2023.

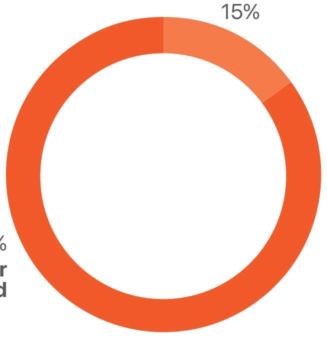
During this period and on a continuous basis, the Business Process Outsourcing Team, headed by the Financial Controller, performed monthly controls on the accounting reports and related processes of overseas subsidiaries.

The following activities, areas and risks were covered:

Risk areas/Internal controls and activities audited		
FY20	**FY21**	**FY22**
France	**Mauritius**	**Mauritius**
(i) Freight forwarding	(i) Freeport Operations	(i) Risk management - Cybersecurity
(ii) Credit Risk - debtors management	(ii) Credit Risk - debtors management	(ii) Sugar packing
(iii) Financial sustainability risk	(iii) Risk management transport system - Haulage	(iii) Freight forwarding
	(iv) Business Continuity plan	
Mauritius		
(i) Business Continuity plan		

Effectiveness of internal controls audited

Following audits carried out, opinion is expressed on internal controls covered. There were no significant deficiencies noted in the internal controls audited and no limitations or restrictions in the audit scope of engagements held. Independent opinion on the effectiveness of internal controls over the three years was as follows:



Implementation of internal audit recommendations

Following the release of internal audit reports, timely follow-up is conducted on the implementation of recommendations. Management has implemented 88% of the internal audit recommendations of the reports issued in the last three financial years.

2.4 Internal Audit

The internal audit team from Rogers provides independent assurance that the governance, risk management, and internal control processes operate effectively.

The Head of Internal Audit and Risk Management reports significant risks to the RMAC and the Board of Directors of Velogic. The team comprises of the Head of Internal Audit and Risk Management, one manager, two consultants, two senior and three junior internal auditors. Six team members are qualified accountants and three are partly qualified, with an average experience of eight years in audit and related fields, which include the logistics sector.

Internal auditors have unlimited access to the Company's records. They are not involved in management activities which may threaten their independence and objectivity.

Internal audit engagements are carried out according to Rogers' Internal Audit Methodology based on the risk-based International Professional Practices Framework (IPPF) of the IIA.

3. Principal risks

Velogic prioritized the significant inherent risks to which the Group is exposed to evaluate the strategic responses and implement the mitigation measures depending on its risk appetite. A risk assessment was carried out with the risk owners of the main business units whereby 27 risks identified were analysed in terms of likelihood/impact and mitigating actions. Financial impact of risks was based on a percentage of EBIT and likelihood categories were defined as percentage chances of occurrences. The risk management team of Rogers acted as a facilitator for the risk assessment and each business unit evaluated the risk with detailed registers and heatmap as tools for facilitation of the exercise. The 10 principal residual risks that posed a threat to the business over a time horizon of 1 to 2 years were reviewed thoroughly by the members of the leadership team which consisted of the Chief Executive Officer, Chief Finance and Investment Officer, Chief Operations Officer and Managing Director-Indian Ocean. Certain risks that may be critical to the business over the longer run or that could not be assessed in the short term due to much uncertainty or nature (emerging) were not analysed on the heat map. Climate change was considered to be more impactful on a 5-to-10-year horizon and other emerging risks like international conflicts are discussed below.

Risk trend *(main changes)*

Rising trend

- The risk assessment indicates that external factors are likely to present the highest risk in the short term. Inflation and worldwide economic slowdown and volatile market conditions may impact Velogic's activities. Indeed, several economic reports expressed their concern about the impact of war in Ukraine and rising fuel and food prices on the world economy.

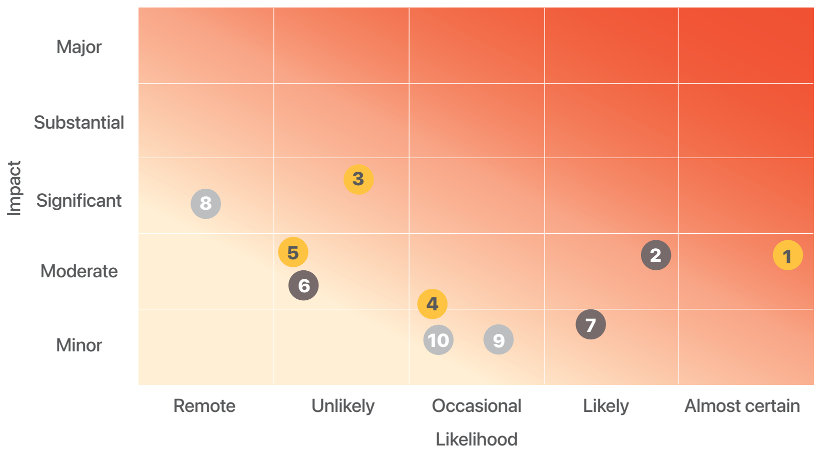
Downward trend

- Financial sustainability risk of activities in France has been reduced with the onboarding of a new equity strategic partner with established experience in Europe.
- Stakeholder engagement with previous equity partners successfully met.

Risk Management Report. (cont.)

3. Principal risks (cont.)

Top 10 residual risks – time horizon 1- 2 years.



Risk ranking	Level of risk
1 Economic factors and market conditions	Medium
2 Country	Medium
3 Cybersecurity	Medium
4 Foreign exchange	Medium
5 Health and safety	Medium
6 Contagious disease outbreak	Medium
7 Supply chain disruption	Medium
8 Concentration	Low
9 Credit	Low
10 Loss of key personnel	Low

Increase Decrease Unchanged

Emerging Risks

Velogic looks beyond the horizon and identifies risks that require a certain degree of monitoring but whose potential impact is not fully known. This enables Velogic to spot threats or identify opportunities as long-term value drivers in a timely manner. The potential implications of three such risks for Velogic are discussed below:

a. Effects of climate change on business

The Rogers Group Sustainability Department organised an awareness session on climate risks for executives in June 2022. The top climate related risks likely to affect Velogic over a 5-year period were discussed and carbon footprint assessed. It came out that Velogic or its stakeholders could be affected by the physical impacts of extreme weather events. Besides, shifts in customer behaviours, expectations and the development and adoption of affordable, clean energy may impact Velogic's profitability. Additionally, non-adherence to evolving regulations, business partner expectations and customer needs may expose Velogic to compliance, reputational and financial risks. Lastly, increases in energy prices; fuel and electricity, could erode profitability in the long-term.

b. Commercial and business risk due to global geopolitical situations

The Russia-Ukraine conflict gave a major blow to the global economy decreasing growth and raising prices. Velogic will stay updated for further increases in food and energy prices that push up inflation, dampen the value of income and weigh on demand for its services. Besides, European countries in particular, face renewed risks to global supply chains due to disrupted trade routes. Should a rise in global shipping costs associated with supply chain disruptions occur, inflation would persist.

c. Vertical integration

With the availability of up to 450,000 sqm of warehouses and freeport areas in the Jin Fei industrial zone, some major importers are building their own warehouses. As a result, the demand for warehouses of Velogic and the associated revenue may be impacted.

Risks	Strategic response	Level of residual risk	Capital impacted
STRATEGIC			
Economic factors and market conditions • Several economic factors such as energy and food prices, high freight prices and wage pressures may combine to cause inflation. In turn, that will affect costs of operations and customer purchasing power.	• Budgetary cost control measures. • Monthly/quarterly review on profit and loss forecasts incorporating updates in costs.	Medium	
Country • Social unrest following upcoming elections in countries where Velogic operates could temporarily impede activities there. • Threat to safety of employees.	• Having appropriate business continuity and crisis management plans. • Enabling 'Work from home' arrangements.	Medium	
Contagious disease outbreak • New and recurrent epidemics/pandemics may cause mobility restrictions and thus cause disruption of activities.	• Ensure business continuity plans can be activated quickly and effectively. • Keep employees and business partners safe and thus ensure the security of critical sites and operations. • Enabling 'Work from home' arrangements.	Medium	
Concentration • Velogic depends on key partners to provide its services. Should the agreements with these partners be suddenly terminated or should Velogic not be able to maintain the arrangements in place, customer service level and hence profitability may be impacted.	• Management of the relationship with key partners.	Low	
FINANCIAL			
Foreign exchange • The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the GBP, in its sugar packing business and the Kenyan Shilling. Fluctuations in foreign currency can impact positively and negatively, revenues, costs and net assets. • Further depreciation of the Mauritian rupee would affect the cost of imported materials e.g spare parts. • Reduced supply of foreign currencies in certain jurisdictions.	• Natural hedge in the freight forwarding sector. • Treasury department manages foreign currency expected receipts and payments and exposure on a regular basis to ensure risk of shortages is mitigated and makes use of forwards to mitigate the risk of fluctuations.	Medium	
Credit • Difficult economic conditions may impact the solvency and liquidity of customers.	• Application of credit control procedures. • Credit protection insurance, when feasible.	Low	

Natural capital Financial capital Manufactured capital Intellectual capital Social & relationship capital Human capital

Risk Management Report. (cont.)

Risks	Strategic response	Level of residual risk	Capital impacted
OPERATIONAL			
Supply chain disruptions • Supply chain disruptions in clients' businesses leading to decrease in demand for logistic services. • Port congestion problems in Shanghai, the world's biggest container port, may not be resolved in the short term.	• Work with customers and key partners to find alternative solutions.	Medium	
Health and Safety • Hazards related to the handling of dangerous cargo such as chemical products or liquefied petroleum gas cylinders. • Road accidents may result in human injuries and environmental damage should lorries carrying fuel be involved.	• Health and Safety officer performs risk assessments, observes operations and advises management on best practices. • Road safety management system being developed.	Medium	
Cybersecurity • Information systems may be vulnerable to threats or other unauthorised attempts by third parties to tamper with proprietary and personal information.	• Implementation of security policy and close monitoring of cyber threats. • Cybersecurity awareness session held during the year. • Cybersecurity audit performed by specialist and roadmap agreed for implementation.	Medium	
Loss of key personnel • Unexpected loss of key personnel in certain management positions in overseas territories or Mauritius.	• Identified key talents and constantly developed leadership skills and people.	Low	

Natural capital Financial capital Manufactured capital Intellectual capital Social & relationship capital Human capital

4. Looking ahead

Velogic has integrated risk management in its budgeting process. This includes the discussion and identification of the risks related to its businesses. Management is committed to maintain a risk management process, which will:

- Enable it to identify and manage the relevant risks timely.
- Reinforce risk governance through the RMAC for an improved oversight role.

Risk management will continue to form an integral part of the decision-making process.

Financial Performance

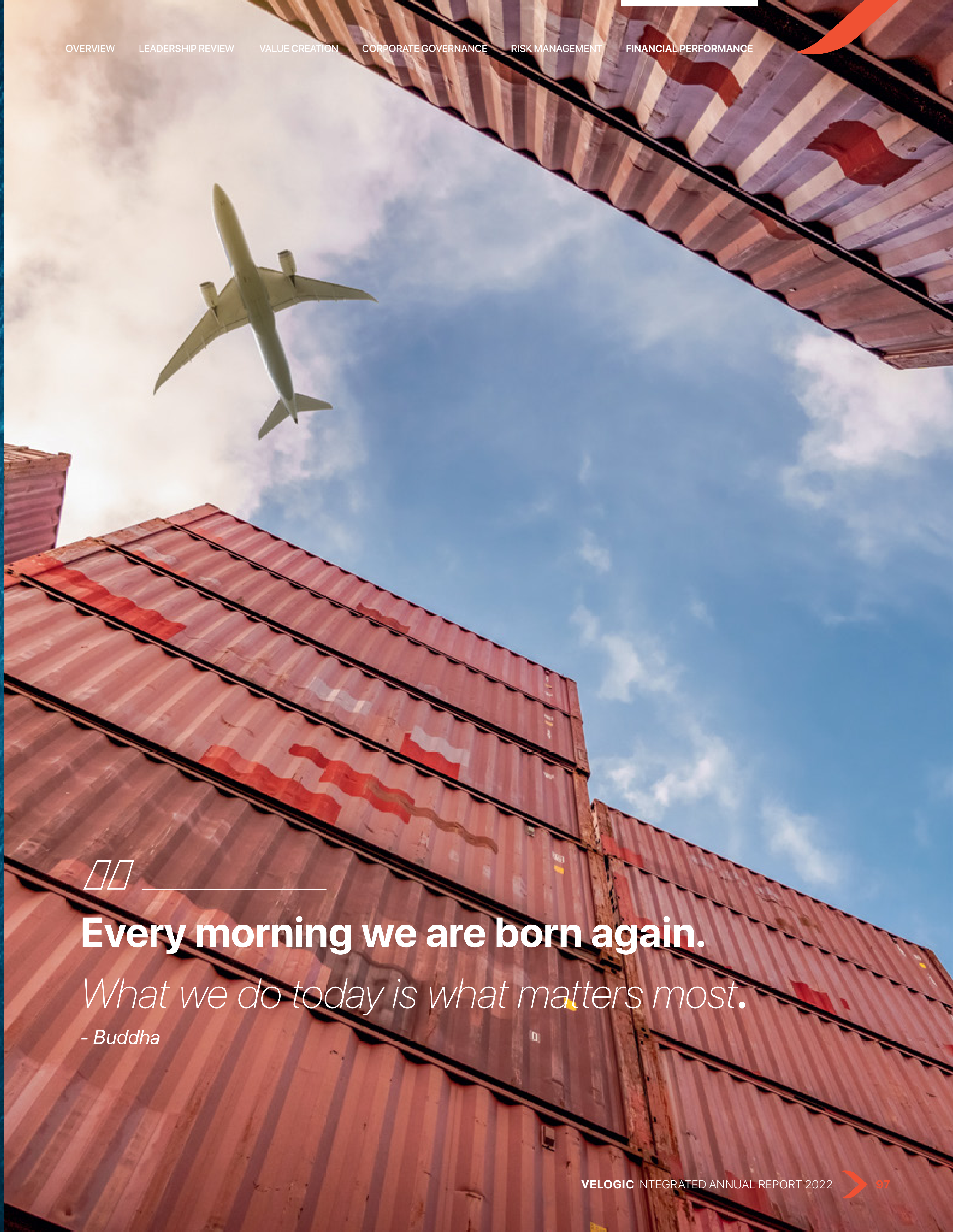
Supporting the economy.

Secretary Certificate

YEAR ENDED JUNE 30, 2022

In my capacity as Company Secretary of Velogic Holding 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 June 30, 2022, all such returns as are required of the Company under the Companies Act 2001.

Company Secretary
Ms. Sharon Ah Lin, ACG (ICSA:UK)
No.5, President John Kennedy Street, Port-Louis, Mauritius
Date: 28 September 2022



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the Consolidated and separate financial statements of Velogic Holding Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 105 to 181 which comprise the consolidated and separate statements of financial position as at 30 June 2022, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and the Company as at 30 June 2022, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001 and the Financial Reporting Act 2004.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") and other independence requirements applicable to performing audits of financial statements of the Group and the Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Group and the Company and in Mauritius. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

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

Key Audit Matter	How the matter was addressed in the audit
Valuation of investment in subsidiaries As at 30 June 2022, the Company held unquoted investments comprising of investments in subsidiaries amounting to Rs 3,096.9 million which are carried at fair value. Disclosures around the investment in subsidiaries and cash generating units ("CGU") are set out in note 8 of the financial statements. These investments are valued using different methods ranging from discounted cash flow techniques and market multiples approach. Valuation techniques for these underlying investments can be subjective in nature and require significant judgement, management estimates including financial forecasts, discount factors and growth rates. The actual results could differ from the estimates. The risk has increased due to the timing and uncertainty of the COVID – 19 pandemic and the consequent impact on valuations. Variations in the estimates and assumptions may result in significant impact on the reported results and relevant assets. Due to the significant judgments that need to be applied, we have considered the investments in subsidiaries as a key audit matter.	We obtained an understanding, evaluated the design and the operating effectiveness of controls over the fair valuation of the investment in subsidiaries. Our audit procedures included challenging management on the appropriateness of the fair valuation model and reasonableness of the assumptions used through performing the following: • We assessed management's ability to make forecasts by comparing historical forecasts prepared by management against actual realised amounts challenging growth rates; • We verified the mathematical accuracy of each cash flow model used and checked the internal inconsistency of the models; • With the involvement of our valuation specialists, we appraised the method used, the value in use computation, the discount factor used, the forecasts used, the market multiples used and the other assumptions adopted therein; • We verified the forecasts used by management with reference to historical data and market developments, challenging growth sales; • We performed a sensitivity analysis on the significant inputs to assess the range of acceptable valuations in each CGU; • We assessed the adequacy of the disclosures made in the financial statements in accordance with IFRS 9 Financial instruments and IFRS 13 Fair Value Measurements and • We have also considered the impact of COVID – 19 throughout the procedures performed on the valuation by challenging whether the valuation methodologies and assumptions used remained appropriate.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

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

Key Audit Matter	How the matter was addressed in the audit
Impairment of goodwill The carrying amount of goodwill recognised at Group level amounted to Rs 458.8 million as at 30 June 2022. Disclosures around the impairment assessment of goodwill and cash generating units are set out in note 7 of the financial statements. A cash generating unit ("CGU") to which goodwill has been allocated must be tested for impairment at least annually in accordance with IAS 36 Impairment of Assets, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the unit. The determination of the recoverable amount, being the higher of value-in-use and fair value less costs to sell, requires judgement on the part of management in both identifying and then valuing the relevant CGUs. There is the risk that management may influence the significant judgements and estimations in respect of business valuations in order to meet market expectations of the overall Net Asset Value of the Group. The risk has increased due to the timing and uncertainty of the COVID – 19 pandemic and the consequent impact on valuations. Variations in the estimates and assumptions may result in significant impact on the reported results and relevant assets. Due to the significant judgments that need to be applied, we have considered the impairment of goodwill as a key audit matter.	We evaluated the operation of the management's controls over the impairment assessment process. Our audit procedures included challenging management on the appropriateness of the impairment model and reasonableness of the assumptions used through performing the following: • We reviewed management determination of CGUs for impairment assessment purpose; • We obtained management's impairment assessment and tested the arithmetical accuracy of the computations; • With the involvement of our valuation specialists, we appraised the method used, the value in use computation, the discount factor used, the forecasts used, the market multiples used and the other assumptions adopted therein; • We verified the forecasts used by management with reference to historical data and market developments, challenging growth rates; • We performed a sensitivity analysis on the significant inputs to assess the range of acceptable valuations in each CGU; • We reviewed the allocation of impairment, if any, to the underlying related assets; • We assessed the adequacy of the disclosures made in the financial statements and • We have also considered the impact of COVID – 19 throughout the procedures performed on the valuation by challenging whether the valuation methodologies and assumptions used remained appropriate.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

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

Other Information

The directors are responsible for the other information. The other information comprises the Annual report other than the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or 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 the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2001 and the Financial Reporting Act 2004, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or have no realistic alternative but to do so.

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

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

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

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

- 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 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 and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate 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 to 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Financial Reporting Act 2004

The Directors are responsible for preparing the Corporate Governance Report. Our responsibility under the Financial Reporting Act 2004 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 Group has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code.

Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor 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.

ERNST & YOUNG
Ebène, Mauritius

Date: 29 September 2022

THIERRY LEUNG HING WAH, F.C.C.A.
Licensed by FRC

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Statements of Financial Position

JUNE 30, 2022

		THE GROUP		THE COMPANY		
	Notes	2022	2021	2022	Restated 2021	Restated As at July 1, 2020
ASSETS		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Non-current assets						
Property, plant and equipment	5	**1,061,693**	975,973	**-**	-	-
Right-of-use assets	6(a)	**234,795**	255,445	**-**	-	-
Intangible assets	7	**578,991**	586,717	**-**	-	-
Investment in subsidiaries	8	**-**	-	**3,096,900**	3,050,400	2,046,600
Investment in associate	9	**8,018**	-	**-**	-	-
Other financial assets at fair value through other comprehensive income	10	**3,199**	3,209	**-**	-	-
Loans and other receivables	11	**-**	-	**207,111**	-	-
Deferred tax assets	12	**20,140**	21,998	**-**	-	-
Total non-current assets		**1,906,836**	1,843,342	**3,304,011**	3,050,400	2,046,600
Current assets						
Inventories	13	**29,965**	25,251	**-**	-	-
Trade receivables	14	**834,357**	858,826	**-**	-	-
Contract assets	15	**34,074**	46,441	**-**	-	-
Loans and other receivables	11	**78,011**	143,981	**55,169**	52,099	54,745
Other assets	16	**77,917**	84,942	**47,350**	24,972	15,292
Current tax assets	17	**17,204**	24,350	**-**	-	-
Cash and cash equivalents	32(b)	**440,518**	473,681	**1,233**	6,085	5,790
Total current assets		**1,512,046**	1,657,472	**103,752**	83,156	75,827
Total assets		**3,418,882**	3,500,814	**3,407,763**	3,133,556	2,122,427
FINANCED BY						
Capital and reserves						
Share capital	18	**1,019,294**	1,019,294	**1,019,294**	1,019,294	1,019,294
Other reserves	19	**232,630**	260,004	**1,997,639**	1,951,139	947,389
Retained earnings		**392,291**	318,031	**47,860**	22,783	15,277
Equity attributable to equity holders of the parent		**1,644,215**	1,597,329	**3,064,793**	2,993,216	1,981,960
Non-controlling interests		**44,651**	213,429	**-**	-	-
Total equity		**1,688,866**	1,810,758	**3,064,793**	2,993,216	1,981,960
Non-current liabilities						
Borrowings	20	**393,078**	90,688	**228,367**	40,909	-
Lease liabilities	6(b)	**190,856**	207,768	**-**	-	-
Deferred tax liabilities	12	**82,865**	86,880	**-**	-	-
Retirement benefits obligations	21	**57,471**	58,087	**-**	-	-
Total non-current liabilities		**724,270**	443,423	**228,367**	40,909	-
Current liabilities						
Trade and other payables	22	**702,134**	851,186	**8,817**	38,808	27,930
Contract liabilities	23	**19,797**	14,897	**-**	-	-
Current tax liabilities	17	**14,646**	30,312	**612**	307	33
Borrowings	20	**161,945**	271,282	**64,963**	41,316	97,504
Lease liabilities	6(b)	**61,635**	58,000	**-**	-	-
Dividend payable	24(a)	**45,589**	20,956	**40,211**	19,000	15,000
Total current liabilities		**1,005,746**	1,246,633	**114,603**	99,431	140,467
Total liabilities		**1,730,016**	1,690,056	**342,970**	140,340	140,467
Total equity and liabilities		**3,418,882**	3,500,814	**3,407,763**	3,133,556	2,122,427

These financial statements have been approved by the Board of Directors on 28 September 2022 and signed on its behalf by:

Philippe Espitalier-Noël
Chairman

Nayendranath Nunkoo
Executive Director and Chief Executive Officer

The notes on pages 112 to 181 form an integral part of these financial statements.

