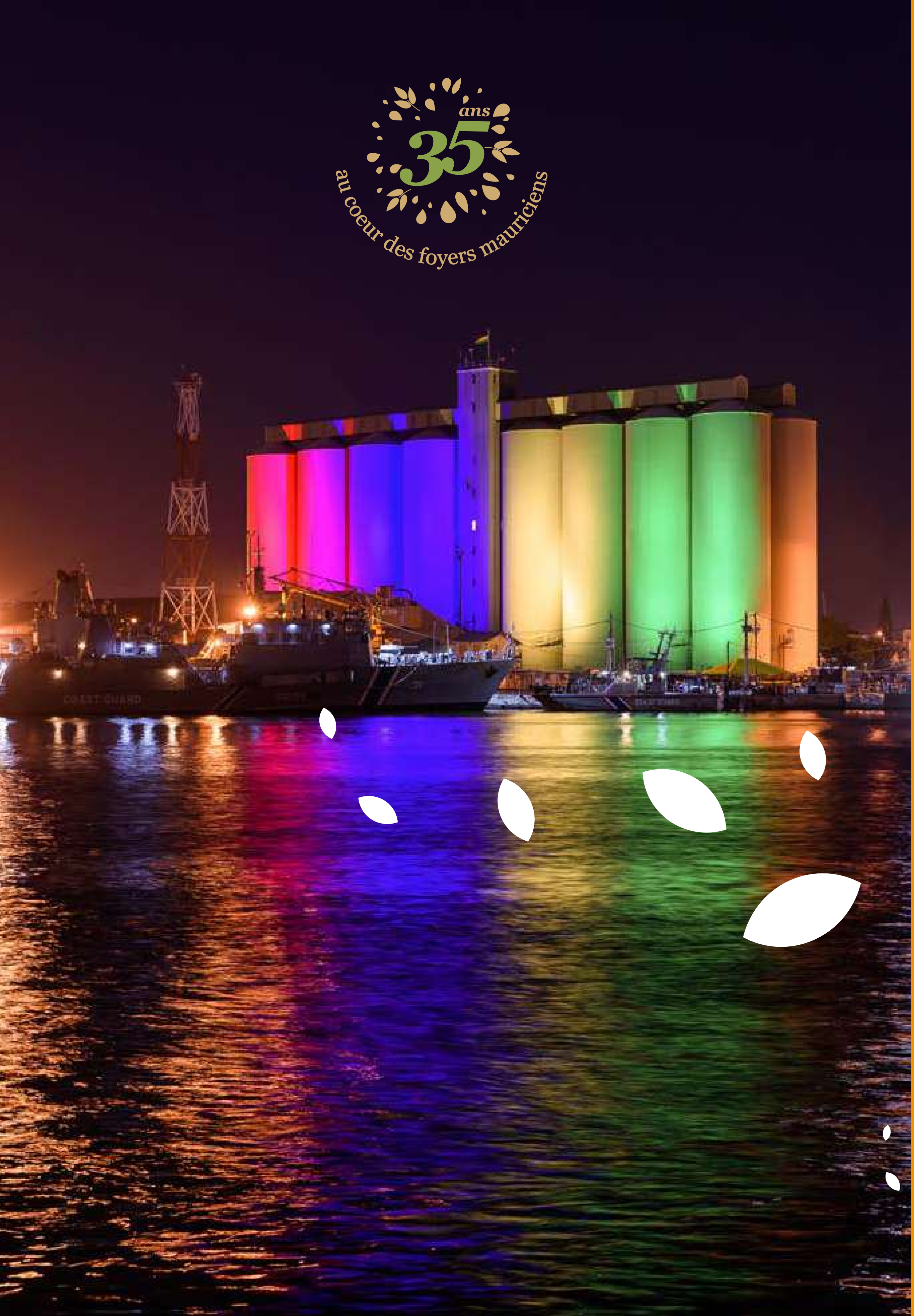
Les Moulins
de la Concorde



CONTENTS

MISSION & VISION STATEMENT

VISION

To be the reference flour mill in the region for wheat flour and other milling products.

MISSION

We ensure a steady supply of fresh quality flour and help the country achieve national food security.

Our vision is based on several fundamentals:

- our team's commitment,
- our technical expertise,
- our innovative spirit,
- our involvement in sustainable development.

DIRECTORATE

AT JUNE 30, 2024

Mushtaq OOSMAN (CHAIRMAN)
Gérard BOULLÉ
Aruna Devi BUNWAREE RAMSAHA
(Alternate: Shakeel GOBURDHONE)
Radhakrishna CHELLAPERMAL
Cédric DE SPÉVILLE
Geraldine DE SPEVILLE DARPOUX (as from 13.12.2023)
Eric ESPITALIER-NOËL
Deonanan MAKOOND
Gita ANGELI (as from 13.12.2023)
Su Lin ONG
Pierre-Yves POUGNET
Petrus van NIEKERK (Alternate: Sybrand van NIEKERK)

SECRETARY

Eclosia Secretarial Services Ltd

GENERAL MANAGER

Julien VITRY-AUDIBERT

AUDITORS

BDO & Co

BANKERS

The Mauritius Commercial Bank Ltd
State Bank Of Mauritius Ltd
Absa (Mauritius) Limited

REGISTERED OFFICE AND FACTORY

Registered office: Eclosia Group Headquarters, Gentilly, Moka
Office and Factory: Cargo Peninsula, Quay D, Port Louis, 11610

35 ans au coeur des foyers mauriciens

THE EARLY YEARS: LAYING THE FOUNDATION

Our company was founded with a clear vision to produce the highest quality milled products while maintaining integrity and sustainability.
The early years were fraught with challenges, from securing the right equipment to establishing a reliable supply chain.
However, the perseverance and innovative spirit of our founders and early employees laid a solid foundation. Investing in employee training and fostering local talent created a loyal and skilled workforce that would become the backbone of our operations.

CHAIRMAN'S REVIEW

CHAIRMAN'S REVIEW

I am pleased, on behalf of the Board of Directors, to present to you an overview of LMLC's main activities for the financial year 2023/24.

I am also honoured to share, herewith, the audited financial statements of the Company and that of the Group for the year under review.

OVERVIEW

The company's performance was very satisfactory, though in a context of challenging economic conditions, both internationally and at the local level.

The supply of the wheat remained complex, both in terms of price fluctuations and logistics arrangements. The ongoing fragility of the global wheat supply, climatic hazards, and geopolitical tension have influenced the market leading towards increasing volatility.

Furthermore, the change in the STC contract period, since 2023, has brought forward the tendering period to the month of June, at a time, when the visibility on crops of the Northern Hemisphere is very uncertain.

Our long-standing partnership with both wheat and freight suppliers, however, contributed to a safe and secure sourcing and the company was able to operate as per budget.

Locally, LMLC was confronted with rising production costs, namely in electricity, salaries and financing costs. These have put some pressure on our margins; however, our productivity gain partly compensated the increase in cost.

SALES

Local

The State Trading Corporation (STC), awarded Les Moulins de la Concorde (LMLC), the full contract for the supply of 102,000 metric tons (MT) of fortified wheat flour for the period 1st October 2023 to 30th September 2024.

During the year under review, the company produced a total of 120,789 MT of flour and 30,116 MT of bran. The profits before tax stood at Rs 171.7 million, representing 5.3% of the company's turnover of Rs 3.25 billion. On the retail side, sales trends for different pack sizes showed varying patterns. Blédor, recorded a substantial increase in volume of nearly 15%. Conversely, "Les Moulins" experienced a slight decline in volume of its 2kg packs, which was compensated by an increase in the 5kg packs.

The transition to fortified flour with the addition of micronutrients, namely iron, zinc, folic acid, and vitamins was successfully carried out in 2023/24, as per the requirements of the STC tender. In collaboration with the Ministry of Health and Wellness, the fortification of flour was gradually expanded to our entire range, including "Concorde", "Les Moulins", and "Blédor" flours, prior to the mandatory legal deadline.

LMLC, in line with Eclosia's commitment to improve nutritional disclosures, implemented the Nutri-Score label, developed in France, on the packaging of its small packs, intended to raise consumer awareness.

The company continued to explore numerous possibilities for new product development and launched several specialised flour references for professional users. Accordingly, during the year under review six new references were launched.

Export

While export volumes faced challenges in previous years, primarily due to the volatility of wheat prices triggered by the Russia/Ukraine conflict and the significant increase in sea freight rates, LMLC successfully made some inroads during 2023/24.

The redefined export strategy, which emphasized on regular visits and coaching, a competitive pricing structure, and robust technical support, proved successful, achieving a 40% increase in export volumes to reach 13,882 MT.

This growth was primarily driven by significant increases in exports to Reunion Island, Madagascar and the Comoros Islands.

It is noteworthy to mention the role of exports in the innovation process, which allowed the development of two new products references within the 'Farine des Alizés' range, whereas "Blédor Multi Usages" small packs of 1 kg recipe was adapted for professionals in Mayotte and the Comoros, where promising prospects have been observed.

OPERATIONS

In response to the government's decision to enhance the nutritional value of flour, three micro-feeders were integrated into the production line. This allows for the fortification of flour for the local market, thereby contributing to the health improvement of the nation and well-being of the local community by ensuring a minimum intake of micronutrients.

During the year investment in Information Technology focused mainly on Power BI for the D365 ERP and the SCADA (Supervisory Control and Data Acquisition) system Mercury. These ICT improvements will enhance significantly the monitoring of production parameters, the optimization of operational effectiveness and drive production towards excellence.

The company explored the implementation of a 3-shift system in the packing section in May 2024 to improve factory operations.

QUALITY SYSTEM

Since its inception, quality has been fundamental to Les Moulins de La Concorde. This commitment is demonstrated by its internationally recognized certifications namely, ISO 9001:2015 (quality management system), OHSAS 18001:2007 (occupational health and safety management system), ISO 14001:2015 (environmental management system), HACCP (food safety management system), and ISO/IEC 17025:2017 (laboratory analysis management system). These certifications underscore our ongoing efforts to optimize processes, empower our team, ensure customer satisfaction and maintain strict safety, health, and environmental standards at LMLC.

AFTER SALES SERVICE AND TRAINING

Our training activities and business visits assistance have now been properly consolidated. Technical visits to local bakers are conducted according to a pre-established schedule, while international visits have included bakery demonstrations and training sessions.

Two managers of LMLC attended SIRAH, a prestigious bakery event in Paris, and explored the possibility of a Mauritian team participating in future international bakery competitions.

OUTREACH

The structure of "La Fête du Pain" has been thoroughly revised this year to align with the expectations of all stakeholders and improve the awareness and importance of bread in our daily consumption

The event is now divided into three main components:

"Les Boulangers à l'Honneur" – A competition, open exclusively to professional bakers, took place in May 2024, coinciding with the celebration of St. Honoré, the patron saint of bakers. Supported by AHRIM and l'Association des Amis du Bocuse d'Or. Additionally, Foodwise facilitated the free distribution of the bread prepared by the contestants to various NGOs.

"Paincroyable Talents" which was held on 16th August 2024, is a competition among the top ten bakers from the "Les Boulangers à l'Honneur" contest. To promote the international recognition of the Mauritian bakery industry, LMLC will sponsor the winner to participate in the Mondial du Pain, an international competition set to take place in Nantes, France, in October 2025.

The last and final event will be held on 16th October 2024, coinciding with World Bread Day. A variety of Mauritian gastronomic products made from wheat flour will be exhibited and available for purchase, offering the public a unique opportunity to discover and enjoy local talents and creations.

HUMAN RESOURCES

Negotiations with the union were successfully concluded this year, culminating in the signing of a four-year Collective Agreement.

Female workers were incorporated into production lines following the provision of suitable facilities and as per our diversity, equity, and inclusion (DEI) program.

Given the acute shortage of manpower in the maintenance section, the company has considered hiring foreign workers from Madagascar. The process of selection has already started with workers expected to start in the first quarter of the 2025 financial year.

Throughout the year, ongoing training was provided, including the successful completion of the "Leadership Development Program" by the management team, facilitated by "Institutional Experts Services".

LMLC also emphasizes health and safety with a proactive management system in place to prevent workplace injuries and ensure emergency preparedness. Continuous training and strict compliance to legal requirements further enhance safety standards.

COMPLIANCE

LMLC renewed its registration with the Data Protection Office as a Controller for a period of three years, up to July 2026.

As part of this renewal process, several data protection policies and procedures were reviewed, updated, and approved by the Data Protection Committee during the financial year. The Record of Processing Operations for all departments was completed in compliance with Section 33 of the Data Protection Act 2017 (DPA).

SUSTAINIBILTY

Environment protection

Les Moulins de la Concorde Ltée, which celebrated 35 years of operation this year, was founded on the principle of ensuring food security. The company was established to mitigate the challenges caused by remoteness, limited maritime connections, and scarcity of cultivable land, impacting adversely food availability and security in Mauritius. Aligned with its mission to "ensure a constant supply of fresh and quality flours, thereby contributing to our nation's food security," the company supports SDG 2 – Zero Hunger through its commitment to sustainability, responsible infrastructure, and stakeholder's engagement.

The company's environmental strategy, which has the same priority level as that of safety, health, food safety, and quality standards, focuses on three main areas: climate action, local and circular economy and biodiversity preservation.

To address climate change, comprehensive assessments of LMLC's environmental impact were conducted through the CarbonAct project. This assessment led to an action plan with ambitious targets to minimize waste, optimize resource use, and transition to clean energy.

Conscious of the critical impact of climate change on its operations, LMLC aims at raising awareness among its staff through targeted initiatives. To acquaint the employees with the global consequences of rising CO2 levels, "La Fresque du Climat" Workshops - an interactive card game - were launched, with a targeted reach of 100% of LMLC's employees by mid-2025.

A Materiality Matrix exercise involving key stakeholders was conducted to define strategic priorities and guide LMLC's sustainability initiatives. This exercise highlighted the critical areas in Environment, Social and Societal, and Governance of relevance to various stakeholders.

Under the Carbon Neutral Industry Scheme (CNIS), LMLC will be investing more than Rs 300 million in a photovoltaic farm in the Amaury region to meet 100% of its electricity consumption from renewable energy source.

To further reduce energy consumption, LMLC is implementing advanced flour reprocessing systems to minimize waste, expanding recycling efforts, and actively engaging stakeholders in sustainability practices through comprehensive training and collaborative partnerships. These measures, coupled with the investment in lower electricity consumption equipment should result in savings of 3,000 kWH during the next year.

LMLC has transitioned from diesel-powered to electric, zero-emission forklifts. This shift not only improves air quality and reduces the carbon footprint but also enhances efficiency as they require less maintenance, resulting in cost savings and increased uptime.

Furthermore, 85.5% of waste representing around 465 tons of waste is diverted away from landfills through rigorous segregation and partnerships with local recycling companies. Whenever possible, short-lifespan products are donated to NGOs, with a proper disclaimer.

Community Development

The CSR activities of the company are carried out through the Fondation Solidarité after approval of the yearly plan. Last year LMLC refocused its CSR initiatives towards its geographical proximity, prioritizing NGOs in Roche Bois and Ste Croix, two close underprivileged regions of Port Louis.

The annual regulatory amount of CSR was Rs 4,633,146 in 2023/24 (2022/23: Rs 2,044,486), of which 50% payable directly to the MRA and the remaining 50% paid to Fondation Solidarité.

Fondation Solidarité implements around 80% of LMLC's CSR projects, while the remaining 20% are carried out directly by the company.

Over and above, the activities included in its CSR plan, LMLC carried out numerous actions to support and sponsor other organizations. In this context, the company awarded an exceptional Rs 2.1 million budget for the construction of new facilities at Collège St Gabriel, a reputable institution providing practical training. LMLC has relaunched the annual scholarships for the two top students graduating from St. François Xavier School.

As part of our Corporate Social Responsibility Plan, two professional training programs were launched, namely:

- "Devenir Boulanger," a 13-week course that began in September 2023, was designed for NGO beneficiaries and has proven to be an effective pathway into the bakery industry, and
- The NC3 Bakery 9-months training program, which, includes 11 trainees from Rodrigues. The Rodrigues Regional Assembly supports these trainees with a monthly stipend to facilitate their learning journey.

The commitment of the employees of LMLC in CSR activities, during the year, estimated at around 1,000 hours, was mostly dedicated to the production of the first edition of "Devenir Boulanger" and the NC3 Bakery course.

In line with a general support programme developed over years, the company granted flour to associations on national festivals and fund-raising events for a total amount of Rs 354,000 in 2023/24. This support programme includes, also the provision of flour to 250 families severely affected by cyclone Belal through Foodwise. Regular donations are made, as well, to NGOs such as "Restos du Coeur" or "Cuisines Solidaires".

ACKNOWLEDGEMENTS

I wish to express my sincere appreciation to my fellow directors for their continuous guidance and support, particularly those who, in addition to their directorial responsibilities, contributed to the board sub-committees. I also wish to acknowledge the commitment of the Management and employees of Les Moulins de La Concorde Ltée for their professionalism and dedication throughout the year.

We also have a special thought for Mr. Pierre Dinan, who was a board member of LMLC between 2009 to 2021, chaired the Audit and Risk Committee for the same period of time and served also as a member of the Corporate Governance Committee.

During the year, Mr. Michel de Spéville, the founder of LMLC decided to step down as a board member. I wish to reiterate the profound appreciation of all the board members for the unique contribution that he brought to the country by setting up Les Moulins de la Concorde. Pieter Van Niekerk, the other cofounder of the company relates hereafter Michel's contribution to the development of the company and the country.

Mushtaq Oosman
Chairman

TRIBUTE TO
Michel Doger de Spéville

by
Pieter van Niekerk

Forty years ago, through coincidence and chance, I met Michel at the Durban club to discuss of the establishment of a flour mill in Mauritius.

This meeting was the beginning of a fruitful, long-lasting business relationship, built on a foundation of trust, frequent and open communication, and mutual respect to equal benefit. It has lasted for 40 years without ever any serious disagreement, or from my side, never the slightest feeling of discontent. This is through trials and turbulations of various kinds, as it can be imagined given the world's past 40-year history.

During his business career Michel received many accolades, countless recognitions for various achievements, he is in my view amongst the most well-known and recognised businessperson in the country. In being asked to make a brief contribution to this report; I thought long and hard about a summation of his person, his long and successful business career, his many achievements and so forth.

The conclusion I reached was that Michel during his lifetime can be described as a very efficient and successful serial entrepreneur. He initiated countless businesses, various projects and demonstrated a phenomenal ability to innovate and create. But what sets him wholly apart from many successful entrepreneurs is his humanity. He was and still is an entrepreneur with a very human heart, an industrialist with an endearing concern for all his countrymen, particularly for the more vulnerable and less fortunate members of society. He has an unwavering commitment to his country and all its people, always putting country and people first before himself and his businesses.

I wish to pay tribute to Michel and his family and, thank them for the value they have added to me and my family, and in conclusion reminding myself, that it can all be attributed to a chance meeting 40 years ago.

Pieter van Niekerk
Pretoria

35 ans au coeur des foyers mauriciens

EMBRACING INNOVATION

Over the decades, our journey in the milling industry has been marked by relentless perseverance and innovation. From overcoming initial challenges with machinery and supply chains to continually investing in employee training and technological advancements, our commitment never wavered. The determination of our founders and early employees to uphold quality and sustainability standards laid a strong foundation, enabling us to build a resilient and successful enterprise.

CORPORATE GOVERNANCE REPORT (CONTINUED)

SUSTAINABILITY STRATEGY

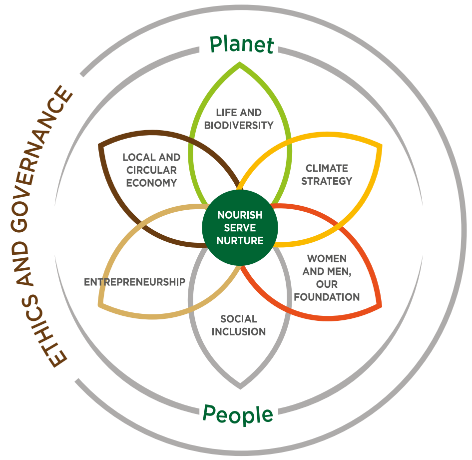
SUSTAINABILITY STRATEGY

A profound sense of societal responsibility has been embedded in the company's DNA since its inception, based on an inclusive model of the Eclosia Group, "The Eclosia Way", in Mauritius and in other countries.

LMLC'S SUSTAINABILITY STRATEGY AND THE ECLOSIA WAY FRAMEWORK

LMLC sustainability strategy has been crystallized around six strategic areas. The visual presentation underlines their interconnexion, their interdependence and their alignment.

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



COMPANY SUSTAINABILITY STRATEGY

Mauritius faces significant challenges in ensuring food availability and security due to its remoteness, limited maritime connections, and scarcity of cultivable land. Since its establishment in 1989, Les Moulins de La Concorde (LMLC) has been a leader in enhancing the country's food security and resilience against food crises.

Our mission at LMLC is clear: to ensure a constant supply of fresh and trusted flours, contributing to the food security of our Nation. We are committed to sustainability, responsible infrastructure, and engaging stakeholders to support Sustainable Development Goal (SDG) 2 – Zero Hunger.

LMLC's expertise in wheat flour production is well-regarded regionally, and we have established strong partnerships with neighbouring countries to produce and distribute high-quality wheat flour. This regional collaboration demonstrates trust in our capabilities and contributes to broader food security efforts.

LMLC's commitment to sustainability focuses on four key pillars: Profit, Process, People, and Planet. We uphold strong values and ensure our operations are environmentally conscious while promoting inclusivity through community engagement and education.

Addressing climate change is a priority. We have conducted thorough assessments of our environmental impact and set ambitious targets to reduce it. Our action plan includes initiatives to minimize waste, optimize resource use, and invest in clean energy solutions like a photovoltaic farm.

To guide our sustainability efforts effectively, we conducted a comprehensive "Matrice de matérialité" exercise involving key stakeholders. This exercise identified critical focus areas across Environment, Social and Societal, and Governance dimensions, shaping our strategic priorities.

Current initiatives include implementing advanced flour reprocessing systems to reduce waste, enhancing recycling efforts, and engaging stakeholders on sustainability practices through training and partnerships.

At LMLC, we are dedicated to sustainable development and responsible corporate citizenship. By integrating environmental stewardship into our core business practices, over and above creating value for our shareholders, we aim to create lasting positive impacts on the environment and society.

STATUTORY DISCLOSURES - JUNE 30, 2024

The directors have the pleasure in submitting the Annual Report of Les Moulins de la Concorde Ltée and its subsidiaries together with the audited consolidated and separate financial statements for the year ended June 30, 2024.

PRINCIPAL ACTIVITIES

The principal activity of Les Moulins de la Concorde Ltée is the milling of wheat and its main products, wheat flour and wheat bran which are sold on the local market and exported to the Indian Ocean Islands and other countries. The Company also sells various types of wheat flour in small packs.

The principal activities of its subsidiary companies are as follows:

1. Concordia Investments Ltd - holding of investment.
2. Wrap'Eat Ltd (previously Amigel Ltd) - producer of unbaked frozen products.

The consolidated statement of profit or loss and other comprehensive income for the year ended June 30, 2024 is set out on page 103.

DIRECTORATE AT JUNE 30, 2024

Les Moulins de la Concorde Ltée - The Company

Mushtaq Oosman (Chairman)
Cédric Doger de Spéville
Eric Espitalier-Noël
Deonanan Makoond
Pierre-Yves Pougnet
Petrus Van Niekerk
(Alternate Sybrand Van Niekerk)
Aruna Devi Bunwaree Ramsaha
(Alternate Shakeel Goburdhone)
Radhakrishna Chellapermal
Su Lin Ong
Gérard Boullé

Géraldine de Spéville Darpoux	Appointed on:	13/12/2023
Gita Angeli	Appointed on:	13/12/2023
Jean-Pierre Montocchio	Resigned on:	08/11/2023
Michel Doger de Spéville, C.B.E.	Resigned on:	13/12/2023
Anwar Joonas	Resigned on:	30/04/2024

Concordia Investments Ltd - Subsidiary

Cédric Doger de Spéville (Chairman)
Pierre-Yves Pougnet
Gérard Boullé
Petrus Van Niekerk

Wrap'Eat Ltd - Subsidiary

Gérard Boullé (Chairman)
Cédric Doger de Spéville

INTEREST REGISTER

The interests of the Directors have been disclosed in the Corporate Governance Report of the Company.

DIRECTORS' REMUNERATION

There was no contract of significance subsisting during the period to which the Company or one of its subsidiaries is a party and in which a director is or was materially interested, either directly or indirectly.

Remuneration and benefits (including bonuses and commissions) received and receivable from the Company and its subsidiaries were as follows:

Directors of Les Moulins de la Concorde Ltée	2024 Rs000's	2023 Rs000's
Executive Directors		
Full-Time	-	-
Part-Time	-	-
Non-executive Directors		
Full-Time	-	-
Part-Time ((12) (2023: 13))	3,333	3,197
	3,333	3,197

Directors of subsidiaries	2024 Rs000's	2023 Rs000's
Executive Directors		
Full-Time	-	-
Part-Time	-	-
Non-executive Directors		
Full-Time	-	-
Part-Time ((4) (2023: 4))	-	-
	-	-

DIRECTORS' SERVICE CONTRACTS

None of the directors of the Company and of the subsidiaries has service contracts with the Company or with any of its subsidiaries.

MAJOR TRANSACTIONS DURING THE YEAR

There have been no major transactions as defined under Section 130 (2) of the Mauritian Companies Act for the year under review.

DONATIONS

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Charitable donations	2,360	424	2,360	424

None of the subsidiaries made any donations for the year under review.

STATUTORY DISCLOSURES - JUNE 30, 2024 (CONT'D)

AUDITOR'S FEES

The fees paid / payable to the auditors for audit services were:

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
BDO Mauritius	1,161	1,075	1,080	1,000

Both the subsidiaries, Concordia Investments Ltd and Wrap'Eat Ltd, under Section 209 of the Mauritian Companies Act, do not have the requirement to be audited since they qualify for the definition of a small private company.

DIVIDENDS

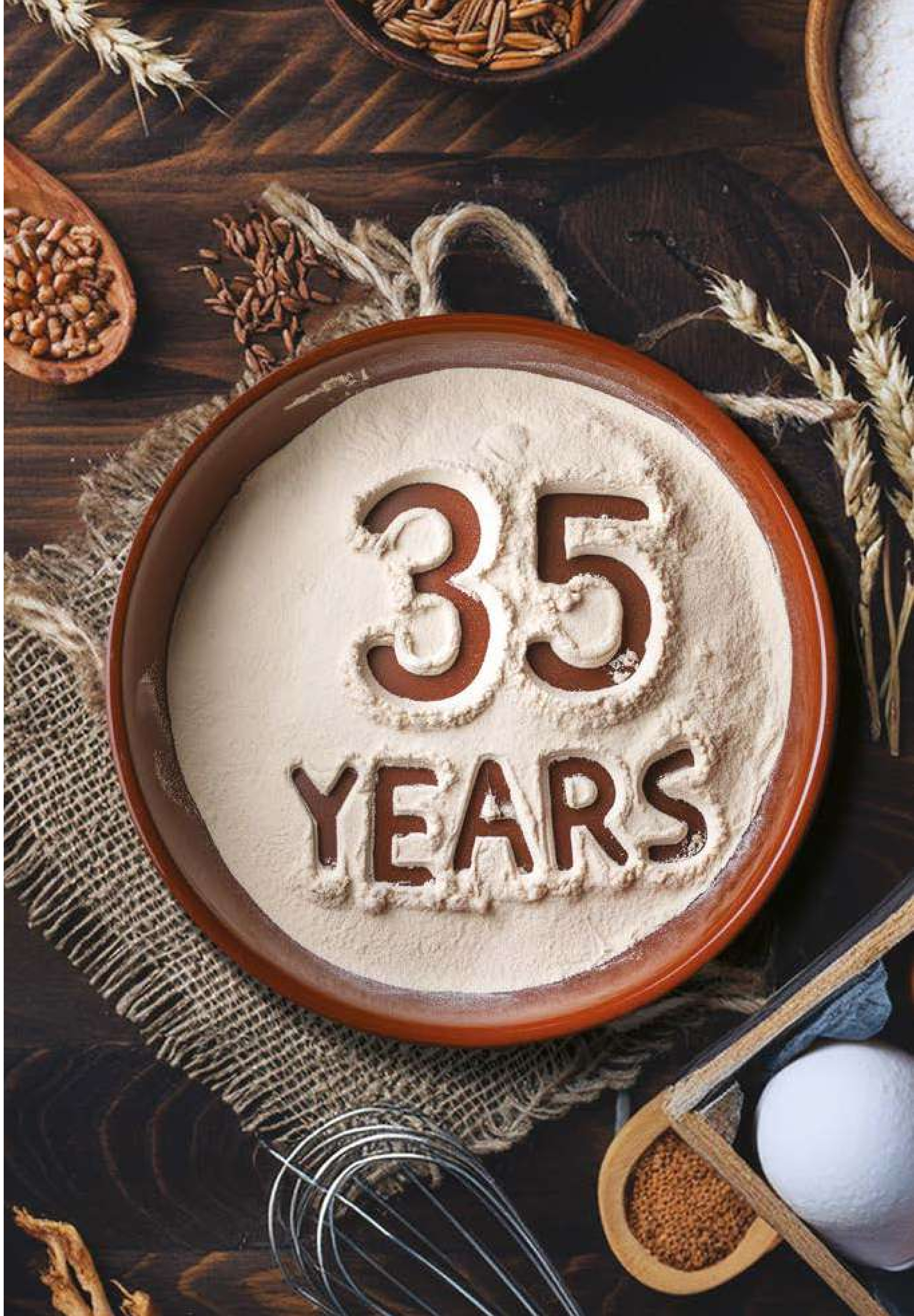
Dividends of Rs 40.5M (2023: Rs 37.8M) on ordinary shares and Rs 6M (2023: Rs 6M) on preference shares have been declared in respect of the current year. Out of the Rs 6M dividends, Rs 3.9M were recognised as finance costs.