Auditor's report on pages 98 to 103.

Statements of Profit or Loss

YEAR ENDED JUNE 30, 2022

		THE GROUP					
		Continuing operations		Discontinued operations		Total	
	Notes	2022	2021	2022	2021	2022	2021
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Revenue from contract with customers	25	**3,658,567**	3,059,846	**968,058**	647,909	**4,626,625**	3,707,755
Direct costs	26	**(2,437,925)**	(1,886,577)	**(851,633)**	(553,365)	**(3,289,558)**	(2,439,942)
		1,220,642	1,173,269	**116,425**	94,544	**1,337,067**	1,267,813
Commission and other income		**73,234**	49,508	**-**	60	**73,234**	49,568
Dividend income *		**-**	-	**-**	-	**-**	-
Interest income *		**3,694**	3,146	**-**	-	**3,694**	3,146
		1,297,570	1,225,923	**116,425**	94,604	**1,413,995**	1,320,527
Employee benefit expense	27	**(640,675)**	(643,043)	**(69,959)**	(58,013)	**(710,634)**	(701,056)
Depreciation of:							
-property, plant and equipment	5(e)	**(94,521)**	(87,896)	**(1,102)**	(1,068)	**(95,623)**	(88,964)
-right-of-use assets	6(e)	**(73,114)**	(92,968)	**(2,288)**	(2,532)	**(75,402)**	(95,500)
Amortisation of intangible assets	7(c)	**(10,087)**	(9,766)	**(27)**	(165)	**(10,114)**	(9,931)
Net impairment (loss)/reversal on financial assets	14(a)	**(5,415)**	(12,752)	**(2,442)**	2,952	**(7,857)**	(9,800)
Other expenses	26	**(187,957)**	(156,039)	**(29,958)**	(31,781)	**(217,915)**	(187,820)
Operating profit		**285,801**	223,459	**10,649**	3,997	**296,450**	227,456
Net foreign exchange transactions gains/(losses)		**17,867**	24,148	**(5,301)**	3,180	**12,566**	27,328
Finance costs	28	**(38,560)**	(38,447)	**(2,617)**	(3,124)	**(41,177)**	(41,571)
		265,108	209,160	**2,731**	4,053	**267,839**	213,213
Share of loss of associate	9	**(339)**	-	**-**	-	**(339)**	-
Profit before tax	29	**264,769**	209,160	**2,731**	4,053	**267,500**	213,213
Taxation	17(b)	**(73,851)**	(62,161)	**-**	-	**(73,851)**	(62,161)
Profit after tax		**190,918**	146,999	**2,731**	4,053	**193,649**	151,052
Profit on disposal of subsidiary	30(c)	**-**	-	**21,944**	-	**21,944**	-
Profit for the year		**190,918**	146,999	**24,675**	4,053	**215,593**	151,052
Attributable to:							
Equity holders of the parent		**173,595**	110,890	**24,675**	4,053	**198,270**	114,943
Non-controlling interests		**17,323**	36,109	**-**	-	**17,323**	36,109
Profit for the year		**190,918**	146,999	**24,675**	4,053	**215,593**	151,052
Earnings per share (Rs.)	31	**1.86**	1.19	**0.26**	0.04	**2.12**	1.23

* In 2021, dividend and interest income were grouped together on the face of the Statement of profit or loss and they have been disclosed separately in 2022 for better presentation.

The notes on pages 112 to 181 form an integral part of these financial statements.

Auditor's report on pages 98 to 103.

Statements of Profit or Loss

YEAR ENDED JUNE 30, 2022

		THE COMPANY	
	Notes	2022	2021
		Rs'000	Rs'000
Revenue from contract with customers	25	**-**	-
Direct costs	26	**-**	-
		-	-
Commission and other income		**-**	-
Dividend income *		**104,237**	63,176
Interest income *		**8,388**	1,196
		112,625	64,372
Employee benefit expense	27	**(427)**	-
Depreciation of:			
-property, plant and equipment	5(e)	**-**	-
-right-of-use assets	6(e)	**-**	-
Amortisation of intangible assets	7(c)	**-**	-
Net impairment (loss)/reversal on financial assets	14(a)	**-**	-
Other expenses	26	**(10,317)**	(10,735)
Operating profit		**101,881**	53,637
Net foreign exchange transactions gains/(losses)		**(418)**	(2,881)
Finance costs	28	**(8,488)**	(1,943)
		92,975	48,813
Share of loss of associate	9	**-**	-
Profit before tax	29	**92,975**	48,813
Taxation	17(b)	**(567)**	(307)
Profit after tax		**92,408**	48,506
Profit on disposal of subsidiary	30(c)	**-**	-
Profit for the year		**92,408**	48,506
Attributable to:			
Equity holders of the parent		**92,408**	48,506
Non-controlling interests		**-**	-
Profit for the year		**92,408**	48,506

* In 2021, dividend and interest income were grouped together on the face of the Statement of profit or loss and they have been disclosed separately in 2022 for better presentation.

The notes on pages 112 to 181 form an integral part of these financial statements.

Auditor's report on pages 98 to 103.

Statements of Other Comprehensive Income

YEAR ENDED JUNE 30, 2022

	Notes	THE GROUP 2022	THE GROUP 2021	THE COMPANY 2022	THE COMPANY Restated 2021
		Rs'000	Rs'000	Rs'000	Rs'000
Profit for the year		**215,593**	151,052	**92,408**	48,506
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Change in fair value of investment in subsidiaries	8	**-**	-	**46,500**	1,061,797
Remeasurement of post employment benefit obligations	21	**(1,571)**	34,746	**-**	-
Related tax	12(b)	**188**	(5,073)	**-**	-
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations		**(14,994)**	14,781	**-**	-
Exchange differences on disposal of foreign operations		**(10,283)**	-	**-**	-
Other comprehensive income for the year, net of tax		**(26,660)**	44,454	**46,500**	1,061,797
Total comprehensive income for the year		**188,933**	195,506	**138,908**	1,110,303
Attributable to:					
Equity holders of the parent		**171,914**	149,232	**138,908**	1,110,303
Non-controlling interests		**17,019**	46,274	**-**	-
Total comprehensive income for the year		**188,933**	195,506	**138,908**	1,110,303

The notes on pages 112 to 181 form an integral part of these financial statements.

Auditor's report on pages 98 to 103.

Statements of Changes in Equity

YEAR ENDED JUNE 30, 2022

	Notes	THE GROUP – Attributable to the equity holders of the parent: Share capital	Other reserves	Retained earnings	Total	Non- controlling interests (NCI)	Total
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(a) (i) 2022							
At July 1, 2021		**1,019,294**	**260,004**	**318,031**	**1,597,329**	**213,429**	**1,810,758**
Profit for the year		**-**	**-**	**198,270**	**198,270**	**17,323**	**215,593**
Other comprehensive income for the year		**-**	**(26,356)**	**-**	**(26,356)**	**(304)**	**(26,660)**
Total comprehensive income for the year		**-**	**(26,356)**	**198,270**	**171,914**	**17,019**	**188,933**
Transactions with owners of the Company							
Issue of share capital		**-**	**-**	**-**	**-**	**26**	**26**
Acquisition of non-controlling interests	35	**-**	**(1,018)**	**(56,679)**	**(57,697)**	**(170,560)**	**(228,257)**
Dividends	24	**-**	**-**	**(67,331)**	**(67,331)**	**(15,263)**	**(82,594)**
At June 30, 2022		**1,019,294**	**232,630**	**392,291**	**1,644,215**	**44,651**	**1,688,866**
(ii) 2021							
At July 1, 2020		1,019,294	225,715	244,088	1,489,097	172,487	1,661,584
Profit for the year		-	-	114,943	114,943	36,109	151,052
Other comprehensive income for the year		-	34,289	-	34,289	10,165	44,454
Total comprehensive income for the year		-	34,289	114,943	149,232	46,274	195,506
Transactions with owners of the Company							
Dividends	24	-	-	(41,000)	(41,000)	(5,332)	(46,332)
At June 30, 2021		1,019,294	260,004	318,031	1,597,329	213,429	1,810,758

The notes on pages 112 to 181 form an integral part of these financial statements.

Auditor's report on pages 98 to 103.

Statements of Changes in Equity

YEAR ENDED JUNE 30, 2022

	Notes	THE COMPANY Share capital Rs'000	Other reserves Rs'000	Retained earnings Rs'000	Total Rs'000
(b) (i) 2022					
At July 1, 2021					
-as previously stated		1,019,294	(58,047)	22,783	984,030
-prior year adjustment	2.1(c)	-	2,009,186	-	2,009,186
-as restated		1,019,294	1,951,139	22,783	2,993,216
Profit for the year		-	-	92,408	92,408
Other comprehensive income for the year		-	46,500	-	46,500
Total comprehensive income for the year		-	46,500	92,408	138,908
Dividends	24	-	-	(67,331)	(67,331)
At June 30, 2022		1,019,294	1,997,639	47,860	3,064,793
(ii) 2021					
At July 1, 2020					
-as previously stated		1,019,294	-	15,277	1,034,571
-prior year adjustment	2.1(c)	-	947,389	-	947,389
-as restated		1,019,294	947,389	15,277	1,981,960
Profit for the year		-	-	48,506	48,506
Other comprehensive income for the year		-	1,061,797	-	1,061,797
Total comprehensive income for the year		-	1,061,797	48,506	1,110,303
Amalgamation adjustment	8(b)	-	(58,047)	-	(58,047)
Dividends	24	-	-	(41,000)	(41,000)
At June 30, 2021		1,019,294	1,951,139	22,783	2,993,216

The notes on pages 112 to 181 form an integral part of these financial statements.

Auditor's report on pages 98 to 103.

Statements of Cash Flows

YEAR ENDED JUNE 30, 2022

	Notes	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
Cash flows from operating activities					
Cash generated from/(absorbed in) operations	32(a)	455,147	596,934	(14,304)	(2,324)
Interest paid		(21,390)	(23,718)	(4,829)	(1,943)
Interest received		3,694	3,146	8,388	1,196
Income tax paid	17(a)	(85,005)	(60,673)	(262)	(33)
Income tax refunded	17(a)	-	3,728	-	-
Net cash generated from/(absorbed in) operating activities		352,446	519,417	(11,007)	(3,104)
Cash flows from investing activities					
Purchase of property, plant and equipment	5	(218,075)	(95,403)	-	-
Proceeds on sale of property, plant and equipment		50,284	9,472	-	-
Purchase of intangible assets	7	(2,343)	(1,347)	-	-
Investment in subsidiaries	8(a)	-	-	-	(50)
Disposal of subsidiary, net of cash	30(d)	(12,498)	-	-	-
Dividends received		-	-	81,890	53,101
Loans granted to related parties		-	-	(240,126)	(772)
Loan repayments received from related parties		-	-	3,065	3,399
Net cash (used in)/from investing activities		(182,632)	(87,278)	(155,171)	55,678
Cash flows from financing activities					
Proceeds from borrowings	32(c)	529,521	170,519	205,041	17,959
Payments of borrowings	32(c)	(212,753)	(243,707)	(10,707)	(16,876)
Loan received from related parties	32(c)	-	-	15,000	3,500
Loan repaid to related parties	32(c)	(111,738)	(38,641)	(2,000)	(6,876)
Principal paid on lease liabilities	32(c)	(71,493)	(95,693)	-	-
Interest paid on lease liabilities	32(c)	(14,939)	(17,853)	-	-
Issue of share capital to non-controlling interests		26	-	-	-
Acquisition of non-controlling interests	34	(228,257)	-	-	-
Dividends paid to company's shareholders	24	(46,120)	(37,000)	(46,120)	(37,000)
Dividends paid to non-controlling interests	24	(11,841)	(3,601)	-	-
Net cash (used in)/from financing activities		(167,594)	(265,976)	161,214	(39,293)
Net increase/(decrease) in cash and cash equivalents		2,220	166,163	(4,964)	13,281
Movement in cash and cash equivalents					
At July 1,		433,084	238,004	6,085	(6,236)
Increase/(decrease)		2,220	166,163	(4,964)	13,281
Effect of foreign exchange rate changes		(26,717)	28,917	(609)	(960)
At June 30,	32(b)	408,587	433,084	512	6,085

The notes on pages 112 to 181 form an integral part of these financial statements.

Auditor's report on pages 98 to 103.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

1 GENERAL INFORMATION

Velogic Holding Company Limited is a limited liability company incorporated in the Republic of Mauritius on September 30, 2004 as a management and investment company for the Logistics Autonomous Division of Rogers & Company Limited. The immediate holding company is Rogers and Company Limited, the intermediate holding is Rogers Consolidated Shareholding Limited and its ultimate holding company is Société Caredas, all companies are incorporated in the Republic of Mauritius. Its registered office is situated at No.5 President John Kennedy Street, Port Louis.

2 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. The policies have been consistently applied to all the periods presented in these consolidated financial statements unless otherwise stated.

2.1 Basis of preparation

The financial statements of Velogic Holding Company Limited comply with the Mauritius 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.

The financial statements include the consolidated financial statements of the parent company and its subsidiaries (The Group) and the separate financial statements of the parent company (The Company).

The financial statements are presented in Mauritian Rupees and all values are rounded to the nearest thousand (Rs'000), except when otherwise indicated.

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

(i) land and building included under property, plant and equipment are carried at revalued amounts;

(ii) investment in subsidiaries in the separate financial statements are stated at fair value;

(iii) retirement benefit obligations are carried at fair value; and

(iv) relevant financial assets and financial liabilities are stated at their fair value.

The accounting policies apply to both the Group and the Company unless otherwise stated.

(a) ***Amendments to published Standards effective in the reporting period***

Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

On August 27, 2020, the IASB published Interest Rate Benchmark Reform - Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. With publication of the phase two amendments, the IASB has completed its work in response to IBOR reform.

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments have no impact on the Group's financial statements.

Covid-19-related rent concessions beyond June 30, 2021

In March 2021, the Board amended IFRS 16 to extend the availability of the practical expedient by one year (2021 amendment). The practical expedient in the 2021 amendment applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before June 30, 2022, provided the other conditions for applying the practical expedient are met. The amendments have no impact on the Group's financial statements.

(b) ***Standards, Amendments to published Standards and Interpretations issued but not yet effective***

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 1, 2022 or later periods, but which the Group has not early adopted.

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

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. In June 2020, the IASB issued amendments to IFRS 17. These amendments included changing the effective date to 2023. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

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

IFRS 17 is effective for reporting periods beginning on or after January 1, 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17.

Reference to the Conceptual Framework (Amendments to IFRS 3)

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately. At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

In May 2020, the IASB issued Property, Plant and Equipment - Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

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

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

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

2.1 **Basis of preparation (cont'd)**

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

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements (the PS), in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies; and
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

Definition of accounting estimates (Amendments to IAS 8)

In February 2021, the Board issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

Deferred tax related to assets and liabilities arising from a single transaction (IAS 12)

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and apply prospectively.

Annual Improvements 2018-2020

- IFRS 1 - permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. An entity applies the amendment for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted.
- IFRS 9 - clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. An entity applies the amendment for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted.
- Illustrative Examples accompanying IFRS 16 Leases - removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.
- IAS 41 - removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41. An entity applies the amendment to fair value measurements on or after the beginning of the first annual reporting period beginning on or after January 1, 2022. Earlier application is permitted.

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

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

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

2.1 **Basis of preparation (cont'd)**

(c) ***Changes in accounting policies and disclosures***

Investment is subsidiaries

The Company re-assessed its accounting with respect to its measurement for investment in subsidiary. The Company had previously measured investment in subsidiaries at cost less any impairment in the separate financial statements.

During the financial year 2022, the Company elected to change the method of accounting for investment in subsidiaries, as the Company believes that the fair value model provides more relevant information to the users of its financial statements and it is more aligned to practices adopted by its holding company. In addition, available valuation techniques provide reliable estimates of the fair value of investment in subsidiaries. The Company applied the fair value model retrospectively.

After initial recognition, investment in subsidiaries are measured at fair value. For details refer to note 2.5 and note 8.

Statement of financial position impact	THE COMPANY		
	Impact of adjustment		
	As previously reported	Adjustment	As restated
	Rs'000	Rs'000	Rs'000
2020			
Non-current assets			
Investment in subsidiaries	1,099,211	947,389	2,046,600
Capital and reserves			
Financial assets at FVOCI reserve	-	947,389	947,389
2021			
Non-current assets			
Investment in subsidiaries	1,041,214	2,009,186	3,050,400
Capital and reserves			
Other reserves - Investment fair value reserve	(58,047)	2,009,186	1,951,139
Statement of other comprehensive income			
Change in fair value of investment in subsidiaries	-	1,061,797	1,061,797

There is no impact on earnings per share, statement of profit and loss and statement of cash flows.

2.2 **Property, plant and equipment**

Land and buildings, held for use in the production or supply of goods or for administrative purposes, are stated at its fair value based on periodic, but at least triennial valuations, by external independent valuers, less subsequent depreciation for buildings. All other property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairments. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

At the date of revaluation, the net amount is restated to the revalued amount of the asset. A revaluation surplus is recorded in other comprehensive income (OCI) and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Property, plant and equipment (cont'd)

Depreciation is calculated on the straight-line method to write off the cost of the assets to their residual values over their estimated useful lives. It is applied at the following useful lives:

Freehold buildings and buildings and yards on leasehold land	7 - 50 years
Plant and equipment	5 - 12 years
Motor vehicles	4 - 5 years
Furniture, fixtures and equipment	4 - 6.67 years

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

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

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss. On disposal of revalued assets, the amounts included in revaluation surplus are transferred to retained earnings.

2.3 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) *Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of the initial measurement of the lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2.16 Impairment of non-financial assets.

(b) *Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed in note 6(b).

(c) *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

(a) *Goodwill*

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

Goodwill has been assessed as an intangible asset with indefinite life and is tested annually for impairment.

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

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

(b) *Computer software*

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised using the straight line method over their estimated useful lives (3 - 5 years). Impairment of computer software has been assessed as an asset with definite life. Note 2.16(b) provides further information of impairment of asset with definite life.

(c) *Concession rights*

Concession rights acquired by the Group are initially recorded at cost and amortised over their estimated useful lives (7 - 60 years). Impairment of concession rights has been assessed as an asset with definite life. Note 2.16(b) provides further information of impairment of asset with definite life.

(d) *Customer related intangibles*

Customer related intangibles acquired by the Group are initially measured at fair value at the date of acquisition and amortised cost over their estimated useful lives (7-10 years). Impairment of customer related intangibles has been assessed as an asset with definite life. Note 2.16(b) provides further information of impairment of asset with definite life.

2.5 Investment in subsidiaries

Separate financial statements of the Company

In the separate financial statements of the Company, investment in subsidiaries are carried at fair value. Gains and losses are recognised in other comprehensive income, are not recycled to profit or loss and are not subject to an impairment assessment.

Consolidated financial statements

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at June 30, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Investment in subsidiaries (cont'd)

Consolidated financial statements (cont'd)

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss or a direct transfer from revaluation surplus to retained earnings. Any investment retained is recognised at fair value.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Investment in associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

The Group's investment in its associate are accounted for using the equity method.

The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss within 'Share of profit of an associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.7 Financial instruments

(a) *Recognition and initial measurement*

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured 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. A trade receivable without a significant financing component is initially measured at the transaction price. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(b) *Classification and subsequent measurement*

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost and fair value through other comprehensive income (FVOCI) - equity investment.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Financial instruments (cont'd)

(b) *Classification and subsequent measurement (cont'd)*

Financial assets (cont'd)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis.

Financial assets - Business model assessment

The Group makes an assessment of the objective of the business model in which a financial 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.

These include 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 any related liabilities or expected cash outflows 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 (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets - Assessment 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 a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, 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 this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Financial instruments (cont'd)

Financial assets - Subsequent measurement and gains and losses

Trade receivables, contract assets and loans and other receivables

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI

These assets 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 recycled to profit or loss and are not subject to an impairment assessment.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(c) *Derecognition*

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, 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.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement 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.

(d) *Borrowings*

Borrowings are recognised initially at fair value being their issue proceeds net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

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

(e) *Trade and other payables*

Trade and other payables are stated at fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 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.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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 measurement, 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.

2.9 Current and deferred income tax expense

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met as per below:

(i) the Group has a legal right to offset; and

(ii) the Group intends to settle on a net basis.

An entity will normally have a legally enforceable right to set off a current tax asset against a current tax liability when they relate to income taxes levied by the same taxation authority and the taxation authority permits the entity to make or receive a single net payment.

Corporate Social responsibility (CSR)

In line with the definition within the Income Tax 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax recognised in the profit or loss and the income tax liability on the statement of financial position.

The CSR charge for the current year is measured at the amount expected to be paid to the Mauritian tax authorities. The CSR rate and laws used to compute the amount are those charged or substantively enacted by the reporting date.

COVID-19 Levy

A levy has been imposed by the Mauritian government on companies that have benefited from the wage assistance subsidy programme (GWAS) to assist companies to pay the salaries of their full-time or part-time employees as follows:

For the first year of tax assessment the levy is payable on the lower of:

1. the amount received under the Wage Assistance Scheme; and
2. 15% of the tax adjusted profit for the year before deducting any tax loss brought forward.

Whereas for the second applicable year of assessment, the amount received under the Wage Assistance Scheme is more than the first payment of COVID-19 Levy or no payment has been made, the COVID-19 Levy is payable on the lower of:

1. the amount received under the Wage Assistance Scheme less the COVID-19 Levy paid for the first year of assessment; and
2. 15% of the tax adjusted profit for the year before deducting any tax loss brought forward.

The Group has accounted for the COVID-19 Levy under income tax expense and current tax liabilities.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Current and deferred income tax expense (cont'd)

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. 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; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authorities on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis.

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

2.11 Contract liabilities/contract assets

(a) A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

(b) A contract asset is initially recognised for revenue earned from services because the receipt of consideration is conditional on successful completion of the services. Upon completion of the services and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in note 2.16.

2.12 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

2.13 Share capital

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

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Retirement benefit obligations

(a) *Defined contribution plans*

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Payments to defined contribution plans are recognised as an expense when employees have rendered service that entitle them to the contributions.

(b) *Defined benefit plans*

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, years of service and compensation.

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

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

The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense/(income) is recognised in profit or loss. Service costs comprising current service cost, past service cost, as well as gains and losses on curtailments and settlements are recognised immediately in profit or loss.

(c) *Unfunded pensioners*

For pensioners (former employees) who are not covered under any pension plan, the net present value of pension payable as per the terms of the contractual agreement is calculated by a qualified actuary and provided for.

(d) *Termination benefits*

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

(e) *Gratuity on retirement*

The Company is required under the Workers' Rights Act 2019 ("the WRA") to make a statutory gratuity payment to employees retiring after continuous employment with the Company for a period of 12 months or more. The employee need to have reached retirement age as prescribed by the WRA to be eligible for the gratuity payment.

The Company calculates its net obligations in respect of defined benefit pension plans arising from the WRA for employees by estimating the amount of future benefit that its employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine the present value. The discount rate is the yield at the end of the reporting period.

The net present value of gratuity on retirement payable under the WRA is calculated by a qualified actuary (AON Hewitt) using the projected unit credit method on a yearly basis.

The company is eligible to deduct employer's share of contributions from the above defined contribution plans maintained by the Company to the extent as prescribed by the WRA, which may or may not leave residual liability to be provided for in the financial statements. The obligations arising under this item are not funded.

In accordance with the Workers' Rights Act 2019, the amounts deductible are:

- half the lump sum payable from the defined contribution scheme, based on employer's contribution;
- five times the amount of any annual pension payable at the retirement age due from the defined contribution, based on employer's contribution;
- any other gratuity granted at the retirement age; and
- ten times the amount of any annual pension granted at the retirement age.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Retirement benefit obligations (cont'd)

(f) *State plan*

Contributions to the "Contribution Sociale Généralisée" are expensed to the profit or loss in the year in which they fall due.

(g) *Short-term employee benefits*

Short-term employee benefits are those expected to be settled wholly before twelve months after the end of the annual reporting period during which employee services are rendered, but do not include termination benefits. Examples include wages, salaries, profit-sharing and bonuses and non-monetary benefits paid to current employees.

The undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in an accounting period is recognised in that period. The expected cost of short-term compensated absences is recognised as the employees render service that increases their entitlement or, in the case of non accumulating absences, when the absences occur, and includes any additional amounts an entity expects to pay as a result of unused entitlements at the end of the period.

2.15 Foreign currencies

(a) *Functional and presentation currency*

Items included in the financial statements are measured using Mauritian rupees, 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.

(b) *Transactions and balances*

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

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

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

(c) *Group companies*

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

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

(ii) income and expenses for each statement representing profit or loss and other comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions);

(iii) exchange differences on intercompany balances are recognised in profit or loss; and

(iv) exchange differences arising on retranslation of foreign subsidiaries are recognised in other comprehensive income.

On consolidation, exchange differences from monetary items that form part of a net investments in subsidiary companies are recognised in other comprehensive income and reclassified to profit and loss on disposal of the net investment.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to Non Controlling Interest.

Goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.16 Impairment of non-derivative financial assets and non-financial assets

(a) Non-derivative financial assets

Financial instruments and contract assets

The Group recognises loss allowances for ECLs on financial assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due. An assessment is done for group companies and a repayment plan is agreed amongst parties.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 360 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured 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).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. 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.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.16 Impairment of non-derivative financial assets and non-financial assets (cont'd)

(a) Non-derivative financial assets (cont'd)

Credit-impaired financial assets (cont'd)

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 360 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, 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.

(b) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

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

2.17 **Revenue recognition**

(a) *Revenue from contracts with customers*

Performance obligations and timing of revenue recognition

Revenue is derived from sale of services with revenue recognised at a point in time. This is generally when the services are rendered to the customer.

Revenue is also derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Group no longer has physical possession, usually will have a present right to payment and retains none of the significant risks and rewards of the goods in question.

The Group provides freight forwarding, courier services, packing of special sugars, port related and transport services, shipping services and warehousing. Customers are normally given one month to settle their invoices.

Type of product / service	Revenue recognition policies
Freight forwarding and courier services	
Sea export, Air export & courier export	Revenue is recognised when goods are shipped/exported. Hence, upon issuance of the Air Waybill (for Air Export) and Fiata Bill of lading - FBL (for Sea Export), revenue is recognised as the service has been rendered reaching the end of the agreed transaction term.
Sea import, Air import & courier import	Revenue is recognised upon issue of notice of arrival that is as soon as the plane/ship leaves port and the service has been rendered reaching the end of the agreed transaction term.
Custom clearance and brokerage	Revenue is recognised when custom clearance has been obtained.
Packing of special sugar	Revenue is recognised when goods are shipped/exported.
Port related and transport services	
Storage and handling of empty container	Revenue is recognised over time and invoiced at end of each month until last day of storage.
Rental of containers and reefers (refrigerated containers)	Revenue is recognised over time and invoiced at end of each month until last day of rental.
Repairs and modification of containers	Revenue is recognised over time and invoiced at end of repairs and modification.
Rental of warehouse	Revenue is recognised over time and invoiced at end of each month until last day of storage of goods.
Port services - Rodrigues	Revenue is recognised upon arrival of vessel at port for each month.
Sales of container	Revenue is recognised upon delivery of container.
Transport services for carrying coal, sugarcane and petroleum products	Revenue is derived from selling transport services with revenue recognised at a point in time when control of the services has transferred to the customer. This is generally when the services are delivered to the customer.
Shipping	
Shipping	Revenue is recognised when goods are shipped/exported.
Warehousing	
Rental and storage	Billings are issued at the earlier of: - the end of each month; and - end of the contract, i.e. end of rental/storage.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

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

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

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

Determining the transaction price

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

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each service rendered, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each service ordered in such contracts (it is the total contract price divided by the type of services rendered). Customers are given one month to settle their invoices.

Practical Exemptions

The Group has taken advantage of the practical exemptions:

- not to account for significant financing components where the time difference between receiving consideration and transferring control of goods (or services) to its customer is one year or less; and
- expense the incremental costs of obtaining a contract when the amortisation period of the asset otherwise recognised would have been one year or less.

(b) Other income

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

- Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).
- Other income is recognised as it accrues unless collectability is in doubt.
- Dividend income - when the shareholder's right to receive payment is established.

2.18 **Dividend**

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

2.19 **Discontinued operations**

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in note 30.

2.20 **Finance costs**

The Group's finance costs include interest expense. Interest expense is recognised using the effective interest method.

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

In calculating interest expense, the effective interest rate is applied to the gross carrying amount of the amortised cost of the liability.

2.21 **Wage subsidy**

In response to the COVID-19 coronavirus pandemic, in March 2020 the Government of Mauritius introduced a wage subsidy program for companies to ensure that all employees are duly paid their salary.

Wage subsidy that compensates the Mauritian subsidiaries for expenses incurred are recognised in profit or loss as the expenses are incurred.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

3. FINANCIAL RISK MANAGEMENT

3.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risk factors, including:

(a) market risk (including cash flow and fair value interest rate risk);

(b) credit risk; and

(c) liquidity risk.

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

Risk management is carried out by treasury department under policies approved by the Board of Directors. Treasury identifies, evaluates and hedges financial risks in close cooperation with the operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and non-derivative financial instruments and investment of excess liquidity.

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

(a) **Market risk**

Market risk is the risk that changes in market prices - e.g. currency risk and price risk - will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) **Currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Euro, Kenya Shilling and US Dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Management has set up a policy to require the Group to manage its foreign exchange risk exposure with treasury. The Group also manages the exposure to currency variations by matching receipts and disbursements.

The Group has investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

Currency profile

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

	THE GROUP			
	2022		2021	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	Rs'000	Rs'000	Rs'000	Rs'000
Rupee	**399,954**	**806,127**	375,401	644,688
Euro	**250,510**	**298,230**	498,464	480,670
US Dollar	**278,920**	**150,300**	267,157	148,974
Great Britain (GB) Pound	**35,430**	**85**	24,459	980
Kenya Shilling	**276,499**	**98,708**	235,947	73,129
Others	**148,846**	**156,198**	124,710	130,483
	1,390,159	**1,509,648**	1,526,138	1,478,924

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factors (cont'd)

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

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

	THE COMPANY			
	2022		2021	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	Rs'000	Rs'000	Rs'000	Rs'000
Rupee	**3,360,413**	**302,147**	3,108,584	95,925
Euro	**-**	**-**	-	25,108
	3,360,413	**302,147**	3,108,584	121,033

Sensitivity analysis

At the end of reporting date, if the rupee had weakened/strengthened against the following currencies with all the variables remaining constant, the impact on the pre-tax profit and total equity for the period would have been as shown in the table below, mainly as a result of foreign exchange gains/ losses on translation of foreign currency denominated financial assets and liabilities.

Group entities are taxed at a rate ranging from 15% to 28%.

	THE GROUP					
	2022			2021		
	% change	Impact on pre-tax profit and total equity		% change	Impact on pre-tax profit and total equity	
		Financial assets	Financial liabilities		Financial assets	Financial liabilities
		Rs'000	Rs'000		Rs'000	Rs'000
Euro	**9%**	**22,546**	**26,841**	13%	64,800	62,487
US Dollar	**4%**	**11,157**	**6,012**	6%	16,029	8,938
GB Pound	**9%**	**3,189**	**8**	20%	4,892	196
Kenya Shilling	**5%**	**13,825**	**4,935**	5%	11,797	3,656
Others	**1%**	**1,488**	**1,562**	6%	7,483	7,829
		52,205	**39,358**		105,001	83,106
	THE COMPANY					
Euro	**9%**	**-**	**-**	13%	-	3,264

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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group has an interest rate policy which aims at minimising the annual interest costs and reduce volatility. The cost of debt is managed by effective negotiation directly with banks and other financial institutions.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factors (cont'd)

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

(ii) **Cash flow and fair value interest rate risk (cont'd)**

Sensitivity analysis

THE GROUP

At the end of reporting date, if interest rates on borrowings had been 50 basis points higher/lower with all variables held constant, pre-tax profit and total equity for the year would have been Rs 2.930 million (2021: Rs 2.666 million) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

THE COMPANY

At the end of reporting date, if interest rates on borrowings had been 50 basis points higher/lower with all variables held constant, pre-tax profit and total equity for the year have been Rs 0.801 million lower/higher (2021: Rs 0.121 million), mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) **Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from loans and other receivables, trade receivables, contract assets and cash and cash equivalents.

Credit risk is managed on a Group basis. For banks and financial institutions, only independently rated parties are accepted. The main bank has been rated by the leading independent agency namely Moody's as baa3.

The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Loans and other receivables	78,011	143,981	262,280	52,099
Trade receivables	834,357	858,826	-	-
Contract assets	34,074	46,441	-	-
Cash and cash equivalents	440,518	473,681	1,233	6,085
	1,386,960	1,522,929	263,513	58,184

Loans are advanced to related parties after a careful analysis of the financial soundness of the counterparties. Obligations of the counterparties are monitored closely. As of date, there is no indication that the subsidiaries will not be able to repay the loan on due date.

Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set out based on internal or external ratings in accordance with limits set by the Board. The compliance with credit limits by customers is regularly monitored by line management.

Sales to customers on credit are made after a careful analysis of the financial soundness of the counterparties. Obligations of the counterparties are monitored closely.

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

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factors (cont'd)

(b) **Credit risk (cont'd)**

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

More information of loss allowance as at June 30, 2022 and June 30, 2021 has been disclosed in note 14(a).

The Group has adopted the general approach for measuring ECL for financial assets at amortised cost.

Under the general approach, the Expected Credit Losses (ECL) is measured as below:

ECL=PD×LGD×EAD

Where:

- ECL refers to the Expected Credit Losses;
- PD - This is the Probability of Default currently defined as the probability that the receivable will remain outstanding for more than 90 days;
- LGD - Loss Given Default denotes the share of losses, that is, the actual receivable loss in the event of customer default, or what is expected to be irrecoverable from among the assets in insolvency proceedings; and
- EAD - Exposure at Default is the amount outstanding at the reporting date.

The directors have considered the probability of default over 12 months derived from public available credit rating such as Moody's and Standard & Poor's. The expected loss given default has been derived using the Basel III Guidelines for uncollaterised asset. The ECL model resulted in an immaterial impairment.

(c) **Liquidity risk**

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

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market position.

The Group aims at maintaining flexibility in funding by keeping committed credit lines available.

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting date to the contractual maturity date.

	THE GROUP					
	Carrying amount	Within 1 year	1-2 years	2-5 years	Later than 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2022						
Trade and other payables	702,134	702,134	-	-	-	702,134
Bank loans	514,259	141,557	112,318	215,377	121,408	590,660
Other loans		4,867	3,966	-	-	8,833
Lease liabilities	252,491	75,634	64,637	63,756	206,323	410,350
Bank overdrafts	31,931	31,932	-	-	-	31,932
	1,509,648	956,124	180,921	279,133	327,731	1,743,909
2021						
Trade and other payables	851,186	851,186	-	-	-	851,186
Bank loans	161,078	81,163	46,346	47,599	2,136	177,244
Loan from related parties	111,738	115,756	-	-	-	115,756
Other loans	48,557	52,251	4,902	-	-	57,153
Lease liabilities	265,768	76,079	59,584	90,255	219,873	445,791
Bank overdrafts	40,597	40,597	-	-	-	40,597
	1,478,924	1,217,032	110,832	137,854	222,009	1,687,727

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial Risk Factors (cont'd)

(c) **Liquidity risk (cont'd)**

	THE COMPANY					
	Carrying amount	Within 1 year	1-2 years	2-5 years	Later than 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2022						
Trade and other payables	**8,817**	**8,817**	**-**	**-**	**-**	**8,817**
Bank loans	**222,492**	**37,778**	**34,479**	**94,235**	**96,930**	**263,422**
Loan from related parties	**70,117**	**34,049**	**2,993**	**16,968**	**26,142**	**80,152**
	301,426	**80,644**	**37,472**	**111,203**	**123,072**	**352,391**
2021						
Trade and other payables	38,808	38,808	-	-	-	38,808
Bank loans	25,108	12,541	4,937	13,509	2,136	33,123
Loan from related parties	57,117	30,000	27,117	-	-	57,117
	121,033	81,349	32,054	13,509	2,136	129,048

3.2 Capital risk management

The Group's and the Company's objectives when managing capital are:

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

The Group and the Company set the amount of capital in proportion to risk. The Group and the Company manage the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Consistently with others in the industry, the Group and the Company monitor capital on the basis of the debt-to-equity ratio. This ratio is calculated as net debt adjusted capital. Net debt is calculated as total debt (as shown on the statements of financial position) less cash and cash equivalents. Total equity comprises all components of equity i.e. share capital, other reserves, non-controlling interests and retained earnings.

The debt-to-equity ratios at June 30, 2022 and at June 30, 2021 were as follows:

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Lease liabilities (note 6(b))	**252,491**	265,768	**-**	-
Borrowings (note 20)	**555,023**	361,970	**293,330**	82,225
Total debts	**807,514**	627,738	**293,330**	82,225
Less: cash and cash equivalents	**(440,518)**	(473,681)	**(1,233)**	(6,085)
Net debt	**366,996**	154,057	**292,097**	76,140
Total equity	**1,688,866**	1,810,758	**3,064,793**	2,993,216
Debt-to-equity ratio	**22%**	9%	**10%**	3%

The net debt to equity ratio changed from 9% at June 30, 2021 to 22% at June 30, 2022 for the Group and the net debt to equity ratio changed from 3% at June 30, 2021 to 10% at June 30, 2022 for the Company due to new bank loans contracted during the year.

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

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.3 Fair value estimation

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

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

Accounting classification and fair values

A number of the Group's and the Company's accounting policies and disclosures requires the measurement of fair values, for both financial and non-financial assets and liabilities.

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	THE GROUP						
	Carrying Value			Fair Value			
	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2022							
Financial assets measured at fair value							
Other financial assets at fair value through other comprehensive income	**-**	**3,199**	**-**	**-**	**-**	**3,199**	**3,199**
Financial assets not measured at fair value							
Trade receivables	**834,357**	**-**	**-**	**-**	**-**	**-**	**-**
Contract assets	**34,074**	**-**	**-**	**-**	**-**	**-**	**-**
Loans and other receivables	**78,011**	**-**	**-**	**-**	**-**	**-**	**-**
Cash and cash equivalents	**440,518**	**-**	**-**	**-**	**-**	**-**	**-**
	1,386,960	**3,199**	**-**	**-**	**-**	**3,199**	**3,199**
Financial liabilities not measured at fair value							
Borrowings - non current	**-**	**-**	**393,078**	**-**	**-**	**-**	**-**
Borrowings - current	**-**	**-**	**161,945**	**-**	**-**	**-**	**-**
Leases - non current	**-**	**-**	**190,856**	**-**	**-**	**-**	**-**
Leases - current	**-**	**-**	**61,635**	**-**	**-**	**-**	**-**
Trade and other payables	**-**	**-**	**702,134**	**-**	**-**	**-**	**-**
	-	**-**	**1,509,648**	**-**	**-**	**-**	**-**

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.3 Fair value estimation (cont'd)

Accounting classification and fair values (cont'd)

	THE GROUP						
	Carrying Value			Fair Value			
	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2021							
Financial assets measured at fair value							
Other financial assets at fair value through other comprehensive income	-	3,209	-	-	-	3,209	3,209
Financial assets not measured at fair value							
Trade receivables	858,826	-	-	-	-	-	-
Contract assets	46,441	-	-	-	-	-	-
Loans and other receivables	143,981	-	-	-	-	-	-
Cash and cash equivalents	473,681	-	-	-	-	-	-
	1,522,929	3,209	-	-	-	3,209	3,209
Financial liabilities not measured at fair value							
Borrowings - non current	-	-	90,688	-	-	-	-
Borrowings - current	-	-	271,282	-	-	-	-
Leases - non current	-	-	207,768	-	-	-	-
Leases - current	-	-	58,000	-	-	-	-
Trade and other payables	-	-	851,186	-	-	-	-
	-	-	1,478,924	-	-	-	-

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.3 Fair value estimation (cont'd)

Accounting classification and fair values (cont'd)

	THE COMPANY						
	Carrying Value			Fair Value			
	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Level 1	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2022							
Financial assets measured at fair value							
Investment in subsidiaries	-	**3,096,900**	-	-	**3,096,900**	-	**3,096,900**
Financial assets not measured at fair value							
Loans and other receivables - Non current	**207,111**	-	-	-	-	-	-
Loans and other receivables - Current	**55,169**	-	-	-	-	-	-
Cash and cash equivalents	**1,233**	-	-	-	-	-	-
	263,513	**3,096,900**	-	-	**3,096,900**	-	**3,096,900**
Financial liabilities not measured at fair value							
Borrowings	-	-	**293,330**	-	-	-	-
Trade and other payables	-	-	**8,817**	-	-	-	-
	-	-	**302,147**	-	-	-	-
2021							
Financial assets measured at fair value							
Investment in subsidiaries	-	3,050,400	-	-	3,050,400	-	3,050,400
Financial assets not measured at fair value							
Loans and other receivables	52,099	-	-	-	-	-	-
Cash and cash equivalents	6,085	-	-	-	-	-	-
	58,184	3,050,400	-	-	3,050,400	-	3,050,400
Financial liabilities not measured at fair value							
Borrowings	-	-	82,225	-	-	-	-
Trade and other payables	-	-	38,808	-	-	-	-
	-	-	121,033	-	-	-	-

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The Group made the following estimates and judgements:

(a) **Estimate of recoverable amount of CGUs to assess the impairment of goodwill**

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2.4(a). These calculation require the use of estimates as stated in note 7(g).

(b) **Pension benefits**

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the discount rate. Any change in these assumptions will impact the carrying amount of pension obligations.

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

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in note 21.

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

The Group carries its land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The Group engaged independent valuation specialists to determine fair value as at June 30, 2020 and the directors believe that the fair value did not change significantly since then. The key valuation technique assumptions used to determine the fair value of property, plant and equipment are further explained in note 5.

(d) **Impairment of financial assets**

The loss allowance for financial assets as discussed in note 3(b) are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The forward looking overlay used was GDP which has been significantly impacted by COVID-19. Elements of the ECL models that are considered as accounting judgements and estimates include mainly the development of ECL models including the various formulas and the choice of input which normally include determination of associations between macro economics scenarios and economic inputs such as gross domestic products rate and collateral values and probability of default (PPD), Exposure At Default (EAD).

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

Property, plant and equipment (note 2.2) and intangible assets (note 2.4) are depreciated/amortised over their useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

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

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

Property, plant and equipment (note 5) and intangible assets (note 7) are considered for impairment if there is a reason to believe that impairment may be necessary and at the end of every reporting period. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

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

Cash flows which are utilised in these assessments are extracted from formal five-year business plans which are updated annually. The Group utilises the valuation model to determine asset and cash-generating unit values supplemented, where appropriate, by discounted cash flow and other valuation techniques.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

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

(g) **Leases - Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities (note 6). The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(h) **Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

The Group has Rs 90.621 million (2021: Rs 86.217 million) of tax losses carried forward. These losses relate to subsidiaries that have a history of losses, do not expire, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

If the Group was able to recognise all unrecognised deferred tax assets, profit and equity would have increased by Rs 15.406 million (2021: Rs 14.657 million). Further details on taxes are disclosed in note 12.

(i) **Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control)**

The Group considers that it controls P.A.P.O.L.C.S Limited even though it owns less than 50% of the voting rights. This is because the Group is the single largest shareholder of P.A.P.O.L.C.S Limited with the Group holding 60% in Papol Holding Limited and the latter holding 80% of P.A.P.O.L.C.S Limited. Hence the indirect ownership interest of the Group is 48%. The remaining 40% of the equity shares in Papol Holding Limited and 20% of the equity shares in P.A.P.O.L.C.S Limited are held by different shareholders. Since acquisition of P.A.P.O.L.C.S Limited, there is no history of the other shareholders collaborating to exercise their votes collectively or to outvote the Group.

(j) **Determination of significant influence over associate**

The Group determines whether an entity significant influence over another entity for all entities with a shareholding between 20% and 50% of the voting rights. In considering the classification management considers whether control exists, the nature and structure of the relationship and other facts and circumstances. In making their judgement, the directors and management considered the Group's absolute size of holding and the relative size and dispersion of the shareholdings owned by the other investors.

(k) **Fair value of investment in subsidiaries**

The fair value of investment in subsidiaries is determined using valuation techniques as they are not traded in an active market including third party transaction values, multiple earnings, net asset value, cost, dividend or discounted cash flows, whichever is considered to be appropriate. The Company would exercise judgement and estimates on the quality and quantity of pricing sources used. For details of the key assumptions used and the impact of changes to these assumptions see note 8(c).