Approved by the Board of Directors on September 16, 2024.

Signed on its behalf by:

Mushtaq Oosman
Chairman

Su Lin Ong
Director

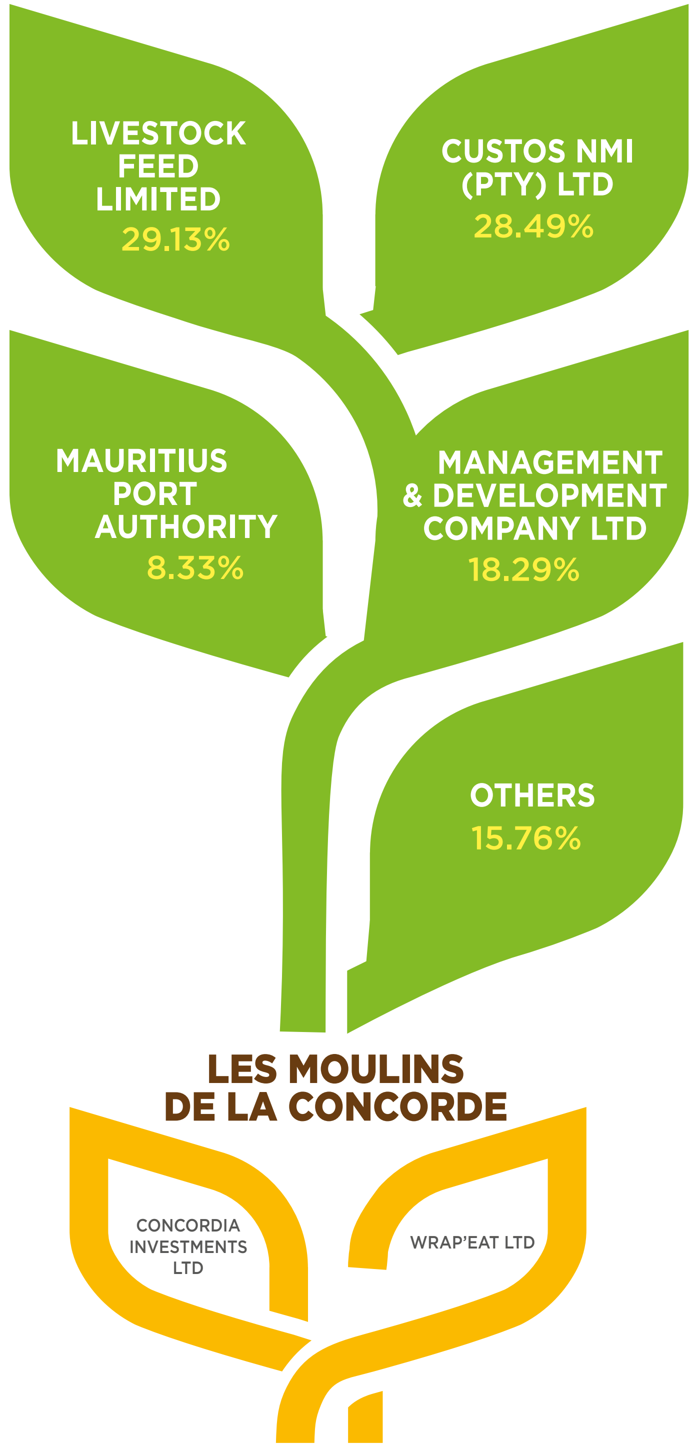


CORPORATE GOVERNANCE REPORT

GROUP STRUCTURE

Les Moulins de la Concorde Ltée ("LMLC") is a Public Interest Entity quoted on the Development Enterprise Market (DEM) of the Stock Exchange of Mauritius.

The Group Structure of Les Moulins de la Concorde Ltée at June 30, 2024, was as follows:



Concordia Investments Ltd and Wrap'Eat Ltd are wholly owned subsidiaries of LMLC. Each subsidiary has its own governance structure and respective board and a status on the operations of the subsidiaries are reported at the level of LMLC board meetings.

The ultimate beneficial owners of LMLC are Mr Michel de Spéville and SFG Trust.

SHAREHOLDERS HOLDING MORE THAN 5% OF THE COMPANY

The shareholders holding more than 5% of the Company at June 30, 2024, were:

No.	Shareholders	Ordinary	%
1	Livestock Feed Limited	3,146,178	29.13
2	Custos NMI (Pty) Ltd	3,076,964	28.49
3	Management and Development Company Limited	1,976,286	18.29
4	Mauritius Ports Authority	900,000	8.33

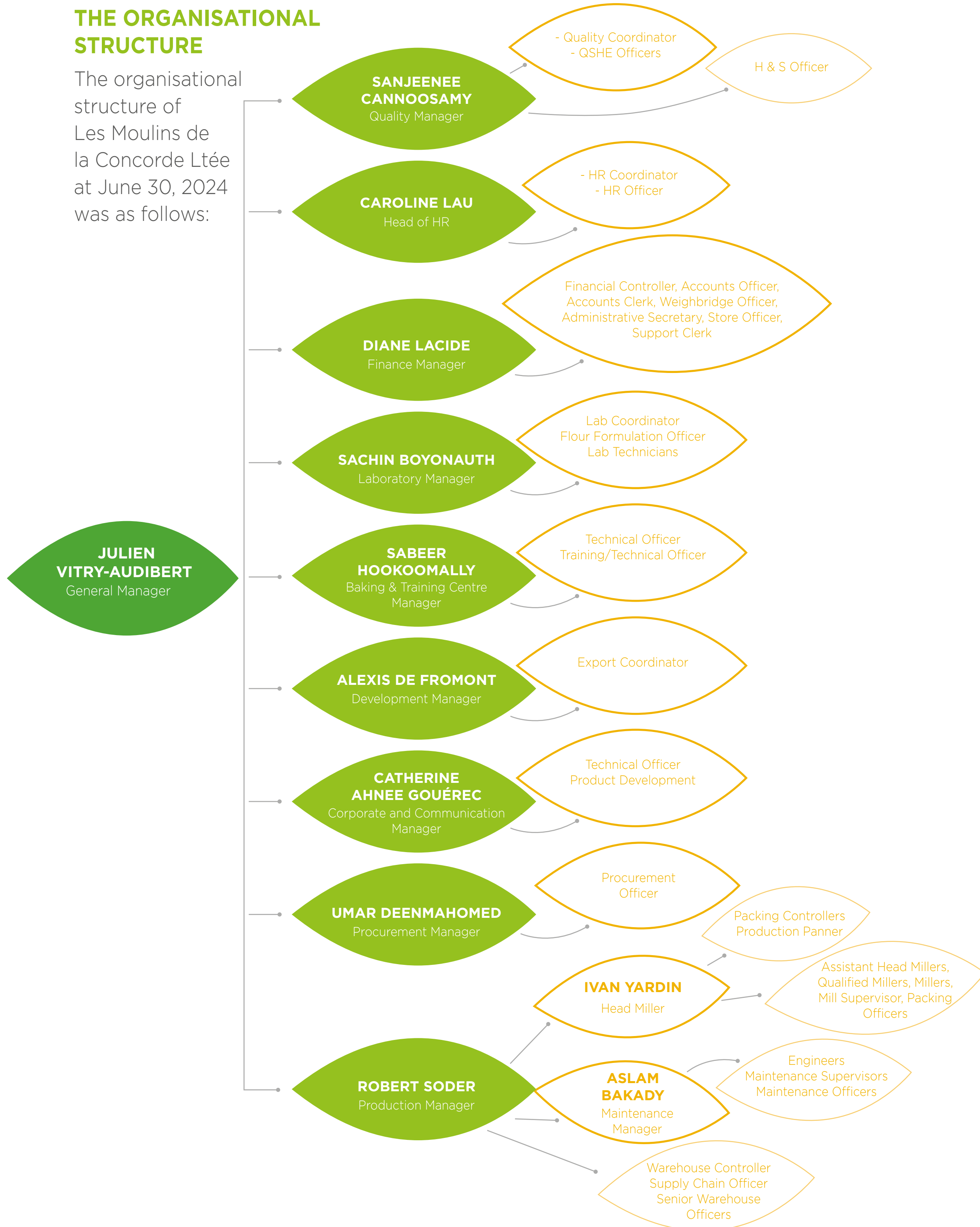
DISTRIBUTION OF SHAREHOLDING AT JUNE 30, 2024

The Company had 2,014 ordinary shareholders as at June 30, 2024, distributed as follows:

No. of Shares	No. of Shareholders	No. of Shares owned	% Shareholding
1 - 500	1,439	247,384	2.29%
501 - 1,000	283	192,272	1.78%
1,001 - 5,000	237	493,511	4.57%
5,001 - 10,000	26	189,465	1.76%
10 001 - 50,000	22	387,464	3.59%
50,001 - 100,000	3	190,476	1.76%
100,001 - 1,000,000	1	900,000	8.33%
1,000,001 - 1,000,0000,000	3	8,199,428	75.92%
Total	2,014	10,800,000	100%

THE ORGANISATIONAL STRUCTURE

The organisational structure of Les Moulins de la Concorde Ltée at June 30, 2024 was as follows:



The members of the senior management team are not entitled nor granted any special right to subscribe to shares of the Company. Mrs Catherine Ahnee Gouérec is the only member of the senior management team who holds shares in the Company.

SENIOR MANAGEMENT TEAM

MANAGERS	TITLE	DESCRIPTION
Julien Vitry Audibert	General Manager	Mr Julien Vitry Audibert succeeded to the management of the Company as from 1 July 2020. Mr. Julien Vitry-Audibert is holder of a “DUT - Techniques de Commercialisation” obtained from the IUT of Aix en Provence and a Master of Science from “Ecole Supérieure de Commerce (CERAM)” of Sophia Antipolis, France. He was previously the Chief Executive Officer of Freight and Transit Company Limited (FTL). Mr Vitry-Audibert is a director on the board of FTL.
Diane Lacide	Finance Manager	Mrs Diane Lacide joined Eclosia Group in September 1987 and held positions at Panagora Marketing Co Ltd, Tropical Paradise Co Ltd, Indigo Hotels & Resorts. She is employed by Les Moulins de la Concorde Ltée since April 2009. Accountant by profession and partially qualified ACCA, she has been promoted to the position of Finance Manager since January 2023.
Robert Soder	Production Manager	Mr Robert Soder is employed by Les Moulins de la Concorde Ltée since October 2008. He has worked for the Eclosia Group as Production Manager at New Maurifoods Limited for five years. Before this, he was Production and Operations Manager in two milling operations in Nigeria and in Haiti. He is a Qualified miller since 1987 and holds a Diploma as milling technologist since 1993 from Swiss Milling school.
Caroline Lau	Human Resources Manager	Mrs. Caroline Lau is employed since June 2014. She holds a BCom degree and an MBA in Human Resources Management. Prior to joining LMLC, Mrs. Lau was the HR Manager at Chantier Naval de l’Océan Indien Ltée.
Alexis de Fromont	Development Manager	Mr Alexis de Fromont joined LMLC in April 2023. His mission is to develop exports and the products' range across the Indian Ocean (IO) region and Africa. Before joining Eclosia, Alexis worked for 10 years in the IO region as a development manager for Eastbourne Maritime Trading (a DAL subsidiary specialized in foodstuff and construction materials trading). Alexis started his career as a metal-scrap trader for GDE group (the 2nd largest French recycler) from 2006 to 2013.
Catherine Ahnee-Gouérec	Corporate and Communications Manager	Mrs Catherine Ahnee-Gouérec holds a Diplôme d’Etudes Supérieures Spécialisées in Affaires Internationales from Paris IX Dauphine. She started her career in the Projects Department in the Eclosia group and was appointed at Les Moulins de la Concorde in 2008. She acts as Corporate and Communications Manager since 2022. She has experience in corporate governance as a committee and Board member (Women Directors Forum of MIOD, Board member of MEFPA and listed company).

A comprehensive succession plan is in place for senior management positions, whose expertise in milling operations is essential to the mill's successful operation. This plan ensures the continuity and sustainability of the enterprise. Implemented through the "Talent Management" program, the succession planning process adopted across the Eclosia Group systematically identifies and develops future leaders.

Furthermore, an annual “Employee Development Plan & Succession Planning” exercise is done with all the Head of Departments to identify potential successors for key positions.

CONSTITUTION OF THE COMPANY

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

Shareholders have a pre-emptive right on all new shares issued by the Company up to the extent of their respective holding in the shares of the Company.

Preference shareholders have the right to “a fixed cumulative preferential dividend at the rate of 13% per annum on the capital for the time being paid up on the said preference shares held by them respectively, and all balance, if any, left over out of the profits of each year available for dividend and which the Board may have decided to distribute by way of dividend shall be distributed amongst the holders of both the ordinary and preference shares 'pari passu' per share, the holders of the preference shares being entitled to a maximum dividend of 20%”.

The holders of the said preference shares shall be entitled, in a winding up, to repayment of capital, in priority to the ordinary shares, but shall have no other rights in respect of dividend or capital.

The shares of the Company are traded on the Development and Enterprise Market and are free from any restrictions on ownership. There is no share option plan in place at the Company.

GOVERNANCE STRUCTURE

BOARD GOVERNANCE

The Board, as the governing body, fully understands its role, responsibility, and authority in setting the direction, management and control of the Company and its responsibility in meeting all legal and regulatory requirements.

LMLC has a unitary board and is chaired by an independent non-executive Director, Mr Mushtaq Oosman.

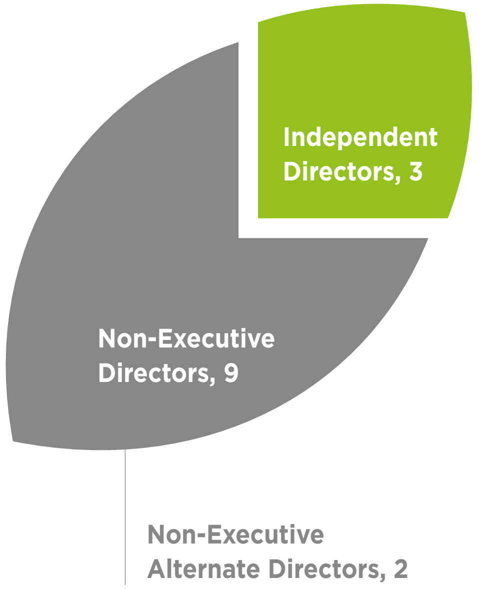
The Board has adopted governance structures and procedures, which conform to the Company’s internal policies and to current legislation. The Board has also adopted a Board Charter which is aligned with the provisions of the National Code of Corporate Governance, and it is published on the Company’s website.

The Board, after recommendation of the Corporate Governance Committee, nominated Mrs Geraldine Darpoux and Mrs Gita Angeli for appointment as Directors and they were subsequently appointed by the shareholders at the annual meeting held on 13 December 2023.

BOARD STRUCTURE

At June 30, 2024, the Board was composed as follows:

Board composition



Gender composition

The actual size and composition of the Board does commensurate with the nature and scale of its activities.

The Board is satisfied that the proportion of independent and non-executive Directors allows the Board to deliberate openly and constructively and to make informed and levelled decisions. The board's composition is within the limit set in the Company's Constitution for at least 7 directors and a maximum of 15 directors.

Although there are no executive directors sitting on the Board, it is the Board's view that:

(i) the active participation of the General Manager at all board meetings and the participation of senior executives to sub-committees of the Board meet with the spirit of the good governance.

(ii) its Directors have the requisite skills, experience, and knowledge to contribute effectively to the Company.

The Board acknowledges that gender and diversity are recommended by the Code in the board composition, it nonetheless recognizes that industry knowledge and expertise are also prerequisites to serve as Director on the board. LMLC's board composition has so far managed to attain the right combination of skills to lead the Company throughout its existence and direct it towards a sustainable and resilient future.

The Chairperson of the Board is an independent director and is not involved in the day-to-day management of the Company. The Chairperson meets Mr Julien Vitry Audibert, the General Manager of the Company, on a regular basis to discuss matters pertaining to the Company and its operations and he devotes sufficient time to his duties and responsibilities towards the Company.

The job descriptions of the Chairperson of the Board and the Secretary are also

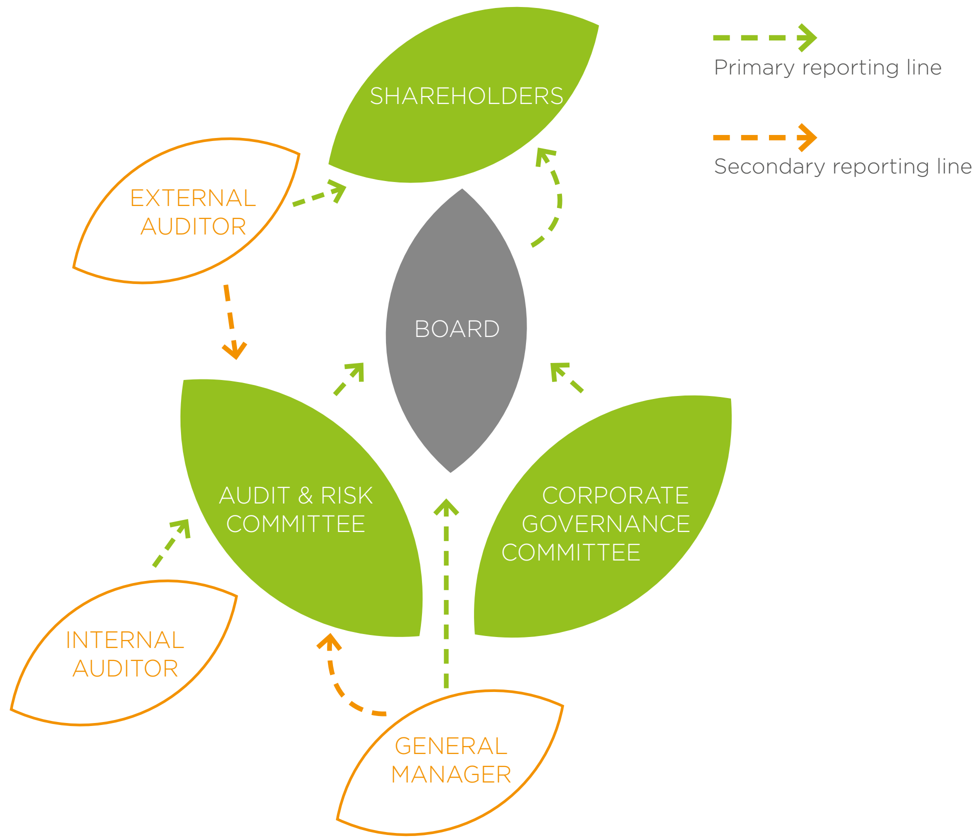
CORPORATE GOVERNANCE REPORT (CONTINUED)

available on the Company's website. The responsibilities of each Chairperson of the committees of the board are fully described in the terms of reference, which are also published on the Company's website.

STATEMENT OF ACCOUNTABILITIES

The Board has approved the statement of accountabilities. The Chairpersons of the Audit and Risk Committee and Corporate Governance Committee report to the Board on their respective Committees' deliberations and, as necessary, make recommendations to the Board.

The General Manager, who attends board meetings, reports on the operations and management of the Company to the Board. The accountabilities within the Company are disclosed on page 25 of the Corporate Governance Report.



STATEMENT OF REMUNERATION PHILOSOPHY

The Company's philosophy concerning remuneration is to offer a competitive package that will attract, retain, and motivate Directors and employees of the highest calibre and recognize value-added performance, whilst taking into account its own financial position.

In that respect, the remuneration offered to each category of jobs within the Company has been benchmarked and aligned with the current market rate.

The Directors' fees are also benchmarked on market norms and reviewed on a regular basis by the Board upon recommendation of the Corporate Governance Committee.

BOARD EVALUATION

The performance of the Board is evaluated every two years and is led by the Corporate Governance Committee and the Company Secretary.

A board evaluation exercise was carried out in the financial year 2023-2024 using a structured questionnaire where Directors rated the statements describing the processes and procedures in place. In addition to the rating, Directors had the possibility to comment on the statements of the questionnaire or justify their rating. The rating allocated are compared with previous evaluation exercises to analyse the trend. The recommendations and suggestions made by the board members towards improving governance and performance of the Board have been noted and implemented.

THE DIRECTORS

DIRECTORS' DUTIES

Directors are aware of their legal duties which have been communicated to them through the induction pack. The duties of Directors are also outlined in their letter of appointment as well as in the Board Charter.

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

The Board Charter, which sets out all the Directors' duties and responsibilities with respect to the board governance, has been adopted by the Board and is available for consultation on the Company's website.

DIRECTORS' PROFILE

Except for Messrs Petrus van Niekerk and Sybrand van Niekerk who are residents of South Africa, all the other Directors of the Company are residents of Mauritius.

The profiles of the Directors of the Company at June 30, 2024:

MUSHTAQ OOSMAN (Chairperson)

Fellow of the Institute of Chartered Accountants in England and Wales, Mushtaq Oosman has over 30 years professional experience in audit and financial advice, with a diversified portfolio of clients in sectors such as banking, insurance, manufacturing, sugar companies, the hospitality industry, betting operator, textiles, and trading. He trained and qualified as a Chartered Accountant with Sinclairs in the UK. He joined Roger de Chazal & Partners (part of the team of Price Waterhouse in 1988 in Mauritius), serving as a partner from 1991. Primarily as an Assurance Partner, he was also responsible for Business Recovery Services as well as the Chief Operating Partner for Mauritius. He has served on the Africa Central Governance Board and is well versed with the working and responsibilities of a governance board. He retired from PwC in 2015 and has formed his own Insolvency Practice.
Directorships in listed companies: ENL Limited, The Mauritius Union Assurance CY Ltd, Automatic Systems Ltd, United Docks Ltd, PIM Ltd, Sun Ltd, Happy World Properties Ltd.

DIRECTORS' PROFILE (CONT'D)

GITA ANGELI (as from 13.12.2023)

Gita Angeli is Chief Communications Officer at Eclosia and member of the Executive Committee of the Group. Half-Mauritian, half-Italian, she blends strategy and creativity with a 25-year career spanning diverse roles, from being one of the youngest woman CEOs in a French agency to consulting on Sicilian family pastry shop acquisition. Her areas of focus are crisis management and reputation building. She worked for more than 100 clients in American and European communication agencies. Mainly within the "Omnicom Group", where she was General Manager of "FleishmanHillard" in Paris and in Milan. She holds a Master's degree in political science combined with History at "La Sorbonne", followed by an Advanced Management Program from "Harvard Business School". Gita's leadership style combines strategic acumen and mentorship, creating an environment that fosters growth and innovation.

GÉRARD BOULLÉ

Holder of a "Maîtrise de Gestion" from the University of Paris IX Dauphine in France, Gérard Boullé is presently the Chief Operating Officer (C.O.O) of the Eclosia Group of Companies. He is a former President of the Association of Mauritian Manufacturers and is also Member of the Board of several companies of the Eclosia Group. Mr Gérard Boullé is the Chairperson of the Livestock Feed Ltd. He was appointed on the board of LMLC on 14 December 2022.
Directorships in other listed companies: Oceanarium (Mauritius) Ltd, Livestock Feed Limited.

RADHAKRISHNA CHELLAPERMAL

Mr Radhakrishna Chellapermal is a Fellow of the Chartered Association of Certified Accountants. He started his career in a private accounting firm and thereafter moved to the Ministry of Finance in 1983.
He retired from the Ministry in July 2020 as Deputy Financial Secretary. During his 37 years of service, he has been involved in advising and formulating major policy reforms.
Mr Chellapermal has previously served on various Boards and Committees, amongst others, Mauritius Africa Fund, NPF Investment Committee, Airports of Mauritius, State Investment Corporation Ltd, the Financial Services Commission and the Board of Investment.
He is presently the Chairperson of the Central Electricity Board.
Directorship in listed companies: Velogic Holding Company Ltd.

GÉRALDINE DE SPÉVILLE DARPOUX (as from 13.12.2023)

Geraldine Darpoux is a graduate of the "Institut d'études Politiques de Toulouse" and holds a Master's degree in the management of cultural institutions from the "Université de Dauphine" in Paris. After a first career as a senior consultant in change management in Paris ("BPI Group"), Geraldine Darpoux specialised in cultural and social entrepreneurship and developed projects in Cambodia ("Institut Français du Cambodge", "Phare Cambodian Circus"), Mozambique ("16NetO") and France ("Le Cloitre"). She also advises Swiss embassies in East Africa on cultural policy and cultural entrepreneurship. Based in Mauritius since August 2023, Geraldine Darpoux is a consultant in charge of the development of cultural projects for the Eclosia Group. She is also a board member of Management and Development Co. Ltd.

CORPORATE GOVERNANCE REPORT (CONTINUED)

DIRECTORS' PROFILE (CONT'D)

CÉDRIC DE SPÉVILLE

Born in 1979, Cédric de Spéville holds a Master in Economics from the Sorbonne University in Paris in 2001, an MSc in Accounting and Finance from the London School of Economics in 2003 and obtained a Master in Business Administration from Columbia Business School (New York) in 2007. He has been a Consultant for COFINTER in Paris from 2002 to 2003 and joined Eclosia Group in 2003. In February 2009, he was appointed Group Chief Operating Officer and Chief Executive Officer in January 2013. He is Director on various companies of the Eclosia Group and is a past President of the Mauritius Chamber of Commerce and Industry (2011- 2013) and of Business Mauritius (2017-2019). He was appointed to the Board of Les Moulins de la Concorde Ltée on April 22, 2009.
Directorships in listed companies: Livestock Feed Limited, Tropical Paradise Co. Ltd, Oceanarium (Mauritius) Ltd and Mauritius Freeport Development Co Ltd.

MICHEL DE SPÉVILLE, C.B.E. (up to 13.12.2023)

Founder President of the Eclosia Group. Founder and Senator of the "Jeune Chambre Economique de l'Ile Maurice". Elevated to the rank of "Commander of the Order of the British Empire" (C.B.E). Honorary Citizen of Moka-Flacq District of Mauritius. "Honorary Fellow Agribusiness", University of Mauritius. Elevated to the rank of "Chevalier de l'Ordre de Mérite de Madagascar". Elevated to the rank of "Chevalier de la Légion d'honneur de France". Chairman and member of the Board of various companies of the Eclosia Group. Former President of the Mauritius Chamber of Commerce & Industry and former President of "L'Institut de la Francophonie pour l'Entrepreneuriat" (IFE).
Directorships in listed companies: None

ERIC ESPITALIER-NOËL

Holds a Bachelor's degree in Social Sciences and an MBA. He previously worked with De Chazal du Mée & Co, Chartered Accountants in Mauritius. He joined the ENL Group in 1986 and is currently the Chief Executive Officer of ENL Commercial Limited. Mr Espitalier-Noel has an extensive experience in the commercial and hospitality sectors being a board member of various companies evolving in those sectors. He was first appointed to the Board of Les Moulins de la Concorde Ltée in 2006.
Directorships in listed companies: Automatic Systems Ltd, ENL Limited, Livestock Feed Limited, Rogers and Company Limited, Swan Life Ltd, Swan General Ltd and Tropical Paradise Co. Ltd (alternate Director).

ANWAR JOONAS (up to 30.04.2024)

Holder of B. Com., Executive Chairman of Joonas & Co Ltd and Managing Director of Galvabond Ltd. He was appointed to the Board of Les Moulins de La Concorde Ltée on January 18, 1993, as alternate Director to Mr. Mohammed Issack Joonas and appointed Director on April 22, 2009. Mr. A. Joonas was appointed as Director of Mauritius Portland Cement Ltd, thereafter the Board of Lafarge (Mauritius) Cement Ltd since 2001. Founder Chairman of Business Mauritius CSR Fund, Former Chairman of Mauritius Employers Federation, Former Council Member of the MCCI. Former Member JEC (Joint Economic Council). Charter Member & Past President of the Rotary Club of Quatre Bornes.

DEONANAN MAKOOND

Holder of MSC, Tourism Planning & B.A (Hons) in Economics. Mr Raj Makoond is the Program Director of Eclosia Group. He was the Chief Executive Officer of Business Mauritius, the coordinating body of the Mauritius private sector. (2016-2018). Prior to joining Business Mauritius, he was Director of the Joint Economic Council (1994-2015), Deputy Secretary-General of the Mauritius Chamber of Commerce & Industry (1991-1994) and Senior Economist at the Ministry of Economic Planning & Development (1975-1991).
Mr Makoond is the Chairperson of the University of Technology of Mauritius (UTM) and Chairperson of C-Care (Mauritius) Ltd's Corporate Governance, Ethics, Remuneration and Nomination Committee.
He co-chaired a number of joint Government/Private Sector Committees, Task Force and Working Groups, namely the joint Public Private Business Facilitation Task Force, the Steering Committee on Global Financial Crisis, the Textile Emergency Support Team, the National Computer Proficiency Programme, the Collaborative Research and Innovative Grant Scheme and the National Skills Development Programme.
Mr. Makoond was a Director of the European Centre for Development Policy Management (ECDPM), a Member of the Board of Investment (2001-2014), Statistics Mauritius (2014-2018), Mauritius Africa Fund (2014-2018) and Financial Services Commission (2001-2015).
He was appointed to the Board of Les Moulins de la Concorde Ltée on May 3, 2007.
Directorship in listed companies: C-Care (Mauritius) Ltd and Rogers & Co Ltd

JEAN-PIERRE MONTOCCHIO (up to 08.11.2023)

Born in 1963, he was appointed notary public in Mauritius in 1990. He participated in the National Committee on Corporate Governance as a member of the Board of Directors' Sub-Committee. He is a director of a number of listed companies in Mauritius.
Directorships in listed companies: Fincorp Investment Ltd (Chairman), New Mauritius Hotels Ltd, Rogers Co. Ltd (Chairman), ENL Limited, Happy World Property Ltd, The General Construction Co Ltd and Swan Forex Ltd.

SU LIN ONG

Mrs Su Lin Ong is Fellow of the Institute of Chartered Accountants in England and Wales, Fellow of the Mauritius Institute of Directors and holds a BA (Hons) Economics degree from UK.
Su Lin has 37 years of professional experience in Audit and Advisory. She trained as a Chartered Accountant in London with Deloitte, Haskins & Sells where she worked for 8 years before joining Coopers & Lybrand (which subsequently became PwC) in Mauritius as a Partner in the Consulting Division. She has also been a Partner in DCDM Consulting (local partner of Accenture), specialising in digitalisation and systems integration and a Director at KPMG Advisory Services, specialising in internal audit and risk management. She is a past President of the Society of Chartered Accountants in Mauritius. Since November 2019, she sits as an Independent Non-Executive Director on several Boards in Mauritius in the following industries - banking, insurance, and hospitality. She is Chairperson of the Audit Committee on several of these companies.
Directorship in listed companies: Tropical Paradise Co Ltd and Mauritius Oil Refineries Ltd.

DIRECTORS' PROFILE (CONT'D)

PIERRE-YVES POUGNET

Pierre Yves Pougnet, an accountant by profession, was appointed to the Board of Les Moulins de la Concorde Ltée on November 22, 1987. He is also a member of both the Corporate Governance Committee and the Audit and Risk Committee. Pierre-Yves Pougnet started his career with an audit firm. In 1975, he joined the Eclosia Group where he occupied executive functions, amongst which, Managing Director of Panagora Marketing and subsequently Managing Director of Avipro Ltd (ex-Food and Allied Industries Ltd). He was the Vice Chairman of the Eclosia Group when he retired in 2015.

Directorships in listed companies: P.O.L.I.C.Y. Limited, Tropical Paradise Co. Ltd and Livestock Feed Limited.

ARUNA DEVI BUNWAREE RAMSAHA

Deputy Director-General of the Mauritius Ports Authority, Mrs. Bunwaree Ramsaha is a Fellow of the Chartered Association of Certified Accountants (FCCA) and is holder of an MBA. Mrs. Bunwaree Ramsaha also sits on the board of Froid des Mascareignes and Transfroid Ltée and is an alternate Director on the board of Mauritius Cargo Community Services Ltd.

PETRUS JOHANNES VAN NIEKERK

Founder and Director of a Group of grain milling and feed manufacturing companies operating in southern Africa. He was appointed to the Board of Les Moulins de La Concorde Ltée on December 2, 1987.

ALTERNATE DIRECTORS

SHAKEEL GOBURDHONE (Alternate to Mrs Aruna D. Bunwaree-Ramsaha)

A graduate in Civil Engineering in 1987 from the University of Mauritius, Mr. Goburdhone read for a Master in Business Administration in 1996. He was employed as Civil Engineer by Sir Alexander Gibb and Partners from 1987 to 1990. He joined the Authority as Civil Engineer in 1990 and was promoted Port Engineer in 1999. In May 2015, he was appointed Deputy Director-General. He reckons some 36 years' experience in the port sector. Since December 2022, he is occupying the post of Ag. Director-General.

SYBRAND VAN NIEKERK (Alternate to Petrus van Niekerk)

Holds a B.Com (Honours) in Accounting and qualified as a Chartered Accountant in 1999. His experience since includes commodity procurement, general management, business development, and corporate finance at various grain milling and feed manufacturing companies in southern Africa. His current responsibilities are investment management and evaluating new business opportunities. He holds directorships in a number of Group companies in southern Africa.

COMMON DIRECTORS ON SHAREHOLDER COMPANIES AND SUBSIDIARIES

The table below indicates the Directors common to the shareholder companies having more than 5% holding in Les Moulins de la Concorde Ltée and Directors common to the subsidiaries of the Company:

	SHAREHOLDERS HAVING MORE THAN 5%					SUBSIDIARIES OF LMLC	
DIRECTORS	LMLC	LFL	MADCO	CUSTOS	MPA	CIL	WRAP'EAT LTD
Mushtaq Oosman (Chairman)	√	-	-	-	-	-	-
Gita Angeli (as from 13.12.23)	√	-	-	-	-		
Gérard Boullé	√	√	√	-	-	√	√
Radhakrishna Chellapermal	√	-	-	-	-	-	-
Géraldine de Spéville Darpoux (as from 13.12.23)	√	-	√	-	-	-	-
Cédric de Spéville	√	√	√	-	-	√	√
Michel de Spéville, C.B.E. (up to 13.12.23)	√	-	√	-	-	-	-
Eric Espitalier-Noël	√	√	√	-	-	-	-
Anwar Joonas (up to 30.04.24)	√	-	-	-	-	-	-
Deonanan Makoond	√	-	-	-	-	-	-
Jean-Pierre Montocchio (up to 08.11.23)	√	-	-	-	-	-	-
Su Lin Ong	√	-	-	-	-	-	-
Pierre-Yves Pougnet	√	√	√	-	-	√	-
Aruna Devi Bunwaree Ramsaha	√	-	-	-	-	-	-
Petrus van Niekerk	√	-	-	√	-	√	-
ALTERNATE DIRECTORS							
Shakeel Goburdhone (Alternate to Mrs. Aruna Devi Bunwaree Ramsaha)	√	-	-	-	-	-	-
Sybrand van Niekerk (Alternate to Mr Petrus van Niekerk)	√	-	-	√	-	√	-

LMLC:	Les Moulins de la Concorde Ltée	MPA:	Mauritius Ports Authority
LFL:	Livestock Feed Limited	CIL:	Concordia Investments Ltd
MADCO:	Management and Development Company Limited	CUSTOS:	Custos NMI (Pty) Ltd

DIRECTORS' INTERESTS

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

No	Directors	Non-Executive	Independent	Direct Shareholding in LMLC %		Indirect Shareholding in LMLC %		Number of other Directorships in Listed Companies
				Ord	Pref	Ord	Pref	
1	Mushtaq Oosman (Chairman)	-	√	-	-	-	-	7
2	Gita Angeli (as from 13.12.23)	√	-	-	-	-	-	-
3	Gérard Boullé	√	-	-	-	-	-	2
4	Radhakrishna Chellapermal	-	√	-	-	-	-	1
5	Géraldine de Spéville Darpoux (as from 13.12.23)	√	-	-	-	0.272	-	-
6	Cédric de Spéville	√	-	-	-	0.272	-	4
7	Michel de Spéville, C.B.E (up to 13.12.23)	√	-	0.0022	0.0087	21.484	-	-
8	Eric Espitalier-Noël	√	-	-	-	1.342	-	7
9	Anwar Joonas (up to 30.04.24)	√	-	0.0303	0.0703	-	-	-
10	Deonanan Makoond	√	-	-	-	-	-	2
11	Jean-Pierre Montocchio (up to 08.11.23)	√	-	-	-	-	-	7
12	Su Lin Ong	-	√	-	-	-	-	2
13	Pierre-Yves Pougnet	√	-	0.0710	0.0233	-	-	3
14	Aruna Devi Bunwaree Ramsaha	√	-	-	-	-	-	-
15	Petrus van Niekerk	√	-	-	-	28.490	0.781	-
	ALTERNATE DIRECTORS							
1	Shakeel Goburdhone	√	-	-	-	-	-	-
2	Sybrand van Niekerk	√	-	-	-	5.69	0.16	-

DIRECTORS' DEALINGS IN SECURITIES OF THE COMPANY.

The Directors confirm that they have followed the principles set out in the DEM Rules on restrictions on dealings by the Directors.

None of the Directors have traded in the shares of the Company during the year under review.

DIRECTORS' APPOINTMENT PROCEDURES

Directors are elected to serve on the Board at the Annual Meeting of Shareholders. However, should a casual vacancy arise, the Board has the authority to appoint a director to hold office until the next Annual Meeting.

The Corporate Governance Committee, which also acts as the Nomination and Remuneration Committee, has established, with the approval of the Board, a policy outlining the procedure on the nomination and appointment of Directors. The Corporate Governance Committee, in its role as Nomination Committee, leads the process of selection and screens candidates based on the requirements of the position, the skills and expertise needed. Once a candidate is selected, the Corporate Governance Committee makes its recommendation to the Board, who will decide whether to propose to the shareholders the appointment of the selected candidate.

The Constitution of the Company provides an annual rotation of Directors whereby one-third of the Directors longest in office shall retire and offer themselves for re-election at the annual meeting of shareholders. This ensures that every director has a three-year term of office on the Board and provides the shareholders an opportunity, on an annual basis, to decide on the re-appointment of one-third of the board members.

The Directors to be appointed at the annual meeting are disclosed on the agenda of the annual meeting of shareholders and it is published on the website of the Company.

An appointment letter is remitted to all Directors appointed at the annual meeting and they signify their acceptance to serve on the board upon signing their appointment letter. The terms of the appointment are outlined in the letter. Directors are required to allocate adequate time to their responsibility towards the Company and to notify the Chairperson and the Company Secretary when they take on additional directorships, to ensure that there is no over boarding.

DIRECTORS' INDUCTION AND ORIENTATION

A formal induction plan is in place and an induction pack is remitted to a newly appointed Director and comprises among others the Board Charter, Directors' Code of Ethics, minutes of last three board meetings prior to the Director's appointment, the financial statements, the mission statement of the Company, and relevant legislations which shall enable him to understand the duties and obligations of being a Director.

The responsibility of the induction process lies with the Chairperson and the latter delegates to the General Manager and the Management staff to accompany newly appointed Directors in their introduction to the Company and its business operations. A site visit of LMLC and the mills as well as a meeting with the key members of management is organised for newly appointed Directors.

Site visits are organised on regular basis for directors to take cognizance first-hand of the developments made at the mill as well as in other areas of operations such as the packaging section, warehouse, laboratory, and the bakery centre.

DIRECTORS' REMUNERATION

The remuneration entitled to be paid to Directors at June 30, 2024, were as follows:

Type of meeting	CHAIRPERSON		DIRECTORS	
	Annual Retainer Rs	Meeting Fee Rs	Annual Retainer Rs	Meeting Fee Rs
Board meeting	200,000	20,000	100,000	20,000
Audit and Risk	140,000	10,000	80,000	10,000
Corporate Governance	50,000	10,000	35,000	10,000

Payment of the retainer is made on a monthly basis and meeting fee is paid at end of each financial year based on the attendance of Directors at meetings.

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

No	Directors	Board Attendance	Board Fees	ARC Attendance	ARC Fees	CGC Attendance	CGC Fees	TOTAL REMUNERATION
		5 Meetings	Rs	6 Meetings	Rs.	2 Meetings	Rs.	Rs.
1	Mushtaq Oosman (Chairman)	5/5	300,000	-	-	2/2	55,000	355,000
2	Gita Angeli (as from 13.12.23)	3/5	118,333	-	-	-	-	118,333
3	Gerard Boullé	5/5	200,000	-	-	-	-	200,000
4	Radhakrishna Chellapermal	5/5	200,000	6/6	140,000	-	-	340,000
5	Géraldine de Spéville Darpoux (as from 13.12.23)	3/5	118,333	-	-	-	-	118,333
6	Cédric de Spéville	5/5	200,000	-	-	-	-	200,000
7	Michel de Spéville, CBE (up to 13.12.23)	1/5	70,000	-	-	-	-	70,000
8	Eric Espitalier-Noël	4/5	200,000	-	-	-	-	200,000
9	Anwar Joonas (up to 30.04.23)	3/5	143,333	3/6	96,667	-	-	240,000
10	Deonanan Makoond	5/5	200,000	-	-	2/2	55,000	255,000
11	Jean-Pierre Montocchio	1/5	61,667	-	-	1/2	24,583	86,250
12	Su Lin Ong	5/5	200,000	6/6	200,000	-	-	400,000
13	Pierre-Yves Pougnet	5/5	200,000	6/6	140,000	2/2	70,000	410,000
14	Petrus van Niekerk	5/5	200,000	-	-	-	-	200,000
15	Aruna Devi Bunwaree Ramsaha	0/5	100,000	-	-	-	-	100,000
	Alternate Directors							
1	Shakeel Goburdhone	2/5	40,000	-	-	-	-	40,000
2	Sybrand van Niekerk	0/5	-	-	-	-	-	-

No fee was paid to the Directors sitting on the subsidiary companies Concordia Investments Ltd and Wrap'Eat Ltd, the latter having stopped its operations.

The Directors have not received remuneration in the form of share options or bonuses associated with the Company's performance.

DIRECTORS' CONFLICTS OF INTEREST

The Company Secretary maintains an interest register for the Members of the Board and senior officers of the Company, and it is available for consultation by shareholders upon written request to the Company Secretary.

All Directors are aware of their duty to make a formal declaration of their interests to the Company as required under the Securities Act and they do notify the Company in the event of any change in their interests.

At the start of the financial year, each Director are invited to submit their interest and the Company keeps a record of their yearly declaration. Directors are required to notify the Company of any change in their interest declaration which may occur during the financial year. For the year 2023-2024, the Company has not been signified of any change in the interest declared by the Directors.

A calendar of closed periods is communicated to the Directors at the start of every financial year and Directors are kept updated on the closed periods in the course of the year where they are not allowed to trade in the shares of the Company.

Directors and senior officers have the responsibility to notify of any change in their declaration of interests to the Company Secretary who will ensure that the interest register is kept updated. Prior to the board deliberating on the matters on the agenda of a meeting, as soon as the Directors are aware of having either a close or a related interest to the matter on discussion, they declare their interest to the Chairperson and Company Secretary and their interest are recorded in the minutes of the meeting.

The Company's Constitution provides that a Director with an interest in a transaction shall declare to the Company his interest and not participate in the vote on the proposed transaction or any matter relating to the transaction.

DIRECTORS' CODE OF ETHICS

The Directors are guided by the Director's Code of Ethics, which has been adopted by the Board and is published on the Company's website.

It provides guidance to Directors in discharging their fiduciary responsibilities with honesty, integrity, and fairness and in the best interest of the Company. The Board regularly monitors and evaluates compliance with its code of ethics.

DIRECTORS' PROFESSIONAL DEVELOPMENT

The Company provides the opportunity to its directors to develop their knowledge and skills through workshops and development programmes. The Head of Governance, Risk and Compliance of Eclosia Group through the Company Secretary, screens the workshops and training programmes offered and recommend to Directors those which would be relevant and of interest for the Directors to attend.

DIRECTORS' SUCCESSION PLANNING

A succession plan is in place for the senior management positions whose expertise in

DIRECTORS' SUCCESSION PLANNING (CONT'D)

milling operations are fundamental to the running of the mill. The succession plan has been set up to maintain continuity and sustainability of the enterprise.

The Corporate Governance Committee is responsible for selecting appropriate candidates, who have the required qualifications, skills, and expertise to be recommended for appointment as Director on the board. The composition of the Board is reviewed on regular basis to ensure that the balance of expertise and skills on the Board is maintained.

BOARD COMMITTEES

THE CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee for the financial year ended June 30, 2024, comprised of the following members:

Position	Name	Status
Chairperson	Mr Pierre-Yves Pougnet	Non-Executive
Member	Mr Deonanan Makoond	Non-Executive
Member	Mr Jean Pierre Montocchio (up to 08.11.2023)	Non-Executive
Member	Mr Mushtaq Oosman	Independent
Secretary	Eclosia Secretarial Services Ltd	

During the year, the General Manager was invited to attend the meeting of the Corporate Governance Committee.

The terms of reference of the Committee are in summary:

- To make recommendations to the Board on all corporate governance provisions to be adopted so that the Board remains effective and complies with prevailing corporate principles and practices.
- To ensure that the disclosure requirements regarding corporate governance, whether in the annual report or other reports on an ongoing basis, are in accordance with the principles of the Code of Corporate Governance.
- To make recommendations on the nomination and remuneration of Directors of the Company.
- To review the Board structure, size and composition and make recommendations to the Board whenever appropriate.
- To review, whenever necessary, and make recommendations on:
  i. the induction programs for new Directors.
  ii. the process for the performance appraisal of the Board.

The Board initially approved the Terms of Reference for the Corporate Governance Committee in 2011, with a review scheduled every five years. The most recent review was approved by the Board in 2021.

The Committee met twice during the year and continued the established program of monitoring governance performance within the Company, leading the board evaluation exercise, addressing the composition of the board and the nomination of new Directors, reviewing the Director's remuneration and ensuring the Company's compliance with existing legislations and policies.

All matters discussed at the Corporate Governance Committee and recommendations made are reported by the Chairperson of the Committee to the Board who will accordingly decide on the actions to be taken.

Remuneration and Nomination

The Corporate Governance Committee assumes the tasks of remuneration and nomination committee and makes recommendations to the Board on: (a) Directors and Committee Members' fees and (b) the nomination of Directors.

A procedure is in place for the nomination of Directors on the board and on Committees. The procedure is led by the Corporate Governance Committee.

THE AUDIT AND RISK COMMITTEE

The members of the Audit and Risk Committee at June 30, 2024, were:

Position	Name	Status
Chairperson	Mrs Su Lin Ong	Independent
Member	Mr Pierre-Yves Pougnet	Non-Executive
Member	Mr Anwar Joonas (up to 30.04.2024)	Non-Executive
Member	Mr Radhakrishna Chellapermal	Independent
Secretary	Eclosia Secretarial Services Ltd	

The composition of the Audit and Risk Committee at June 30, 2024, is constituted of two independent Directors and one non-executive Director. The Board considers that the composition of this Committee strikes the right balance of knowledge and expertise and, as a collective body, it can scrutinise rigorously the relevant areas under its responsibility. The Board is satisfied that under the Chairmanship of an independent member, the Audit and Risk Committee is discharging its responsibilities effectively and efficiently.

The Committee met six times during the year. Careful consideration was devoted to the reports of internal auditors and the external auditor as well as the risk management framework.

The terms of reference of the Audit and Risk Committee, which encompassed the fully owned subsidiaries of LMLC, were reviewed during the year and were approved by the board on 19 September 2023. The terms of reference are published on the Company's website.

The Company's results after each quarter were meticulously analysed and the performance of the enterprise scrutinised by the Committee.

The audit finding reports, from both the external auditor as well as the internal audit team, were received by the Committee and Management's actions towards implementation of the recommendation made were closely followed and monitored to ensure satisfactory closure.

THE AUDIT AND RISK COMMITTEE (CONT'D)

The Committee fulfilled the following duties during the year:

(i) Review the abridged unaudited quarterly statements and the audited financial statements.
(ii) Receive the report of the findings of the internal auditors for IT and finance and administration and that the risks outlined have been addressed by Management.
(iii) Receive the report of the Head of Governance, Risk and Compliance on the different audits carried out at LMLC and receive assurance that the findings of the audit reports have been addressed by Management.
(iv) Review the risk register of the Company and receive Management assurance that adequate controls were in place to monitor the risks.
(v) Meet with the external auditors and Management on the findings raised in the Management Letter.

THE COMPANY SECRETARY

Eclosia Secretarial Services Ltd (ESS) is a corporate body which holds the functions of Company Secretary and is a company of the Eclosia Group. The Head of Secretarial Services is holder of a Bachelor of Laws (LLB Hons) from the University of Manchester, UK, and is a Fellow of the Chartered Governance Institute, (CGI, UK). ESS's team consists of a Company Secretary, who is an Associate of the CGI, UK, and a member of CGI Mauritius, one assistant company secretary and two support staff.

As part of their continuous professional development, the Company Secretaries of Eclosia Secretarial Services Ltd undertake a minimum of twenty-one hours of training and skill development annually as required by the Chartered Governance Institute. The company secretaries are also members of the Mauritius Institute of Directors.

Board members have access to the Company Secretaries of Eclosia Secretarial Services Ltd who are assigned the task of assisting the Board in its governance processes and guiding the Board in the application and implementation of the principles of the Code of Corporate Governance as well as ensuring that the Board is aware of the statutory and regulatory requirements. The Board is satisfied that Eclosia Secretarial Services Ltd, through its representatives, fulfils satisfactorily its responsibilities towards the Board and the Company.

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

BOARD INFORMATION

The information policy of LMLC is embedded in the Directors' Code of Ethics and guides Directors on the treatment, storage, and use of information, which are the property of the Company and as such are to be treated as strictly confidential.

Directors are aware of their duty relating to the use of information made available to them and that such information should not be divulged to third parties without the proper authority of the Board.

As per the requirements of the Data Protection Act, newly appointed Directors are required to give their consent for the use of their personal information and give authorisation to the Company to share such information as may be required by relevant authorities and financial institutions for the purpose of satisfying the requirements of the anti-money laundering regulations.

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

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

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

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

INFORMATION TECHNOLOGY AND INFORMATION SECURITY GOVERNANCE

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

An Information Technology Policies and Procedures ("ITPP") manual has been mandated by the GIT to provide guiding principles applicable to the management of IT related processes across Group Companies in order to:

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

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

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

An End User IT Security Policy is remitted to all new recruits and must be adhered to by all employees. together with the cybersecurity awareness and eLearning program. Periodic cybersecurity awareness and eLearning program are conducted for employees to

INFORMATION TECHNOLOGY AND INFORMATION SECURITY GOVERNANCE (CONT'D)

foster a cybersecurity-conscious culture. These initiatives included information security best practices, phishing campaigns, and safe online behaviors.

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

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

Access rights are managed centrally and enable management and restriction to access applications, transactions, and data, for ERP and business systems, and on folders and documents in the document management system, it also enables to qualify sensitivity and confidentiality of documents.

This robust IT Governance Framework and initiatives proves that Information Management, Information Technology, and Information Security is an important component in LMLC's operations and Management in collaboration with Eclosia Technology Services Ltd (ETS), ensures that the IT environment of LMLC is a secured and protected from unauthorised external intrusion.

The high-performance Buhler Mercury "MES" software, used to control milling operations, has been commissioned together with eight new electrical panels in financial year 2024-2025.

There are defined restrictions placed over the rights of access to information.

All significant expenditure on information technology is approved by the Board.

RELATED PARTY TRANSACTIONS

Related party transactions are made at arm's length and in the normal course of business.

Related party transactions between the Company or any of its subsidiaries or associates and a director, controlling shareholder or companies owned or controlled by a director or controlling shareholder are disclosed in the note 30 to the financial statements.

The Company has a related party transaction policy which is detailed in its Code of Ethics and published on website of the Company.

MANAGEMENT AGREEMENTS AND CONTRACTS OF SIGNIFICANCE

a. Service Contracts

There are no service contracts with the Directors of the Company.

The Company has a service contract for IT services with Eclosia Technology Services Ltd ("ETS"). The Company has a distribution contract with Panagora Marketing Company Limited for the distribution of flour in small packs. Both ETS and Panagora Marketing Company Limited form part of the Eclosia Group.

In addition, flour mixes and improvers are sold to Cascadelle Distribution et Cie Ltée through a service agreement for retail distribution.

The Company has contracted Eclosia Secretarial Services Co Ltd to provide corporate secretarial services to the Company and its subsidiaries.

The Company contracts out many operational activities such as Security, Machinery and Electrical maintenance, transport, and pest control to local service providers.

All transactions carried out in terms of the above contracts are in normal course of business and at arm's length.

b. Contract of significance with substantial shareholders

The Company have the following contracts of significance with the following substantial shareholders:

(i) A management contract with Management and Development Company Limited (MADCO).
(ii) A technical management contract with NMI Group Services (Pty) Ltd.

c. Contract of significance with Directors

There is no contract of significance with the Directors.

d. Management agreements

LMLC has no management contracts with its subsidiary companies.

LMLC has a management contract with MADCO since its inception and has been revisited to be more specific on the support of MADCO and its interaction with LMLC.

MADCO is actively involved in the monitoring of the performance and strategic development of the companies of the Eclosia Group through the Eclosia Way management system. As a result, LMLC benefits from a cohesive sharing of enterprise management culture, values, and ethics. MADCO also participates in important exercises of raw material procurement, personnel recruitment and management and determining major capital expenditure.

LMLC has a technical management agreement with NMI Group Services (Pty) Ltd, an associate Company of Credo LM (Pty) Ltd. In terms of the contract, the Company benefits from the vast technical experience in the domain of milling of the NMI Group in the Southern African region. Audits of mass reconciliation for the entire wheat milling process are conducted every year as well as monitoring of the plant and machinery maintenance process and the mill upkeep. The Company also provides technical and strategic input and support for development projects at LMLC.

RISK GOVERNANCE

The Board is ultimately responsible for the governance of risks and has entrusted the Audit and Risk Committee the responsibility to ensure that Management identifies and manages all inherent risks on a regular basis and amongst other initiatives, by continually updating the Risk Register.

Management conducted its reviews of the risk register in the domains of finance, production, operations, human resources, food quality, information technology, environment, security, reputational, compliance, health & safety, and communication risks during the year. Mitigating actions were evaluated and

RISK GOVERNANCE (CONT'D)

new measures proposed, where appropriate. The risk appetite fixed by the Board was maintained at the level of Rs 20 million.

Risks are evaluated according to the likelihood of occurrence and the potential impact on the corporate goals. This methodology helps to prioritise the risks' responsiveness. The risks identified were as follows:

(a) Strategic and Business Risks

Strategic risks inherent to the Company in the flour market are twofold - a single large client, the State Trading Corporation which has an annual flour requirement of some two thirds of the production output of the enterprise. The tender process by which the STC procures is continually assessed as any change may increase the risks in a number of critical ways. In addition, the export market is subject to fierce international competition. Both factors are mitigated in various ways but remain a constant preoccupation of the management.

(b) Legal & Commercial Risks

Dumped flour by foreign suppliers on all markets is a reality. The existing legislation in Mauritius against dumping is no guarantor of an environment free of dumping. Nonetheless, the Company monitors competition continuously and takes action to counter this phenomenon when it occurs.

(c) Information Technology Risks

Access by internet or direct physical intervention creates a certain vulnerability of the mill operating system. The Company now has more stability and safety with the Mercury Scada as well as additional point of control. LMLC maintains and closely monitors service contracts with service providers inside and outside of Mauritius to ensure smooth running of the IT system. The risks of unauthorised access to Eclosia information asset and internal/external hackers' attack, with the increased use of virtual private network by employees working at home, have been reviewed and are effectively managed.

In view of increasing the IT Security knowledge of the employees to mitigate the risk of security breach via users, E-learning of these IT and cybersecurity topics has been initiated at group level. Regular online training with exercises, questions and answers with a minimum pass level is provided by the supplier KnowBe4 to all employees using an IT device. The best practices are shared with them to explain the concept of employees' firewall and how to avoid any risk for the company.

(d) Human Resource Risks

The scarcity of technical staff in milling in Mauritius has engendered procedures of training the key milling personnel, to ensure sustained technical performance. A succession plan has been prepared for key positions and the talents were identified. They will be trained over the years to become future leaders in their field. High-level training at flour mills in Switzerland allows technicians to keep abreast of developments in milling. A management contract with NMI Group Services (Pty) Ltd which regularly performed audits during the past year, also mitigates this risk.