(l) **Limitation of sensitivity analysis**

The sensitivity analysis in respect of market risk in note 3(a) demonstrate the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should be noted that these sensitivities are non-linear and larger or smaller impacts should be interpolated or extrapolated from these results.

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

(m) **Going concern**

The Group made an assessment of its ability to continue as going concern and it satisfy that it has the resources to continue its business for the foreseeable future. The financial statement have thus been prepared on a going concern basis. Refer to note 38 for further details.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

5. **PROPERTY, PLANT AND EQUIPMENT**

	THE GROUP						
	Freehold land and yard	Freehold buildings	Buildings and yard on leasehold land	Plant and equipment	Furniture, fixtures and equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(a) (i) 2022							
COST OR VALUATION							
At July 1, 2021	164,718	50,734	427,867	830,006	159,618	76,141	1,709,084
Additions	-	-	102,864	92,318	11,806	11,087	218,075
Disposals	-	-	-	(104,379)	(12,396)	(29,120)	(145,895)
On disposal of subsidiary	-	-	-	(7,525)	-	(622)	(8,147)
Transfer from right-of-use assets (note 6)	-	-	-	16,803	-	8,817	25,620
Exchange differences	(1,610)	(1,785)	(16)	(8,878)	(1,539)	(507)	(14,335)
At June 30, 2022							
- valuation	163,108	48,949	530,715	-	-	-	742,772
- cost	-	-	-	818,345	157,489	65,796	1,041,630
	163,108	48,949	530,715	818,345	157,489	65,796	1,784,402
DEPRECIATION							
At July 1, 2021	-	436	12,125	534,568	124,457	61,525	733,111
Charge for the year (note 5(e))	-	706	14,254	63,408	11,347	5,908	95,623
Disposal adjustments	-	-	-	(77,738)	(7,533)	(28,633)	(113,904)
On disposal of subsidiary	-	-	-	(5,022)	-	(407)	(5,429)
Transfer from right-of-use assets (note 6)	-	-	-	12,099	-	8,813	20,912
Exchange differences	-	(47)	(16)	(5,981)	(1,184)	(376)	(7,604)
At June 30, 2022	-	1,095	26,363	521,334	127,087	46,830	722,709
NET BOOK VALUES							
At June 30, 2022	163,108	47,854	504,352	297,011	30,402	18,966	1,061,693

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

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

	THE GROUP						
	Freehold land and yard	Freehold buildings	Buildings and yard on leasehold land	Plant and equipment	Furniture, fixtures and equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(a) (ii) 2021							
COST OR VALUATION							
At July 1, 2020	163,091	48,870	426,186	755,721	150,454	70,140	1,614,462
Additions	-	-	2,888	70,868	12,774	8,873	95,403
Disposals	-	-	(1,223)	(21,951)	(5,970)	(7,038)	(36,182)
Transfer to right-of-use assets (note 6)	-	-	-	-	-	(3,496)	(3,496)
Transfer from right-of-use assets (note 6)	-	-	-	16,436	-	6,677	23,113
Exchange differences	1,627	1,864	16	8,932	2,360	985	15,784
At June 30, 2021							
- valuation *	164,718	50,734	427,867	-	-	-	643,319
- cost *	-	-	-	830,006	159,618	76,141	1,065,765
	164,718	50,734	427,867	830,006	159,618	76,141	1,709,084
DEPRECIATION							
At July 1, 2020	-	-	-	480,559	115,942	54,871	651,372
Charge for the year (note 5(e))	-	335	13,332	58,316	11,454	5,527	88,964
Disposal adjustments	-	-	(1,223)	(19,678)	(4,841)	(4,720)	(30,462)
Transfer to right-of-use assets (note 6)	-	-	-	-	-	(1,211)	(1,211)
Transfer from right-of-use assets (note 6)	-	-	-	8,379	-	6,305	14,684
Exchange differences	-	101	16	6,992	1,902	753	9,764
At June 30, 2021	-	436	12,125	534,568	124,457	61,525	733,111
NET BOOK VALUES							
At June 30, 2021	164,718	50,298	415,742	295,438	35,161	14,616	975,973

* In 2021, freehold land and yard, freehold buildings and buildings and yard on leasehold land were incorrectly disclosed as being measured at cost instead of valuation. In addition, plant and equipment, furniture, fixtures and equipment and motor vehicles were incorrectly disclosed as being measured at valuation instead of cost.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

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

(b) The Group's land and buildings were last revalued at June 30, 2020 by independent valuers. The revaluation net of applicable deferred income taxes was credited to revaluation surplus in shareholders' equity (note 19).

Details of the Group's land and building measured at revalued amounts and information about the fair value hierarchy are as follows:

	THE GROUP		
	Level 2	Level 3	Total
	Rs'000	Rs'000	Rs'000
2022			
Freehold land and yard	163,108	-	163,108
Freehold buildings	-	47,854	47,854
Buildings and yard on leasehold land	-	504,352	504,352
	163,108	552,206	715,314
2021			
Freehold land and yard	164,718	-	164,718
Freehold buildings	-	50,298	50,298
Buildings and yard on leasehold land	-	415,742	415,742
	164,718	466,040	630,758

There were no transfers between level 2 and 3 during the year.

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

The fair value of the freehold buildings, buildings and yard on leasehold land were determined using the cost approach that reflects the cost to a market participant to construct assets of comparable utility and age, adjusted for obsolescence. The most significant input into this valuation approach is cost per square metre.

Significant unobservable valuation input:		THE GROUP		
		2020		
		Level 2	Level 3	Level 3
		Freehold land and yard	Freehold buildings	Buildings and yard on leasehold land
Price/cost per square metre	Rs.	3,650-21,000	13,000-16,500	24,000-47,500
Effect of 10% increase/(decrease) in estimated price per square metre in isolation	Rs'000	16,309	4,658	42,617

The reconciliation of buildings measured at revalued amounts using significant unobservable inputs are as follows:

	THE GROUP		
	Freehold buildings	Building and yard on leasehold land	Total
	Rs'000	Rs'000	Rs'000
2022			
At July 1, 2021	50,298	415,742	466,040
Additions	-	102,864	102,864
Depreciation charged to profit or loss	(706)	(14,254)	(14,960)
Exchange differences charged through OCI	(1,738)	-	(1,738)
At June 30, 2022	47,854	504,352	552,206
2021			
At July 1, 2020	48,870	426,186	475,056
Additions	-	2,888	2,888
Depreciation charged to profit or loss	(335)	(13,332)	(13,667)
Exchange differences charged through OCI	1,763	-	1,763
At June 30, 2021	50,298	415,742	466,040

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

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

(c) If the land and buildings were stated on the historical cost basis, the amounts would be as follows:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Cost	282,582	179,718
Accumulated depreciation	(57,501)	(51,849)
Net book value	225,081	127,869

(d) Bank borrowings are secured by floating charges on the assets of the Group including property, plant and equipment for the value of **Rs 212.795 million** (2021: Rs 241.401 million).

(e) Depreciation was charged as follows:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Continuing operations (page 106)	94,521	87,896
Discontinued operations (page 106)	1,102	1,068
	95,623	88,964

6. **RIGHT-OF-USE ASSETS/LEASE LIABILITIES**

(a) **Right-of-use assets**

	THE GROUP				
	Leasehold land	Buildings	Plant & equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(i) **2022**					
COST					
At July 1, 2021	82,366	178,295	88,541	59,108	408,310
Additions	-	54,957	9,757	11,187	75,901
Effect of modification to lease terms	-	274	-	(3,899)	(3,625)
Terminated leases	-	(6,402)	(13,007)	-	(19,409)
On disposal of subsidiary	-	(8,059)	-	(5,419)	(13,478)
Transfer to property, plant and equipment (note 5)	-	-	(16,803)	(8,817)	(25,620)
Exchange difference	-	(4,210)	-	(866)	(5,076)
At June 30, 2022	82,366	214,855	68,488	51,294	417,003
DEPRECIATION					
At July 1, 2021	6,731	57,377	53,836	34,921	152,865
Charge for the year	2,414	50,726	11,234	11,028	75,402
Effect of modification to lease terms	-	-	-	(3,558)	(3,558)
Terminated leases	-	(2,612)	(9,549)	-	(12,161)
On disposal of subsidiary	-	(3,035)	-	(4,107)	(7,142)
Transfer to property, plant and equipment (note 5)	-	-	(12,099)	(8,813)	(20,912)
Exchange difference	-	(1,607)	-	(679)	(2,286)
At June 30, 2022	9,145	100,849	43,422	28,792	182,208
NET BOOK VALUES					
At June 30, 2022	73,221	114,006	25,066	22,502	234,795

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

6. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (CONT'D)

(a) **Right-of-use assets (cont'd)**

	THE GROUP				
	Leasehold land	Buildings	Plant & equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(ii) 2021					
COST					
At July 1, 2020	87,844	213,154	124,863	60,068	485,929
Additions	-	57,791	-	3,199	60,990
Disposal	-	-	-	(2,126)	(2,126)
Effect of modification to lease terms	(5,478)	(41,718)	(13,623)	-	(60,819)
Terminated leases	-	(56,421)	(6,263)	-	(62,684)
Transfer from property, plant and equipment (note 5)	-	-	-	3,496	3,496
Transfer to property, plant and equipment (note 5)	-	-	(16,436)	(6,677)	(23,113)
Exchange difference	-	5,489	-	1,148	6,637
At June 30, 2021	82,366	178,295	88,541	59,108	408,310
DEPRECIATION					
At July 1, 2020	3,209	54,268	47,264	27,878	132,619
Charge for the year	3,522	58,012	21,214	12,752	95,500
Disposal adjustment	-	-	-	(1,203)	(1,203)
Terminated leases	-	(56,421)	(6,263)	-	(62,684)
Transfer from property, plant and equipment (note 5)	-	-	-	1,211	1,211
Transfer to property, plant and equipment (note 5)	-	-	(8,379)	(6,305)	(14,684)
Exchange difference	-	1,518	-	588	2,106
At June 30, 2021	6,731	57,377	53,836	34,921	152,865
NET BOOK VALUES					
At June 30, 2021	75,635	120,918	34,705	24,187	255,445

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

6. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (CONT'D)

(b) **Lease liabilities**

	THE GROUP				
	Leasehold land	Buildings	Plant & equipment	Motor vehicles	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(i) **2022**					
At July 1, 2021	**82,899**	**128,848**	**28,060**	**25,961**	**265,768**
Additions	**-**	**54,957**	**9,757**	**11,187**	**75,901**
Effect of modification to lease terms	**-**	**274**	**-**	**(341)**	**(67)**
Terminated leases	**-**	**(4,082)**	**(3,636)**	**-**	**(7,718)**
On disposal of subsidiary	**-**	**(5,110)**	**-**	**(1,358)**	**(6,468)**
Interest expense	**4,736**	**7,694**	**1,331**	**1,178**	**14,939**
Foreign exchange movements	**-**	**(3,122)**	**-**	**(310)**	**(3,432)**
Lease payments	**(4,246)**	**(55,554)**	**(13,862)**	**(12,770)**	**(86,432)**
At June 30, 2022	**83,389**	**123,905**	**21,650**	**23,547**	**252,491**
Analysed as follows:					
Non-current	**83,389**	**81,159**	**10,961**	**15,347**	**190,856**
Current	**-**	**42,746**	**10,689**	**8,200**	**61,635**
	83,389	**123,905**	**21,650**	**23,547**	**252,491**
(ii) 2021					
At July 1, 2020	88,387	165,312	65,062	35,890	354,651
Additions	-	57,791	-	6,695	64,486
Effect of modification to lease terms	(5,585)	(43,562)	(14,324)	-	(63,471)
Interest expense	4,898	8,578	2,905	1,472	17,853
Foreign exchange movements	-	5,034	-	761	5,795
Lease payments	(4,801)	(64,305)	(25,583)	(18,857)	(113,546)
At June 30, 2021	82,899	128,848	28,060	25,961	265,768
Analysed as follows:					
Non-current	82,899	93,722	15,211	15,936	207,768
Current	-	35,126	12,849	10,025	58,000
	82,899	128,848	28,060	25,961	265,768

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

6. RIGHT-OF-USE ASSETS/LEASE LIABILITIES (CONT'D)

(c) **Nature of leasing activities (in the capacity as lessee)**

Freeport Operations (Mauritius) Limited, a subsidiary, leases a plot of land from the Mauritius Ports Authority. The lease agreement expires on March 30, 2056. The lease contract provides for payments to increase every ten years by 50%.

Another subsidiary, Associated Container Services Limited, leases a plot of land in Rodrigues from the Mauritius Ports Authority which expires on April 2, 2030.

The Group leases various buildings for office space. The Group also leases certain items of plant & equipment and motor vehicles. The leases comprise only fixed payments over the lease terms. There is no impact on the carrying amount of lease liabilities and right-of-use assets on the reporting date as the Group is not subject to lease payments that are variable. There are no extension and termination options included in leases across the Group. The Group did not provide residual value guarantees in relation to leases.

(d) **Other information**

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Lease payments	71,493	95,693
Interest expense (included in finance cost) (note 28)	14,939	17,853
	86,432	113,546
Expense relating to short-term leases (included in other expenses)	8,824	9,468
Total cash outflows for leases	95,256	123,014

(e) Depreciation was charged as follows:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Continuing operations (page 106)	73,114	92,968
Discontinued operations (page 106)	2,288	2,532
	75,402	95,500

(f) The land and buildings of one of its subsidiaries (Freeport Operations Ltd) were revalued at June 30, 2021 by independent valuers and leasehold rights valued at Rs 518.8 million were not included in the statement of financial position. Had the leasehold rights been included, the net assets value and total equity would have increased by Rs 518.8 million. The directors are of opinion that the revalued amount of the leasehold rights has not materially changed at the end of the reporting period.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

7. INTANGIBLE ASSETS

	THE GROUP				
	Customer related intangibles	Concession rights	Goodwill	Computer software	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(a) 2022					
COST					
At July 1, 2021	41,402	180,000	458,794	81,657	761,853
Addition	-	-	-	2,343	2,343
Disposal of subsidiary	-	-	-	(1,697)	(1,697)
Exchange differences	-	-	-	(537)	(537)
At June 30, 2022	41,402	180,000	458,794	81,766	761,962
AMORTISATION					
At July 1, 2021	32,014	76,642	-	66,480	175,136
Charge for the year	5,327	3,000	-	1,787	10,114
Disposal of subsidiary	-	-	-	(1,697)	(1,697)
Exchange differences	-	-	-	(582)	(582)
At June 30, 2022	37,341	79,642	-	65,988	182,971
NET BOOK VALUE					
At June 30, 2022	4,061	100,358	458,794	15,778	578,991
(b) 2021					
COST					
At July 1, 2020	41,402	180,000	458,794	82,986	763,182
Addition	-	-	-	1,347	1,347
Disposal	-	-	-	(3,917)	(3,917)
Exchange differences	-	-	-	1,241	1,241
At June 30, 2021	41,402	180,000	458,794	81,657	761,853
AMORTISATION					
At July 1, 2020	26,687	73,642	-	67,712	168,041
Charge for the year	5,327	3,000	-	1,604	9,931
Disposal adjustment	-	-	-	(3,917)	(3,917)
Exchange differences	-	-	-	1,081	1,081
At June 30, 2021	32,014	76,642	-	66,480	175,136
NET BOOK VALUE					
At June 30, 2021	9,388	103,358	458,794	15,177	586,717

(c) Amortisation was charged as follows:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Continuing operations (page 106)	10,087	9,766
Discontinued operations (page 106)	27	165
	10,114	9,931

(d) The carrying amount at June 30, 2022 does not include internally generated goodwill (2021: Nil).

(e) The remaining amortisation period for Concession right was 33.5 years at June 30, 2022 (2021: 34.5 years).

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

7. INTANGIBLE ASSETS (CONT'D)

(f) The carrying amount of goodwill are allocated to the following CGUs:

	Rs'000
Velogic Ltd	202,000
Associated Container Services Ltd	97,881
General Cargo Services Ltd	72,900
Southern Marine Ltd	28,931
Velogic Haulage Services Ltd	21,649
Others (immaterial in relation to the total goodwill)	35,433
	458,794

(g) *Impairment test for goodwill*

Impairment test for goodwill is allocated to the Company's cash-generating units (CGVS) identified according to the country of operation and business segment.

At the end of the reporting period, the Group has assessed the recoverable amount of goodwill and determined that there is no impairment of goodwill.

For the purpose of impairment testing, goodwill has been allocated to the Group's CGUs (subsidiaries). The recoverable amounts for the cash generating units were based on their fair value, determined at June 30, 2022 by qualified independent professional valuers. Further information on fair value has been disclosed in note 8(c).

8. INVESTMENT IN SUBSIDIARIES

	THE COMPANY	
	2022	Restated 2021
(a) **AT FAIR VALUE**	Rs'000	Rs'000
At July 1,		
-as previously stated	**1,041,214**	1,099,211
-prior year adjustment (note 2.1(c))	**2,009,186**	947,389
-as restated	**3,050,400**	2,046,600
Change in fair value	**46,500**	1,061,797
Additional investment in subsidiaries	**-**	50
Amalgamation adjustment (note 8(b))	**-**	(58,047)
At June 30,	**3,096,900**	3,050,400

(b) On April 9, 2021, three subsidiaries of Velogic Holding Company Limited amalgamated with Velogic Limited, another subsidiary of the Company. The carrying amount of the investment in the subsidiaries have been accounted as amalgamation reserve (note 19).

	2021
	Rs'000
F.O.M. Warehouses Ltd	50
Trans World International Ltd	40,193
Velogic Depot & Warehouses Ltd	17,804
	58,047

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(c) During the year, there has been a voluntary change in accounting policy from cost to fair value. The impact of this voluntary change has been disclosed in note 2.1(c).

The fair value of investment in subsidiary companies was determined at June 30, 2022 by qualified independent professional valuers. The valuation methodology for each subsidiary was either a market approach or on a discounted cash flow basis.

The hierarchy level of fair value of the Company's investment in subsidiary companies are as follows:

	THE COMPANY	
	2022	2021
	Rs'000	Rs'000
Level 2	**48,887**	31,815
Level 3	**3,048,013**	3,018,585
	3,096,900	3,050,400

The table below sets out information about significant unobservable inputs used at June 30, 2022 in measuring investment in subsidiaries.

Valuation techniques and key inputs

	Fair value		Inputs	Range	
	2022	2021		2022	2021
	Rs'000	Rs'000			
Valuation technique					
Discounted cash flow	**3,048,013**	3,018,585	Discount rate	**7.41%-17.42%**	6.42%-16.67%
Market approach	**48,887**	31,815	Multiples	**5.7x-6.4x**	5.7x-7.8x
	3,096,900	3,050,400			

The table below shows the sensitivity of the fair value of investment in subsidiaries to a reasonably possible change in the inputs that management consider to be most significant. The sensitivity assumes that the changes in one input are in isolation to other inputs.

	Change in inputs	Effect on fair value	
		2022	2021
		Rs'000	Rs'000
Discount rate	+0.50 bps	**(165,738)**	(145,765)
	-0.50 bps	**189,337**	166,472
Market approach	+1.0x	**7,381**	5,411
	-1.0x	**(7,381)**	(5,411)

(d) During the year 2022, the Company contracted a bank loan and pledged all the shares held by Rogers Logistics International Ltd in VK Logistics Ltd for Rs 198.000 million as security.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

8 INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) Details of the subsidiaries are as follows:

Name of company	Class of shares held	Financial year end	Stated capital	Proportion of ownership interest Direct	Indirect	Proportion of ownership interest held by non-controlling interests	Country of incorporation and operation	Main business activity	Fair value of investment 2022	Fair value of investment 2021
			Rs'000	%	%	%			Rs'000	Rs'000
Logistics Solutions Ltd *	Ordinary	June 30,	525,690	99.0	-	1.0	Mauritius	Investment holding	**1,247,600**	1,350,600
Papol Holding Limited *	Ordinary	June 30,	100	60.0	-	40.0	Mauritius	Investment holding	**11,600**	14,500
Rogers Logistics International Ltd	Ordinary	June 30,	156,352	100.0	-	-	Mauritius	Investment holding	**1,185,000**	1,131,500
Rogers Logistics Services Company Limited	Ordinary	June 30,	100	100.0	-	-	Mauritius	Freight forwarding	**2,200**	3,300
Rogers Shipping Ltd *	Ordinary	June 30,	721	36.0	32.6	31.4	Mauritius	Shipping	**25,200**	27,800
Southern Marine Ltd*	Ordinary	June 30,	500	36.0	32.6	31.4	Mauritius	Shipping agency	**25,200**	28,100
Sukpak Ltd*	Ordinary	June 30,	1,200	70.0	-	30.0	Mauritius	Sugar Packaging	**102,200**	206,700
Velogic Ltd	Ordinary	June 30,	83,384	100.0	-	-	Mauritius	Freight forwarding	**497,900**	287,900
									3,096,900	3,050,400

Name of company	Class of shares held	Financial year end	Stated capital	Proportion of indirect ownership interest	Proportion of ownership interest held by non-controlling interests	Country of incorporation and operation	Main business activity
			Rs'000	%	%		
Rogers Logistics International Ltd holds the following subsidiaries:							
Cargo Express Madagascar S.A.R.L	Ordinary	June 30,	168	100.0	-	Madagascar	Freight forwarding
Rogers IDS Madagascar SARL	Ordinary	June 30,	8	100.0	-	Madagascar	Freight forwarding
Rogers Shipping Pte Ltd *	Ordinary	June 30,	11,021	51.0	49.0	Republic of Singapore	Investment holding
Velogic Express Reunion	Ordinary	June 30,	8,341	100.0	-	Reunion Island	Courier Services
Velogic India Private Ltd	Ordinary	March 31,	11,156	100.0	-	India	Freight forwarding
Velogic Sea Frigo R'Frigo SA	Ordinary	June 30,	4,085	100.0	-	Reunion Island	Freight forwarding
VK Logistics Ltd ***	Ordinary	June 30,	163,814	100.0	-	Mauritius	Investment holding
Rogers IDS SAS (France) ****	Ordinary	June 30,	1,790	-	-	France	Freight forwarding
Logistics Solutions Ltd holds the following subsidiaries:							
Associated Container Services Ltd *	Ordinary	June 30,	93,877	99.0	1.0	Mauritius	Port Services
Freeport Operations (Mauritius) Ltd *	Ordinary	June 30,	178,429	99.0	1.0	Mauritius	Port Services
Associated Container Services Ltd holds the following subsidiary:							
Velogic Haulage Services Ltd *	Ordinary	June 30,	31,514	99.0	1.0	Mauritius	Transport Services
Velogic Haulage Services Ltd holds the following subsidiary:							
Velogic Garage Services Limited *	Ordinary	June 30,	10,999	99.0	1.0	Mauritius	Garage Services

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) Details of the subsidiaries are as follows: (cont'd)

Name of company	Class of shares held	Financial year end	Stated capital	Proportion of indirect ownership interest	Proportion of ownership interest held by non-controlling interests	Country of incorporation and operation	Main business activity
			Rs'000	%	%		
Papol Holding Limited holds the following subsidiary:							
P.A.P.O.L.C.S Limited**	Ordinary	June 30,	100	48.0	52.0	Mauritius	Stevedoring
Velogic Ltd holds the following subsidiary:							
Express Logistics Solutions Ltd	Ordinary	June 30,	1	100.0	-	Mauritius	Dormant
Global Air Cargo Services Ltd	Ordinary	June 30,	433	50.0	50.0	Mauritius	Freight forwarding
VK Logistics Ltd holds the following subsidiaries:							
General Cargo Services Ltd	Ordinary	June 30,	889	98.5	1.5	Kenya	Freight forwarding
Gencargo Transport Limited	Ordinary	June 30,	1,422	100.0	-	Kenya	Port services

* The non-controlling interest are not material to the entity.