(e) Black Swan Risks

Unforeseen risks can arise that cannot be anticipated. In the years following the Coronavirus pandemic, we experienced more stable prices for both commodities and freight. However, in recent months, freight issues have resurfaced due to ongoing conflicts and political instability in key regions disrupting shipping routes and logistics, shortages of containers and fewer vessels available. There are inherent safety risks in LMLC's industrial activity, but these are mitigated by the highly automated process, and the Mercury Scada as well as a proactive risk assessment approach based on the OHSAS 18001 international standard, which reduces such risks to the minimum. The impact of LMLC's production activities on the wider environment is quite limited, the major one being the use of plastic packaging for the flour and bran products. The Company is currently assessing the use of paper packaging as a substitute to plastic materials.

Being a flour mill, the risk of fire and dust explosion is inherent to the operations and is reviewed regularly. The emergency preparedness and response procedures to mitigate this risk are regularly tested and updated.

(f) Financial Risks

Time-lapse differences between the purchase of raw materials and the sale of products give rise to risks of exchange rate fluctuations in the financials of the Company. However, trading in the same currency for purchases and sales in either euros or dollars or rupees creates a natural hedging and minimises those risks.

RISK MANAGEMENT AT LMLC

The risk assessment was reviewed with a risk matrix aligned with the group risk framework. This enabled a clearer assessment of the impact and severity of each individual risk. The top ten risks and their corresponding measures were reassessed and updated accordingly.

The Audit and Risk Committee was satisfied with the identified measures to effectively mitigate or counter risks and that the appropriate action plans were in place. With the advice of its insurance broker, the Company has contracted insurance covers to protect it against several risks.

Every year a special Audit and Risk Committee meeting is held to assess the risks of the Company and to evaluate the Company's risks management process to ensure that it is monitored and is effective. This exercise was again carried out during the past year with the support of the Governance, Risk and Compliance (GRC) section of Eclosia Corporate Services Ltd. All financial and non-financial risks were analysed, and the conclusion was that the risk management process was appropriate and was well conducted.

- Business Continuity

The Business Continuity Plan (BCP) to recover business operations in the aftermath of a materialized risk and to ensure the sustainability of operations was in place at LMLC. Disaster simulations were conducted during the past years to test the effectiveness of the BCP, and the results were satisfactory.

- Insurance cover

Management annually adjusts its insurance cover to meet the changes in plant and equipment values, and prices of materials and services. Competitive rates are negotiated through the services of a broker with many years of experience and satisfactory cover was maintained for the year.

- Fraud Policy

Clear guidelines on financial policies and procedures are in place to minimise the risk of fraud. These procedures are closely monitored by the internal audit services of the Company.

- Whistleblowing

At LMLC, all attempts are made to promote an environment of honesty and transparency. Employees are empowered to whistle-blow in case of need. They are

RISK MANAGEMENT AT LMLC (CONT'D)

at all levels sensitized on the procedures for whistleblowing through a clear and confidential communication system.

Access to bypass LMLC Management and directly approach the Chairman of the Board or Eclosia Head Office is also provided to all employees. No issues in this regard were reported during the year.

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

The Audit & Risk Committee is responsible for monitoring its application and reliability.

DATA PROTECTION

LMLC complies with the Data Protection Act and the GDPR and is committed to protecting the privacy of its stakeholders including clients, suppliers and employees. In this context LMLC has outsourced the role of Data Protection Officer to a specialist who has been assisting the company in the setting up and implementation of its Data Protection Framework.

Since June 2023, LMLC has renewed its registration with the Data Protection Office as Controller. The Certificate of Registration is valid from 01 August 2023 to 31 July 2026.

The following data protection policies and procedures were reviewed, updated and approved by the Data Protection Committee during the financial year namely:

- Employee Privacy Notice,
- Candidate Privacy Notice,
- Website Privacy Notice,
- Privacy Policy,
- Data Breach Response Plan,
- Records Management Policy and
- Data Subject Access Request Policy and Procedure.

Moreover, the Record of Processing Operations for all departments was completed, as required by Section 33 of the Data Protection Act 2017 (DPA). An email address was set up to enable data subjects to contact the Data Protection Officer or the Data Protection Committee. The address is as follows: LMLC_DPC@eclosia com.

It is noted that LMLC has not encountered any data breach incidents during the financial year 2023-2024.

Finally, in view of LMLC's commitment to protect the privacy of individuals whose personal data are processed; the Data Protection Officer has carried out data protection staff awareness trainings to ensure that employees:

i) understand the applicability of the European Union General Data Protection Regulation 2016 (GDPR) and the DPA.
ii) are aware of penalties applicable for non-compliance.
iii) get a broad knowledge of the GDPR and DPA requirements and
iv) understand privacy policies and procedures necessary to comply with the requirements of GDPR and the DPA.

INTERNAL CONTROL

In addition to the review of the Company's risks, the Audit and Risk committee also reviews the internal control system in place at the Company and suggests improvements where necessary.

The Board has entrusted the responsibility to report on the effectiveness of internal control to the Audit and Risk Committee.

The risk register was reviewed during the year, the weightage of certain risks was changed but no additional high risk was identified. The management of the Company follows a formalised set of policies and procedures in the fields of Human Resources, Finance, IT, and industrial production. The principle of continual improvement is at the base of all procedures. Compliance is ensured through a comprehensive series of audits performed by auditors external to the Company, which include:

- Internal audits of all operations,
- External audits of infrastructure, operational and financial aspects,
- Information technology audits,
- Client audits from a limited number of long-standing clients to assure them of process and product quality standards,
- Food safety, quality, environment, and health & safety management systems audits (as detailed below),
- Technical audits by milling engineers and millers concerning yields, efficiencies, and machine performance.

The "Eclosia Way" is a series of audits that compare the Company management to norms established by the Eclosia Group. The system encourages adherence to core values as well as initiatives for evaluation and improvement against operational benchmarks.

Throughout the year, LMLC has effectively upheld its commitment to five globally recognized management systems. These systems, including Quality Management (ISO 9001:2015), Environmental Management (ISO 14001:2015), Food Safety (HACCP), Occupational Health and Safety (OHSAS 18001:2007), and Testing and Calibration (ISO/IEC 17025:2017), undergo rigorous annual audits conducted by both local and international auditors.

These systems are pivotal in shaping our policies, ensuring food safety, enhancing customer satisfaction, maintaining consistency in production, promoting environmentally sustainable practices, fostering a safe workplace, and conducting thorough laboratory analyses of our materials and products. They underscore our dedication to teamwork and employee engagement.

Over the year, LMLC has successfully retained certification for all management systems, reinforcing our commitment to operational excellence and compliance with international standards.

AUDIT

INTERNAL AUDIT

The Company outsources the internal audit functions to Eclosia Corporate Services Ltd ("ECS") ECS's Internal Audit Departments, whose staff members possess the necessary qualifications (including FCCA, CGI, CIA, CFE, CISA, CRISC, CISM, CDPSE, Certified Compliance professional, among others), expertise and coupled with the number of years of experience to fulfil their role effectively. They are supported by a well-structured Enterprise Risk Management and Governance framework that ensures their independence, objectivity, competence, and free access to books and records for a comprehensive evaluation of risks and

AUDIT (CONT'D)

INTERNAL AUDIT (CONT'D)

controls. The staffing level together with continuous learning & development enables sufficient coverage of emerging risks and various audit areas such as financial, accounting, operational, data privacy, and information technology. We adopt and apply international auditing standards prescribed by the IIA and ISACA, risk-based audit methodologies, automated tools with data analytics to conduct thorough audits and reporting to Audit and Risk Committees.

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

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

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

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

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

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

The Internal Audit team has the authority to access and examine all information, both paper-based and electronic documents as well as inspecting physical assets. No complaints were received from the Internal Auditor during the year under review with respect to restrictions on access to records, management or employees of the organisation.

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

The areas covered by the internal audit function during the year under review include fixed assets, stock, debtors, cost control management, weighbridge, quarterly reporting, and compliance with the DEM rules.

All significant areas are covered on a three-year plan by the internal audit department.

The Group Internal Audit Manager and the Group IT Auditor meet with the Chairperson of the Audit and Risk Committee once a year without the presence of management.

Audit reviews and consultancy services were also carried out in other specific areas of expertise such as on the security of the premises and the assets of the Company by the Eclosia Group Head of Security, on food safety by the Eclosia Group Quality Systems Business Partner.

EXTERNAL AUDIT

After a tender process, the audit firm, BDO & Co., was selected and was appointed in 2022. BDO & Co was reconducted as auditor at the annual meeting held on 13 December 2023 for the annual financial audit, which was led in a serious and stringent manner.

Upon recommendation of the Audit and Risk Committee, BDO & Co will be proposed for reconduction to their function of auditor at the annual meeting.

The Audit and Risk Committee reviews the external auditor's audit plan and fees before the yearly audits.

The Audit and Risk Committee meets once a year with the external auditor to review the Company's financial statements, management, and representation letters and to assess the effectiveness of the external audit process. The external auditor can also meet the members of the Audit and Risk Committee without management presence. The Audit & Risk Committee has discussed critical policies, judgements and estimates with the external auditor.

Both Management and the Audit and Risk Committee recognized that the services of BDO & Co during the year have been satisfactory.

The Audit and Risk Committee ensures that the external auditors apply appropriate safeguards, such as different engagement partners and segregated teams, when non audit services are provided by the external auditors.

RELATIONSHIP WITH STAKEHOLDERS

All our stakeholders are involved and/or made aware of the Company's organizational strategy and performance. Management ensures that their input is taken into consideration and their expectations and interests are met as far as possible. In that respect, the following steps are taken:

a) Shareholders

The management and board of directors of the Company have applied themselves to ensure that the investment made by the shareholders in the Company fructifies and earn the shareholders a return on their investment through the payment of a yearly dividend.

Shareholders are encouraged to attend the Company's Annual Meeting where they can interact with the Members of the Board, Management, and the external auditor.

The next Annual Meeting of the Company will be held on December 11, 2024.

The annual reports of the Company, the notice of Annual Meeting of shareholders and the proxy forms, should a shareholder wish to be represented at the said Meeting, are made available on the Company's website within 21 days from the date of the meeting, as per the requirements of the Companies Act. These are also available in print to shareholders who have made such request.

The notice and agenda of the Annual Meeting of. shareholders, and all the resolutions to be proposed for approval, are published on the Company's website.

b) Suppliers

The Company maintains a list of all its approved suppliers for procured products

RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

and services. The said suppliers are regularly evaluated on the quality of products and their standard of services. This evaluation exercise allows the Company to choose the best product and service provider.

Except for freight, wheat and specific machinery from Buhler, for all other products and services costing more than Rs 1 million per annum, the Company sets a bidding exercise among its registered suppliers. To ensure to have the best product in terms of quality and price, suppliers outside the list are also invited in the bidding exercise.

c) Employees

An employee engagement survey is carried out every 2 years to measure their level of satisfaction. The results of the survey are then communicated to all employees. Through focus groups, all weaknesses and opportunities are discussed. Following the discussions on improvements to be made, an action plan is proposed for implementation. The last engagement survey carried out in June 2023 recorded a participation rate of 94% in comparison to 92% in the previous exercise.

Through regular management and departmental meetings, monthly company briefing and our "Conseil d'entreprise", our employees are given the opportunity to interact, exchange and express themselves with management.

d) Union

After extensive deliberations, the Collective Agreement with the Union has been successfully signed this year. Effective from January 1, 2022, this Agreement will remain in force for a four-year period. The terms and conditions specified within the Agreement were enacted immediately upon signature, marking a significant milestone in our commitment to fostering strong labour relations and ensuring mutual benefits for both parties.

e) Clients

Monthly meetings are held with the State Trading Corporation and with other major distributors of LMLC's products, both locally and overseas. These client-supplier meetings allow the company to review any concerns, including product quality, service level and pricing. However, as, and when required, meetings are called with all stakeholders – be it daily or weekly, to address any concern. The more so, with the Covid-19 lockdown, the exigencies of the changing conditions of the market resulted in intense client-contact during that period.

f) Flour Consumers

The Company has an elaborated and well-established schedule of visits to our clients, which enable us to have an in-depth understanding of consumers' needs which are addressed accordingly. Our consumers include bakers, confectioners, chefs, and producers of flour-related products such as faratha, dhal puri and others.

CORPORATE GOVERNANCE REPORT (CONTINUED)

DIVIDEND POLICY

The Company's policy is to pay dividend based on its current profitability and the liquidity requirements to ensure, as far as possible, a relatively consistent return to shareholders.

The dividend paid for the financial year under review is Rs 3.75 per ordinary share Rs 20.00 per preference share (2022-2023: Rs 3.50 per ordinary share and Rs 20.00 per preference share).

ANNUAL SHAREHOLDERS' EVENTS

Annual Meeting

The Annual Meeting of the Company will be held on December 11, 2024. A notice convening the meeting will be sent to all shareholders twenty-one days before the Annual Meeting. The agenda of the meeting will be sent together with the notice and outlines the matters to put before the shareholders for approval. Shareholders who cannot attend can designate a proxy to attend and vote in their stead.

Shareholders are encouraged to attend the annual meeting where they can interact with the Members of the Board, Management, and the external auditor.

The Chairman's Review in the Annual Report gives an overview on the Company's financial position, its performance and outlook.

A review of the performance from the closure of the financial year to the date of the holding of the Annual Meeting and the outlook for the year is presented by the General Manager during the Annual Meeting.

The annual report of LMLC is published on its website as well as its quarterly results and copy of same is made available to shareholders upon request.

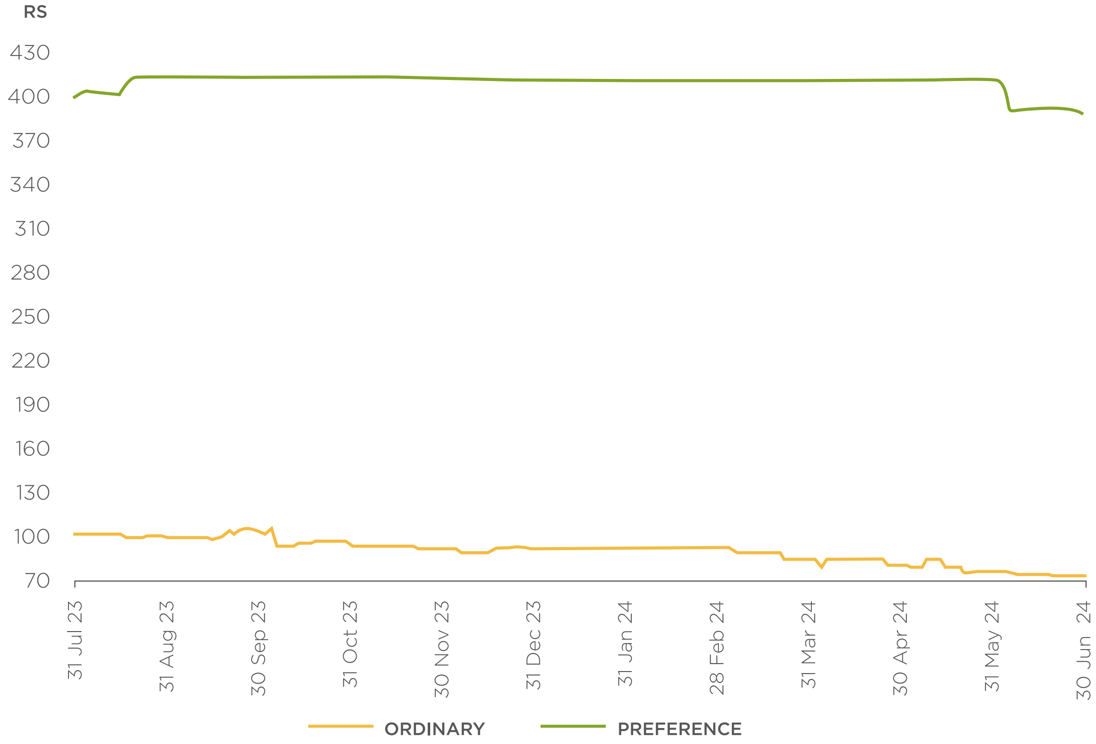
Calendar of annual events

The calendar of the annual events of the Company are as follows:

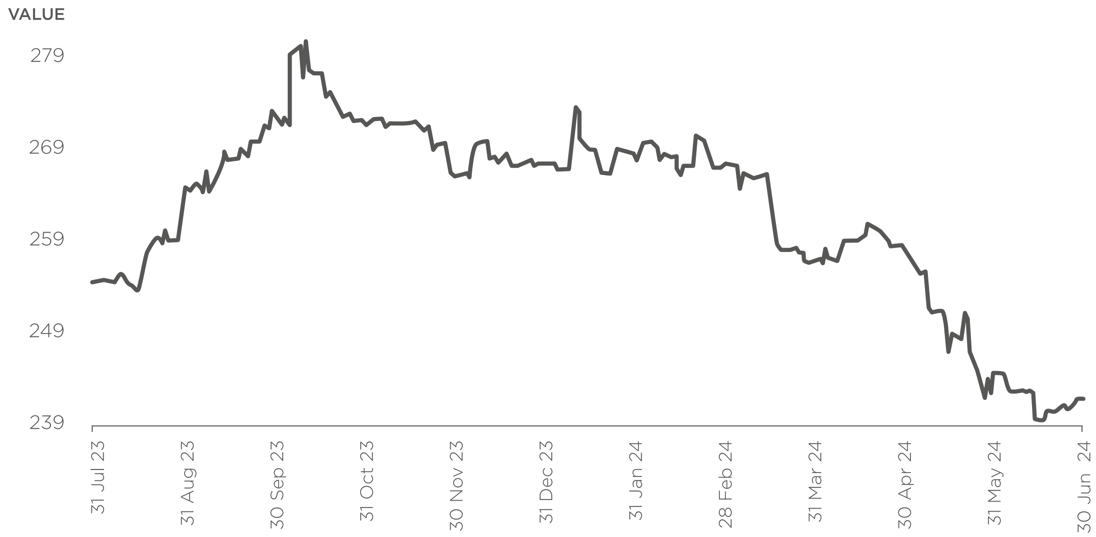
	Event	Month
1	Approval of Final Accounts and publication of Abridged Financial Statements	September
2	Annual Meeting	December
3	Dividend Declaration	May
4	Dividend Payment	June
5	Publication of Quarterly Accounts	
	- 1st quarter - ending 30th September	November
	- 2nd quarter - ending 31st December	February
	- 3rd quarter - ending 31st March	May

SHARE PRICE INFORMATION

EVOLUTION OF LMLC SHARE PRICE



DEMEX EVOLUTION
2022-2023



STATEMENT OF COMPLIANCE

In compliance with Section 75 (3) of the Financial Reporting Act

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

We, the Directors of LES MOULINS DE LA CONCORDE LTEE, confirm that to the best of our knowledge that, throughout the financial year ended June 30, 2024, LES MOULINS DE LA CONCORDE LTEE has complied with all the principles set out in the Corporate Governance Code for Mauritius of 2016 except that:

(i) No Executive Director has been appointed to the Board as per Principle 2. The Board is of the view that the participation of the General Manager at all board meetings and the participation of senior executives in sub-committees of the board meets the spirit of the National Code of Corporate Governance.

LES MOULINS DE LA CONCORDE LTEE has applied all the principles set out in the Code and explanations as to how these principles have been applied are provided in the Corporate Governance Report of the Company at June 30, 2024.

Mushtaq Oosman
Chairperson

Su Lin Ong
Director

September 16, 2024


YEARS
Blédor
Multi-Usages
Cuisine Pâtisserie
1kg

WOMEN AND MEN OUR FOUNDATION

OUR CREED

We believe:

- That our CULTURE is based on strong fundamental values.
- That INTEGRITY is the foundation to these values and represents a rock-solid guarantee for our shareholders, personnel, clients, suppliers and the community at large.
- That DIGNITY has no hierarchy and represents each and everyone's most intimate treasure.
- That MUTUAL RESPECT and RECOGNITION are essential elements to our relationships.
- That BEING PREPARED TO LISTEN to others is an enriching experience since one learns from someone else's difference.
- That the QUALITY of our services, products and relationships leads to further development and progress.
- That our PROFESSIONALISM, our CREATIVITY and our INNOVATION ensure the sustainability of our actions and our participation to growth.
- That EQUITY guarantees social justice and liberty.
- That LOYALTY ensures serene continuity to our relationships.
- That these values reinforce our convictions and urge us to fulfill our tasks and responsibilities.

RECRUITMENT

SELECTION AND INTERVIEW PROTOCOL
IDENTIFYING THE RIGHT TALENT RIGHT FROM THE START

All our job advertisements are communicated internally. This ensures that all potential candidates within our company have equal access to new opportunities. Furthermore, all interviews are conducted in collaboration with the responsible person seeking new recruits. This practice enables a thorough assessment of the technical competencies of potential candidates, ensuring that the most qualified individuals are selected to join our team.

The objective of the selection and review protocol is to ensure that:

1. The process enables accurate decision-making regarding the selection of potential new recruits based on **technical and cultural fit** to the organisation.
2. The protocol ensures a transparent and **fair recruitment process** that helps HR team to select the right candidate.
3. The recruitment process **reflects and promotes** our **Employee Value Proposition (EVP)**.
4. Recruitment decisions not only consider current but also **future fit** for critical roles.

After each interview, a survey is sent to the candidates to gather feedback on their experience and to help us improve our interview process.

ONBOARDING

- Setting up our new recruits for early success in their roles

The objective of the induction policy is to ensure new talents are set up for success and **rapid integration** into their respective roles both in terms of performance expectations as well as cultural integration.

A welcome pack, containing administrative documents and other essentials, is prepared and provided to all new recruits upon their arrival.

Additionally, a welcoming memo is sent to all employees, and each new recruit is assigned a mentor, known as a "parrain", "marraine", or buddy, to assist them during their integration process.

This induction policy includes the following features:

1. **Introduction to the role:** understanding the performance expectations (key performance indicators and behavioural competencies), related to the role.
2. **Company culture**
3. Orienting and introducing newly hired talent to their **key stakeholders** (Peers, Subordinates, HODs, Clients, Service Providers etc...)
4. Understanding the **relevant personnel policies and procedures including IT, Health & Safety and Security.**
5. Establish a health baseline for each employee through our **Medical Surveillance** program.
6. To build awareness of the **Employee Value Proposition (EVP)** of the Eclosia Group.

ONBOARDING (CONT'D)

This comprehensive process aims to ensure a smooth onboarding experience for all newcomers and to familiarize them with important aspects of our organization. We are currently working on updating our HR booklet.

CAREER

- **People development Supporting our employees in their development journeys**

The objective of the Employee Development policy is to encourage and support employees to take advantage of learning opportunities offered for their personal growth and to ensure that the workforce has the right set of skills and competencies to meet current and future business challenges. A training plan is developed annually to provide all employees with opportunities for growth and improvement. Each Head of Department collaborates with our HR Coordinator to discuss the training needs of their team members, based on insights gained during performance appraisals. A budget is allocated to support these training initiatives.

At LMLC, we prioritize investing in career development paths for individuals aiming to become millers. Given the specialized nature of this role, suitable candidates are not readily available on the local job market. To support employees interested in pursuing a career in milling, we offer correspondence courses through the University of Kansas. Additionally, opportunities are extended to millers and maintenance personnel to attend a two-week course at Buhler in Switzerland.

Following the Organisational People Review, feedback is provided to all Talents by their direct superior.

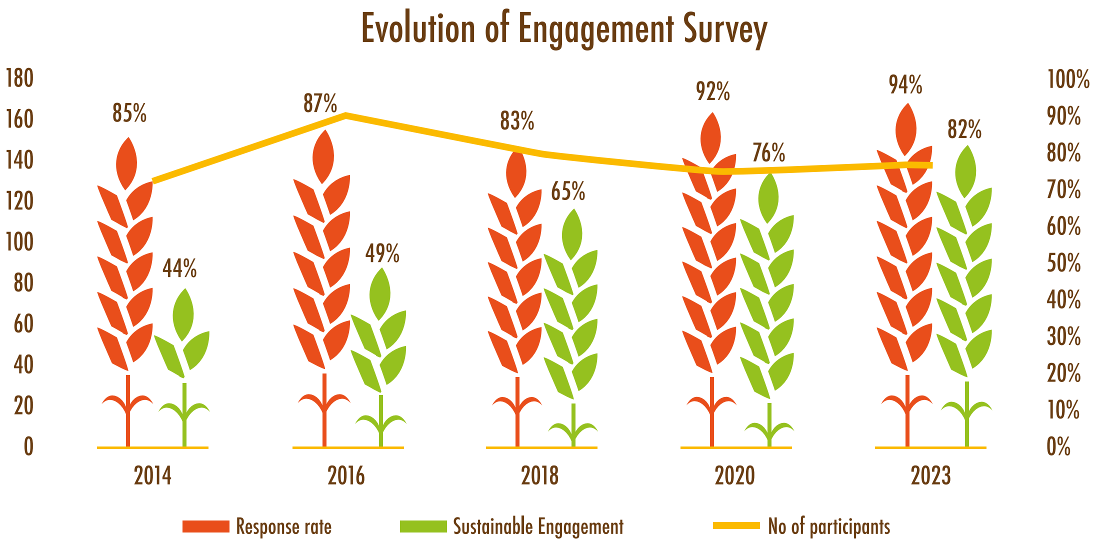
- **LMLC for life**

We maintain a connection with our retirees by sending them our internal magazine as well as the Group's magazine. Each year, we invite those who have retired during the past year to join us for our year-end celebration. Additionally, we organize an outing specifically for them. However, this year, we have decided to hold a joint outing for everyone, held on June 29, 2024, at Domaine de Bois Chéri.

EMPLOYEE ENGAGEMENT

- **Leveraging on all drivers of employee motivation**

The objective of the Employee Engagement process is to effectively evaluate and understand employee perceptions on a range of factors that drive employee experience, ensure job satisfaction and build the kind of positive work culture where employees can thrive. This will then enable the development of action plans to address gaps and areas for improvement. The results of the Engagement Survey conducted in 2023 showed a 6% increase in our employees' engagement level, rising from 76% to 82%. Focus groups have been organized, and an action plan has been developed.



To optimize the efficiency of the mill and ensure a proper work-life balance for the employees in the production department, we have implemented a 3-shift system in the packing and warehouse sections. With the mill operating 24/7, this new work schedule will also allow the maintenance department to proceed with the preventive maintenance plan for the machinery. Of the 30 employees required to implement the three-shift system, 80% were recruited internally. These recruits were primarily drawn from our pool of casual employees or from among those expressing interest for a transfer and working on the three shifts.

All our staff are now on permanent contracts – we no longer employ casual workers.

We are currently facing difficulties in recruiting employees for the maintenance department. Consequently, we have requested a quota from the authorities to allow us to hire foreign labour. Our request was approved, and our Maintenance Manager and HR Officer recently travelled to Madagascar to conduct the interviews.

Regarding the succession plan for critical positions, recurrent meetings have been scheduled to discuss this matter. Employees have been promoted, transferred, and recruitment has been budgeted accordingly.

DIVERSITY, EQUITY, INCLUSION

Diversity, equity and inclusion are core values for LMLC

- **Diversity**

Fostering a strong awareness of Diversity, Equity, and Inclusion (DEI) challenges is a critical priority at LMLC, with the ultimate goal of achieving 100% employee sensitization.

One-third of our Board of Directors and Management Team consists of women, reflecting our commitment to gender diversity at the highest levels of leadership. This dedication extends throughout the organization, as we actively promote the employment and development of female talent, particularly striving to recruit women for our production sections.

Currently, women make up 28% of our overall staff, and we continue to work diligently to increase this percentage, ensuring a more inclusive and equitable workplace for all.

On the occasion of International Women's Day, a corporate massage was offered to all our female colleagues.

- **Equity**

With the new HR system in place (HRIS), we will soon introduce the anonymization of CVs. This initiative will ensure a fair and unbiased recruitment process by removing any identifying information from candidate resumés before they are reviewed by our hiring team.

We are committed to ensuring equal pay for men and women within our organization.

- **Inclusion**

In our commitment to employing people with disabilities, we sought the assistance of the Global Rainbow Foundation to conduct a survey. Currently, our workforce includes individuals with disabilities. To enhance our efforts, we aim to develop a disability matrix to identify suitable job types for various categories of disabilities. Furthermore, our workforce is diverse in terms of age, with 30% over the age of 50 and 31% under the age of 30. Additionally, 26% of our employees have more than 20 years of service, reflecting our dedication to retaining experienced staff.

EMPLOYEE VALUE PROPOSITION

At LMLC we are committed to creating a workplace where innovation thrives, and employees feel valued and engaged. Our Employee Value Proposition highlights our dedication to providing a supportive and dynamic environment that encourages growth, learning, and active participation in the life of the company.

- **Innovative Environment**

We foster a culture of entrepreneurship, empowering our employees to think creatively and contribute to the development of local products that make a difference.

- **Active Participation**

Employees are encouraged to take an active role in the company, ensuring that everyone's voice is heard and valued.

- **Succession and Knowledge Transmission**

We emphasize the importance of succession and the transmission of knowledge to ensure that our expertise is preserved and passed on to future generations.

- **Trust and Respect**

Our workplace is built on a foundation of trust and respect, creating a positive and inclusive environment for all.

- **Continuous Development**

We offer numerous opportunities for continuous development through comprehensive training programs and internal mobility opportunities, allowing employees to grow and advance within the company or group.

- **Wellness Initiatives:**

The well-being of our employees is a top priority, and we support this through various wellness initiatives designed to promote a healthy work-life balance.

LMLC benefits from Eclosia's dedicated structure to foster employee wellness:
o Health & Safety at work, supported by a dedicated OSHA professional within our Quality Department and a Health & Safety Manager at the group level.
o Access to Counselling Services for employees in need of mental health support.
o Committees that organize and promote employee engagement in artistic, cultural, and sports activities outside of work.

Each dimension has well-defined objectives within a common strategy, with actions aligned and supported by yearly budgets.

Les Moulins de la Concorde Ltée is committed to establishing, implementing, and maintaining an integrated management system that encompasses Quality, Environment, Food Safety, and Safety and Health, in accordance with internationally recognized standards including ISO 9001, ISO 14001, HACCP and ISO 45001. Our dedication extends to fulfilling all compliance obligations under local regulations and relevant statutory requirements.

Our foremost priority is to provide a safe and healthy working environment to prevent work-related injuries and illnesses. We achieve this through rigorous adherence to established procedures and work instructions aimed at identifying and eliminating hazards, reducing occupational safety and health risks, and fostering a culture that values change management and active worker participation. In addition, we develop comprehensive emergency and contingency plans to mitigate residual risks, thereby safeguarding both our workforce and the interests of our shareholders.

At Les Moulins de la Concorde Ltée, we cultivate a proactive safety culture by:

- Driving the continual improvement of our Occupational Safety and Health Management System through effective communication with employees, contractors, and visitors, as well as through regular Management Reviews.
- Ensuring employees are informed, instructed, trained, and equipped to recognize and respond to potential hazards promptly, thus empowering them

EMPLOYEE VALUE PROPOSITION (CONT'D)

to avoid unsafe situations.

- Welcoming suggestions for achieving our health and safety objectives, with a specific target of reducing accidents by 30% per department in the upcoming financial year. This commitment underscores our ongoing efforts to create a secure and supportive workplace environment for all stakeholders.

CORPORATE LIFE

At LMLC, we believe that fostering open communication and daily interaction between employees and management is essential. We have implemented various platforms to encourage this interaction:

- The Conseil d'entreprise, meets every two months, each department is represented by one employee. Specific points requiring the management's attention are brought for discussion and action. Suggestions from the employees for improvement or innovation are also welcomed in this forum.
- Comité de Section for each department fosters on the relation among members of a same department. Topics common to the department are discussed in a view to improve them.
- Monthly briefings with all employees occur once a month, chaired by the General Manager. Important information related to the company is shared with the employees to make sure they all have access to the same information from management.
- One-on-one meetings between managers and the General Manager are held on a weekly or fortnightly basis. The aim is to provide enhanced Communication, personalized feedback, strategic alignment, problem-solving and Professional Development.
- Furthermore, employees participate in committees, such as Focus Groups following engagement surveys, and discussions about the Staff Party, Uniforms, and company welfare.
- Employees are also required to report any suspected fraud. They can report their concerns to any of the following individuals: (i) their Head of Department, (ii) Finance Management, (iii) the Chief Finance Officer, or (iv) the General Manager, (v) The Audit & Risk Committee, (vi) Any director of the Board. We have adopted an anti-fraud policy to ensure the proper reporting of such incidents.

PERFORMANCE AND IMPACT

SOCIAL IMPACT

Many employees are involved in the Corporate Social Responsibility (CSR) actions and extended social actions of the company, led by the General Manager, Julien Audibert, and the Corporate and Communications Manager, Catherine Ahnee Gouérec.

The list of employees contributing to the CSR and non-CSR social activities includes:

- Julien Audibert
- Catherine Ahnee Gouérec
- Diane Lacide
- Florence Raboude
- Sabeer Hookoomally
- Omesh Mahadea
- Zaakiyah Aliraja
- Marie Claire Laguette
- Videsh Mootoosamy
- Richard Labonté

SOCIAL IMPACT (CONT'D)

An appeal is made to the employees during the Monthly briefing to come up with projects in their surroundings. Once the requests are received and meetings with the NGOs held, the selected projects are summarised in a yearly plan before the start of the civil year.

The CSR plan is validated by the General Manager before submission to Fondation Solidarité for approval.

LMLC adheres to the criteria of sectoral and geographical proximity. It has refocused its CSR initiatives towards its immediate vicinity since last year, prioritising two NGOs in Roche Bois and Ste Croix, two close underprivileged regions of Port Louis. This decision facilitates regular visits by LMLC representatives and their participation in events on special occasions such as the celebration of independence. One of our employees is personally highly involved in FutureHope activities. He weekly collects the bread made at the mill bakery to share with the beneficiaries of the NGO.

Approved actions are implemented by CSR representatives under the responsibility of the General Manager and led by the Corporate and Communications Manager.

A return of CSR expenses is quarterly submitted to Fondation Solidarité for a quantitative and qualitative follow up.

The annual regulatory amount of CSR was Rs 4,633,146 in 2023/24, of which 50% payable directly to the MRA and the remaining 50% paid to Fondation Solidarité.

Fondation Solidarité reimburses LMLC of the actual amount of expenses directly incurred on CSR agreed projects.

As the financial year of Fondation Solidarité changed to the civil year in 2023, the plan submitted by LMLC was established for the whole of 2024.

The final CSR plan for civil year 2024, amended in May 2024 to cater for extension of CSR NC3 to Rodrigues, was agreed as follows:

	Rs
CSR training 6 sessions	72,000
NC3 CSR training	950,000
Mouvement pour le Progrès de Roche-Bois (MPRB)	305,000
Future Hope	287,000
Kinouete	200,000
TOTAL	**1,814,000**

As working together with MPRB and FutureHope proves fruitful and smooth, with reports regularly submitted, LMLC decided to reconduct its support. Strong relationships built allow for a reinforcement of our interventions, such as the provision of regular flour donations or the interaction with other NGOs.

CSR training sessions, which are core activities for LMLC, were also maintained. This year, six NGOs and two schools attended a two-day "Main à la Pâte" introductory course.

1.	Future Hope:		10 participants
2.	Kinouéte:		10 participants
3.	Caritas Ile Maurice :		10 participants
4.	Scouts de Saint Luc :		7 participants
5.	Scouts de Saint Luc :		8 participants
6.	Scouts de Saint Luc :		9 participants
	Training of students		
1.	College St Esprit	30.11.2023	9 participants
2.	College Labourdonnais	03.05.2024	15 participants
	Total : 78 beneficiaries		

LMLC launched two projects related to bakery training and approved by Fondation Solidarité.

From September to December 2023, LMLC proposed a free bakery training named Devenir Boulanger, intended mainly to members from neighbouring NGOs, mostly included in the CSR plan. Nine students followed the 3-days course for 13 weeks and created their professional path in the bakery sector since, as 5 of them work in supermarkets and 4 are small entrepreneurs.

SOCIAL IMPACT (CONT'D)

The NC3 Bakery awarding course is now included in LMLC's CSR plan. It was launched on 11th June 2024 for 11 students from Rodrigues in the presence of the Deputy Chief Commissioner, Mr Johnson Roussety and delegates of the Rodrigues Regional Assembly (RRA). The students were shortlisted by the RRA and LMLC conducted the interviews in Rodrigues. The objective is to help their professional integration through the acquisition of recognised training and their contribution to the development of tourism in the island. To this end, the selected students are supported by the RRA, as they receive a monthly stipend for the nine months of the training. Further to providing training, LMLC also equips the students with uniforms, small equipment, and a daily lunch.

LMLC newly engaged in a project with Kinouete aiming to combat ostracism against detainees' families. The bakery sector often provides reinsertion opportunities to ex-detainees.

The conduct of all CSR training involves numerous hours from employees of La Fournée des Moulins. In total, training hours are summarised below:

CSR training sessions - La Main à la Pâte 23/24	128 hours
Devenir Boulanger (3 days * 13 wks)	624 hours
NC3 Bakery (15 days*2 trainers)	240 hours
TOTAL CSR TRAINING HOURS 23/24	**992 hours**

Besides time devoted to the setting up and follow-up of projects, the direct involvement of employees in training hours approached 1,000 hours during the year, mostly dedicated to the first edition of Devenir Boulanger and NC3 Bakery course.

LMLC representatives' effect regular on-site visits to the neighbouring NGOs and attend special events such as Independence Day at MPRB or Ecole St François. This is an opportunity to strengthen links and identify needs to be catered for, such as the need of wooden pallets for gardening activities or establishing links from other NGOs.

SOCIAL IMPACT (CONT'D)

The engagement of LMLC in social activities inspired it to participate in the Business Mauritius (Signe Natir) Champions' Toolkit award for the first time.

IMPACT

These projects are strategically designed to positively impact the achievement of Sustainable Development Goals (SDGs), particularly by enhancing education. By directing donations and funding towards bursaries, the initiatives aim to raise educational standards, making quality education accessible to more individuals. This support helps to create a more inclusive and equitable education system, ensuring that financial barriers do not impede students' opportunities to learn and succeed. Consequently, these efforts not only contribute to SDG 4: Quality Education but also foster broader social and economic development.

ENTREPRENEURSHIP

CSR Training and Devenir Boulanger contributed significantly to this goal. Our company places a high priority on fostering entrepreneurship through a comprehensive training program. We have been able to offer a range of workshops and courses that equip students and workers with the necessary skills and knowledge to thrive in entrepreneurial endeavours. Additionally, through our collaboration with Devenir Boulanger, we provide specialized training in the art and business of baking, empowering people to explore and develop their passion into viable business ventures. These initiatives are a testament to our commitment to nurturing the next generation of entrepreneurs, ensuring they have the support and resources needed to succeed in their entrepreneurial journeys.

INCLUSIVENESS

The support given to Future Hope targets the fight against poverty by providing comprehensive educational and

psychological support to a community of 75 children and their families. This initiative ensures that these children receive the necessary tools and guidance to break the cycle of poverty and achieve their full potential. Simultaneously, the Kinouété project aims to combat the ostracism faced by children of detainees. By offering targeted programs and resources, Kinouété helps these children overcome social stigma and barriers, fostering a more inclusive and supportive environment for their growth and development. Together, these projects embody our commitment to creating lasting positive impacts in our communities.

NOURISH

The Mouvement pour le Progrès de Roche Bois (MPRB) project focuses on enhancing the eating habits of young individuals who are out of school and fostering their ecological awareness through the practice of sustainable agriculture, particularly permaculture. By engaging these youths in reasoned agricultural practices, MPRB not only promotes healthier dietary habits but also instills a deep respect for the environment. Additionally, the project extends its impact by providing extra academic support and extracurricular activities, ensuring holistic development for the participants. Through these initiatives, MPRB aims to nourish both the bodies and minds of young people, empowering them to become responsible stewards of their communities and the environment.

LMLC extended its scope of commitment by recurrent donations of flour used for the preparation of meals for children or wooden pallets used for gardening activities.

SUPPORT

Besides the activities included in its CSR plan with Fondation Solidarité, LMLC carried out numerous actions to support and sponsor

other organizations. Hence, the company awarded an exceptional Rs2.1M to Collège St Gabriel in 2024 to promote vocational training.

SUPPORT (CONT'D)

In the fiscal year 2023/24, the company continued its tradition of supporting community welfare by providing flour to various associations during national festivals and fundraising events. The total estimated contribution amounted to Rs 354,000. This initiative included supplying flour to 250 families severely impacted by Cyclone Belal through the Foodwise program. Additionally, the company made regular donations to NGOs dedicated to food distribution, such as Restos du Coeur and Cuisines Solidaires, and to organizations included in our Corporate Social Responsibility (CSR) plan, including MPRB and FutureHope. Over the year, the company donated 11.5 metric tons of flour.

Since there was not enough interest from Mauritian students this year, LMLC did not go ahead with the NC3 training. Instead, the company decided to offer an introductory bakery training course to nine Youths from NGOs over a 13-weeks period (39 working days) to enable them to qualify for the many bakery sector job opportunities. This training allowed five of them to enter supermarket bakeries, while 4 are self-entrepreneurs.

The first part of the refreshed version of La Fête du Pain, called "Boulangers à l' Honneur" took place on 16th May 2024, under the theme "Transmettre le Goùt du Pain".

The event is organised to promote the bakery sector on its whole and gives lieu to competitions between professionals, with the help of AHRIM, Hotel School Academy and L' Association du Bocuse d' Or.

PERFORMANCE AND IMPACT (CONTINUED)

On that occasion, 60 kg of fancy bread prepared to this purpose by the participants to the competition was distributed to 5 NGOs, mostly by Foodwise, a regular collaborator. It concerned more than 200 children of 90 families. They were packed in local " tentes vacoas" ordered from many Mauritian craft persons throughout the island, both towards sustainability and support to small entrepreneurs.

LMLC relaunched the yearly attribution of bursaries throughout their full period of successful secondary education to the two best students leaving St François Xavier School, an action ongoing for more than twenty years.

As a member of the Port community, LMLC attended to the request of the Ministry of Blue Economy to honour World Maritime Day 2023 with the theme "50 Years After MARPOL, Our Commitment Continues." We joined the Ministry of Ocean Economy in illuminating our silos with blue lights to raise awareness about maritime transport's global significance.

In December, we supported a green Christmas by providing wooden pallets for constructing Christmas trees and promoting recycling and waste reduction.

LMLC promotes sports, development and national cohesion by sponsoring certain events such as the 10th anniversary of Made in Moris, the participation of a Mauritian Team to the Bocuse d' Or international competition, Port Louis night trail or the International Maritime Day.

PLANET - ENVIRONMENTAL IMPACT

Shifting to more environment-friendly practices based on the 3 R (Reduce, Reuse & Recycle), is becoming part of all operations.

For instance, LMLC recycles 85.5% of its waste. Furthermore, it actively promotes the adoption of this sustainable lifestyle among its employees, as illustrated by an appealing electric vehicle scheme and the distribution of rainwater harvesting collectors for home use. These initiatives underscore the company's commitment to environmental stewardship both in the workplace and beyond.

CLIMATE STRATEGY

At LMLC, the challenges posed by climate change are considered as extremely important for the continuous sustainable growth of the company. We have identified two strategic actions that directly address climate change.

- **Low Carbon Strategy**

The project Carbonact was launched with the technical support of Ecoact, a French company specialised in measuring carbon footprint of companies and industries using the globally recognised and standardised GHG (Green House Gas) protocol. The objective is to calculate the carbon footprint of LMLC scope 1, 2 and 3. The results will be the foundation to create an action plan to reduce the carbon footprint of the company. The objectives of the action plan will be set using the Science Based Target initiative. The first stage of this project was launched in February 2023 with a data collection campaign. The CO2 reduction action plan was established at end of 2023 and the implementation has started in 2024.

- **Energetic efficiency and transition**

As part of our commitment to sustainability and environmental stewardship, LMLC has undertaken a range of initiatives aimed at reducing our ecological impact. These efforts include a significant investment in a photovoltaic farm located in Amaury, set to commence operations in 2025, which will generate 100% of our electrical consumption, thereby eliminating our dependence on conventional energy sources. We have also upgraded our facilities with energy-efficient equipment, such as electric forklifts, resulting in a reduction of 3,000 kW of energy usage in the past year, while also decreasing emissions and noise levels for a more sustainable and comfortable workplace. Furthermore, we are dedicated to minimizing waste by recycling 85% of it and promoting eco-friendly practices among our employees, exemplified by our electric vehicle scheme and the distribution of rainwater harvesting collectors for home use. Our commitment extends to responsible procurement practices, sourcing raw materials from sustainable and certified suppliers, and implementing water-saving measures, such as utilizing rainwater for plant irrigation and vehicle washing. These comprehensive initiatives highlight our dedication to integrating environmentally responsible practices into every facet of our operations.

- **Awareness**

Continuous education and engagement efforts target employees, suppliers, clients, and contractors on sustainability practices, including:

- Regular training sessions for employees, most recently focusing on climate awareness.
- Collaboration with suppliers to encourage adoption of sustainable practices.

PERFORMANCE AND IMPACT (CONTINUED)

- Establishment of sustainability guidelines for contractors.
- Integration of sustainable initiatives into events like "La Fête du Pain" and regular donations of flour to associations.
- Contribution to environmental initiatives like port cleaning and support for the Mauritian Wildlife Foundation, aligned with shareholder preferences for electronic annual reports.

- **La Fresque du Climat**

La Fresque du Climat has been identified as a strong communication tool to disseminate the challenges of climate change. This interactive card game shows how the global increase of atmospheric CO2 has been impacting livelihoods around the world. Our goal is to have 100% of the staff of LMLC sensitised to climate change by participating in the fresque by July 2025.

- **Local and circular economy**

At LMLC, we are committed to conducting our procurement activities with a strong emphasis on Responsible Social Engagement (RSE). Our Responsible Procurement Policy reflects our dedication to ethical and sustainable sourcing practices throughout our supply chain.

Key Principles of our commitment are:

- **Ethical Sourcing:** We prioritize suppliers who uphold ethical standards. We refrain from engaging with suppliers involved in exploitative or harmful practices.
- **Environmental Sustainability:** We actively seek suppliers who share our commitment to environmental conservation. As far as possible, preference is given to those who demonstrate efforts to reduce their environmental footprint and promote resource efficiency.
- **Quality and Safety:** We source materials and products that meet stringent quality and safety standards, ensuring the health and well-being of our consumers and employees.
- **Transparency and Traceability:** We value transparency and aim to trace the origin of our materials to ensure they are responsibly sourced, promoting transparency across the supply chain.

Its implementation is done through:

- Our procurement team who carefully evaluate potential suppliers against these principles prior to forming partnerships.
- Our close collaboration with our suppliers to encourage continuous improvement in their quality, safety and environmental practices.
- Performing a self-audit on a yearly basis to ensure compliance with LMLC requirements.

- **Local purchases**

At LMLC, we are committed to supporting local suppliers wherever possible for our procurement needs. This strategic choice not only helps us reduce our carbon footprint and minimize lead times but also promotes a circular economy within our local community.

While most of our purchases, such as wheat, must be imported since it is not locally

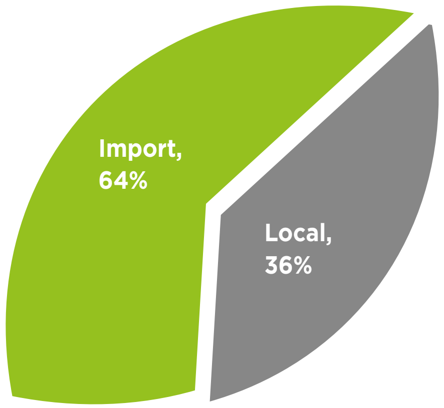
CLIMATE STRATEGY (CONT'D)

- **Local purchases (cont'd)**

available in Mauritius, we remain dedicated to sourcing other goods and services locally. By doing so, we contribute to sustainability by reducing transportation emissions and supporting the local economy.

Our approach underscores our commitment to responsible sourcing and environmental stewardship, even as we navigate global supply chains to meet our operational needs. This aligns with the call from Made in Moris, of which we are founding members, to commit to local sourcing.

Distribution of expenses by supplies



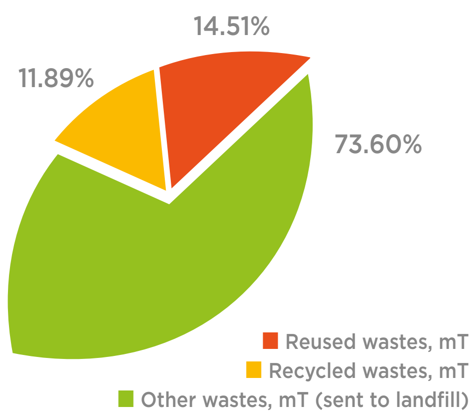
- **Objective 0 waste to landfill**

At LMLC, we prioritize sustainable waste management through rigorous segregation, reprocessing, and recycling initiatives. Currently, we divert 85.5% of our total waste away from landfills, reflecting our commitment to environmental stewardship.

To further enhance our waste recycling efforts and reduce landfill dependency, we have implemented several proactive measures. These include:

- Segregation at Source: We enforce waste segregation practices across all operational areas to ensure that recyclable materials are separated from general waste right from the start.

Waste Management 2023/2024



- Partnerships with Recycling Firms: Collaborating with local recycling firms enables us to efficiently handle various types of waste materials, ensuring they are processed and reused whenever possible.

- **Plastic transition**

LMLC demonstrates its dedication to sustainable practices and reducing its environmental impact. This initiative supports our broader goals of promoting a greener supply chain and sustainable business operations.

LMLC made the acquisition of a new packing machine. Equipped with advanced technology, the packing machine boasts a higher throughput capacity, significantly enhancing the productivity and efficiency of our packing operations. This upgrade supports our goal of improving operational efficiency with the aim of replacing the current 2 kgs plastic bags by paper bags.

- **Awareness and cleanup**

Our continuous education and engagement efforts are aimed at fostering sustainability practices across all stakeholders. We conduct regular training sessions for employees, with recent emphasis on climate awareness to enhance understanding and action within our workforce.

Collaboratively, we work with suppliers to promote the adoption of sustainable practices throughout our supply chain.

Additionally, we have established sustainability guidelines for contractors to ensure that our partners align with our environmental goals. Integration of sustainability initiatives is evident in events like "La Fête du Pain," where we not only celebrate but also contribute by donating flour to associations in need.

Furthermore, we actively support environmental initiatives such as cleaning efforts and partnerships with organizations like the Mauritian Wildlife Foundation. These initiatives not only align with shareholder preferences, including electronic annual reports, but also demonstrate our commitment to responsible corporate citizenship and environmental stewardship.

LMLC pursued its contribution to the Port Clean Up Project implemented by several companies located in the Port area and regularly monitored through KPIs. The project suffered some inactivity during the first months of 2024, since the boat was damaged after cyclone Eleanor, but resumed its full activities at Mid-May 2024. The KPIs show that 1,771.5kg of waste were collected during the 288 trips from July 23 to Mid-May 2024.

CLIMATE STRATEGY (CONT'D)

- **Biodiversity and living**

Responsible Production

To achieve sustainable operations, LMLC monitors and optimizes its use of raw materials, water and energy. LMLC also emphasizes health and safety, with a proactive management system in place to prevent workplace injuries and ensure emergency preparedness. Continuous training and strict compliance with legal requirements further enhance safety standards. Waste management is a key focus, with short-lifespan products donated to NGOs instead of discarded. LMLC is also committed to reducing plastic usage, evidenced by recent initiatives to evaluate and reduce plastic packaging thickness. A new packaging machine has been acquired and successfully integrated since June 2023. This proactive step has been taken to increase the production efficiency.

Responsible food

As part of our ongoing commitment to enhancing product quality and sustainability, we continually strive to improve the nutritional profile of our offerings. This involves conducting comprehensive analyses to prominently display nutritional values on packaging, catering to both individual consumers and professionals.

Introducing the Nutri-Score label on packaging under our esteemed brands Blédor and Les Moulins exemplifies our dedication to assisting consumers in making informed choices towards healthier options.

To combat food waste, we have established partnerships with organizations like Foodwise. Collaborative efforts focus on processing products nearing best-before dates to prevent wastage. Additionally, surplus items, including those approaching their best-before dates and those in optimal condition displayed for exhibition, are donated to Foodwise and other NGOs, accompanied by appropriate disclaimers.

In the fiscal year 2023/2024, our estimated product donations amounted to approximately Rs 354,000. Furthermore, we donated displayed bread from "La Fête du Pain" to local farmers, reinforcing our commitment to community support and sustainable practices. These initiatives reflect our proactive approach to sustainability and responsible corporate citizenship.

Ecosystems and biodiversity

We have established objectives to decrease emissions associated with wheat procurement and transportation, as well as to reduce packaging emissions. These goals underscore our commitment to environmental stewardship and sustainability.

Additionally, in celebration of World Environmental Day, we distributed fruit and medicinal plants to all employees. This initiative aims to enhance awareness among our workforce regarding their potential positive environmental impact and their role in mitigating climate change through collective actions, akin to the butterfly effect.

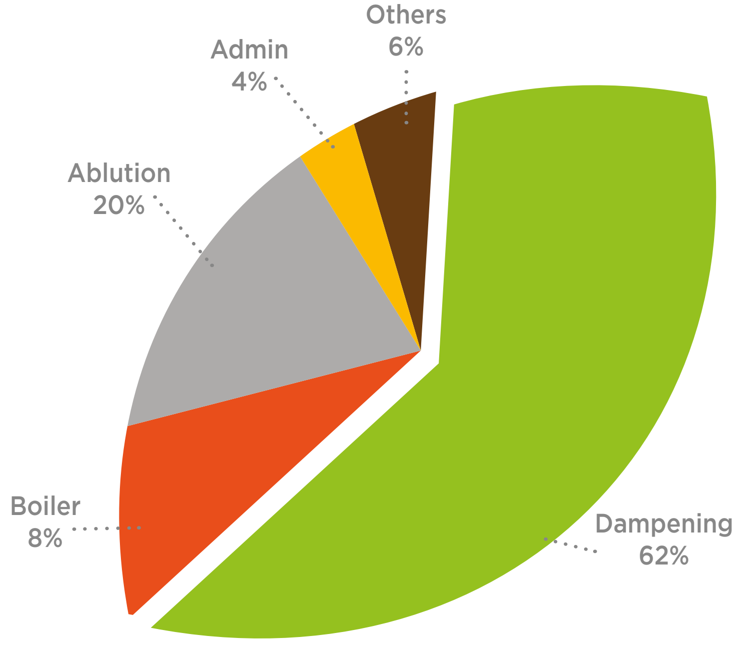
Located on the harbour front, LMLC is naturally engaged in the protection of the oceans. In a joint collaborative project with the Mauritius Ports Authority and other stakeholders in the port's area, LMLC contribute to the daily harbour clean-up.

Water

At LMLC, our goal is to enhance water efficiency through diligent monitoring and management. To achieve this, we have installed multiple water meters on the main water line and various water points across the facility.

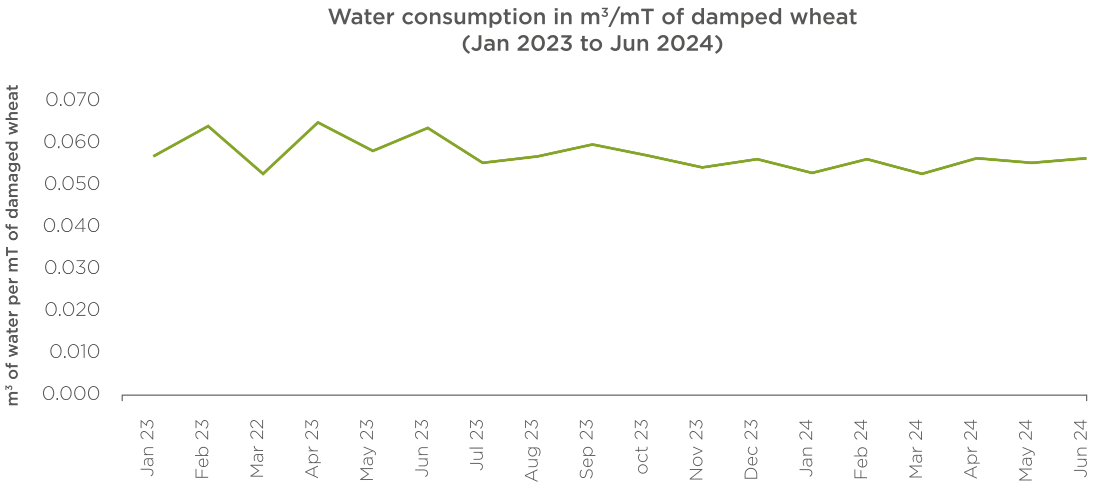
Our water usage is primarily allocated for wheat dampening, which accounts for 62% of our annual water consumption. The dampening process adds water to wheat grains to reach optimal moisture levels, softening the kernels for easier milling and improved flour quality. Proper monitoring of water used for dampening is crucial for maintaining process efficiency, ensuring that water use is optimized - preventing both insufficient moisture that could impact quality and excess use that leads to waste. Effective water management during dampening supports our environmental and operational goals.