** Papol Holding Limited holds 80% of P.A.P.O.L.C.S Limited and the indirect ownership interest of Velogic Holding Company Limited is 48%.

*** On October 21, 2021, Rogers Logistics International Ltd acquired the remaining 49% share in VK Logistics Ltd.

**** See note 9(a) and note 30.

(f) *Subsidiary with material non-controlling interests*

At June 30, 2022, there was no non-controlling interests that was material to the entity.

(i) Details for subsidiary that have non-controlling interests that are material to the entity at June 30, 2021 was as follows:

	VK Logistics Ltd
	Rs'000
2021	
Profit allocated to non-controlling interests	18,210
Accumulated non-controlling interest at June 30, 2021	175,322

(ii) Summarised financial information on subsidiary with material non-controlling interests at June 30, 2021 was as follows:

- Summarised statement of financial position and statement of profit or loss and other comprehensive income.

Name	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Profit	Other comprehensive income	Total comprehensive income	Dividend paid to non-controlling interests
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
2021									
VK Logistics Ltd	264,319	244,423	148,354	2,590	409,389	37,164	13,524	50,688	-

- Summarised cash flow information

Name	Operating activities	Investing activities	Financing activities	Net increase/ in cash and cash equivalent
	Rs'000	Rs'000	Rs'000	Rs'000
2021				
VK Logistics Ltd	161,817	(27,381)	(66,151)	68,285

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

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

9. INVESTMENT IN ASSOCIATE

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000
Additions (note 9(a) and note 30(c))	8,357	-
Group's share of loss for the period	(339)	-
	8,018	-

(a) In May 2022, the Group disposed of 70% of its investments in Rogers IDS SAS (France) and the remaining 30% interest was recognised as investment in associate at its fair value. Rogers IDS SAS (France), which is involved in Freight forwarding in France, is a private entity that is not listed on any public exchange.

The Group's interest in Rogers IDS SAS (France) is accounted for using the equity method in the consolidated financial statements. At the end of the reporting period, the Group has assessed the recoverable amount of investment in associate and determined that there was no impairment.

(b) The following table illustrates the summarised financial information of the Group's investment in Rogers IDS SAS (France):

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000
Current assets	193,559	-
Non-current assets	9,774	-
Current liabilities	(183,778)	-
Non-current liabilities	(5,241)	-
Equity	14,314	-
% holding	30%	-
Group's share in equity	4,294	-
Goodwill	3,724	-
Group's carrying amount of the investment	8,018	-

	2022 Rs'000	2021 Rs'000
Revenue from contracts with customers	79,598	-
Cost of sales	(65,708)	-
Other expenses	(15,020)	-
Loss before tax	(1,130)	-
Income tax expense	-	-
Loss for the period	(1,130)	-
Other comprehensive income	-	-
Total comprehensive loss for the period	(1,130)	-
Group's share of loss for the period	(339)	-

The associate requires the Group's consent to distribute its profits. The Group does not foresee giving such consent at the reporting date.

The associate had no contingent liabilities or capital commitments as at June 30, 2022.

10. OTHER FINANCIAL ASSESTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(a) Equity investments at fair value through other comprehensive income

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000
Level 3		
At July 1,	3,209	2,715
Exchange differences	(10)	494
At June 30,	3,199	3,209

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

10. OTHER FINANCIAL ASSESTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

(b) Fair value through other comprehensive income financial assets include the following:

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000
Unquoted:		
Mexa (Mtius) Investment Ltd	723	723
Les Lycees Associes Ltee	706	706
Prokid	1,139	1,139
Others	631	641
	3,199	3,209

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

(d) The table below sets out information about significant unobservable inputs used in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Name of investee	Valuation technique 2022	Valuation technique 2021	Unobservable inputs	Range	Sensitivity to changes in significant unobservable inputs
Mexa (Mtius) Investment Ltd	NAV	NAV	N/A	N/A	N/A
Les Lycees Associes Ltee	NAV	NAV	N/A	N/A	N/A
Prokid	NAV	NAV	N/A	N/A	N/A

NAV - Net assets value, N/A - Not applicable

(e) Other financial assets at fair value through other comprehensive income are denominated in Mauritian rupees.

11. LOANS AND OTHER RECEIVABLES

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000	THE COMPANY 2022 Rs'000	THE COMPANY 2021 Rs'000
Non-current				
Loan to Rogers Logistics International Ltd (interest rate: 4.5% p.a)	-	-	207,111	-
Current				
Loan to Rogers Logistics International Ltd (interest rate: 4.5% p.a)	-	-	26,583	-
Loan to Velogic Ltd (interest rate: 4.5% p.a)	-	-	20,110	21,318
Other short term loans (interest free)	-	-	-	26,880
Other receivables	2,312	1,807	8,476	3,901
	2,312	1,807	55,169	52,099
External parties				
Other receivables	75,699	142,174	-	-
	78,011	143,981	55,169	52,099
Total	78,011	143,981	262,280	52,099

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

11. LOANS AND OTHER RECEIVABLES (CONT'D)

(a) *Other receivables*

These amounts generally arise from transactions outside the usual operating activities of the Group. It includes inter alia disbursements made on behalf of customers, loan to employees, deposits with suppliers and loans to corporate entities. Collateral is not normally obtained.

(b) Long term loan is receivable from Rogers Logistics International Ltd (a subsidiary) is unsecured, carries interest at the rate of 4.5% p.a, repayable twice yearly and will be fully repaid in January 2031. Loan to Velogic Ltd and other short term loans are unsecured and are repayable within 12 months.

(c) *Fair values of loans and other receivables*

Due to the short-term nature of the current receivables, their carrying amount is considered to the same as their fair value.

(d) *Impairment and risk exposure*

Loans and other receivables did not include any loss allowance at June 30, 2022 (2021: nil).

(e) The carrying amounts of the loans and other receivables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Rupee	**28,646**	31,263	**262,280**	52,099
Euro	**2,033**	74,033	**-**	-
US Dollar	**20,894**	11,484	**-**	-
Kenya Shilling	**6,033**	11,860	**-**	-
Others	**20,405**	15,341	**-**	-
	78,011	143,981	**262,280**	52,099

12. DEFERRED INCOME TAX

Deferred income taxes are calculated on all temporary differences under the liability method at 17% (2021: 17%).

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

The following amounts are shown in the statements of financial position:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Deferred tax assets	**20,140**	21,998
Deferred tax liabilities	**(82,865)**	(86,880)
	(62,725)	(64,882)

At the end of the reporting period, the Group had unused tax losses of Rs 90.621 million (2021: Rs 86.217 million) available for offset against future taxable profits. No deferred tax asset has been recognised in respect of such losses due to unpredictability of future profit streams. The tax losses expire on a rolling basis over 5 years.

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

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
At July 1,	**(64,882)**	(63,931)
Credited to profit or loss (note 17(b))	**1,821**	4,466
Credited/(charged) to other comprehensive income	**188**	(5,073)
Exchange differences	**148**	(344)
At June 30,	**(62,725)**	(64,882)

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

12. DEFERRED INCOME TAX (CONT'D)

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

(i) Deferred tax assets

	THE GROUP				
	Retirement benefit obligations	Right-of-use assets	Inventories	ECL on financial assets	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2020	12,460	5,926	593	9,197	28,176
Credited/(charged) to profit or loss	532	(4,002)	381	1,959	(1,130)
Charged to other comprehensive income	(5,073)	-	-	-	(5,073)
Exchange differences	-	85	-	(60)	25
At June 30, 2021	7,919	2,009	974	11,096	21,998
(Charged)/credited to profit or loss	**(468)**	**1,429**	**(205)**	**(2,427)**	**(1,671)**
Credited to other comprehensive income	**188**	**-**	**-**	**-**	**188**
Exchange differences	**3**	**(404)**	**-**	**26**	**(375)**
At June 30, 2022	**7,642**	**3,034**	**769**	**8,695**	**20,140**

(ii) Deferred tax liabilities

	THE GROUP				
	Accelerated tax depreciation	Revaluation of assets	Customer related goodwill	Concession rights	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At July 1, 2020	(20,151)	(50,175)	(3,700)	(18,081)	(92,107)
Credited to profit or loss	3,667	-	1,419	510	5,596
Exchange differences	(369)	-	-	-	(369)
At June 30, 2021	(16,853)	(50,175)	(2,281)	(17,571)	(86,880)
Credited to profit or loss	**1,563**	**-**	**1,419**	**510**	**3,492**
Exchange differences	**523**	**-**	**-**	**-**	**523**
At June 30, 2022	**(14,767)**	**(50,175)**	**(862)**	**(17,061)**	**(82,865)**

13. INVENTORIES

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
(a) Raw material	**8,977**	9,027
Spare parts and consumables	**11,207**	10,695
Containers	**9,781**	5,529
	29,965	25,251

(b) All inventories are stated at cost. There was no inventory write down in the year ended June 30, 2022 (2021: Nil).

(c) The cost of inventories recognised as expense and included in cost of sales amounted to **Rs 144.357 million** (2021: Rs 151.878 million) for the Group.

(d) The bank borrowings are secured by floating charges on the assets of the Group including inventory (note 20).

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

14. TRADE RECEIVABLES

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000
Trade receivables	922,064	983,543
Expected credit loss allowance	(87,707)	(124,717)
Trade receivables - net	834,357	858,826

(a) *Impairment of trade receivables*

The Group applies the IFRS 9 simplified approach to measuring 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 expected loss rates are based in the payment profiles of sales over a period of 3 years and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomics factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP to be the most relevant factor, and accordingly adjusts the historical rates based on expected changes in these factors. The gross domestic product used for 2022 is 4.35% to 10.44%. (-15.8% to 6.6%) and is based on jurisdiction. The forward-looking overlay for 2023 is 2.3% to 8.5% (6.6% to 5.2%). This has been used to reflect difference between economic conditions during the period over which the historical data has been collected, current conditions and the Groups view of economic conditions over the expected lives of the receivables. The measurement of the expected credit losses excludes trade receivables which are insured and/or are based on internal or external ratings.

The carrying value of trade and other receivables have been analysed as follows:

Number of days carrying value of trade receivables have been past due	ECL Rate (%)	THE GROUP Estimated total gross carrying amount Rs'000	Less ECL Allowance Rs'000	Trade net of ECL Rs'000
2022				
Not yet been past due	2.22%	540,015	(11,976)	528,039
Less than 30 days	2.96%	134,444	(3,976)	130,468
Between 30 to 60 days	4.95%	64,170	(3,175)	60,995
Between 60 to 90 days	3.39%	61,000	(2,068)	58,932
Between 90 to 180 days	33.63%	29,960	(10,075)	19,885
Between 180 to 360 days	36.10%	38,803	(14,008)	24,795
More than 360 days	79.05%	53,672	(42,429)	11,243
		922,064	(87,707)	834,357
2021				
Not yet been past due	3.32%	569,573	(18,908)	550,665
Less than 30 days	5.22%	135,445	(7,075)	128,370
Between 30 to 60 days	8.01%	83,654	(6,702)	76,952
Between 60 to 90 days	7.21%	61,425	(4,430)	56,995
Between 90 to 180 days	16.84%	35,139	(5,917)	29,222
Between 180 to 360 days	26.41%	13,512	(3,568)	9,944
More than 360 days	92.12%	84,795	(78,117)	6,678
		983,543	(124,717)	858,826

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

14. TRADE RECEIVABLES (CONT'D)

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

The closing loss allowances for trade receivables reconcile to the opening loss allowances as follows:

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000
At July 1,	124,717	110,963
Loss allowance recognised in profit or loss of:		
-Continuing operations (page 106)	5,415	12,752
-Discontinued operations (page 106)	2,442	(2,952)
On disposal of subsidiary	(40,761)	-
Receivable written off during the year as uncollectible	(454)	(5,939)
Exchange differences	(3,652)	9,893
At June 30,	87,707	124,717

The disposal of Rogers IDS SAS (France) in May 2022 resulted in a decrease in the ECL allowance recognised at June 30, 2022. Additional disclosures about credit risk of trade receivables has been given in note 3.1(b).

(b) The carrying amounts of trade receivables are denominated in the following currencies:

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000
Rupee	276,301	136,383
Euro	126,495	283,757
US Dollar	96,884	159,234
Great Britain Pound	20,536	23,343
Kenya Shilling	211,348	167,801
Others	102,793	88,308
	834,357	858,826

(c) The maximum exposure to the credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.

15. CONTRACT ASSETS

	THE GROUP 2022 Rs'000	THE GROUP 2021 Rs'000
At July 1,	46,441	38,600
Transfers in the period from contract assets to trade receivables	(46,441)	(38,600)
Excess of revenue recognised over cash (or rights to cash) being recognised during the period	34,074	46,441
At June 30,	34,074	46,441

(a) Contract assets relate to revenue earned from freight forwarding services which have not yet been invoiced. As such, the balances of this account vary and depend on the number of ongoing services at the end of the year.

(b) Items included in contract assets are aged less than 90 days at June 30, 2022 (2021: less than 90 days). The Group did not recognised any expected credit losses at June 30, 2022 (2021: Nil).

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

16. OTHER ASSETS

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Prepayments (note 16(a))	77,917	84,942	158	127
Dividend receivable	-	-	47,192	24,845
	77,917	84,942	47,350	24,972

(a) Prepayments consists of expenses prepaid for inter alia road taxes, software licences, insurances, bank guarantees fees, subscriptions fees, rentals and other advance payments.

17. TAXATION

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
(a) Statements of financial position				
At July 1,	(5,962)	2,834	(307)	(33)
Current tax on the adjusted results for the year at 15%-28% (2021: 15%-28%)	(68,735)	(47,144)	(596)	(274)
Over provision in previous years	125	659	29	-
Corporate social responsibility	(2,439)	(3,895)	-	(33)
COVID-19 levy	(1,721)	(9,909)	-	-
Withholding tax	(2,902)	(6,338)	-	-
Exchange differences	(813)	886	-	-
Tax refunded	-	(3,728)	-	-
Tax paid	85,005	60,673	262	33
At June 30,	2,558	(5,962)	(612)	(307)
Disclosed as:				
Current tax assets	17,204	24,350	-	-
Current tax liabilities	(14,646)	(30,312)	(612)	(307)
	2,558	(5,962)	(612)	(307)

(b) Statements of profit or loss

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Current tax on the adjusted results for the year at 15%-28% (2021: 15%-28%)	68,735	47,144	596	274
Over provision in previous years	(125)	(659)	(29)	-
Corporate social responsibility	2,439	3,895	-	33
COVID-19 levy	1,721	9,909	-	-
Withholding tax	2,902	6,338	-	-
	75,672	66,627	567	307
Deferred tax credit (note 12(b))	(1,821)	(4,466)	-	-
Tax charge	73,851	62,161	567	307

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

17. TAXATION (CONT'D)

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

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Profit before taxation:				
-from continuing operations	264,769	209,160	92,975	48,813
-discontinued operations	2,731	4,053	-	-
	267,500	213,213	92,975	48,813
Tax calculated at 15%-28% (2021: 15%-28%)	57,716	39,102	13,946	7,322
Income not subject to tax (note (i))	(6,953)	(8,688)	(15,652)	(9,544)
Expenses not deductible for tax purposes (note (ii))	20,023	15,757	2,302	2,496
Tax losses for which no deferred income tax was recognised	2,639	6,460	-	-
Utilisation of previously unrecognised tax losses	(1,561)	(3,103)	-	-
Over provision in previous period	(125)	(659)	(29)	-
Corporate social responsibility	2,439	3,895	-	33
COVID-19 levy	1,721	9,909	-	-
Withholding tax	2,902	6,338	-	-
Foreign tax credit	(4,950)	(6,850)	-	-
Tax charge	73,851	62,161	567	307
Analysed as follows:				
Continuing operations	73,851	62,161	567	307
Discontinued operations	-	-	-	-
	73,851	62,161	567	307
Effective tax rate	28%	30%	1%	1%

(i) Income not subject to tax includes annual allowances, balancing allowance, foreign exchange gain on bank balance and lease rental payments.

(ii) Expenses not deductible for tax purposes include depreciation and amortisation charge, employee benefit expense, interest on leases, bad debts written off and provision for impairment losses.

18. SHARE CAPITAL

THE GROUP AND THE COMPANY	2022 Number of shares	2021 Number of shares	2022 Amount	2021 Amount
			Rs'000	Rs'000
Authorised, issued and fully paid - No Par Value Shares				
At July 1, 2020, June 30, 2021 and **June 30, 2022**	93,515,565	93,515,565	1,019,294	1,019,294

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

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

19. OTHER RESERVES

	THE GROUP			
	Attributable to the equity holders of the parent			
	Revaluation surplus	Translation reserves	Actuarial gains	Total
	Rs'000	Rs'000	Rs'000	Rs'000
(a) (i) **2022**				
At July 1, 2021	292,094	(56,717)	24,627	260,004
Other comprehensive loss for the year	-	(26,335)	(1,039)	(27,374)
At June 30, 2022	**292,094**	**(83,052)**	**23,588**	**232,630**
(ii) 2021				
At July 1, 2020	292,094	(57,792)	(8,587)	225,715
Other comprehensive income for the year	-	1,075	33,214	34,289
At June 30, 2021	**292,094**	**(56,717)**	**24,627**	**260,004**

	THE COMPANY		
	Investment fair value reserve	Amalgamation reserve	Total
	Rs'000	Rs'000	Rs'000
(b) (i) **2022**			
At July 1, 2021			
- as previously stated	-	(58,047)	(58,047)
- prior year adjustment (note 2.1(c))	2,009,186	-	2,009,186
- as restated	2,009,186	(58,047)	1,951,139
Change in fair value of investment in subsidiaries (note 8(a))	46,500	-	46,500
At June 30, 2022	**2,055,686**	**(58,047)**	**1,997,639**
(ii) 2021			
At July 1, 2020			
- as previously stated	-	-	-
- prior year adjustment (note 2.1(c))	947,389	-	947,389
- as restated	947,389	-	947,389
Change in fair value of investment in subsidiaries (note 8(a))	1,061,797	-	1,061,797
Amalgamation during the year (note 8(b))	-	(58,047)	(58,047)
At June 30, 2021	2,009,186	(58,047)	1,951,139

Financial assets at FVOCI reserve

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

Revaluation surplus

The revaluation surplus arises on the revaluation of land and building.

Translation reserves

The translation reserve comprise all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the Company's net investment in a foreign operations.

Actuarial gains

The actuarial gains reserve represents the cumulative remeasurement of defined benefit obligation recognised.

Investment fair value reserve

Gains/losses arising on investment in subsidiaries at fair value through other comprehensive income.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

19. OTHER RESERVES (CONT'D)

Amalgamation reserve

On April 9, 2021, F.O.M. Warehouses Ltd, Trans World International Ltd and Velogic Depot & Warehouses Ltd, wholly owned subsidiaries of Velogic Holding Company Limited amalgamated with Velogic Limited, another wholly owned subsidiary of the Company. The carrying amount of the investment in the subsidiaries have been accounted as amalgamation reserve.

20. BORROWINGS

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Non-current				
Bank loans	**389,112**	85,786	**190,583**	13,792
Loan from related parties (note 34)	**-**	-	**37,784**	27,117
Other loans	**3,966**	4,902	**-**	-
	393,078	90,688	**228,367**	40,909
Current				
Bank overdrafts	**31,931**	40,597	**721**	-
Bank loans	**125,147**	75,292	**31,909**	11,316
Loan from related parties (note 34)	**-**	111,738	**32,333**	30,000
Other loans	**4,867**	43,655	**-**	-
	161,945	271,282	**64,963**	41,316
Total borrowings	**555,023**	361,970	**293,330**	82,225

(a) The borrowings include secured liabilities (bank loans and borrowings with other financial institutions) amounting to **Rs 546.190 million** (2021: Rs 201.675 million) for the Group and **Rs 223.213 million** for the Company (2021: Rs 25.108 million). The bank borrowings are secured by floating charges on the assets of the Group including property, plant and equipment, investments and inventories (note 5, note 8 and 13).

Other loans comprise mainly of loans from minority shareholders of subsidiaries. The loans are unsecured and interest free (2021: 8.00% p.a).

(b) The exposure of the Group and the Company's borrowings to interest-rate changes and the contractual repricing dates are as follows:

	THE GROUP				
	2 months or less	2-12 months	1-5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At June 30, 2022					
Total borrowings	**51,798**	**110,147**	**282,856**	**110,222**	**555,023**
At June 30, 2021					
Total borrowings	48,015	223,267	88,605	2,083	361,970

	THE COMPANY				
	2 months or less	2-12 months	1-5 years	Over 5 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At June 30, 2022					
Total borrowings	**46,325**	**18,638**	**116,956**	**111,411**	**293,330**
At June 30, 2021					
Total borrowings	37,149	4,167	38,826	2,083	82,225

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

20. BORROWINGS (CONT'D)

(c) The maturity of borrowings is as follows:

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Non-current:				
1-2 years	**98,069**	48,066	**27,500**	31,284
2-5 years	**184,787**	40,539	**89,456**	7,542
More than five years	**110,222**	2,083	**111,411**	2,083
	393,078	90,688	**228,367**	40,909
Current:				
2 months or less	**51,798**	48,015	**46,325**	37,149
2-12 months	**110,147**	223,267	**18,638**	4,167
	161,945	271,282	**64,963**	41,316
Total borrowings	**555,023**	361,970	**293,330**	82,225

(d) Loan from related parties are unsecured and bear an interest of 3.50%-4.50% (2021: 3.30%-4.20%) p.a.