Repartition of water usage at LMLC for 2023/2024

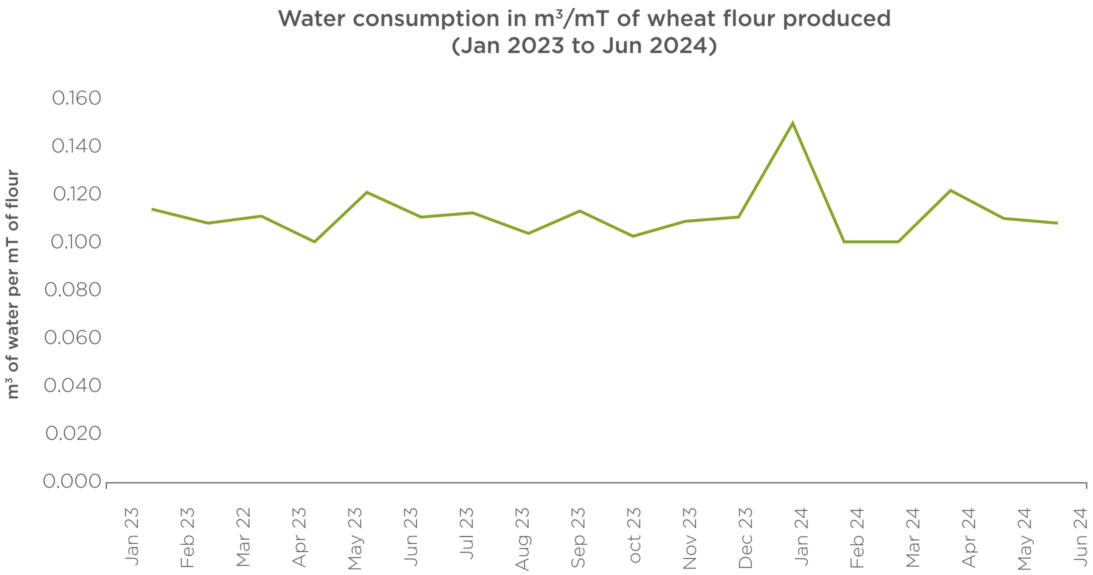


CLIMATE STRATEGY (CONT'D)

The graph below illustrates the water consumption per metric ton of wheat dampened.



The various water meters installed enable us to closely track water consumption and address any issues promptly. For instance, on January 24, 2024, our water meter readings helped us to identify a broken pipe in the circuit, which was repaired immediately. This incident contributed to the increased water consumption reported for January 2024 as shown in the below graph.



Awareness

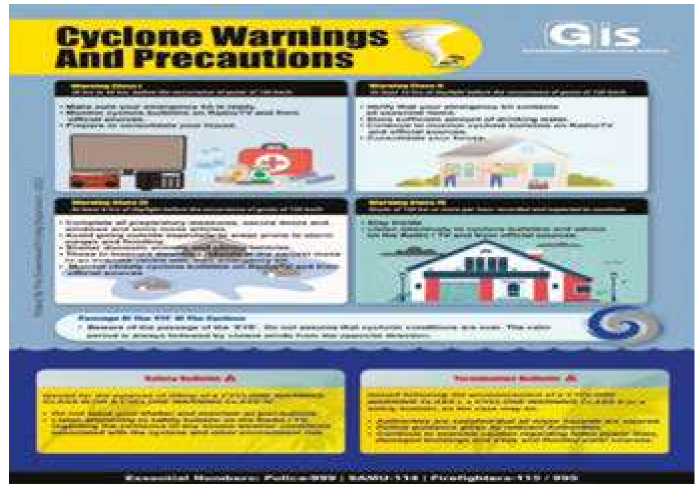
Throughout the year, LMLC organized various awareness sessions to promote environmental sustainability and safety. During the summer drought in Mauritius, we adjusted the car cleaning and garden watering practices to optimize rainwater use and set an example for employees in water conservation.

On 16 September 2023, we marked the International Day for the Preservation of the Ozone Layer with the theme "Montreal Protocol: Fixing the Ozone Layer and Reducing Climate Change." We shared best practices to help minimize climate change impacts and highlighted the Montreal Protocol's positive effects.

On 29 September 2023, we observed the International Day of Awareness of Food Loss and Waste, focusing on reducing food loss and supporting climate goals. We shared strategies to address food waste and advance sustainable development.

CLIMATE STRATEGY (CONT'D)

We also conducted safety awareness sessions, including precautionary measures for cyclonic seasons and guidance on preventing gastrointestinal infections following heavy rainfall on April 21, 2024. Additionally, on April 28, 2024, we held an awareness session for World Day for Safety & Health at Work. This year's theme, "Ensuring Safety and Health at Work in a Changing Climate," designated by the International Labour Organization (ILO), focused on addressing safety and health challenges in the context of a changing climate.



On June 5, 2024, in celebration of World Environment Day, we organized a plant distribution to encourage employees to contribute to environmental preservation.

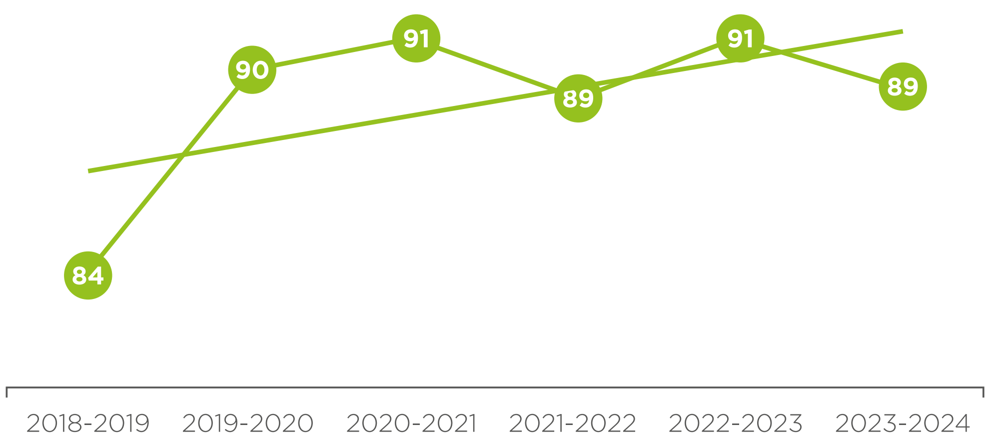
This initiative aimed to highlight that every small action matters in protecting our environment. On June 7, 2024, for World Food Safety Day, we emphasized readiness for unexpected food safety incidents and shared best practices to ensure employee preparedness.

PROCESS

- **Customer satisfaction**

At LMLC, customer satisfaction is paramount. We conduct regular surveys to identify areas for improvement proactively. Our customer service rate (taux de service client) is monitored weekly to ensure continuous satisfaction.

% Yearly Customer Satisfaction of Cash Sales Clients

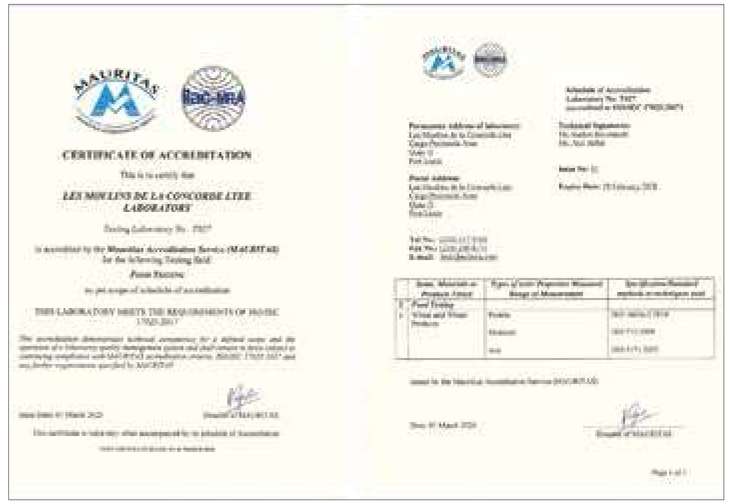


Each customer complaint is thoroughly investigated to identify its root cause. Based on our findings, we establish corrective actions to prevent recurrence. We prioritize providing feedback to the customer to ensure their satisfaction throughout the process.

These practices underscore our commitment to delivering exceptional service and maintaining strong customer relationships.

- **Commitment to total quality and continuous improvement**

The pursuit of quality has been an integral part of Les Moulins de La Concorde's culture since its inception, as reflected in the robust policies and procedures. Recognized with the National Quality Award in 1996, the commitment to excellence remains unwavering. Over the years, Les Moulins de la Concorde Ltée have continuously enhanced the dedication to quality through ISO certifications, including ISO 9001:2015 for product and service quality improvement, ISO 14001:2015 for environmental management, HACCP for food safety, OHSAS 18001:2007 for health and safety, and ISO/IEC 17025:2017 for testing and calibration laboratories. These certifications are a sign of our tireless efforts to optimize processes, empower our personnel, and ensure customer satisfaction, all while upholding stringent safety, health, and environmental standards. At LMLC, quality and responsibility are at the core of our daily activities.



- **Operational effectiveness**

At LMLC, operational effectiveness is rigorously monitored and optimized to ensure peak performance. We conduct weekly assessments of the mill extraction rate, efficiency metrics, and the percentage of preventive maintenance completed.

These reviews enable us to identify areas where improvements can be made. Based on our findings, we implement appropriate actions to enhance operational efficiency and reliability. By maintaining a proactive approach to monitoring and improving these key indicators, we uphold our commitment to operational excellence and continuous improvement.

PROCESS (CONT'D)

LMLC use of installed capacity

The efficiency of our wheat flour mill is a key indicator of our operational effectiveness. By optimizing milling processes, minimizing downtime, and ensuring consistent wheat quality, we achieve high throughput and product quality. Continuous improvements and technology upgrades further enhance our mill's efficiency, enabling us to meet growing demand and maintain excellence in flour production.

The wheat flour extraction rate measures the proportion of flour obtained from milling wheat. Maintaining a high extraction rate is crucial for maximizing yield and ensuring product quality.

Our current extraction rate is optimized through effective monitoring by the production team and the use of high-quality wheat in our flour blends, allowing us to deliver consistent and superior flour products.

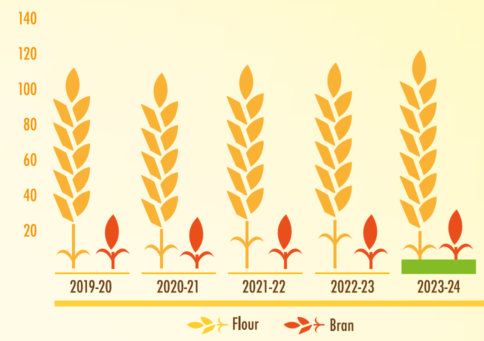
- **Innovation**

At LMLC, we prioritize innovation by holding regular meetings focused on the development of new flour types and flour-based products that can be manufactured locally. These meetings foster collaboration and idea-sharing among our team, driving us to continuously explore and create products that meet local market demands. By emphasizing local production, we not only support the community but also ensure the freshness and quality of our offerings, reinforcing our commitment to excellence and innovation in the industry.

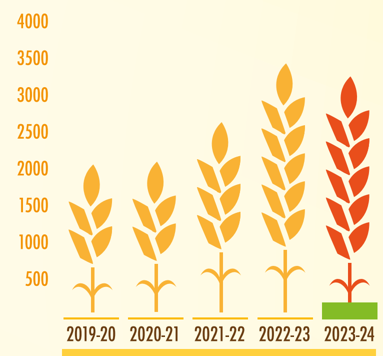
FINANCIAL HIGHLIGHTS

YEAR ENDED 30 JUNE 2024

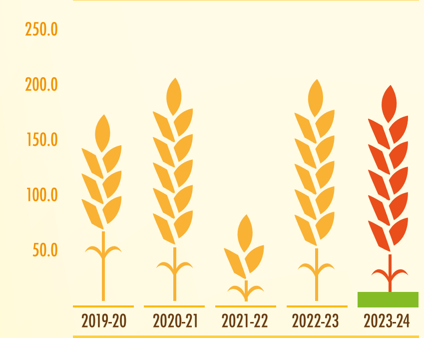
PRODUCTION - TONS'000



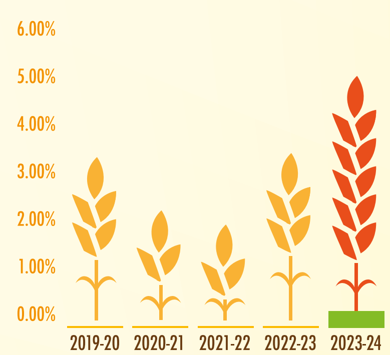
TURNOVER (RS MILLION)



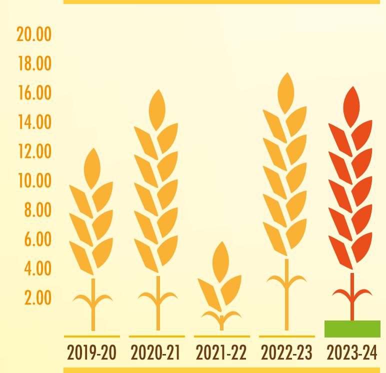
PROFIT BEFORE TAX AND DIVIDENDS (RS MILLION)



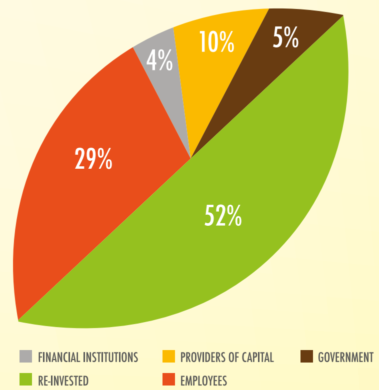
DIVIDEND YIELD (%)



EARNINGS PER SHARE (RS)



VALUE ADDED CREATED




35
YEARS

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FINANCIAL STATEMENTS

The 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 Group and the Company as at the end of the financial year and the results of its operations and cash flows for that period and which comply with International Financial Reporting Standards (IFRS).
(iii) the selection of appropriate accounting policies supported by reasonable and prudent judgments.

The report of the external auditors confirming that the financial statements are fairly presented is on page 95.

The Directors report that:

(i) adequate accounting records and an effective system of internal controls and risks management have been maintained.
(ii) appropriate accounting policies supported by reasonable and prudent judgments and estimates have been used consistently.
(iii) International Financial Reporting standards have been adhered to. Any departure in fair presentation has been disclosed, explained, and quantified.
(iv) the Code of Corporate Governance has been complied and explanations have been provided on how the principles of the Code were applied.

INTERNAL CONTROL

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

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

RISK MANAGEMENT

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

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

The Board considers that the annual report and accounts, taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholders and other key stakeholders to assess the organisations' position, performance, and outlook.

Mushtaq Oosman
Chairman

Su Lin Ong
Director

September 16, 2024

SECRETARY'S CERTIFICATE - JUNE 30, 2024

We certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under Section 166 (d) of the Mauritian Companies Act 2001.

ECLOSIA SECRETARIAL SERVICES LTD
SECRETARY

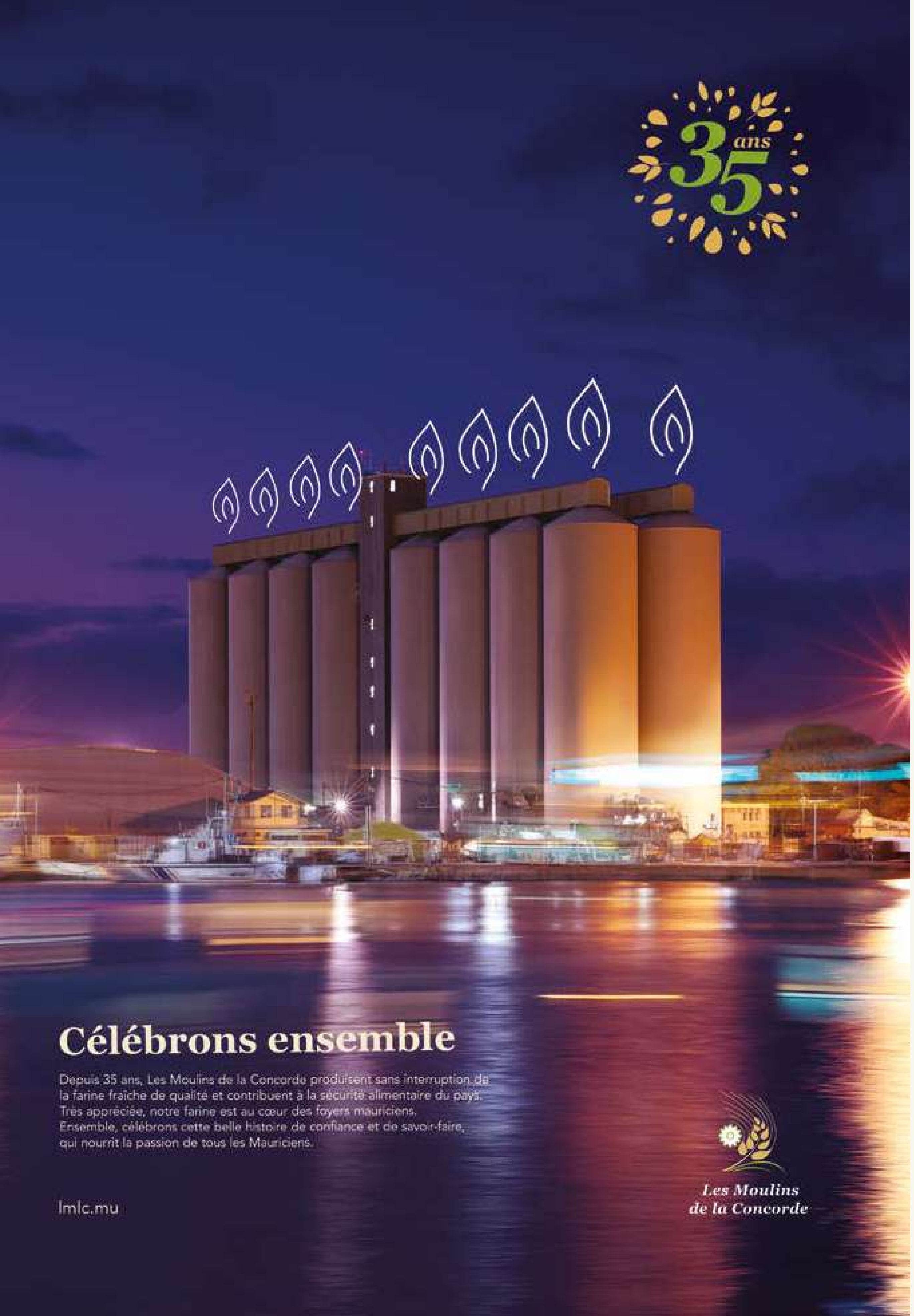
September 16, 2024

35 ans au coeur des foyers mauriciens

BUILDING A SKILLED WORKFORCE

Our dedicated employees work well in teams, understanding the importance of each role in the production chain. The milling process involves multiple stages, requiring close collaboration between different departments.
Their commitment to ensuring uninterrupted production is a testament to their dedication. They maintain high standards of quality, regularly performing checks and balances to ensure the final product meets the required specifications.

FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Les Moulins de la Concorde Ltee

Report on the Audit of the Consolidated And Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Les Moulins de la Concorde Ltee (the "Company") and its subsidiaries (together the "Group"), and the Company's separate financial statements set out on pages 102 to 173 which comprise the consolidated and separate statements of financial position as at June 30, 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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.

Key Audit Matters (Cont'd)

KEY AUDIT MATTER	AUDIT RESPONSE
1 Valuation of unquoted investments held at fair value through other comprehensive income (FVTOCI)	
The Group holds unquoted investments held at FVTOCI amounting to Rs 239.9m at June 30, 2024. The Group has made an irrevocable election to classify the equity investments at FVTOCI rather than through profit or loss with changes in fair value recognised in other comprehensive income (OCI) and accumulated in the FVTOCI reserve. Upon disposal, any balance within FVTOCI reserve is reclassified directly to retained earnings and is not reclassified to profit or loss. The valuation of unquoted investments is performed internally by management. There is limited external evidence and observable market data available to determine the fair value of unquoted investments. Thus, the valuation involves significant judgements and estimations due to the complexity of the techniques and assumptions used. Due to the significant judgments and estimations applied by management, we considered the determination of the fair value of the unquoted investments to be a key audit matter. Refer to Note 10 (Financial assets at fair value through other comprehensive income), Note 2.5(ii) (accounting policy), and Note 4.1(c) (Key sources of estimation uncertainty) of the accompanying financial statements.	We obtained, read and understood the valuation report prepared by management. We tested the mathematical accuracy of the report and evaluate the appropriateness of the valuation methodology used by management in determining the fair value. For unobservable inputs, we obtained the models, assessed the assumptions and the data used against market information and industry norms. We engaged with our valuation experts to perform an independent valuation of the unquoted investments, in order to assess whether management's valuations were within a reasonable range of outcomes in the context of the inherent uncertainties. We also involved our valuation experts to review and assess if the methodologies used in the context of the relevant investments held is appropriate. We evaluated whether disclosures in the financial statements in respect of the unquoted investments were in accordance with the requirements of IFRS Accounting Standards.

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of Les Moulins de la Concorde Ltee

Key Audit Matters (Cont'd)

KEY AUDIT MATTER	AUDIT RESPONSE
2 Valuation of property, plant and equipment – flour mill equipment and sundry equipment	
The Group and the Company have property, plant and equipment which included flour mill equipment and sundry equipment amounting to Rs 470m as at June 30, 2024. Flour mill equipment and sundry equipment are measured at fair value less accumulated depreciation and any impairment losses. Any revaluation surplus is recognised in other comprehensive income and accumulated in the revaluation reserve in equity. However, the surplus is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. The revaluation surplus on flour mill equipment and sundry equipment reported in other comprehensive income amounts to Rs 52.8m for both Group and Company as at June 30, 2024. The directors used external valuers to determine the fair value of the relevant assets. The external valuers used information and professional judgement concerning market conditions and factors impacting the individual assets. The valuation of flour mill equipment and sundry equipment was considered to be a key audit matter due to its significance on the statements of financial position and also due to the significant estimates and judgments involved in the valuation. Refer to Note 5 (Property, plant and equipment), Note 2.2 (accounting policy), and Note 4.1(g) (Key sources of estimation uncertainty) of the accompanying financial statements.	We obtained, read and understood the report from the external independent valuation specialist. We tested the mathematical accuracy of the report and evaluated the appropriateness of the valuation methodology used by the external independent valuation specialist for determining the fair value of equipment. We assessed the qualifications, competence, capabilities and objectivity of the external independent valuation specialist. We discussed and challenged the key inputs and assumptions used by the external independent valuation specialist for the valuation model and also reviewed the scope of work with management to ensure that there were no matters affecting the external independent valuation specialist's judgements. We evaluated whether disclosures in the financial statements in respect of valuation of flour mill and sundry equipment were in accordance with the requirements of IFRS Accounting Standards.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report including Sustainability Strategy, Our Governance, Statement of Compliance, Women and Men Our Foundation, Performance and Impact, Statement of Directors' Responsibilities, Statutory Disclosures and Secretary's Certificate, but does not include the consolidated and separate financial statements and our auditor's report thereon.

All other information in the Annual Report, except those disclosed above, will be made available to us after the auditor's report date. If we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

Responsibilities of Directors for the Consolidated and Separate Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and 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.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

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

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

Report on Other Legal and Regulatory Requirements (Cont'd)

Mauritian Financial Reporting Act 2004

Our responsibility under the Mauritian Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance ("Code") disclosed in the Annual Report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the Annual Report, the Company has, pursuant to section 75 of the Mauritian Financial Reporting Act 2004, complied with the requirements of the Code.

Other Matter

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

BDO & CO
Chartered Accountants

Port Louis,
Mauritius.

Didier Dabydin, FCA
Licensed by FRC

September 16, 2024

CONSOLIDATED AND SEPARATE STATEMENTS OF **FINANCIAL POSITION**
AS AT 30 JUNE 2024

	Notes	THE GROUP 2024 Rs000's	THE GROUP 2023 Rs000's	THE COMPANY 2024 Rs000's	THE COMPANY 2023 Rs000's
ASSETS					
Non-current assets					
Property, plant and equipment	5	**1,132,262**	1,056,313	**1,132,262**	1,056,313
Right-of-use assets	6	**108,839**	76,312	**108,839**	76,312
Intangible assets	7	**32,567**	42,707	**32,567**	42,707
Investments in subsidiary companies	8	**-**	-	**334,406**	334,406
Investment in associate	9	**251,164**	234,396	**-**	-
Financial assets at fair value through other comprehensive income	10	**313,594**	470,274	**22**	122,747
Other receivables	13	**3,731**	-	**-**	-
		1,842,157	1,880,002	**1,608,096**	1,632,485
Current assets					
Inventories	11	**883,821**	1,097,365	**883,821**	1,097,365
Trade receivables	12	**241,069**	234,613	**241,069**	234,613
Other receivables	13	**144,326**	98,941	**112,867**	81,936
Derivatives financial instruments	14	**1,007**	736	**1,007**	736
Cash and cash equivalents	29(b)	**56,241**	111,764	**55,499**	107,172
		1,326,464	1,543,419	**1,294,263**	1,521,822
Total assets		**3,168,621**	3,423,421	**2,902,359**	3,154,307
EQUITY AND LIABILITIES					
Capital and reserves (attributable to owners of the parent)					
Share capital	15	**1,080,000**	1,080,000	**1,080,000**	1,080,000
Revaluation and other reserves	16	**501,264**	610,323	**238,750**	316,697
Retained earnings		**792,696**	654,497	**789,384**	679,363
Total equity		**2,373,960**	2,344,820	**2,108,134**	2,076,060
LIABILITIES					
Non-current liabilities					
Borrowings	17	**30,000**	30,000	**30,000**	30,000
Retirement benefit obligations	18	**60,783**	69,075	**60,783**	69,075
Deferred tax liabilities	19	**209,447**	197,656	**209,447**	197,656
Lease liabilities	6	**115,566**	81,662	**115,566**	81,662
		415,796	378,393	**415,796**	378,393
Current liabilities					
Trade and other payables	20	**86,400**	94,693	**86,131**	94,394
Dividends payable	22	**6,706**	44,065	**6,706**	44,065
Current tax liabilities	21(a)	**9,512**	14,044	**9,345**	13,989
Borrowings	17	**275,152**	546,600	**275,152**	546,600
Bank overdrafts	29(b)	**-**	7	**-**	7
Lease liabilities	6	**1,095**	799	**1,095**	799
		378,865	700,208	**378,429**	699,854
Total liabilities		**794,661**	1,078,601	**794,225**	1,078,247
Total equity and liabilities		**3,168,621**	3,423,421	**2,902,359**	3,154,307

These financial statements have been approved for issue by the Board of Directors on September 16, 2024:

Mushtaq Oosman — Chairman

Su Lin Ong — Director

The notes on pages 107 to 173 form an integral part of these financial statements.
Independent auditor's report on pages 95-101.

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

	Notes	THE GROUP 2024 Rs000's	THE GROUP 2023 Rs000's	THE COMPANY 2024 Rs000's	THE COMPANY 2023 Rs000's
Revenue	2.13, 24	**3,265,301**	3,437,370	**3,251,028**	3,423,401
Cost of sales	25	**(2,848,760)**	(3,004,950)	**(2,848,760)**	(3,004,950)
Gross profit		**416,541**	432,420	**402,268**	418,451
Other income	26	**918**	5,958	**918**	5,957
Selling and distribution costs	25	**(38,446)**	(39,797)	**(38,446)**	(39,797)
Administrative expenses	25	**(164,857)**	(155,787)	**(164,062)**	(155,267)
Operating profit	23	**214,156**	242,794	**200,678**	229,344
Finance income	27(a)	**6,581**	1,963	**5,652**	1,668
Finance costs	27(b)	**(34,615)**	(35,220)	**(34,615)**	(35,220)
Share of profit / (loss) of associate	9	**13,925**	(1,055)	**-**	-
Profit before taxation		**200,047**	208,482	**171,715**	195,792
Income tax expense	21(b)	**(16,936)**	(13,867)	**(16,800)**	(13,824)
Corporate social responsibility tax	21(b)	**(4,656)**	(4,639)	**(4,638)**	(4,633)
Profit for the year		**178,455**	189,976	**150,277**	177,335
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Gains on revaluation of property, plant and equipment	5	**52,806**	81,676	**52,806**	81,676
Deferred tax on revaluation of property, plant and equipment	19	**(8,977)**	(13,885)	**(8,977)**	(13,885)
Remeasurements of defined benefit obligations	18	**4,462**	(12,336)	**4,462**	(12,336)
Deferred tax relating to remeasurements of defined benefit obligations	19	**(759)**	2,097	**(759)**	2,097
Changes in fair value of equity instruments at FVOCI	10	**(40,355)**	15,645	**(6,400)**	(6,106)
Items that may be reclassified subsequently to profit or loss:					
Share of other comprehensive income of associate	9	**2,843**	10,682	**-**	-
Cash Flow hedges	14	**7**	(4,152)	**7**	(4,152)
Other comprehensive income for the year, net of tax		**10,027**	79,727	**41,139**	47,294
Total comprehensive income for the year		**188,482**	269,703	**191,416**	224,629
Profit attributable to:					
Owners of the parent		**178,455**	189,976	**150,277**	177,335
Total comprehensive income attributable to:					
Owners of the parent		**188,482**	269,703	**191,416**	224,629
Earnings per share					
Earnings per share (Rs/cs)	28	**16.33**	17.40		

The notes on pages 107 to 173 form an integral part of these financial statements.
Independent auditor's report on pages 95-101.

CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**
- YEAR ENDED JUNE 30, 2024

THE GROUP

	Notes	Share capital Rs000's	Revaluation and other reserves Rs000's	Retained earnings Rs000's	Total Rs000's
		Attributable to equity holders of the Company			
Balance at July 1, 2023		**1,080,000**	**610,323**	**654,497**	**2,344,820**
Profit for the year		**-**	**-**	**178,455**	**178,455**
Other comprehensive income for the year		**-**	**10,027**	**-**	**10,027**
Total comprehensive income for the year		**-**	**10,027**	**178,455**	**188,482**
Transfer of excess depreciation on revaluation of property, plant and equipment, net of tax		**-**	**(10,388)**	**10,388**	**-**
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings		**-**	**(108,698)**	**108,698**	**-**
Distribution in species	22	**-**	**-**	**(116,325)**	**(116,325)**
Transaction cost with respect to distribution in species		**-**	**-**	**(417)**	**(417)**
Dividends	22	**-**	**-**	**(42,600)**	**(42,600)**
Balance at June 30, 2024		**1,080,000**	**501,264**	**792,696**	**2,373,960**
Balance at July 1, 2022		1,080,000	526,687	505,828	2,112,515
Profit for the year		-	-	189,976	189,976
Other comprehensive income for the year		-	79,727	-	79,727
Total comprehensive income for the year		-	79,727	189,976	269,703
Transfer of excess depreciation on revaluation of property, plant and equipment, net of tax		-	(9,032)	9,032	-
Effect of adjustment in associate	9	-	12,941	(10,439)	2,502
Dividends	22	-	-	(39,900)	(39,900)
Balance at June 30, 2023		1,080,000	610,323	654,497	2,344,820

The notes on pages 107 to 173 form an integral part of these financial statements.
Independent auditor's report on pages 95-101.

SEPARATE STATEMENT OF **CHANGES IN EQUITY**
- YEAR ENDED JUNE 30, 2024

THE COMPANY

	Notes	Share capital Rs000's	Revaluation and other reserves Rs000's	Retained earnings Rs000's	Total Rs000's
		Attributable to equity holders of the Company			
Balance at July 1, 2023		**1,080,000**	**316,697**	**679,363**	**2,076,060**
Profit for the year		**-**	**-**	**150,277**	**150,277**
Other comprehensive income for the year		**-**	**41,139**	**-**	**41,139**
Total comprehensive income for the year		**-**	**41,139**	**150,277**	**191,416**
Transfer of excess depreciation on revaluation of property, plant and equipment, net of tax		**-**	**(10,388)**	**10,388**	**-**
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings		**-**	**(108,698)**	**108,698**	**-**
Distribution in species	22	**-**	**-**	**(116,325)**	**(116,325)**
Transaction cost with respect to distribution in species		**-**	**-**	**(417)**	**(417)**
Dividends	22	**-**	**-**	**(42,600)**	**(42,600)**
Balance at June 30, 2024		**1,080,000**	**238,750**	**789,384**	**2,108,134**
Balance at July 1, 2022		1,080,000	278,435	532,896	1,891,331
Profit for the year		-	-	177,335	177,335
Other comprehensive income for the year		-	47,294	-	47,294
Total comprehensive income for the year		-	47,294	177,335	224,629
Transfer of excess depreciation on revaluation of property, plant and equipment, net of tax		-	(9,032)	9,032	-
Dividends	22	-	-	(39,900)	(39,900)
Balance at June 30, 2023		1,080,000	316,697	679,363	2,076,060

The notes on pages 107 to 173 form an integral part of these financial statements.
Independent auditor's report on pages 95-101.

	Notes	THE GROUP 2024 Rs000's	THE GROUP 2023 Rs000's	THE COMPANY 2024 Rs000's	THE COMPANY 2023 Rs000's
Cash generated from operating activities					
Cash generated from operations	29(a)	**462,172**	161,991	**466,909**	164,683
Interest received	27(a)	**6,581**	1,963	**5,652**	1,668
Interest paid		**(22,787)**	(34,160)	**(22,787)**	(34,160)
Tax received	21(a)	**-**	8,421	**-**	8,421
Tax paid	21(a)	**(24,069)**	(5,692)	**(24,027)**	(5,691)
Retirement benefit obligations paid	18(a)	**(4,837)**	(1,081)	**(4,837)**	(1,081)
Deficit funding paid	18(a)	**(4,972)**	(4,972)	**(4,972)**	(4,972)
Net cash generated from operating activities		**412,088**	126,470	**415,938**	128,868
Cash used in investing activities					
Purchase of property, plant and equipment	5	**(113,580)**	(69,036)	**(113,580)**	(69,036)
Acquisition of intangible assets	7	**(1,294)**	(610)	**(1,294)**	(610)
Proceeds from sale of property, plant and equipment	5	**920**	850	**920**	850
Dividend received		**2,502**	-	**2,502**	-
Net cash used in investing activities		**(111,452)**	(68,796)	**(111,452)**	(68,796)
Cash (used in)/from financing activities					
Payment of medium-term borrowings	17	**(546,600)**	(129,900)	**(546,600)**	(129,900)
Proceeds from medium-term borrowings	17	**275,152**	546,600	**275,152**	546,600
Dividends paid to company's shareholders	22	**(79,959)**	(1,631)	**(79,959)**	(1,631)
Distribution in specie expenses		**(417)**	-	**(417)**	-
IFRS 16 lease principal repayments	6B	**(2,042)**	(3,119)	**(2,042)**	(3,119)
Net cash (used in)/from financing activities		**(353,866)**	411,950	**(353,866)**	411,950
Net (decrease)/increase in cash and cash equivalents		**(53,230)**	469,624	**(49,380)**	472,022
Movement in cash and cash equivalents					
At July 1,		**111,757**	(362,070)	**107,165**	(369,060)
(Decrease)/increase in cash and cash equivalents		**(53,230)**	469,624	**(49,380)**	472,022
Effects of foreign exchange rate changes		**(2,286)**	4,203	**(2,286)**	4,203
At June 30,	29	**56,241**	111,757	**55,499**	107,165

The notes on pages 107 to 173 form an integral part of these financial statements.
Independent auditor's report on pages 95-101.

1. GENERAL INFORMATION

Les Moulins de la Concorde Ltée is a public limited company incorporated and domiciled in Mauritius. The address of its registered office is Eclosia Group Headquarters, Gentilly, Moka and its principal place of business is at Cargo Peninsula, Quay D, Port Louis.

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

2. ACCOUNTING POLICIES

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

2.1 Basis of preparation

The consolidated financial statements of Les Moulins de la Concorde Ltée comply with the Mauritian Companies Act 2001 and Mauritian Financial Reporting Act 2004 (FRA) and have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

The financial statements have been prepared on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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 (Rs) and all values are rounded to the nearest thousand (Rs000's), except when otherwise indicated.

Where necessary, comparative figures have been amended to conform with change in presentation in the current year.

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

(i) buildings, flour mill and sundry equipment are carried at revalued amounts;

(ii) financial assets held at fair value through other comprehensive income are stated at their fair values;

(iii) relevant financial assets and financial liabilities are stated at fair value;

Application of new and revised International Financial Reporting Standards (IFRSs)

In the current year, the Group has applied all of the new and revised Standards Interpretations issued by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB which are relevant to its operations and effective for accounting period 30 June 2024.

2. ACCOUNTING POLICIES(CONT'D)

2.1 Basis of preparation(cont'd)

Application of new and revised International Financial Reporting Standards (IFRSs)(cont'd)

New and Revised Standards applied with no material effect on the financial statements

IFRS 17 *Insurance contracts*

IFRS 17 creates one accounting model for all insurance contracts in all jurisdictions that apply IFRS.

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

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

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognising the effect of change in accounting prospectively remain unchanged.

IAS 12 Income Taxes

Deferred Tax related to Assets and Liabilities arising from a Single Transaction: The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognising deferred tax would apply to the initial recognition of such items.

International Tax Reform — Pillar Two Model Rules: The amendments provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes.

Relevant new and revised Standards in issue not yet effective

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

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

Effective date January 1, 2024

IAS 1 — Presentation of financial statements

- Amendments regarding the classification of liabilities

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

IFRS 16 — Leases

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

IAS 7 — Statement of Cash Flows & Financial Instruments: Disclosures

IFRS 7 — – Supplier Finance Arrangements: The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

Effective date January 1, 2025

IAS 21 — The Effects of Changes in Foreign Exchange Rates

Lack of Exchangeability: The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

Effective date January 1, 2026

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

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

2. ACCOUNTING POLICIES(CONT'D)

2.1 Basis of preparation (cont'd)

Application of new and revised International Financial Reporting Standards (IFRSs) (cont'd)

Relevant new and revised Standards in issue not yet effective (cont'd)

Effective date January 1, 2027

IFRS 18 Presentation and Disclosure in Financial Statements

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

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 is a non-mandatory standard. It specifies the disclosure requirements that eligible subsidiaries are permitted to apply instead of the disclosure requirements in other IFRS accounting standards. It allows eligible entities to benefit from reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent, intermediate parent or ultimate parent company produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

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

IAS 28 Investments in Associates and Joint Ventures

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

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 consolidated and separate financial statements.

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

2.2 Property, plant and equipment

Buildings, flour mill equipment and sundry equipment, held for use in the production of goods or for administrative purposes are stated at their revalued amounts, based on periodic, but at least triennial valuations, by external independent valuers, less subsequent depreciation for buildings, flour mill and sundry equipment. All other property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Increases in the carrying amount arising on revaluation are credited to other comprehensive income and shown as revaluation surplus in shareholders' equity. Increases that offset previous decrease of the same asset is recognised to profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. Decreases that offset previous increases of the same asset are charged against the revaluation surplus directly in equity; all other decreased are charged to profit or loss.

At the date of revaluation, the gross carrying amount of the asset is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset.

Each year the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred from revaluation surplus to retained earnings.

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

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

	Annual rates
Buildings	2% - 10%
Flour mill equipment	3.7% - 9%
Sundry equipment	4% - 20%
Office furniture and equipment	20% or 100%
Computers	33%
Motor vehicles	20%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively, if appropriate, at 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

2. ACCOUNTING POLICIES(CONT'D)

2.2 Property, plant and equipment(cont'd)

The carrying amount of an item of property, plant and equipment is derecognised:
(a) on disposal; or
(b) when no future economic benefits are expected from its use or disposal.

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 Intangible assets

Computer software

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

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

An intangible asset is derecognised:
(a) on disposal; or
(b) when no future economic benefits are expected from its use or disposal.

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

2.4 Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group has power over the entity and is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

Investment in subsidiaries is initially shown at cost. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the carrying amount of the investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to profit or loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognised at cost.

(iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the below policy.

(iv) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

2. ACCOUNTING POLICIES(CONT'D)

2.4 Principles of consolidation and equity accounting (cont'd)

(iv) Impairment of assets (cont'd)

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Group.

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

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

2.5 Financial assets

The Group classifies its financial assets, as subsequently measured at amortised cost, fair value through comprehensive income or fair value through profit or loss, on the basis of both (a) the entity's business model for managing the financial assets and (b) the contractual cash flow characteristics of the financial cost. Other than financial assets in a qualifying hedging relationship, the Group's accounting policy for each category is as follows:

(i) Amortised cost

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

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

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

From time to time, the Group elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the statement of profit or loss and comprehensive income (operating profit).

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

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes:

- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. ACCOUNTING POLICIES(CONT'D)

2.5 Financial assets (cont'd)

(i) Amortised cost (cont'd)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the clients.
- A breach of contract, such as a default or past due event.
- The Group, for economic or contractual reasons relating to the client's financial difficulty, having granted to the client a concession(s) that the Group would not otherwise consider.
- It is becoming probable that the client will enter bankruptcy or other financial reorganisation.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(ii) Fair value through other comprehensive income

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

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

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

(iii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on settlement date, being the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2.6 Financial liabilities

The Group classifies its financial liabilities as follows:

- Bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.
- Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.
- The Group removes a financial liability (or a part of a financial liability) from the statement of financial position when, and only when, it is extinguished—i.e., when the obligation specified in the contract is discharged or cancelled or expires. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.7 Hedge accounting

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

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

The hedge relationship meets all of the hedge effectiveness requirements including that an economic relationship exists between the hedged item and the hedging instrument, the credit risk effect does not dominate the value changes, and the hedge ratio is designated based on actual quantities of the hedged item and the hedging instrument.

(i) Cash flow hedges

The effective part of forward contracts designated as a hedge of the variability in cash flows of foreign currency risk arising from firm commitments, and highly probable forecast transactions, are measured at fair value with changes in fair value recognised in other comprehensive income and accumulated in the cash flow hedge reserve. The Group uses such contracts to fix the cost of inventories in the functional currency of the entity concerned.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

2. ACCOUNTING POLICIES(CONT'D)

2.7 Hedge accounting (cont'd)

(i) Cash flow hedges (cont'd)

If a highly probable forecast transaction results in the recognition of a non-monetary asset, the cumulative loss/(gain) is added to/(subtracted from) the cost of the asset acquired ("basis adjustment"). The same approach is followed where a cash flow hedge of a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment to which fair value hedge accounting is applied. Otherwise the cumulative gain or loss recognised in other comprehensive income is reclassified from the cash flow hedge reserve to profit or loss at the same time as the hedged transaction affects profit or loss.

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

2.8 Share capital

Ordinary shares

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.

Preference share capital

Preference share capital is classified as debt or equity based on its contractual terms. The part that is non-redeemable or redeemable only at the Company's option and any discretionary dividends are treated as equity. Discretionary dividends thereon are recognised as distributions within equity upon approval by the Company's shareholders. The terms of the preference shares includes a mandatory fixed cumulative dividend of 13%, meeting the definition of a liability under the requirements of IAS 32. Interest of 13%, representing the effective interest rate is accounted for as finance cost in profit or loss.

2.9 Inventories

Inventories consist of the following categories of items:
- raw materials
- work in progress
- finished goods
- spare parts

(a) Raw materials, work in progress and finished goods

Cost is determined by the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs.

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

(b) Spare parts

The Company keeps spare parts on hand to operate its plant and equipment in the production process. Some of the spare parts will be used in less than one period in the normal course of business while others will be used in connection with repairs and servicing of property, plant and equipment over more than one period.

Given the specificity and complexity of the Company's production process, the directors have determined that spare parts worth Rs 200,000 or more should be capitalised as plant and equipment and depreciated accordingly over their useful life. All other spare parts less than Rs 200,000 are treated as inventory and expensed in the income statement upon usage.

Spare parts are reviewed annually for any need for impairment.

2.10 Retirement benefit obligations

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

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

The Group determines the net interest 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 benefit liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense/(income) is recognised in profit or loss.

Service 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.

2. ACCOUNTING POLICIES(CONT'D)

2.10 Retirement benefit obligations(cont'd)

(b) 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.

(c) Gratuity on retirement

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

2.11 Current and deferred income tax

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

Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax

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

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

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

2.12 Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of the Company and each of its subsidiaries are measured in Mauritian rupees, the currency of the primary economic environment in which the entity operates using ("functional currency"). The consolidated and separate 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, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses are presented in profit or loss within 'finance income or finance cost'.

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

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

Translation differences on non-monetary items, such as equities are classified as financial assets at fair value through other comprehensive income.

2.13 Revenue recognition

Revenue from contracts with customers

Performance obligations and timing of revenue recognition

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

Determining the transaction price

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

2. ACCOUNTING POLICIES(CONT'D)

2.13 Revenue recognition (cont'd)

Allocating amounts to performance obligations

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

2.14 Dividend distribution

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.

2.15 Segment reporting

Segment information presented relate to operating segments that engage in business activities for which revenues are earned and expenses incurred.

2.16 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2.17 Leases

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

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

The Group accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:
(a) There is an identified asset;
(b) The Group obtains substantially all the economic benefits from use of the asset; and
(c) The Group has the right to direct use of the asset.

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

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

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

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

Right of use assets comprise of land and warehouse, operating equipment and motor vehicles.

On initial recognition, the carrying value of the lease liability also includes:
- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

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

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and

The amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

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

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension), it adjusts the carrying amount of the lease

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

2. ACCOUNTING POLICIES(CONT'D)

2.17 Leases (cont'd)

liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being depreciated over the remaining (revised) lease term.

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

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

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

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

2.18 Other income

Other income includes dividends. Other Income is recognised when it is probable that the economic benefits will flow to the Group and the amount can be measured realiably. It should be recognised as follows:

- Dividends: when the shareholder's rights to receive payment is established.

2.19 Earnings per share

Earnings per share is calculated by dividing:

- the net profit attributable to ordinary shareholders (being the difference between profit attributable to equity holders and preference share dividends)
- by the weighted average number of ordinary shares in issue during the financial year.

2.20 Contingent liabilities

A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk (including price risk, currency risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect of the Group's financial performance. A description of the significant risk factors is given below together with the risk management policies applicable.

(a) Market risk

(i) Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified as financial asset at fair value through other comprehensive income (FVOCI). The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Part of the Group's equity investments is publicly traded on the Stock Exchange.

Sensitivity analysis

The table below summarises the impact of increases and decreases in the fair value of the investments on the Group's equity. The analysis is based on the assumption that the fair value had increased or decreased by 5%, based on historical observations.

	IMPACT ON EQUITY			
	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Financial asset at fair value through other comprehensive income (FVOCI) (note 10)				
Fair value increase/(decrease) by 5%	**15,680**	23,514	**1**	6,137

3. FINANCIAL RISK MANAGEMENT(CONT'D)

3.1 Financial Risk Factors(cont'd)

(a) Market risk (cont'd)

(ii) Currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro (EUR), Swiss franc (CHF) and the US dollar (USD). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities.

THE GROUP

2024							
	Equivalent in Rs000's						Rs000's
	USD	EUR	ZAR	CHF	AUD	MUR	TOTAL
Financial assets							
Trade receivables (note 12)	110,262	49,361	-	-	-	81,446	241,069
Other receivables (note 13)	-	-	-	-	-	125,493	125,493
Derivatives financial instruments (note 14)	-	1,007	-	-	-	-	1,007
Cash and cash equivalents (note 29)	43,412	5,505	-	41	-	7,283	56,241
Financial liabilities							
Trade and other payables (note 20)	23,357	12,160	1,455	1,310	58	46,204	84,544
Dividends payable (note 22)	-	-	-	-	-	6,706	6,706
Borrowings (note 17)	275,152	-	-	-	-	30,000	305,152
Lease liabilities (note 6)	-	-	-	-	-	116,661	116,661

2023							
	Equivalent in Rs000's						Rs000's
	USD	EUR	ZAR	CHF	AUD	MUR	TOTAL
Financial assets							
Trade receivables (note 12)	149,767	31,287	-	-	-	53,559	234,613
Other receivables (note 13)	-	-	-	-	-	86,158	86,158
Derivatives financial instruments (note 14)	-	736	-	-	-	-	736
Cash and cash equivalents (note 29)	69,320	13,384	1	1,570	-	27,489	111,764
Financial liabilities							
Trade and other payables (note 20)	27,546	4,131	2,296	6,826	-	53,005	93,804
Dividends payable (note 22)	-	-	-	-	-	44,065	44,065
Borrowings (note 17)	546,600	-	-	-	-	30,000	576,600
Bank overdrafts (note 17)	2	-	-	-	-	5	7
Lease liabilities (note 6)	-	-	-	-	-	82,461	82,461

THE COMPANY

2024							
	Equivalent in Rs000's						Rs000's
	USD	EUR	ZAR	CHF	AUD	MUR	TOTAL
Financial assets							
Trade receivables (note 12)	110,262	49,361	-	-	-	81,446	241,069
Other receivables (note 13)	-	-	-	-	-	90,303	90,303
Derivatives financial instruments	-	1,007	-	-	-	-	1,007
Cash and cash equivalents (note 29)	43,412	5,505	-	41	-	6,541	55,499
Financial liabilities							
Trade and other payables (note 20)	23,357	12,160	1,455	1,310	58	45,935	84,275
Dividends payable (note 22)	-	-	-	-	-	6,706	6,706
Borrowings (note 17)	275,152	-	-	-	-	30,000	305,152
Bank overdrafts (note 17)	-	-	-	-	-	-	-
Lease liabilities (note 6)	-	-	-	-	-	116,661	116,661

2023							
	Equivalent in Rs000's						Rs000's
	USD	EUR	ZAR	CHF	AUD	MUR	TOTAL
Financial assets							
Trade receivables (note 12)	149,767	31,287	-	-	-	53,559	234,613
Other receivables (note 13)	-	-	-	-	-	69,153	69,153
Derivatives financial instruments	-	736	-	-	-	-	736
Cash and cash equivalents (note 29)	69,320	13,384	1	1,570	-	22,897	107,172
Financial liabilities							
Trade and other payables (note 20)	27,546	4,131	2,296	6,826	-	52,706	93,505
Dividends payable (note 22)	-	-	-	-	-	44,065	44,065
Borrowings (note 17)	546,600	-	-	-	-	30,000	576,600
Bank overdrafts (note 17)	2	-	-	-	-	5	7
Lease liabilities (note 6)	-	-	-	-	-	82,461	82,461

Other receivables exclude prepayments of Rs'000 14,011 and VAT receivable of Rs'000 8,553 (2023: Rs'000 5,392 and Rs'000 7,391).

Trade and other payables exclude downpayment from customers of Rs'000 1,815 and tax deduction at source of Rs'000 41 (2023: Rs'000 833 and Rs'000 56).

If the rupee had weakened/strengthened by 5%, based on historical observations, against the USD, EUR, ZAR, CHF and AUD with all other variables held constant, post tax profit and equity would have changed as follows:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

3. FINANCIAL RISK MANAGEMENT(CONT'D)

3.1 Financial Risk Factors(cont'd)

(a) Market risk(cont'd)

(ii) Currency risk(cont'd)

Impact of ± 5% movement: THE GROUP AND THE COMPANY

2024 Rs000's	USD	EUR	ZAR	CHF	AUD
Post-tax profit and equity (+5%)	**7,242**	**(2,186)**	**73**	**63**	**3**

2023 Rs000's	USD	EUR	ZAR	CHF	AUD
Post-tax profit and equity (+5%)	17,753	(2,064)	115	263	-

This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(iii) Cash flow and fair value interest rate risk

The Group's interest-rate risk arises from bank overdrafts and other borrowings. At June 30, 2024 if interest rate on borrowings had been 10 basis points higher/lower, based on historical observations, with all the other variables held constant, post-tax profit for the year would have been Rs000's 327 (2023: Rs000's 2,873) lower/higher, mainly as a result of higher/lower interest expense on floating rate borrowings.

All of the Group's borrowings are exposed to interest rate changes as there are no fixed rate borrowings. All of the Group's borrowings are short terms and based on variable rates.

(b) Credit risk

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

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

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

The Group's assets are predominately unsecured investments in listed and unlisted companies. The Group considers the overall risk exposure of the investments, as a whole, therefore significant changes in a particular sector or unexpected increases in interest rates could increase the credit risk inherent in the investment. This risk is mitigated through portfolio diversification and active management. The maximum exposure to credit risk is the carrying amount of the investments.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and the current economic environment.

The Group has exposure to credit risk attributable to its trade receivables relating to sale of flour and bran. The amounts presented in the statement of financial position are net of allowances for doubtful debts estimated by management based on prior experience and the current economic environment. The Group has policies in place to ensure that sales of products and services are made to clients with an appropriate credit history. Credit limits are also set as per Group policy. The Group has recourse to credit insurance for its foreign customers.

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

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Financial assets				
Financial assets at FVOCI (note 10)	**313,594**	470,274	**22**	122,747
Trade receivables (note 12)	**241,069**	234,613	**241,069**	234,613
Other receivables (note 13)	**125,493**	86,158	**90,303**	69,153
Derivatives financial instruments	**1,007**	736	**1,007**	736
Cash and cash equivalents (note 29)	**56,241**	111,764	**55,499**	107,172
	737,404	903,545	**387,900**	534,421

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

The table below shows the credit risk concentration at the reporting date:

	2024 %	2023 %
Counterparties:		
Four major counterparties	**75**	84
Others	**25**	16
	100	100

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

3. FINANCIAL RISK MANAGEMENT(CONT'D)

3.1 Financial Risk Factors (cont'd)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit market positions. The Group aims at maintaining flexibility in funding by keeping committed credit.
Management monitors rolling forecasts of the Group's and the Company's liquidity reserve on the basis of expected cash flow.

Forecasted liquidity reserve as of June 30, 2025 is as follows:

	THE GROUP	THE COMPANY
	2025 Rs000's	2025 Rs000's
Opening balance	56,241	55,499
Cash absorbed from operating activities	3,515,361	3,502,361
Cash used in operating activities	(3,187,236)	(3,186,694)
Cash used in investing activities	(114,905)	(114,905)
Cash used in financing activities	(216,780)	(216,780)
Closing balance	**52,681**	**39,481**

Management does not foresee any major liquidity risk over the next two years for the Group.

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

	Less than 1 year Rs000's	Between 1 and 2 years Rs000's	Between 2 and 3 years Rs000's	Over 3 years Rs000's
THE GROUP				
At June 30, 2024				
Bank and other borrowings (note 17)	**279,720**	**-**	**-**	**30,000**
Trade and other payables (note 20)	**84,544**	**-**	**-**	**-**
Dividends payable	**6,706**	**-**	**-**	**-**
Lease liabilities	**8,006**	**8,006**	**8,006**	**266,809**
	378,976	**8,006**	**8,006**	**296,809**
At June 30, 2023				
Bank and other borrowings (note 17)	546,600	-	-	30,000
Bank overdrafts (note 17)	7	-	-	-
Trade and other payables (note 20)	93,804	-	-	-
Dividends payable	44,065	-	-	-
Lease liabilities	9,895	9,420	9,360	333,782
	694,371	9,420	9,360	363,782

The other liabilities excluded in the above include deferred tax liabilities of Rs'000 209,447, current tax liabilities of Rs'000 9,512 and retirement benefit obligations of Rs'000 60,673 (2023: Rs'000 197,656, Rs'000 14,044 and Rs'000 69,075).

	Less than 1 year Rs000's	Between 1 and 2 years Rs000's	Between 2 and 3 years Rs000's	Over 3 years Rs000's
THE COMPANY				
At June 30, 2024				
Bank and other borrowings (note 17)	**279,720**	**-**	**-**	**30,000**
Trade and other payables (note 20)	**84,275**	**-**	**-**	**-**
Dividends payable	**6,706**	**-**	**-**	**-**
Lease liabilities	**8,006**	**8,006**	**8,006**	**266,809**
	378,707	**8,006**	**8,006**	**296,809**
At June 30, 2023				
Bank and other borrowings (note 17)	546,600	-	-	30,000
Bank overdrafts (note 17)	7	-	-	-
Trade and other payables (note 20)	93,505	-	-	-
Dividends payable	44,065	-	-	-
Lease liabilities	9,895	9,420	9,360	333,782
	694,072	**9,420**	**9,360**	**363,782**

The maturity analysis of the liabilities included above are disclosed at the undiscounted amounts, that is, including the future effects of interests.

The other liabilities excluded in the above include deferred tax liabilities of Rs'000 209,447, current tax liabilities of Rs'000 9,345 and retirement benefit obligations of Rs'000 60,673 (2023: Rs'000 197,656, Rs'000 13,989 and Rs'000 69,075).

3.2 Fair value estimates

The Group designates the majority of its investments at FVOCI as the Group is managed on a fair value basis, with any resultant gain or loss recognised in other comprehensive income as part of changes in fair value of equity instruments at FVOCI. Fair value is determined in accordance with IFRS 13. Statement of financial position items carried at fair value include investments in equity instruments.

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

3. FINANCIAL RISK MANAGEMENT(CONT'D)

3.2 Fair value estimates (cont'd)

For unquoted investments the Group applies a number of methodologies to determine and assess the reasonableness of the fair value which may include the following:

- Earnings multiple
- Net asset value
- Dividend valuation
- Discounted cash flow
- Price to book multiple

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on specific estimates.

If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

Refer to note 10 for the inputs, assumptions used in the valuation techniques and the fair value hierarchy of the Group's investments measured at fair value.

3.3 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

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

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

The debt-to-equity ratios at June 30, 2024 and 2023 were as follows:

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Total debt (note 6 & 17)	**421,813**	659,068	**421,813**	659,068
Less: cash at bank and in hand (note 29)	**(56,241)**	(111,764)	**(55,499)**	(107,172)
	365,572	547,304	**366,314**	551,896
Total equity	**2,373,960**	2,344,820	**2,108,134**	2,076,060
Debt-to-equity ratio	**15%**	23%	**17%**	27%

The debt-to-equity ratio has declined in 2024 compared to 2023 because fewer import loans were required due to vessel schedulings and the ongoing management and control of cash assets.