(e) The effective interest rates at the end of reporting period were as follows:

	2022	2021
	%	%
Bank loans - MUR	**3.10-5.10**	2.90-6.00
Bank loans - EURO	**3.36-3.90**	3.36-4.35
Loans from related companies	**3.50-4.50**	3.30-4.20
Other loans - USD	**-**	8.00
Bank overdrafts	**4.75-9.35**	3.54-9.45

(f) The carrying amounts of the Group's and the Company's borrowings are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Rupee	**381,642**	148,563	**293,330**	57,117
Euro	**54,309**	147,119	**-**	25,108
US Dollar	**67,754**	43,655	**-**	-
Kenya Shilling	**36,864**	-	**-**	-
Others	**14,454**	22,633	**-**	-
	555,023	361,970	**293,330**	82,225

(g) The carrying amounts of borrowings are not materially different from the fair value.

21. RETIREMENT BENEFIT OBLIGATIONS

Amount recognised in the statements of financial position as non-current liabilities:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Defined pension benefits (note 21(a)(ii))	**28,764**	28,456
Other post retirement benefits (note 21(b)(i))	**28,707**	29,631
	57,471	58,087
Amount charged to profit or loss:		
Defined pension benefits (note 21(a)(vi))	**1,579**	1,980
Other post retirement benefits (note 21(b)(v))	**4,451**	7,933
	6,030	9,913

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

21. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

Amount charged/(credited) to other comprehensive income:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Defined pension benefits (note 21(a)(vii))	**3,277**	(2,689)
Other post retirement benefits (note 21(b)(vi))	**(1,706)**	(32,057)
	1,571	(34,746)

(a) **Defined pension benefits**

(i) The Group contributes a defined contribution plan, the Rogers Pension Fund (RPF) (previously known as Rogers Money Purchase Retirement Fund (RMPRF)) which is governed by the employment laws of Mauritius, 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 contributing regularly to the RMPRF, have been given the guarantee by their respective employers that their benefits at the age of sixty, under the RMPRF would not be less than the benefits provided under the ex DBSF. The potential liability under the above guarantee is funded by additional employers' contributions and has been included in the provision made for retirement benefit obligations.

In addition to the above, three subsidiaries have defined benefit plans which are funded and where the plan assets are held by Swan Life Ltd.

The most recent actuarial valuations of the plan assets and the present value of the defined benefit obligations were carried out at June 30, 2022 by AON Hewitt Ltd (Actuarial Valuer). The present value of the defined benefit obligations, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

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

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Present value of defined benefit obligations	**37,470**	35,988
Fair value of plan assets	**(8,706)**	(7,532)
Liability in the statements of financial position	**28,764**	28,456

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

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
At July 1,	**28,456**	31,414
Charged to profit or loss	**1,579**	1,980
Charged/(credited) to other comprehensive income	**3,277**	(2,689)
Employer contributions	**(4,548)**	(2,249)
At June 30,	**28,764**	28,456

(iv) The movement in the defined benefit obligations over the year is as follows:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
At July 1,	**35,988**	40,377
Current service cost	**345**	482
Interest expense	**1,574**	1,328
Past service cost	**-**	431
Benefits paid	**(4,850)**	(4,011)
Liability experience (gain)/loss	**(239)**	2,020
Liability loss/(gain) due to change in financial assumptions	**459**	(4,628)
Liability loss/(gain) due to change in demographic assumptions	**4,193**	(11)
At June 30,	**37,470**	35,988

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

21. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined pension benefits (cont'd)

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

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
At July 1,	7,532	8,963
Interest income	340	261
Employer contributions	2,335	68
Benefits paid	(2,637)	(1,830)
Return on plan assets excluding interest income	1,136	70
At June 30,	8,706	7,532

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

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Current service cost	345	482
Past service cost	-	431
Net interest on net defined benefit liability	1,234	1,067
Total included in "employee benefit expense" (note 27)	1,579	1,980
Actual return on plan assets	1,476	331

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

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Return on plan assets above interest income	(1,136)	(70)
Liability experience (gain)/loss	(239)	2,020
Liability loss/(gain) due to change in financial assumptions	459	(4,628)
Liability loss/(gain) due to change in demographic assumptions	4,193	(11)
Total included in other comprehensive income	3,277	(2,689)

(viii) The allocation of plan assets at the end of the reporting period for each category, is as follows:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Equity - overseas quoted	1,546	1,395
Equity - local quoted	2,859	1,927
Local - unquoted	77	66
Debt - overseas unquoted	1,236	1,129
Debt - local quoted	464	399
Debt - local unquoted	1,082	1,063
Property - local	155	133
Cash and other	1,287	1,420
Total	8,706	7,532

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

21. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined pension benefits (cont'd)

(ix) The principal actuarial assumptions used for the purposes of the actuarial valuations were:

	THE GROUP	
	2022	2021
Discount rate	3.9%-5.3%	4.7%
Future salary increases	0.0%-3.0%	0.0%-3.0%
Future pension increases	1.0%	1.0%
Average retirement age (ARA)	60-65 years	60-65 years
Average life expectancy for:		
-Male at ARA (years)	17.4-19.5	13-19.5
-Female at ARA (years)	18.3-24.2	14-24.2

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

	THE GROUP			
	2022		2021	
	Increase	Decrease	Increase	Decrease
	Rs'000	Rs'000	Rs'000	Rs'000
Discount rate (1% movement)	15,912	6,896	13,787	5,906

An increase/decrease of 1% in other principal actuarial assumptions would not have a material impact on defined benefit obligations at the end of the reporting period.

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

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(xi) The defined benefit pension plan exposes the Group to actuarial risks such as investment risk, interest risk, longevity risk 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.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

21. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) **Defined pension benefits (cont'd)**

(xi) The defined benefit pension plan exposes the Group to actuarial risks such as investment risk, interest risk, longevity risk and salary risks. (cont'd)

Longevity risk

The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. 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.

(xii) The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan. The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries.

(xiii) Expected contributions to post-employment benefit plans for the next financial year are Rs 3.090 million (2021: Rs 1.194 million) for the Group.

(xiv) The weighted average duration of the defined benefit obligation ranges between 3-11 years at the end of the reporting period.

(b) **Other post retirement benefits**

Other post retirement benefits comprise mainly of gratuity on retirement payable under The Workers' Rights Act 2019 and other benefits.

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

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Present value of other post retirement benefits	30,011	29,631
Fair value of plan assets	(1,304)	-
Liability in the statements of financial position	28,707	29,631

(ii) The reconciliation of the opening balances to the closing balances is as follows:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
At July 1,	29,631	58,046
Charged to profit or loss	4,451	7,933
Credited to other comprehensive income	(1,706)	(32,057)
Employer contributions	(3,669)	(4,291)
At June 30,	28,707	29,631

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

21. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

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

(iii) The movement in the defined benefit obligations over the year is as follows:

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
At July 1,	29,631	58,046
Current service cost	3,125	4,987
Interest expense	1,325	1,986
Past service cost	1	960
Liability experience loss/(gain)	2,529	(7,262)
Liability experience gain due to change in demographic assumptions	(5,411)	(21,855)
Liability loss/(gain) due to change in financial assumptions	1,176	(2,940)
Benefits paid	(2,365)	(4,291)
At June 30,	30,011	29,631

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

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
At July 1,	-	-
Employer contributions	1,819	-
Benefits paid	(515)	-
At June 30,	1,304	-

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

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Current service cost	3,125	4,987
Past service cost	1	960
Net interest expense	1,325	1,986
Total included in "employee benefit expense" (note 27)	4,451	7,933

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

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Liability experience loss/(gain)	2,529	(7,262)
Liability experience gain due to change in demographic assumptions	(5,411)	(21,855)
Liability loss/(gain) due to change in financial assumptions	1,176	(2,940)
Total included in other comprehensive income	(1,706)	(32,057)

(vii) The principal actuarial assumptions used for the purposes of the actuarial valuations were:

	THE GROUP	
	2022	2021
Discount rate	3.6%-5.3%	4.65%
Future salary increases (staff/workers)	3.0%	1.0%-3.0%
Future pension increases	0.0%-1.0%	0.0%
Average retirement age (ARA)	65 years	65 years
Average life expectancy for:		
-Male at ARA (years)	15.9	15.9
-Female at ARA (years)	17.6-20	16.6-24.2

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

21. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

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

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

	THE GROUP			
	2022		2021	
	Increase	Decrease	Increase	Decrease
	Rs'000	Rs'000	Rs'000	Rs'000
Discount rate (1% movement)	3,623	3,040	5,681	4,085

An increase/decrease of 1% in other principal actuarial assumptions would not have a material impact on the retirement gratuity at the end of the reporting period.

The sensitivity above has been determined based on a method that extrapolates the impact on the retirement gratuity as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the retirement gratuity has been calculated using the projected unit credit method.

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(ix) The Other post retirement benefits exposes the Group to actuarial risks such as investment risk, interest risk, longevity risk and salary risks. The risks have been disclosed in note (a)(xi) above.

(x) The funding policy is to pay contributions to an external legal entity at the rate recommended by the entity's actuaries. Expected contributions to post-employment benefit plans for the next financial year are **Rs 4.243 million** (2021: Rs 0.727 million) for the Group.

(xi) The weighted average duration of the retirement gratuity ranges between 5 - 26 years at the end of the reporting period.

22. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Trade payables	378,288	411,537	-	-
Accruals	229,422	340,190	6,941	9,328
Other payables	93,936	97,847	1,173	2,600
Amounts due to related parties (note 34)	488	1,612	703	26,880
	702,134	851,186	8,817	38,808

(a) The carrying amounts of trade and other payables approximate their fair values.

(b) Amount due to related parties are unsecured, free of interest and repayable on demand.

(c) Accruals and other payables include provision for end of year bonus, performance bonus and VAT payable.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

23. CONTRACT LIABILITIES

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
At July 1,	14,897	20,039
Amounts included in contract liabilities that was recognised as revenue during the period	(14,807)	(20,039)
Cash received in advance of performance and not recognised as revenue during the period	19,707	14,897
At June 30,	19,797	14,897

Contract liabilities include advances received for port services, packing, shipping and freight forwarding services for which performance obligations were not yet satisfied at end of the reporting period. The outstanding balances of these accounts increased in June 2022 as more advances were received from customers.

24. DIVIDENDS

(a) The movement in the statements of financial position is as follows:

	Equity holders	Non-controlling interests	Total
	Rs'000	Rs'000	Rs'000
(i) **2022**			
Balance at July 1, 2021	19,000	1,956	20,956
Dividend declared during the year	67,331	15,263	82,594
Dividend paid	(46,120)	(11,841)	(57,961)
Balance at June 30, 2022	40,211	5,378	45,589

	Equity holders	Non-controlling interests	Total
	Rs'000	Rs'000	Rs'000
(ii) 2021			
Balance at July 1, 2020	15,000	225	15,225
Dividend declared during the year	41,000	5,332	46,332
Dividend paid	(37,000)	(3,601)	(40,601)
Balance at June 30, 2021	19,000	1,956	20,956

(b) Amounts recognised as distributions to equity holders in the year:

	THE GROUP AND THE COMPANY	
	2022	2021
	Rs'000	Rs'000
Interim dividend for the year ended June 30, 2022 of Rs 0.29 per share (2021: Rs 0.24)	27,120	22,000
Final dividend for the year ended June 30, 2022 of Rs 0.43 (2021: Rs 0.20) per share	40,211	19,000
	67,331	41,000

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

25. REVENUE FROM CONTRACT WITH CUSTOMERS

(a) Disaggregation of revenue

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Sale of services:				
Freight forwarding, customs brokerage and courier services	**3,610,998**	2,540,213	**-**	-
Port related and transport services	**811,492**	944,330	**-**	-
Packing & shipping	**169,650**	197,794	**-**	-
	4,592,140	3,682,337	**-**	-
Sale of goods:				
Containers	**34,485**	25,418	**-**	-
Revenue from contract with external customers	**4,626,625**	3,707,755	**-**	-
Analysed as follows:				
Continuing operations	**3,658,567**	3,059,846	**-**	-
Discontinued operations	**968,058**	647,909	**-**	-
	4,626,625	3,707,755	**-**	-

(b) Timing of revenue recognition

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
At a point in time	**4,626,625**	3,707,755	**-**	-
Over time	**-**	-	**-**	-
	4,626,625	3,707,755	**-**	-

26. EXPENSES BY NATURE

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Cost of services rendered	**3,246,409**	2,387,564	**-**	-
Raw materials and consumables used	**43,149**	52,378	**-**	-
Total direct costs	**3,289,558**	2,439,942	**-**	-
IT expenses	**13,492**	15,861	**49**	-
Telecommunication expenses	**11,478**	12,006	**-**	-
Advertising and promotion	**2,496**	3,879	**52**	2,000
Professional fees	**33,472**	38,027	**7,204**	8,416
Rental expense	**8,824**	9,468	**-**	-
Rates, taxes and licences	**9,798**	8,926	**454**	-
Insurance	**16,254**	15,528	**-**	-
Office supplies	**9,539**	8,490	**-**	-
Overseas travelling - Business	**5,164**	1,588	**-**	-
Commissions payable	**1,452**	1,251	**-**	-
Irrecoverable VAT	**5,697**	2,249	**2,194**	-
Miscellaneous expenses	**100,249**	70,547	**364**	319
Total direct costs and other expenses	**3,507,473**	2,627,762	**10,317**	10,735
Analysed as follows:				
Direct costs				
Continuing operations	**2,437,925**	1,886,577	**-**	-
Discontinued operations	**851,633**	553,365	**-**	-
	3,289,558	2,439,942	**-**	-
Other expenses				
Continuing operations	**187,957**	156,039	**10,317**	10,735
Discontinued operations	**29,958**	31,781	**-**	-
	217,915	187,820	**10,317**	10,735
Total direct costs and other expenses	**3,507,473**	2,627,762	**10,317**	10,735

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

27. EMPLOYEE BENEFIT EXPENSE

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Wages and salaries	**682,085**	676,257	**427**	-
Termination benefits	**8,380**	6,060	**-**	-
Pension costs - defined contribution plans	**14,139**	8,826	**-**	-
Pension costs - defined benefit plans (note 21(a)(vi))	**1,579**	1,980	**-**	-
Pension costs - other post retirement benefits (note 21(b)(v)	**4,451**	7,933	**-**	-
	710,634	701,056	**427**	-
Analysed as follows:				
Continuing operations	**640,675**	643,043	**427**	-
Discontinued operations	**69,959**	58,013	**-**	-
	710,634	701,056	**427**	-

Wage subsidy

In response to the COVID-19 coronavirus pandemic, the government of Mauritius introduced a wage subsidy programme (Government Wage Assistance Scheme (GWAS)) in March 2020. For the financial year ended June 30, 2021, the programme ensured that all employees are duly paid their salary for the month of March 2021.

Under the scheme, a business entity in the private sector was entitled to receive, for the month of March 2021, a monthly allowance equivalent to one month basic wage of all employees drawing a monthly wage of up to Rs 50,375 capped at Rs 25,375 of assistance per employee.

The Group has received an amount of Rs 4.216 million in 2021 from the Government Wage Assistance Scheme. The Group presents grants related to income as 'employee benefit expenses' in the statement of profit or loss.

28. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Interest expense:				
- Bank overdraft	**(9,191)**	(8,338)	**-**	(2)
- Loans from holding company	**(1,340)**	(4,604)	**-**	-
- Loan from subsidiary companies	**-**	-	**(1,850)**	(965)
- Bank loans repayable by instalments	**(15,707)**	(6,523)	**(6,638)**	(976)
- Other loans not repayable by instalments	**-**	(4,253)	**-**	-
	(26,238)	(23,718)	**(8,488)**	(1,943)
- Leases	**(14,939)**	(17,853)	**-**	-
	(41,177)	(41,571)	**(8,488)**	(1,943)
Analysed as follows:				
Continuing operations	**(38,560)**	(38,447)	**(8,488)**	(1,943)
Discontinued operations	**(2,617)**	(3,124)	**-**	-
	(41,177)	(41,571)	**(8,488)**	(1,943)

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

29. PROFIT BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
Profit before taxation is arrived at after:	Rs'000	Rs'000	Rs'000	Rs'000
Crediting:				
Profit on disposal of property, plant and equipment	**18,293**	3,752	-	-
and charging:				
Impairment of financial assets (note 14(a))	**5,415**	12,752	-	-
Lease rentals	**8,824**	9,468	-	-
Depreciation on:				
-property, plant and equipment (note 5(e))	**95,623**	88,964	-	-
-right-of-use assets (note 6(e))	**75,402**	95,500	-	-
Amortisation of intangible assets (note 7(c))	**10,114**	9,931	-	-
Employee benefit expense (note 27)	**710,634**	701,056	427	-

30. DISCONTINUED OPERATIONS

Rogers IDS SAS (France), a wholly owned subsidiary, has a solid reputation in the textile sector and treats with the large buying houses. In order to maintain its competitive position in a market that depends on aggressive pricing, a strategic partnership has been made to derive economies of scale and lower operational costs. Thus, in May 2022, the Group disposed 70% of its investment in Rogers IDS SAS (France) and its results was presented as discontinued operations.

(a) The results of Rogers IDS SAS (France) are presented on page 106.

The net cash flows incurred by Rogers IDS SAS (France) are, as follows:	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Operating activities	**8,084**	(49,541)
Investing activities	**(14,186)**	(1,686)
Financing activities	**(2,243)**	64,738
Net cash (outflow)/inflow	**(8,345)**	13,511

(b) **Analysis of assets and liabilities over which control was lost at the date of disposal is as follows:**

	THE GROUP	
	2022	
	Rs'000	Rs'000
Non-current assets		
Property, plant and equipment	**2,718**	
Right-of-use assets	**6,336**	**9,054**
Current assets		
Trade receivables	**131,169**	
Contract assets	**1,950**	
Loans and other receivables	**20,016**	
Other assets	**12,209**	
Cash in hand and at bank	**32,113**	**197,457**
Non-current liabilities		
Lease liabilities		**(6,278)**
Current liabilities		
Trade and other payables	**(183,732)**	
Bank overdraft	**(116)**	
Lease liabilities	**(190)**	**(184,038)**
Net assets disposed		**16,195**

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

30. DISCONTINUED OPERATIONS (CONT'D)

(c) **Gain on disposal of subsidiary**

	THE GROUP
	2022
	Rs'000
Consideration received for 70% of the shares of Rogers IDS SAS (France)	**19,499**
Fair value of remaining 30% - accounted as investment in associate (note 9)	**8,357**
	27,856
Net assets disposed	**(16,195)**
Release of translation reserves	**10,283**
Gain on disposal	**21,944**

The gain on disposal is included in profit or loss for the year from discontinued operations in the consolidation statement of profit or loss (page 106).

(d) **Net cash outflow on disposal of subsidiary**

	THE GROUP
	2022
	Rs'000
Cash consideration received in cash and cash equivalents	**19,499**
Less cash and cash equivalents balances disposed of:	
Cash in hand and at bank	**(32,113)**
Bank overdraft	**116**
	(31,997)
Net cash outflow	**(12,498)**

31. EARNINGS PER SHARE

		THE GROUP	
		2022	2021
Profit attributable to the equity holders of the parent:			
- Continuing operations and discontinued operations	Rs'000	**198,270**	114,943
- Continuing operations	Rs'000	**173,595**	110,890
- Discontinued operations	Rs'000	**24,675**	4,053
Weighted average number of shares in issue		**93,515,565**	93,515,565
Earnings per share:			
- Continuing operations and discontinued operations	Rs	**2.12**	1.23
- Continuing operations	Rs	**1.86**	1.19
- Discontinued operations	Rs	**0.26**	0.04

There is no dilutive instruments at June 30, 2022 (2021: none).

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

32. NOTES TO THE STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
(a) Cash generated from/(absorbed in) operations				
Profit before taxation from continuing operations	264,769	209,160	92,975	48,813
Profit before taxation from discontinued operations	24,675	4,053	-	-
Adjustments for:				
Depreciation on property, plant and equipment (note 5)	95,623	88,964	-	-
Profit on disposal of property, plant and equipment	(18,293)	(3,752)	-	-
Depreciation on right-of-use assets (note 6)	75,402	95,500	-	-
(Gain)/loss on disposal of right-of-use assets	(470)	923	-	-
Effect of modification to lease terms	-	844	-	-
Amortisation of intangible assets (note 7)	10,114	9,931	-	-
Share of loss of associate (note 9)	339	-	-	-
Retirement benefit obligations	(2,187)	3,373	-	-
Dividend income	-	-	(104,237)	(63,176)
Profit on disposal of subsidiary	(21,944)	-	-	-
Release of translation reserve (note 30(c))	10,283	-	-	-
Interest income	(3,694)	(3,146)	(8,388)	(1,196)
Interest expense	41,177	41,571	8,488	1,943
	475,794	447,421	(11,162)	(13,616)
Changes in working capital:				
- (increase)/decrease in inventories	(4,714)	9,599	-	-
- (increase)/decrease in trade receivables	(106,700)	931	-	-
- decrease/(increase) in contract assets	10,417	(7,841)	-	-
- decrease/(increase) in loans and other receivables	45,954	(36,392)	-	19
- (increase)/decrease in prepayments	(5,184)	(47,431)	(31)	395
- increase/(decrease) in trade and other payable	34,680	235,789	(3,111)	10,878
- increase/(decrease) in contract liabilities	4,900	(5,142)	-	-
Cash generated from/(absorbed in) operations	455,147	596,934	(14,304)	(2,324)

(b) Cash and cash equivalents	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Cash in hand and at bank	440,518	473,681	1,233	6,085

Cash and cash equivalents and bank overdraft include the following for the purpose of the statements of cash flows.

	THE GROUP		THE COMPANY	
	2022	2021	2022	2021
	Rs'000	Rs'000	Rs'000	Rs'000
Cash and cash equivalents	440,518	473,681	1,233	6,085
Bank overdrafts	(31,931)	(40,597)	(721)	-
	408,587	433,084	512	6,085

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

32. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

(c) Reconciliation of liabilities arising from financing activities:

	THE GROUP			
	Bank and other loans	Loan from related parties	Lease liabilities	Total
	Rs'000	Rs'000	Rs'000	Rs'000
(i) 2022				
At July 1, 2021	209,635	111,738	265,768	587,141
Cash flows - Proceeds	529,521	-	-	529,521
Cash flows - Capital payments	(212,753)	(111,738)	(71,493)	(395,984)
Cash flows - Interest payments	-	-	(14,939)	(14,939)
Non-cash changes:				
- additions	-	-	75,901	75,901
- interest accrued	4,848	-	14,939	19,787
- foreign exchange movements	(8,159)	-	(3,432)	(11,591)
- terminated leases	-	-	(7,718)	(7,718)
- on disposal of subsidiary	-	-	(6,468)	(6,468)
- effect of modification to lease terms	-	-	(67)	(67)
At June 30, 2022	523,092	-	252,491	775,583
(ii) 2021				
At July 1, 2020	262,735	150,379	354,651	767,765
Cash flows - Proceeds	170,519	-	-	170,519
Cash flows - Capital payments	(243,707)	(38,641)	(95,693)	(378,041)
Cash flows - Interest payments	-	-	(17,853)	(17,853)
Non-cash changes:				
- additions	-	-	64,486	64,486
- interest accrued	-	-	17,853	17,853
- foreign exchange movements	20,088	-	5,795	25,883
- effect of modification to lease terms	-	-	(63,471)	(63,471)
At June 30, 2021	209,635	111,738	265,768	587,141

	THE COMPANY		
	Bank and other loans	Loan from related parties	Total
	Rs'000	Rs'000	Rs'000
(iii) 2022			
At July 1, 2021	25,108	57,117	82,225
Cash flows - Proceeds	205,041	15,000	220,041
Cash flows - Capital payments	(10,707)	(2,000)	(12,707)
Non-cash changes:			
- interest accrued	3,659	-	3,659
- foreign exchange movements	(609)	-	(609)
At June 30, 2022	222,492	70,117	292,609

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

32. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

(c) Reconciliation of liabilities arising from financing activities: (cont'd)

	THE COMPANY		
	Bank and other loans	Loan from related parties	Total
	Rs'000	Rs'000	Rs'000
(iv) 2021			
At July 1, 2020	24,985	60,493	85,478
Cash flows - Proceeds	17,959	3,500	21,459
Cash flows - Capital payments	(16,876)	(6,876)	(23,752)
Non-cash changes:			
- foreign exchange movements	(960)	-	(960)
At June 30, 2021	25,108	57,117	82,225

33. BUSINESS SEGMENTS

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 as management determined these segments are based on major product lines.

There are three main reportable segments:

Freight forwarding - freight forwarding services, custom brokerage and courier services;

Port services - port related, transport services and warehousing; and

Packing & shipping - packing of special sugars and shipping services.

In 2022, the information disclosed for shipping and packing have been grouped together. These were presented separately in 2021. Freight forwarding has been renamed to Freight forwarding, customs, brokerage and courier.

Packing & shipping has been aggregated as they are considered by management to be immaterial individually and does not involve any judgement.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. The Group evaluates performance on the basis of profit or loss and account for intersegment sales and transfers as if the sales or transfer were to third parties, that is, at current market prices.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

33. BUSINESS SEGMENTS (CONT'D)

	THE GROUP					
	Continuing operations				Discontinued operations	
	Freight Forwarding	Port services	Packing & Shipping	Total	Freight Forwarding	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(a) **2022**						
Total segment revenues	2,996,996	973,816	182,684	4,153,496	1,131,518	5,285,014
Inter-segment revenues	(354,056)	(127,839)	(13,034)	(494,929)	(163,460)	(658,389)
Revenues from external customers	2,642,940	845,977	169,650	3,658,567	968,058	4,626,625
Gross profit	657,364	454,406	108,872	1,220,642	116,425	1,337,067
Profit before finance costs, tax, depreciation and amortisation	240,769	188,004	52,278	481,051	8,765	489,816
Depreciation and amortisation	(62,550)	(105,770)	(9,402)	(177,722)	(3,417)	(181,139)
Finance costs	(21,747)	(14,310)	(2,503)	(38,560)	(2,617)	(41,177)
Profit before tax	156,472	67,924	40,373	264,769	2,731	267,500
Taxation	(63,369)	(3,594)	(6,888)	(73,851)	-	(73,851)
Profit after tax	93,103	64,330	33,485	190,918	2,731	193,649
Profit on disposal of subsidiary	-	-	-	-	21,944	21,944
Profit for the year	93,103	64,330	33,485	190,918	24,675	215,593
Assets	1,749,829	1,477,471	191,582	3,418,882	-	3,418,882
Liabilities	1,065,449	535,021	129,546	1,730,016	-	1,730,016
Capital expenditure:						
-property, plant and equipment	43,857	169,647	4,571	218,075	-	218,075
-intangible assets	2,319	24	-	2,343	-	2,343
Depreciation of:						
-property, plant and equipment	27,784	65,537	1,200	94,521	1,102	95,623
-right-of-use assets	28,216	36,746	8,152	73,114	2,288	75,402
Amortisation of intangible assets	5,605	3,489	993	10,087	27	10,114

Notes to the Financial Statements

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2022

33. BUSINESS SEGMENTS (CONT'D)

	THE GROUP					
	Continuing operations				Discontinued operations	
	Freight Forwarding	Port services	Packing & Shipping	Total	Freight Forwarding	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(b) 2021						
Total segment revenues	2,081,151	1,107,509	209,686	3,398,346	755,629	4,153,975
Inter-segment revenues	(188,847)	(137,761)	(11,892)	(338,500)	(107,720)	(446,220)
Revenues from external customers	1,892,304	969,748	197,794	3,059,846	647,909	3,707,755
Gross profit	638,602	409,886	124,781	1,173,269	94,544	1,267,813
Profit before finance costs, tax, depreciation and amortisation	120,030	251,021	67,186	438,237	10,942	449,179
Depreciation and amortisation	(53,685)	(127,843)	(9,102)	(190,630)	(3,765)	(194,395)
Finance costs	(19,830)	(16,492)	(2,125)	(38,447)	(3,124)	(41,571)
Profit before tax	46,515	106,686	55,959	209,160	4,053	213,213
Taxation	(37,482)	(13,008)	(11,671)	(62,161)	-	(62,161)
Profit for the year	9,033	93,678	44,288	146,999	4,053	151,052
Assets	1,633,611	1,453,467	194,335	3,281,413	219,401	3,500,814
Liabilities	873,450	496,776	117,131	1,487,357	202,699	1,690,056
Capital expenditure:						
- property, plant and equipment	37,791	54,808	1,055	93,654	1,749	95,403
- intangible assets	1,273	-	74	1,347	-	1,347
Depreciation of:						
- property, plant and equipment	20,722	66,013	1,161	87,896	1,068	88,964
- right-of-use assets	26,841	58,280	7,847	92,968	2,532	95,500
Amortisation of intangible assets	5,207	3,549	1,010	9,766	165	9,931

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

34. RELATED PARTY TRANSACTIONS

	THE GROUP						
	Sale of goods or services	Purchases of goods or services	Management fees	Finance costs	Amount owed by related parties	Amount owed to related parties	Loan payable
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(a) (i) **2022**							
Trading transactions							
Holding company	**-**	**-**	**36,046**	**1,881**	**-**	**-**	**-**
Fellow subsidiaries	**38,267**	**14,902**	**-**	**-**	**2,312**	**488**	**-**
	38,267	**14,902**	**36,046**	**1,881**	**2,312**	**488**	**-**
(ii) 2021							
Trading transactions							
Holding company	-	-	28,500	4,604	-	-	111,738
Fellow subsidiaries	13,693	22,624	-	-	1,807	1,612	-
	13,693	22,624	28,500	4,604	1,807	1,612	111,738

	THE COMPANY					
	Interest income	Dividend income	Finance costs	Amount owed by related parties	Amount owed to related parties	Loan payable
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(b) (i) **2022**						
Trading transactions						
Subsidiary companies	**8,388**	**104,237**	**(1,850)**	**262,280**	**703**	**70,117**
	8,388	**104,237**	**(1,850)**	**262,280**	**703**	**70,117**
(ii) 2021						
Trading transactions						
Subsidiary companies	1,196	63,176	(965)	52,099	26,880	57,117
	1,196	63,176	(965)	52,099	26,880	57,117

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

34. RELATED PARTY TRANSACTIONS (CONT'D)

(c) **Key management personnel compensation**

	THE GROUP	
	2022	2021
	Rs'000	Rs'000
Salaries and short term employee benefits	122,985	103,691
Post-employment benefits	20,916	17,947
	143,901	121,638

(d) For the year ended June 30, 2022, the Company has not recorded any impairment of receivable relating to amounts owed by related parties (2021: nil).

35. BUSINESS COMBINATIONS

Acquisition of additional interest in VK Logistics Ltd (note 8(e))

On July 1, 2021, Rogers Logistics International Ltd, a subsidiary, acquired 49% interest in VK Logistics Ltd, increasing its ownership from 51% to 98.5%. The carrying amount of VK Logistics Ltd's net assets in the consolidated financial statements on the date of acquisition was Rs 357.798 million. The Group recognised a decrease in non-controlling interest of Rs 170.560 million. The purchase consideration paid was of Rs 228.257 million.

The following summarises the effect of changes in the Group's ownership interest in VK Logistics Ltd:

	THE GROUP
	2022
	Rs'000
Parent's ownership interest at beginning of period	182,477
Effect of increase in parent's ownership interest	170,560
Parent's ownership interest at end of period	353,037

36. CONTINGENT LIABILITIES

At June 30, 2022, the Company had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities would arise. The Company has given guarantees in the ordinary course of business, amounting to **Rs 681.573 million** (2021: Rs 751.276 million) to third parties.

37. COMMITMENTS

Capital expenditure for property, plant and equipment contracted for at the end of the reporting period but not yet incurred for the Group was Rs 3.537 million (2021: nil).

38. GOING CONCERN

The Coronavirus disease 2019 ("COVID-19") outbreak has caused extensive disruptions to businesses operation around the globe. On March 11, 2020, COVID-19 was labelled as pandemic by the World Health Organisation. 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.

Notes to the Financial Statements

YEAR ENDED JUNE 30, 2022

38. GOING CONCERN (CONT'D)

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 mainly in the Logistics and Transportation sector across 7 countries including Mauritius. It has been considered the impact of the COVID-19 outbreak on its operations.

In the Logistics served market, the Air freight and Courier activities have been affected by the closure of the airport and is expected to impact revenues and profits. Other activities of the Group were not directly impacted but will suffer indirect consequences of the pandemic.

The Group and the Company have generated a profit of Rs 215.593 million and Rs 92.408 million respectively for the year ended June 30, 2022 (2021: Rs 151.052 million for the Group and Rs 48.506 million for the Company). As at that date, the Group and the Company have positive net assets of Rs 1.689 billion and Rs 3.065 billion respectively (June 30, 2021: Rs 1.811 billion for the Group and Rs 2.993 billion for the Company). Moreover, as at June 30, 2022, the Company's current liabilities exceeded its current assets by Rs 10.851 million (June 30, 2021: Rs 16.275 million). Included in the current liabilities are amount due to related parties amounting to Rs 33.036 million (2021: Rs 56.880 million).

The entity's operations and that of its subsidiaries have not been significantly impacted by Covid-19 due to the industries they operate. The main source of revenues to the Company is dividend income which is sustainable due to the profitability situation of the subsidiaries. Moreover, the expenses of the Company are not significant and the Company has the resources available to settle its current and future debts.

Based on this evaluation, the directors have made assessment of the Company's ability to continue as a going concern taking into account all available information about the future including the analysis of the possible impacts in relation to COVID-19, which is at least, but not limited to, twelve months from the date of approval of these financial statements and confirm that they have not identified events or conditions that may cast significant doubt in the Company's ability to continue as a going concern.

The Group will however continue to monitor the impact that COVID-19 may have on its operations and reflect the consequences as appropriate on its accounting and reporting.

<u>**Ukraine and Russian conflict**</u>

On 24 February 2022, The Russian Federation launched a full-scale invasion into Ukraine sovereign state. The potential impacts from the emerging Ukraine and Russian conflict remain uncertain, including but not limited to, on global economic conditions, asset valuations, interest rate expectations and exchange rates. Although the extent of these impacts has not been assessed at this stage, currently there is no direct impact on the Group as it does not have any transactions with both Ukraine and Russia.

<u>**Cash flow and liquidity**</u>

The Group debt to Equity ratio was 22% at 30 June 2022 compared to 9% at 30 June 2021. The group has taken the following measures to improve cash flow and liquidity management:

- Regular committee meetings ensure that the working capital is well managed, especially debtors' collection and creditors payment due dates;
- The team of debt collectors monitor all the outstanding debts closely;
- Credit insurance is taken to protect from the non-recoverability of debtors; and
- The Group has well established procedures to grant credit facilities as well as a robust KYC and vetting process.

The above measures taken will reduce liquidity issues and increase resilience. They will help the Group to overcome the crisis whilst continuing to invest in businesses for long term growth.

39. EVENTS AFTER REPORTING DATE

There were no other material event after the reporting date to the date that these financial statements were authorised for issue that warrants adjustments or disclosures in these financial statements.

Supplementary Information

Velogic has prepared its Integrated Annual Report in accordance with GRI (Global Reporting Initiative) standards. The GRI Standards have been continuously developed to represent the world's best practices for reporting on economic, environmental and social impacts. The report also shows how our activities have contributed to the Sustainability Development Goals (SDGs).

GRI disclosures: Each business unit prioritised the economic, social and environmental impacts of their activities from a sustainability point of view (short and long-term), based on Global Reporting Initiative (GRI) Topics. This included both negative impacts and their main contributions towards the United Nations Sustainable Development Goals.

Link to SDGs: Each section identified how their sustainability topics supported the SDGs.

GRI and SDGs Disclosure Index

GRI General Disclosures	Disclosures	IR section	Link to SDGs	Page Number
GRI 102- General Disclosures 2016	1. Organisational Profile			
	102-1 - Name of the organisation	Front cover/Glossary of terms		6-7
	102-2 - Activities, brands, products, and services	Mission and vision, Main service brands, Main activities		14-15
	102-3 - Location of Headquarters	Back cover		
	102-4 - Location of operations	About Velogic		10-11
	102-5 - Ownership and legal form	Corporate Governance		52-80
	102-6 - Market served	Mission and vision, Main service brands, Main activities and Our One-Stop-Shop offer		14-17
	102-7 - Scale of the organisation	About Velogic, Mission and Vision		10-11, 14
	102-8 - Information on employees and other workers	Human capital	8, 10	46-47
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	102-11 - Precautionary Principle or approach	Risk Management		84-93
	102-12 - External initiative	Social and relationship capital, Natural capital		42-43, 48
	2. Strategy			
	102-14 - Statement from senior decision-maker	Chairman's message, CEO's report, CFO's report		22-37
	102-15 - Key impacts, risks and opportunities	Risk Management		84-93
	3. Ethics and integrity			
	102-16 - Values, principles, standards, and norms of behaviours	Available on website www.velogic.net (Code of Ethics)	16	
	102-17 - Mechanisms for advice and concerns about ethics	Available on website www.velogic.net (Code of Ethics)	16	
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	102-18 - Governance structure	Corporate Governance		52-80
	102-19 - Delegating authority	Corporate Governance		52-80
	102-20 - Executive-level responsibility for economic, environmental, and social topics	Corporate Governance		52-81
	102-21 - Consulting stakeholders on economic, environmental, and social topics	Social and relationship capital	8	42-43
	102-22 - Composition of the highest governance body and its committees	Corporate Governance	16	52-80
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GRI General Disclosures	Disclosures	IR section	Link to SDGs	Page Number
	102-24 - Nominating and selecting the highest governance body	Corporate Governance	16	52-80
	102-27 - Collective knowledge of highest governance body	Corporate Governance		52-80
	102-28 - Evaluating the highest governance body's performance	Corporate Governance		52-80
	102-29 - Identifying and managing economic, environmental, and social impacts	Risk Management	16	84-93
	102-30 - Effectiveness of risk management processes	Risk Management		84-93
	102-35 - Remuneration policies	Corporate Governance		52-80
	102-36 - Process for determining remuneration	Corporate Governance		52-80
	5. Stakeholder engagement			
	102-42 - Identifying and selecting stakeholders	Social and relationship capital		42-43
	102-43 - Approach to stakeholder engagement	Social and relationship capital		42-43
	102-44 - Key topics and concerns raised	Risk Management		84-93
	6. Reporting practices			
	102-45 - Entities included in the consolidated financial statements	Financial Performance		104-181
	102-46 - Defining report content and topic boundaries	About the Report		2-3
	102-47 - List of material topics	Corporate Governance		52-80
	102-48 - Restatements of information	Financial Performance		104-181
	102-49 - Changes in reporting	Not applicable - first year of reporting on GRI material topics		
	102-50 - Reporting period	Financial Performance		104-181
	102-51 - Date of most recent report	Information available on website www.velogic.net		
	102-52 - Reporting cycle	Financial Performance		104-181
	102-53 - Contact point for questions regarding the report	Website www.velogic.net or contact investor relations team at investors@velogic-mu.com		
	102-54 - Claims of reporting in accordance with the GRI Standards	About the Report		2-3
	102-56 - External assurance	Financial Performance- Independent Auditor's Report		98-103
GRI 103- Management Approach 2016				
	103-1 - Explanation of Material Topics and Boundaries	Corporate Governance		52-81
	103-2 - The management approach and its components	CEO's report, CFO's report, Value creation, Financial Performance		26-37, 40-48, 104-181
	103-3 - Evaluation of the management approach	Financial Performance, Independent Auditor's Report, Value creation		104-181, 98-103, 40-48
GRI 201- Economic Performance 2016				
	201-1 - Direct economic value generated and distributed	CEO's report, CFO's report	8, 9	26-37
	201-2 - Financial implications and other risks and opportunities due to climate change	Risk Management	13	84-93
GRI 302- Energy 2016				
	302-1 - Energy consumption within the organization	Natural capital	7, 12	48
	302-2 - Energy consumption outside the organization	Not applicable: boundaries outside not yet defined		

GRI General Disclosures	Disclosures	IR section	Link to SDGs	Page Number
	302-4 - Reduction of energy consumption	Natural capital	7, 12	48
	302-5 - Reduction in energy requirements of products and services	Natural capital	7, 12	48
GRI 306- Waste				
	306-1 - Waste generation and significant waste-related impacts	Natural capital	3, 12	48
	306-2 - Management of significant waste-related impacts	Natural capital	3, 12	48
	306-3 - Waste generated	Natural capital	3, 12	48
	306-4 - Waste diverted from disposal	Natural capital	3, 12	48
	306-5 - Waste directed to disposal	Natural capital	3, 12	48
GRI 401- Employment 2016				
	401-1 - New employee hires and employee turnover	Human capital		46-47
	401-2 - Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human capital	3, 5, 8, 10	46-47
GRI 403- Occupational Health & Safety 2018				
	403-1 - Occupational health and safety management system	Risk Management	3, 8, 16	84-93
	403-4 - Worker participation, consultation and communication on occupational health and safety	Human capital	3, 8, 16	46-47
	403-5 - Worker training on occupational health and safety	Human capital	3, 8, 16	46-47
	403-6 - Promotion of worker health	Human capital	3, 8, 16	46-47
	403-10 - Work-related ill health	Human capital	3, 8, 16	46-47
GRI 404- Training & Education 2016				
	404-2 - Programs for upgrading employee skills and transition assistance programs	Human capital	4, 5, 8, 10	46-47
GRI 405- Diversity & Equal Opportunity				
	405-1 - Diversity of governance bodies and employees	Human capital, Corporate Governance	5, 8, 10	46-47, 52-80
	405-2 - Ratio of basic salary and remuneration of women to men	Information not available		
GRI 406- Non-discrimination 2016				
	406-1 - Incidents of discrimination and corrective actions taken	Information not available		
GRI 413- Local Communities 2016				
	413-1 - Operations with local community engagement, impact assessments and development programs	Social and relationship capital, Human capital	4, 5, 10, 11	42-43
	413-2 - Operations with significant actual or potential negative impacts on local communities	Information not available		

SDGs

Directors of Subsidiary Companies

	Abraham Bertrand Denis	Arrowsmith Sarah Carmen	Avrillon Francis Vincent	Barbier Vincent Jean Pierre	Bhatt Mehul Hitesh Kumar	Brewis Martin John	Cargill Christopher	Chellapermal Radhakrishna	De Comarmond Marie Maurice André	Driver H. W. Anthony	Elysee David	Espitalier-Noël M.E. Gilbert	Espitalier-Noël M. H. Philippe	Espitalier-Noël H. J. Thierry	Evard Christoph	Girard Sylvain	Gobindram Shah Nawaz	Hugnin Thierry	Humath Rajesh	Hung Han Yun Denis	Jeeawock Gianduth	Kone-Dicoh Khady-Lika	Lagesse Marcel Ernest Clement	Lalsing Krishnajee	Lim Guat Hua Shirley	Mamet Jean Evenor Damien	Mokar Shah Kirtikumar	Noel Alexandre Jospeth Raoul	Nunkoo Nayendranath	Olivier Vivian	Rigouzzo Luc Andre Emmanuel	Ronoowah Rishi Kapoor	Sangeelee Naveen	Wong-Vacher Belinda	Yue Chi Ming Tony
Associated Container Services Limited									X																				C				X		
Cargo Express Madagascar S.A.R.L.									X																										X
Express Logistics Solutions Ltd	X								X											X									X				X		
Freeport Operations (Mauritius) Ltd	X								X											X									X				X		
Gencargo (Transport) Limited (Kenya)					X																						X		X				X		
General Cargo Services Limited (Kenya)					X																						X		X				X		
Global Air Cargo Services Ltd									X											X															
Logistics Solutions Ltd												X	C													X			X				A		
P.A.P.O.L.C.S. Ltd.										X									R				A	A					C	R			X		
Papol Holding Ltd										X	X																		X				X		
Rogers IDS Madagascar SA									X																										X
Rogers IDS (Velogic France) SA																X																			
Rogers Logistics International Ltd													X																X				X		
Rogers Logistics Services Company Ltd	X								X											X									X				X		
Rogers Shipping Ltd																							A						X	R			X		
Rogers Shipping PTE Ltd												X	X															X	X						
Southern Marine & Co Ltd																							A						X				X		
Sukpak Ltd		X				X							C	X															X				X		
Velogic Express Reunion SAS									X																				X				X		
Velogic Garage Services Ltd	X								X											X									X				X		
Velogic Haulage Services Ltd	X								X																				X				X		
Velogic India Private Limited																	X												X				X		
Velogic Ltd									X											A									X				X		
VSR (Velogic Reunion)																																	X		
VK Logistics Ltd					X																								X				X		

C- Chairman

X-In office as director

A-Appointed as director

R-Resigned as director

Notice of Annual Meeting of Shareholders

Notice is hereby given that the Annual Meeting of Shareholders of Velogic Holding Company Limited (the 'Company') will be held in the "Educator" boardroom, 4th floor, Voilà Hotel, Bagatelle Mall, Reduit, on Wednesday 16 November 2022 at 09h30 to transact the following business:

1. To consider the 2022 Annual Report of the Company.

2. To receive the report of Messrs Ernst and Young, the auditor of the Company.

3. To consider and approve the audited financial statements of the Company for the year ended 30 June 2022.

Ordinary Resolution I

"Resolved that the audited financial statements of the Company for the year ended 30 June 2022 be hereby approved."

1. To appoint Mr. Gianduth Jeeawock[1] who has been nominated by the Board, as Director of the Company.

Ordinary Resolution II

"**Resolved that** Mr. Gianduth Jeeawock be hereby appointed as Director of the Company."

2. To appoint Mrs. Belinda Wong-Vacher[2] who has been nominated by the Board, as Director of the Company.

Ordinary Resolution III

"**Resolved that** Mrs. Belinda Wong-Vacher be hereby appointed as Director of the Company."

3. To appoint Mr. Damien Mamet[3] who has been nominated by the Board, as Director of the Company.

Ordinary Resolution IV

"**Resolved that** Mr. Damien Mamet be hereby appointed as Director of the Company."

4. To re-elect the following persons[4] as directors of the Company by way of separate ordinary resolutions: Messrs. Gilbert Espitalier-Noël, Philippe Espitalier-Noël, Nayendranath Nunkoo, Naveen Sangeelee, Mehul Bhatt, Radhakrishna Chellapermal and Vincent Barbier.

Ordinary Resolutions V to XI

"Resolved that Mr./Mrs [*] be hereby re-elected as Director of the Company."

V. Gilbert Espitalier-Noël
VI. Philippe Espitalier-Noël
VII. Nayendranath Nunkoo
VIII. Naveen Sangeelee
IX. Mehul Bhatt
X. Radhakrishna Chellapermal
XI. Vincent Barbier

5. To appoint Messrs. Ernst and Young as auditor of the Company to hold office until the next Annual Meeting of Shareholders and that the Board of directors of the Company be hereby authorised to fix the auditor's remuneration for the financial year 2022/2023.

Ordinary Resolution XII

"Resolved that Messrs. Ernst and Young be appointed as auditor of the Company to hold office until the next Annual Meeting of Shareholders and that the board of directors of the Company be hereby authorised to fix the auditor's remuneration for the financial year 2022/2023."

6. Shareholders' question time.

By order of the Board
Sharon Ah Lin
Company Secretary
28 September 2022

Note 1. Your vote counts. A shareholder of the Company entitled to attend and vote at this meeting may appoint a proxy by way of the proxy form (in the case of an individual shareholder) or a representative by way of a corporate resolution (in the case of a shareholder company), whether a shareholder of the Company or not, to attend and vote on his/her/its behalf.

Note 2. A proxy form and corporate resolution are enclosed in the 2022 Annual Report.

Note 3. The proxy form appointing a proxy or the corporate resolution appointing a representative should reach the Company Secretary, Velogic Holding Company Limited, 5th floor, Rogers House, No. 5, President John Kennedy Street, Port Louis by Tuesday 15 November 2022 at 09h30.

Note 4. On 13 April 2022 upon the recommendation of the Nomination Committee, the Board of the Company nominated Mr. Gianduth Jeeawock and Mrs. Belinda Wong-Vacher as Directors of the Company. Similarly on 22 August 2022 upon the recommendation of the said committee, the Board of the Company nominated Mr. Damien Mamet as Director of the Company. The Board is recommending their appointments as it is satisfied that they will contribute to the success of the Company given their skills and experience. The short profiles of Mr. Gianduth Jeeawock, Mrs. Belinda Wong-Vacher and Mr. Damien Mamet are set out as follows:

Mr. Gianduth Jeeawock (38 years old)

- Senior Manager, Capital Markets at SWAN
- MBA (jointly by Paris Dauphine and Sorbonne Business School)
- Chartered Financial Analyst
- BSC (Hons) Finance, University of Mauritius

Mrs. Belinda Wong-Vacher (37 years old)

- Chief Fund Management Executive, Rogers and Company Limited
- Fund Manager and Executive Director of Ascencia Limited
- LL.M. International Business Law, Université Paris II, Panthéon-Assas
- MBA, University of Mauritius
- BSc (Hons) Finance, University of Mauritius

Mr. Damien Mamet (45 years old)

- Chief Finance Executive, Rogers and Company Limited
- Member of the Institute of Chartered Accountants in England and Wales
- Executive Director and Member of Sustainability and Inclusiveness Committee of Rogers and Company Limited
- Executive programmes at London Business School

Note 5. The directors of the Company have resolved that, for the purposes of this Annual Meeting of Shareholders and in compliance with Section 120(3) of the Companies Act 2001, only those shareholders whose names are registered in the share register of the Company as at Monday 17 October 2022 would be entitled to receive this Notice and would accordingly be allowed to attend and vote at this meeting.

Note 6. The written resolution of the shareholders in lieu of holding an annual meeting dated 13 December 2021 is available free of charge on request. Kindly contact the Company Secretary at the email address legal@rogers.mu.

Note 7. Resolutions I to XII are proposed as ordinary resolutions, entailing that for each of the resolutions to be passed, the majority of the votes cast at the meeting must be in favour of the resolution.

Note 8: Items 1 to 5 of the agenda are required to be considered and/or approved (where applicable) pursuant to section 115(4) of the Companies Act 2001.

[1] The profile and category of Mr. Gianduth Jeeawock proposed for appointment is set out at Note 4 of this Notice.
[2] The profile and category of Mrs. Belinda Wong-Vacher proposed for appointment is set out at Note 4 of this Notice.
[3] The profile and category of Mr. Damien Mamet proposed for appointment is set out at Note 4 of this Notice.
[4] The profiles and categories of directors proposed for re-election are set out at pages 74-78 of the 2022 Annual Report of the Company.

Note 9: Appointment and remuneration of auditor: At every annual meeting of shareholders ("AMS"), the Company is required to appoint an auditor to serve from the end of the AMS until the next AMS. Messrs. Ernst and Young have indicated that they are willing to continue as the Company's auditor for the financial year 2022/2023. The Risk Management and Audit Committee of the Company has reviewed the auditor's effectiveness and recommends that they hold office until the next AMS and that the board of directors of the Company be hereby authorised to fix the auditor's remuneration for the financial year 2022/2023.

Note 10: In accordance with The National Code of Corporate Governance for Mauritius (2016), all directors of the Company are submitting themselves for re-election. Biographical details and relevant skills of all directors are set out on pages 74-78 of the 2022 Annual Report and are also available on https://www.velogic.net/board-of-directors/. The Board is satisfied that each of the directors standing for re-election continues to perform effectively and demonstrates commitment to his or her role in the long-term success of the Company.

Note 11. In accordance with The National Code of Corporate Governance for Mauritius (2016), the proxy report and voting results for this meeting will be published on the website of the Company on 16 November 2022 or as soon as reasonably practicable thereafter.

Note 12. In the event that this meeting cannot be held on 16 November 2022 due to a cyclone warning Class III or IV being in force in Mauritius or an extreme weather event*, the meeting shall be held on the business day immediately following the day when the cyclone or the extreme weather condition warning has been removed, at the same time and place.

Note 13. Should there be a full or partial lockdown on or about the date of the Annual Meeting of Shareholders of the Company ("AMS"), or any other restriction as may be imposed by the authorities, no physical AMS will be held. The AMS will then be conducted via an online platform. Shareholders are invited to write to MCB Registry & Securities Ltd on email address contact.rs@mcbcm.mu to obtain the online details to join the meeting via the online platform. Any shareholder who did not receive access details 24 hours before the start of the meeting, should call MCB Registry & Securities Ltd on 202-5640 or send an email to contact.rs@mcbcm.mu.

* An 'extreme weather event' means torrential rain, flood, flash flood, high waves, storm surge and includes any other weather condition likely to endanger life or property in the vicinity of the venue of such meeting.

Corporate Resolution

NAME OF SHAREHOLDER COMPANY

....

WRITTEN RESOLUTION IN LIEU OF HOLDING A BOARD MEETING [IN ACCORDANCE WITH ARTICLE .... OF THE CONSTITUTION OF THE COMPANY/AS PER SECTION 7 OF THE EIGHTH SCHEDULE OF THE COMPANIES ACT 2001] – DATED THIS .... 2022.

We, the undersigned, being directors of ....

[Name of the shareholder company], who at the date of this written resolution are entitled to attend and vote at a board meeting of the company, hereby certify that the following written resolutions for entry in the Minutes Book of the company have been delivered to and approved by us.

Resolved that Mr/Mrs/Ms...

failing him/her, the Chairman of the Annual Meeting of Shareholders of Velogic Holding Company Limited (the "Company") to be held on Wednesday 16 November 2022 at 09h30 in "Educator" boardroom, 4th floor, Voilà Hotel, Bagatelle Mall, Réduit and any adjournment thereof, be authorised to act as the representative of the shareholder company and to vote on its behalf at the said Annual Meeting of Shareholders and at any adjournment thereof and that its vote on the resolutions set out below be cast as follows:

RESOLUTIONS	For	Against	Abstain
I. Resolved that the audited financial statements of the Company for the year ended 30 June 2022 be hereby approved.			
II. Resolved that Mr. Gianduth Jeeawock[1] be hereby appointed as Director of the Company.			
III. Resolved that Mrs. Belinda Wong-Vacher[2] be hereby appointed as Director of the Company.			
IV. Resolved that Mr. Damien Mamet[3] be hereby appointed as Director of the Company.			
V. Resolved that Mr. Gilbert Espitalier-Noël be hereby re-elected as Director of the Company.			
VI. Resolved that Mr. Philippe Espitalier-Noël be hereby re- elected as Director of the Company.			
VII. Resolved that Mr. Nayendranath Nunkoo be hereby re-elected as Director of the Company.			
VIII. Resolved that Mr. Naveen Sangeelee be hereby re-elected as Director of the Company.			
IX. Resolved that Mr. Mehul Bhatt be hereby re-elected as Director of the Company.			
X. Resolved that Mr. Radhakrishna Chellapermal be hereby re-elected as Director of the Company.			
XI. Resolved that Mr. Vincent Barbier be hereby re-elected as Director of the Company.			
XII. Resolved that Messrs. Ernst and Young be appointed as auditor of the Company to hold office until the next Annual Meeting of Shareholders and that the Board of directors of the Company be hereby authorised to fix the auditor's remuneration for the financial year 2022/2023.			

Director .... Director ....

Director .... Director ....

Director ....

Note 1. Your vote counts. A shareholder of the company entitled to attend to and vote at this meeting may appoint a proxy by way of the proxy form (in the case of an individual shareholder) or a representative by way of a corporate resolution (in the case of a shareholder company), whether a shareholder of the Company or not, to attend and vote on his/her/its behalf.

Note 2. A proxy form and corporate resolution are enclosed in the 2022 Annual Report.

Note 3. The proxy form appointing a proxy or the corporate resolution appointing a representative should reach the Company Secretary, Velogic Holding Company Limited, 5th floor, Rogers House, No. 5, President John Kennedy Street, Port Louis by Tuesday 15 November 2022 at 09h30.

[1] The profile and category of Mr. Gianduth Jeeawock proposed for appointment is set out at Note 4 of this Resolution.
[2] The profile and category of Mrs. Belinda Wong-Vacher proposed for appointment is set out at Note 4 of this Resolution.
[3] The profile and category of Mr. Damien Mamet proposed for appointment is set out at Note 4 of this Resolution

Note 4. On 13 April 2022 upon the recommendation of the Nomination Committee, the Board of the Company nominated Mr. Gianduth Jeeawock and Mrs. Belinda Wong-Vacher as Directors of the Company. Similarly, on 22 August 2022, upon the recommendation of the said committee, the Board of the Company nominated Mr. Damien Mamet as Director of the Company. The Board is recommending their appointments as it is satisfied that they will contribute to the success of the Company given their skills and experience. The short profiles of Mr. Gianduth Jeeawock, Mrs. Belinda Wong-Vacher and Mr. Damien Mamet are set out as follows:

Mr. Gianduth Jeeawock (38 years old)
- Senior Manager, Capital Markets at SWAN
- MBA (jointly by Paris Dauphine and Sorbonne Business School)
- Chartered Financial Analyst
- BSC (Hons) Finance, University of Mauritius

Mrs. Belinda Wong-Vacher (37 years old)
- Chief Fund Management Executive, Rogers and Company Limited
- Fund Manager and Executive Director of Ascencia Limited
- LL.M. International Business Law, Université Paris II, Panthéon-Assas
- MBA, University of Mauritius
- BSc (Hons) Finance, University of Mauritius

Mr. Damien Mamet (45 years old)
- Chief Finance Executive, Rogers and Company Limited
- Member of the Institute of Chartered Accountants in England and Wales
- Executive Director and Member of Sustainability and Inclusiveness Committee of Rogers and Company Limited
- Executive programmes at London Business School

Note 5. The directors of the Company have resolved that, for the purposes of this Annual Meeting of Shareholders and in compliance with Section 120(3) of the Companies Act 2001, only those shareholders whose names are registered in the share register of the Company as at Monday 17 October 2022 would be entitled to receive this Notice and would accordingly be allowed to attend and vote at this meeting.

Note 6. The written resolutions of the shareholders in lieu of holding an annual meeting dated 13 December 2021 are available free of charge on request. Kindly contact the Company Secretary at the email address legal@rogers.mu.

Note 7. Resolutions I to XII are proposed as ordinary resolutions, entailing that for each of the resolutions to be passed, the majority of the votes cast at the meeting must be in favour of the resolution.

Note 8. Items 1 to 5 of the agenda are required to be considered and/or approved (where applicable) pursuant to section 115(4) of The Companies Act 2001.

Note 9. Appointment and remuneration of auditor: At every annual meeting of shareholders ("AMS"), the Company is required to appoint an auditor to serve from the end of the AMS until the next AMS. Messrs. Ernst and Young have indicated that they are willing to continue as the Company's auditor for the financial year 2022/2023. The Risk Management and Audit Committee of the Company has reviewed the auditor's effectiveness and recommends that they hold office until the next AMS and that the board of directors of the Company be hereby authorised to fix the auditor's remuneration for the financial year 2022/2023.

Note 10. In accordance with The National Code of Corporate Governance for Mauritius (2016), all directors of the Company are submitting themselves for re-election. Biographical details and relevant skills of all directors are set out on pages 74-78 of the 2022 Annual Report and are also available on https://www.velogic.net/board-of-directors/. The Board is satisfied that each of the directors standing for re-election continues to perform effectively and demonstrates commitment to his or her role in the long-term success of the Company.

Note 11. In accordance with The National Code of Corporate Governance for Mauritius (2016), the proxy report and voting results for this meeting will be published on the website of the Company on 16 November 2022 or as soon as reasonably practicable thereafter.

Note 12. In the event that this meeting cannot be held on 16 November 2022 due to a cyclone warning Class III or IV being in force in Mauritius or an extreme weather event*, the meeting shall be held on the business day immediately following the day when the cyclone or the extreme weather condition warning has been removed, at the same time and place.

Note 13. Should there be a full or partial lockdown on or about the date of the Annual Meeting of Shareholders of the Company ("AMS"), or any other restriction as may be imposed by the authorities, no physical AMS will be held. The AMS will then be conducted via an online platform. Shareholders are invited to write to MCB Registry & Securities Ltd on email address contact.rs@mcbcm.mu to obtain the online details to join the meeting via the online platform. Any shareholder who did not receive access details 24 hours before the start of the meeting, should call MCB Registry & Securities Ltd on 202-5640 or send an email to contact.rs@mcbcm.mu.

* An 'extreme weather event' means torrential rain, flood, flash flood, high waves, storm surge and includes any other weather condition likely to endanger life or property in the vicinity of the venue of such meeting.

Proxy Form

I/We of

....

being a shareholder/shareholders of Velogic Holding Company Limited (the "Company") hereby appoint

Mr/Mrs/Ms ....

of ....

or failing him/her the Chairman of the Annual Meeting of shareholders of Velogic Holding Company Limited ("the Company") as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual Meeting of Shareholders of the Company to be held on Wednesday 16 November 2022 at 09h30 in "The Educator", 4th floor, Voilà Hotel, Bagatelle Mall, Réduit and any adjournment thereof. I/We desire my/our vote(s) to be cast on the resolutions set out below as follows:

RESOLUTIONS	For	Against	Abstain
I. Resolved that the audited financial statements of the Company for the year ended 30 June 2022 be hereby approved.			
II. Resolved that Mr. Gianduth Jeeawock[1] be hereby appointed as Director of the Company.			
III. Resolved that Mrs. Belinda Wong-Vacher[2] be hereby appointed as Director of the Company.			
IV. Resolved that Mr. Damien Mamet[3] be hereby appointed as Director of the Company.			
V. Resolved that Mr. Gilbert Espitalier-Noël be hereby re-elected as Director of the Company.			
VI. Resolved that Mr. Philippe Espitalier-Noël be hereby re-elected as Director of the Company.			
VII. Resolved that Mr. Nayendranath Nunkoo be hereby re-elected as Director of the Company.			
VIII. Resolved that Mr. Naveen Sangeelee be hereby re-elected as Director of the Company.			
IX. Resolved that Mr. Mehul Bhatt be hereby re-elected as Director of the Company.			
X. Resolved that Mr. Radhakrishna Chellapermal be hereby re-elected as Director of the Company.			
XI. Resolved that Mr. Vincent Barbier be hereby re- elected as Director of the Company.			
XII. Resolved that Messrs. Ernst and Young be appointed as auditor of the Company to hold office until the next Annual Meeting of Shareholders and that the Board of directors of the Company be hereby authorised to fix the auditor's remuneration for the financial year 2022/2023.			

Signed this ______________________ day of ________________

Signature(s) ______________________

Note 1. Your vote counts. A shareholder of the company entitled to attend and to vote at this meeting may appoint a proxy by way of the proxy form (in the case of an individual shareholder) or a representative by way of a corporate resolution (in the case of a shareholder company), whether a shareholder of the Company or not, to attend and vote on his/her/its behalf.

Note 2. A proxy form and corporate resolution are enclosed in the 2022 Annual Report.

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[2] The profile and category of Mrs. Belinda Wong-Vacher proposed for appointment is set out at Note 4 of this Resolution.
[3] The profile and category of Mr. Damien Mamet proposed for appointment is set out at Note 4 of this Resolution

Note 4. On 13 April 2022, upon the recommendation of the Nomination Committee, the Board of the Company nominated Mr. Gianduth Jeeawock and Mrs. Belinda Wong-Vacher as Directors of the Company. Similarly, on 22 August 2022, upon the recommendation of the said committee, the Board nominated Mr. Damien Mamet as Director of the Company. The Board is recommending their appointments as it is satisfied that they will contribute to the success of the Company given their skills and experience. The short profiles of Mr. Gianduth Jeeawock, Mrs. Belinda Wong-Vacher and Mr. Damien Mamet are set out as follows:

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- Senior Manager, Capital Markets at SWAN
- MBA (jointly by Paris Dauphine and Sorbonne Business School)
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Mrs. Belinda Wong-Vacher (37 years old)

- Chief Fund Management Executive, Rogers and Company Limited
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- LL.M. International Business Law, Université Paris II, Panthéon-Assas
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- BSc (Hons) Finance, University of Mauritius

Mr. Damien Mamet (45 years old)

- Chief Finance Executive, Rogers and Company Limited
- Member of the Institute of Chartered Accountants in England and Wales
- Executive Director and Member of Sustainability and Inclusiveness Committee of Rogers and Company Limited
- Executive programmes at London Business School

Note 5. The Directors of the Company have resolved that, for the purposes of this Annual Meeting of Shareholders and in compliance with Section 120(3) of the Companies Act 2001, only those shareholders whose names are registered in the share register of the Company as at Monday 17 October 2022 would be entitled to receive this Notice and would accordingly be allowed to attend and vote at this meeting.

Note 6. The written resolutions of the shareholders in lieu of holding an annual meeting dated 13 December 2021 are available free of charge on request. Kindly contact the Company Secretary at the email address legal@rogers.mu.

Note 7. Resolutions I to XII are proposed as ordinary resolutions, entailing that for each of the resolutions to be passed, the majority of the votes cast at the meeting must be in favour of the resolution.

Note 8. Items 1 to 5 of the agenda are required to be considered and/or approved (where applicable) pursuant to section 115(4) of The Companies Act 2001.

Note 9 Appointment and remuneration of auditor: At every annual meeting of shareholders ("AMS"), the Company is required to appoint an auditor to serve from the end of the AMS until the next AMS. Messrs. Ernst and Young have indicated that they are willing to continue as the Company's auditor for the financial year 2022/2023. The Risk Management and Audit Committee of the Company has reviewed the auditor's effectiveness and recommends that they hold office until the next AMS and that the board of directors of the Company be hereby authorised to fix the auditor's remuneration for the financial year 2022/2023.

Note 10 In accordance with The National Code of Corporate Governance for Mauritius (2016), all directors of the Company are submitting themselves for re-election. Biographical details and relevant skills of all directors are set out on pages 74-78 of the 2022 Annual Report and are also available on https://www.velogic.net/board-of-directors/. The Board is satisfied that each of the directors standing for re-election continues to perform effectively and demonstrates commitment to his or her role in the long-term success of the Company.

Note 11 In accordance with The National Code of Corporate Governance for Mauritius (2016), the proxy report and voting results for this meeting will be published on the website of the Company on 16 November 2022 or as soon as reasonably practicable thereafter.

Note 12 In the event that this meeting cannot be held on 16 November 2022 due to a cyclone warning Class III or IV being in force in Mauritius or an extreme weather event*, the meeting shall be held on the business day immediately following the day when the cyclone or the extreme weather condition warning has been removed, at the same time and place.

Note 13 Should there be a full or partial lockdown on or about the date of the Annual Meeting of Shareholders of the Company ("AMS"), or any other restriction as may be imposed by the authorities, no physical AMS will be held. The AMS will then be conducted via an online platform. Shareholders are invited to write to MCB Registry & Securities Ltd on email address contact.rs@mcbcm.mu to obtain the online details to join the meeting via the online platform. Any shareholder who did not receive access details 24 hours before the start of the meeting, should call MCB Registry & Securities Ltd on 202-5640 or send an email to contact.rs@mcbcm.mu.

* An 'extreme weather event' means torrential rain, flood, flash flood, high waves, storm surge and includes any other weather condition likely to endanger life or property in the vicinity of the venue of such meeting.

SCAN FOR
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