Categories of financial instruments

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Financial assets amortised cost				
Trade receivables (note 12)	**241,069**	234,613	**241,069**	234,613
Other receivables (note 13)	**125,493**	86,158	**90,303**	69,153
Cash and cash equivalents (note 29)	**56,241**	111,764	**55,499**	107,172
	422,803	432,535	**386,871**	410,938
Financial assets at fair value				
Financial assets at fair value through other comprehensive income	**313,594**	470,274	**22**	122,747
Derivatives financial instruments	**1,007**	736	**1,007**	736
	314,601	471,010	**1,029**	123,483

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Financial liabilities amortised cost				
Trade and other payables (note 20)	**84,544**	93,804	**84,275**	93,505
Dividends payable (note 22)	**6,706**	44,065	**6,706**	44,065
Borrowings (note 17)	**305,152**	576,600	**305,152**	576,600
Bank overdrafts (note 17)	**-**	7	**-**	7
Lease liabilities (note 6B)	**116,661**	82,461	**116,661**	82,461
	513,063	796,937	**512,794**	796,638

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.

4.1 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

(a) 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 changes in these assumptions will impact the carrying amount of pension obligations.

The Group and the Company determine 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 and the Company consider the interest rates of high-quality corporate bonds or government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in note 18.

(b) Impairment of financial assets

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

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

When the fair value of investments recorded in the statement of financial position cannot be derived from active markets, they are determined using valuation techniques (refer to note 10). The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in asssumptions about these factors could affect the reported fair value of investments.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

(d) Impairment of assets

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

Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value. 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 and the Company utilise the valuation model to determine asset and cash-generating unit values supplemented, where appropriate, by discounted cash flow and other valuation techniques.

(e) Leases

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

The Group and the Company cannot readily determine the interest rate implicit in the lease therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group and the Company 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 and the Company 'would have to pay' which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group and the Company estimate the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity specific estimates. The IBR used to estimate the lease liability ranges from 6% to 8.25% for the Group and the Company.

(f) Depreciation policies

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

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

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

4.1 Key sources of estimation uncertainty (cont'd)

(g) Revaluation of property, plant and equipment

The Group and the Company carry land and buildings and certain plant and machinery at revalued amounts with changes in fair value being recognised in other comprehensive income. The Group and the Company engages an independent valuer to determine the fair value of buildings every three years. Because of inherent uncertainty in the market conditions, those estimates may differ from actual values.

(h) Asset lives and residual values

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

4.2 Critical accounting judgement

(a) Limitation of sensitivity analysis

Sensitivity analysis, in respect of market risk, demonstrates 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 also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

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

(b) Derivatives

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

5. PROPERTY, PLANT AND EQUIPMENT

(a) THE GROUP AND THE COMPANY - 2024

	Buildings Rs000's	Flour Mill Equipment Rs000's	Sundry Equipment Rs000's	Office Furniture and Equipment Rs000's	Computers Rs000's	Motor Vehicles Rs000's	Assets in Progress Rs000's	Total Rs000's
COST OR VALUATION								
At July 1, 2023	**1,056,886**	**1,151,748**	**120,179**	**10,417**	**15,679**	**1,252**	**63,162**	**2,419,323**
Additions	**2,700**	**10,800**	**16,393**	**1,008**	**1,341**	**-**	**81,338**	**113,580**
Disposals	**(908)**	**(17,900)**	**(15,877)**	**(326)**	**(49)**	**-**	**-**	**(35,060)**
Revaluation surplus	**-**	**159,314**	**61,507**	**-**	**-**	**-**	**-**	**220,821**
Transfers	**2,454**	**22,433**	**827**	**35**	**-**	**-**	**(25,749)**	**-**
At June 30, 2024	**1,061,132**	**1,326,395**	**183,029**	**11,134**	**16,971**	**1,252**	**118,751**	**2,718,664**
DEPRECIATION								
At July 1, 2023	**492,735**	**772,626**	**77,721**	**8,765**	**11,101**	**62**	**-**	**1,363,010**
Charge for the year	**31,638**	**41,953**	**10,856**	**561**	**2,881**	**250**	**-**	**88,139**
Disposal adjustments	**(667)**	**(17,224)**	**(14,508)**	**(326)**	**(37)**	**-**	**-**	**(32,762)**
Revaluation surplus	**-**	**111,110**	**56,905**	**-**	**-**	**-**	**-**	**168,015**
At June 30, 2024	**523,706**	**908,465**	**130,974**	**9,000**	**13,945**	**312**	**-**	**1,586,402**
NET BOOK VALUE								
At June 30, 2024	**537,426**	**417,930**	**52,055**	**2,134**	**3,026**	**940**	**118,751**	**1,132,262**

(b) THE GROUP AND THE COMPANY - 2023

	Buildings Rs000's	Flour Mill Equipment Rs000's	Sundry Equipment Rs000's	Office Furniture and Equipment Rs000's	Computers Rs000's	Motor Vehicles Rs000's	Assets in Progress Rs000's	Total Rs000's
COST OR VALUATION								
At July 1, 2022	910,591	1,137,477	116,279	9,624	15,741	-	34,492	2,224,204
Additions	3,080	15,527	4,695	640	1,575	1,252	44,725	71,494
Disposals	-	(15,654)	(811)	(41)	(2,549)	-	-	(19,055)
Revaluation surplus	142,680	-	-	-	-	-	-	142,680
Transfers	535	14,398	16	194	912	-	(16,055)	-
At June 30, 2023	1,056,886	1,151,748	120,179	10,417	15,679	1,252	63,162	2,419,323
DEPRECIATION								
At July 1, 2022	407,426	750,119	71,643	8,398	10,596	-	-	1,248,182
Charge for the year	24,305	38,161	6,693	398	2,982	62	-	72,601
Disposal adjustments	-	(15,654)	(615)	(31)	(2,477)	-	-	(18,777)
Revaluation surplus	61,004	-	-	-	-	-	-	61,004
At June 30, 2023	492,735	772,626	77,721	8,765	11,101	62	-	1,363,010
NET BOOK VALUE								
At June 30, 2023	564,151	379,122	42,458	1,652	4,578	1,190	63,162	1,056,313

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

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

(c) It is the group policy to revalue the buildings, flour mill equipment and sundry equipment of the Company every three years. Revaluations are done more frequently if there is any indication that the carrying amount differs materially from its fair value. The Company's assets were revalued on a depreciated replacement cost basis as follows:

- Buildings on June 30, 2023 - by Mr Vincent d'Unienville BSc, ARICS of V. d'Unienville & Associates Co Ltd, Chartered Quantity Surveyors.
- Flour mill and sundry equipment on June 30, 2024 - by Engineering Technical and Management Services Ltd.

For buildings, the basis of the evaluation of the Current Value, every three years, is based on a cost per m^2 basis derived from other projects of similar nature at current market rates and prices, as well as first principle estimates for elements such as silos, piling, and other uncommon elements of construction.

Flour Mill Equipment and Sundry Equipment were revalued on the basis of new replacement cost and adjusting for depreciation attributable to the assets as of the date of the valuation. These are classified as Level 3.

(d) Information about fair value measurements using significant unobservable inputs (Level 3)

THE GROUP AND THE COMPANY

Description	Fair value 2024 Rs000's	Fair value 2023 Rs000's	Valuation technique	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Buildings	**537,426**	564,151	Replacement cost less depreciation approach	Price per square metre	Silos (Rs326,000-Rs799,800 per square metre), Other buildings (Rs21,300-Rs117,000 per square metre)	The higher the price per square metre, the higher the fair value

(e) If the buildings, flour mill and sundry equipment were stated on the historical cost basis, the amounts would be as follows:

THE GROUP AND THE COMPANY

	Buildings Rs000's	Flour mill equipment Rs000's	Sundry equipment Rs000's
Cost	**266,763**	**566,982**	**123,184**
Accumulated depreciation	**(85,515)**	**(244,015)**	**(58,981)**
At June 30, 2024	**181,248**	**322,967**	**64,203**
Cost	261,609	533,751	105,965
Accumulated depreciation	(80,483)	(223,435)	(55,571)
At June 30, 2023	181,126	310,316	50,394

(f) Depreciation expense charged is allocated in profit or loss as follows:

THE GROUP AND THE COMPANY

	2024 Rs000's	2023 Rs000's
Cost of sales	**77,155**	63,988
Administrative expenses	**3,939**	2,743
Selling and distribution costs	**7,045**	5,870
	88,139	72,601

(g) Bank borrowings are secured by floating charges over all the assets of the Company, including property, plant and equipment (note 17).

6A. RIGHT OF USE ASSETS

THE GROUP AND THE COMPANY

	Land and warehouses Rs000's	Operating Equipments Rs000's	Motor Vehicles Rs000's	Total Rs000's
At July 01, 2023	**74,834**	**369**	**1,109**	**76,312**
Lease additions	**-**	**4,364**	**-**	**4,364**
Lease re-measurement	**31,878**	**-**	**-**	**31,878**
Depreciation	**(2,288)**	**(1,198)**	**(229)**	**(3,715)**
At June 30, 2024	**104,424**	**3,535**	**880**	**108,839**

THE GROUP AND THE COMPANY

	Land and warehouses Rs000's	Operating Equipments Rs000's	Motor Vehicles Rs000's	Total Rs000's
At July 01, 2022	65,428	1,843	178	67,449
Lease additions	-	-	1,148	1,148
Lease re-measurement	11,598	-	-	11,598
Depreciation	(2,192)	(1,474)	(217)	(3,883)
At June 30, 2023	74,834	369	1,109	76,312

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

6B. LEASE LIABILITIES

	THE GROUP AND THE COMPANY			
	Land and warehouses Rs000's	Operating Equipments Rs000's	Motor Vehicles Rs000's	Total Rs000's
At July 01, 2023	**81,039**	**276**	**1,146**	**82,461**
Lease additions	**-**	**4,364**	**-**	**4,364**
Lease re-measurement	**31,878**	**-**	**-**	**31,878**
Interest expenses	**4,128**	**311**	**89**	**4,528**
Lease payment	**(5,032)**	**(1,294)**	**(244)**	**(6,570)**
At June 30, 2024	**112,013**	**3,657**	**991**	**116,661**

	THE GROUP AND THE COMPANY			
	Land and warehouses Rs000's	Operating Equipments Rs000's	Motor Vehicles Rs000's	Total Rs000's
At July 01, 2022	70,625	1,989	220	72,834
Lease additions	-	-	1,148	1,148
Lease re-measurement	11,598	-	-	11,598
Interest expenses	3,849	437	27	4,313
Lease payment	(5,033)	(2,150)	(249)	(7,432)
At June 30, 2023	81,039	276	1,146	82,461

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Current	**1,095**	799
Non Current	**115,566**	81,662
	116,661	82,461

(a) Nature of leasing activities

The Company leases land, warehouse, other equipment and motor vehicles in the jurisdictions from which it operates.

(b) Incremental borrowing rate

(i)The incremental borrowing rate (IBR) used in computing the lease liability are as follows:

JUNE 30, 2024

	Lease Contracts Number	IBR
Land and warehouse	**3**	**6% - 6.75%**
Operating Equipment	**2**	**7.25%**
Motor Vehicles	**1**	**8.25%**

JUNE 30, 2023

	Lease Contracts Number	IBR
Land and warehouse	3	6% - 6.75%
Operating Equipment	4	7.25%
Motor Vehicles	1	8.25%

(ii) LMLC does not have genuine variable lease payment.

(c) Extension and termination options

Extension and termination options are included in the land and warehouse leases of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held are exercisable only by mutual agreement by the Company and the respective lessor.

(d) Lease term

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

The lease term is revised if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

The lease term for land and warehouse is between 25 and 60 years and operating equipment and motor vehicles is for 5 years.

(e) Residual value

To optimise lease costs during the contract period, the Company sometimes provides residual value guarantees in relation to operating equipment and motor vehicles.

The Group and the Company initially estimate and recognise amounts expected to be payable under residual value guarantee as part of the lease liability. Typically the expected residual value at the lease commencement is equal to or higher than the guaranteed amount, and so the Company does not expect to pay anything under the guarantees.

6B. LEASE LIABILITIES (CONT'D)

(e) Residual value (cont'd)

At the end of each reporting period, the expected residual values are reviewed to reflect actual residual values achieved on comparable assets and expectations about future prices. As at June 30, 2024, the residual value included in the calculation of the lease liabilities is nil (2023: nil).

(f) Interest expense

	2024 Rs000's	2023 Rs000's
Expenses relating to short term leases (included in administrative expenses)	**2,071**	1,084
Interest expense (included in finance costs) in note 27(b)	**4,528**	4,313

The total cash outflow for leases in 2024 was Rs'000 6,570 (2023: Rs'000 7,432).

7. INTANGIBLE ASSETS

(a) THE GROUP AND THE COMPANY

	Computer Software
COST	
At July 1, 2022	82,423
Addition	610
Disposal	(2,458)
Assets written off	(50)
At June 30, 2023	**80,525**
Addition	**1,294**
Disposal	**(1,001)**
At June 30, 2024	**80,818**
AMORTISATION	
At July 1, 2022	27,273
Amortisation charge	9,382
Disposal adjustment	1,213
Assets written off	(50)
At June 30, 2023	**37,818**
Amortisation charge	**11,408**
Disposal adjustment	**(975)**
At June 30, 2024	**48251**
NET BOOK VALUE	
At June 30, 2024	**32,567**
At June 30, 2023	42,707

(b) Amortisation has been charged to profit or loss as follows:

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Cost of sales	**3,280**	3,482
Administrative expenses	**8,041**	5,864
Selling and distribution costs	**87**	36
	11,408	9,382

There are no intangible assets with restricted title and/or pledged as security for liabilities.

8. INVESTMENTS IN SUBSIDIARY COMPANIES - COST

	2024 Rs000's	2023 Rs000's
At June 30,	**334,406**	334,406

The list of the Company's subsidiaries is as follows:

Name	Class of shares held	Year end	Stated capital Rs000's	Proportion of ownership interest	Place of business	Country of incorporation	Main business
2024 & 2023							
Concordia Investments Ltd	Ordinary	June 30	333,568	100%	Eclosia Group Headquarters, Gentilly, Moka	Mauritius	Investment holding
Wrap'Eat Ltd (ex Amigel Ltd)	Ordinary	June 30	45,000	100%	Cargo Peninsula, Quay D, Port Louis	Mauritius	Producer of unbaked frozen products (ceased operations)

The Directors have reviewed the financial position and performance of the subsidiary companies and the following was considered as at reporting date:

(a) there were no indication of impairment in respect of the investment held in Concordia Investments Ltd.

(b) investment held in Wrap'Eat Ltd (ex Amigel Ltd) was fully impaired in 2019.

9. INVESTMENT IN ASSOCIATE

(a) The results of the following associated company have been included in the consolidated financial statements:

	2024 & 2023	
	% holding	Year end
Indigo Hotels & Resorts Limited and its subsidiaries	28.67	June 30

	THE GROUP	
	2024 Rs000's	2023 Rs000's
At July 1,	234,396	222,267
Share of profit / (loss) for the year	13,925	(1,055)
Effect of prior year adjustment		
- Retained earnings of the associate	-	(10,439)
- Other comprehensive reserve of the associate	-	12,941
Share of other comprehensive income	2,843	10,682
	251,164	234,396

Other equity movements comprise of movement in actuarial reserve, revaluation surplus and fair value reserve of Indigo Hotels & Resorts Limited and its subsidiaries.

(b) (i) Indigo Hotels & Resorts Limited is a limited liability company incorporated and domiciled in Mauritius. Its main activity is to provide management services to hotels within the Eclosia Group. Its place of business is at Eclosia Group Headquarters, Gentilly, Moka.

(ii) The associated company is accounted for using the equity method.

(iii) The associated company is a private company and there is no quoted market price available for its shares.

(iv) The financial year end date of Indigo Hotels & Resorts Limited is June 30.

(c) Summarised financial information

Summarised financial information in respect of the associate (Indigo Hotels & Resorts Limited and its subsidiaries) is set out below:

	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Post-tax profit/(loss)	Other comprehensive income for the year	Total comprehensive income for the year
	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's	Rs000's
2024	263,851	3,078,255	693,748	886,004	1,094,588	89,569	(30,487)	59,082
2023	294,812	3,035,771	565,794	1,103,084	940,152	(9,673)	43,260	33,587

The summarised financial information above represents amounts shown in the associate's consolidated financial statements prepared in accordance with IFRS, adjusted for equity accounting purposes such as fair value adjustments made at time of acquisition.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

(d) Reconciliation of summarised financial information

	2024 Rs000's	2023 Rs000's
Opening net assets at July 1,	1,661,706	1,562,660
Profit / (Loss) for the year	89,569	(9,673)
Other comprehensive income for the year	8,791	(14,002)
Other equity movements	2,379	3,765
Revaluation surplus	(91)	101,105
Effects of changes in associate's opening balances	-	17,851
Closing net assets at June 30,	1,762,354	1,661,706
Less non-controlling interest in the subsidiaries of the associate	(886,301)	(844,139)
	876,053	817,567
Interest in associate	251,164	234,396

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(i) Equity investments at fair value through other comprehensive income

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
At July 1,	470,274	454,629	122,747	128,853
Change in fair value recognised in other comprehensive income	(40,355)	15,645	(6,400)	(6,106)
Distribution of dividends in specie	(116,325)	-	(116,325)	-
At June 30,	313,594	470,274	22	122,747

The dividends in specie relates to the distribution of the investment in Livestock Feed Ltd to the Company's shareholders (Refer also to note 22).

(ii) Fair value through other comprehensive income financial assets include the following:

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Quoted:				
Equity securities - [Mauritius]	73,689	219,769	22	122,747
Unquoted:				
Equity securities - [Mauritius]	239,905	250,505	-	-
	313,594	470,274	22	122,747

(iii) Financial assets measured at fair value through other comprehensive income include the Group's strategic 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 strategic investments.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

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

(iv) The fair value of quoted securities is based on published market prices. The fair value of the unquoted securities are based on discounted cash flow, earnings multiple, dividend growth model and share of net assets.

(v) Fair value through other comprehensive income financial assets include the following:

		THE GROUP		THE COMPANY	
	Fair Value Hierarchy	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Quoted:					
Livestock Feed Ltd	1	**22**	122,747	**22**	122,747
MCB Group	1	**8,409**	6,932	**-**	-
Mauritius Freeport Development Co Ltd	1	**65,258**	90,090	**-**	-
Unquoted:					
Premier Logistics Co Ltd	3	**137,300**	122,000	**-**	-
Premier Education Co Ltd	3	**79,700**	79,000	**-**	-
Société Aquarius	2	**22,900**	49,500	**-**	-
Mer Rouge Trading Ltd	3	**5**	5	**-**	-
		313,594	470,274	**22**	122,747

The quoted investments are classified as level 1 while the unquoted investments are classified as level 2 and 3 of the fair value hierarchy.

(vi) Valuation inputs and relationships to fair value:

The following table summarises the quantitative information about the significant unobservable inputs used in level 2 and level 3 fair value measurements of the Group:

THE GROUP

Description	Fair value 2024 Rs000's	Fair value 2023 Rs000's	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity Analysis
Premier Logistics Co Ltd	**137,300**	122,000	Average of Earnings Multiple and Dividend growth model	Earnings multiple of 19.2x (2023: 17.8x) Discount for lack of marketability of 43.75% (2023: 25 %) Dividend Yield of 2.43% (2023: 3.75%)	The higher the P/E multiple and/or dividend yield, the higher will be the fair value of the investment and vice versa. The higher the discount, the lower the fair value of the investment and vice versa.	A 10% increase in the P/E, the fair value will increase by Rs 4.1M (2023: Rs 6.0M) A 10% increase in discount, the fair value will decrease by Rs 9.0M (2023: Rs 5.0M)

THE GROUP

Description	Fair value 2024 Rs000's	Fair value 2023 Rs000's	Valuation technique	Unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity Analysis
Premier Education Co Ltd	**79,700**	79,000	Discounted cash flow	Expected cash inflows Discount rate (11.75%- 12.31%)	The higher the expected cash flows, the higher the fair value and vice versa. The higher the discount rate, the lower the fair value of the investment and vice versa.	A 10% increase in expected cash flows will increase the fair value by Rs 0.7M (2023: Rs 7.9M) A 1% increase in the discount rate will decrease the fair value by Rs 7.0M (2023: Rs 6.0M)
Société Aquarius	**22,900**	49,500	Share of net asset	Net Asset value (Société Aquarius holds shares in Oceanarium Mauritius Ltd, which is listed)	The higher the net asset value, the higher the fair value and vice versa.	A 10% increase in net asset value will increase the fair value by Rs 2.3M (2023: Rs 5.0M)
Mer Rouge Trading Ltd	**5**	5	N/A - The Directors consider cost to approximate the fair value	N/A	N/A	N/A

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

(vii) Fair value through other comprehensive income financial assets are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Mauritian rupee	**313,594**	470,274	**22**	122,747

11. INVENTORIES

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
(a) Raw materials	**397,133**	491,767
Raw materials in transit	**344,267**	486,060
Finished goods	**49,236**	35,445
Spare parts / Consumables	**93,185**	84,093
	883,821	1,097,365

(b) No impairment was recognised for the year under review. During the financial year ended 30 June 2023, a write-down of Rs 36M, in line with IAS 2, was accounted on raw materials due to the decreasing market value of wheat.

(c) The cost of inventories recognised as expense and included in cost of sales amounted to Rs000's 2,539,545 (2023: Rs000's 2,731,551) for the Group and the Company.

(d) The bank borrowings are secured by floating charges on the assets of the Group and the Company including inventories (note 17).

12. TRADE RECEIVABLES

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Trade receivables	**241,069**	234,613	**241,069**	234,613

The carrying amounts of trade receivables approximate their fair value.

(i) Impairment of trade receivables

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

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

The expected loss rates are based on the payment profiles of sales over a period of 12 months before June 30, 2024 or July 1, 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group identified the real GDP of low income and developing countries and accordingly adjust the historical loss rates based on expected changes in these factors.

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

THE GROUP AND THE COMPANY

At June 30, 2024	Current Rs000's	More than 90 days past due Rs000's	More than 180 days past due Rs000's	More than 365 days past due Rs000's	Total Rs000's
Expected loss rate	-	-	-	-	-
Gross carrying amount - Trade receivable	**240,892**	-	**177**		**241,069**
Loss allowance	-	-	-	-	-

At July 01, 2023	Current Rs000's	More than 90 days past due Rs000's	More than 180 days past due Rs000's	More than 365 days past due Rs000's	Total Rs000's
Expected loss rate	-	-	-	-	-
Gross carrying amount - Trade receivable	234,613	-	-	-	234,613
Loss allowance	-	-	-	-	-

No provision has been booked for loss allowance arising from trade receivables that are due for less than 365 days.

(ii) The carrying amounts of the trade receivables are denominated in the following currencies:

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Rupee	**81,446**	53,559
US Dollar	**110,262**	149,767
Euro	**49,361**	31,287
	241,069	234,613

(iii) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group and the Company do not hold any collateral as security.

(iv) Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for ECL.

13. OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Current				
Prepayments	**14,011**	5,392	**14,011**	5,392
VAT receivable	**8,553**	7,391	**8,553**	7,391
Other receivables	**11,262**	7,158	**2,803**	4,153
Receivable from related companies (note 30)	**110,500**	79,000	**87,500**	65,000
	144,326	98,941	**112,867**	81,936
Non Current				
Receivable from related companies (note 30)	**3,731**	-	**-**	-

(i) The carrying amounts of other receivables approximate their fair value and are denominated in rupee.

(ii) Receivable from related companies relate to unsecured interest bearing loans of 4% and are repayable on demand, except for an amount of Rs3.7m repayable after 1 year. The receivables are considered to be in Stage 1 (not suffered increase in credit risk).

(iii) The Directors have assessed the loss allowance on the receivables from related companies and consider same to be immaterial. Consequently, no provision has been booked in respect of same.

14. DERIVATIVES FINANCIAL INSTRUMENTS

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Options	**1,007**	736

Maturity date: August 2024

The Group and the Company use wheat call options to safeguard themselves from potential increases in the price of wheat. These options qualify as a cash flow hedge and the gains/losses on the hedging instrument are recognised in equity. Subsequently, these gains/losses are then removed from the cash flow hedge reserve and included directly in the initial cost of inventory.

Hedging

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

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Options		
Nominal amount of the hedging instrument	**4,847**	4,888
Carrying amount of the hedging instrument	**1,007**	736
Line item in the statement of financial position where the hedging instrument is located	Derivatives financial instruments	
Changes in fair value used for calculating hedge ineffectiveness	**(3,840)**	(4,152)
Line item in profit or loss because of the reclassification	**-**	-

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Commodity price		
Carrying amount of the hedging item	**4,847**	4,888
Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item	**(3,840)**	(4,152)
Line item in the statement of financial position where the hedging instrument is located	Derivatives financial instruments	
Change in value used for calculating hedge ineffectiveness	**(3,840)**	(4,152)
Cash flow hedge reserve	**(3,840)**	(4,152)
Maturity date	**Aug-24**	Aug-23
Hedge ratio	**1:1**	1:1

15. SHARE CAPITAL

		THE GROUP AND THE COMPANY
	2024 & 2023	
Ordinary shares (authorised, issued and fully paid)		
At 1 July and at 30 June	**Rs000's**	**1,080,000**
Number of shares	**000's**	**10,800**

The holders of the fully paid ordinary shares carry one vote per share and carry a right to dividends.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

16. REVALUATION AND OTHER RESERVES

(a) THE GROUP	Revaluation surplus Rs000's	Financial assets at fair value through OCI reserve Rs000's	Translation reserve Rs000's	Reserve of associates Rs000's	Hedging Reserve Rs000's	Actuarial losses reserves Rs000's	Total Rs000's
(i) 2024							
At July 1, 2023	**247,526**	**273,183**	**51,984**	**85,623**	**(4,152)**	**(43,841)**	**610,323**
Gains on revaluation of property, plant and equipment (note 5)	**52,806**	**-**	**-**	**-**	**-**	**-**	**52,806**
Deferred income tax on revaluation of property, plant and equipment (note 19)	**(8,977)**	**-**	**-**	**-**	**-**	**-**	**(8,977)**
Transfer of excess depreciation on revaluation of property, plant and equipment	**(10,388)**	**-**	**-**	**-**	**-**	**-**	**(10,388)**
Remeasurements of defined benefit obligations (note 18)	**-**	**-**	**-**	**-**	**-**	**4,462**	**4,462**
Income tax relating to components of other comprehensive income (note 18)	**-**	**-**	**-**	**-**	**-**	**(759)**	**(759)**
Changes in fair value of equity instruments at fair value through other comprehensive income (note 10)	**-**	**(40,355)**	**-**	**-**	**-**	**-**	**(40,355)**
Share of other comprehensive income of associate (note 9)	**-**	**-**	**-**	**2,843**	**-**	**-**	**2,843**
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	**-**	**(108,698)**	**-**	**-**	**-**	**-**	**(108,698)**
Cash flow hedges (note 14)	**-**	**-**	**-**	**-**	**7**	**-**	**7**
At June 30, 2024	**280,967**	**124,130**	**51,984**	**88,466**	**(4,145)**	**(40,138)**	**501,264**

(a) THE GROUP	Revaluation surplus Rs000's	Financial assets at fair value through OCI reserve Rs000's	Translation reserve Rs000's	Reserve of associates Rs000's	Hedging Reserve Rs000's	Actuarial losses reserves Rs000's	Total Rs000's
(ii) 2023							
At July 1, 2022	188,767	257,538	51,984	62,000	-	(33,602)	526,687
Gains on revaluation of property, plant and equipment (note 5)	81,676	-	-	-	-	-	81,676
Deferred income tax on revaluation of property, plant and equipment (note 19)	(13,885)	-	-	-	-	-	(13,885)
Transfer of excess depreciation on revaluation of property, plant and equipment	(9,032)	-	-	-	-	-	(9,032)
Remeasurements of defined benefit obligations (note 18)	-	-	-	-	-	(12,336)	(12,336)
Income tax relating to components of other comprehensive income (note 18)	-	-	-	-	-	2,097	2,097
Changes in fair value of equity instruments at fair value through other comprehensive income (note 10)	-	15,645	-	-	-	-	15,645
Effect of prior adjustment in associate (note 9)	-	-	-	12,941	-	-	12,941
Share of other comprehensive income of associate (note 9)	-	-	-	10,682	-	-	10,682
Cash flow hedges (note 14)	-	-	-	-	(4,152)	-	(4,152)
At June 30, 2023	247,526	273,183	51,984	85,623	(4,152)	(43,841)	610,323

Revaluation surplus
The revaluation surplus arises on revaluation of property, plant and equipment.

Financial assets at fair value through OCI reserve
Gains/losses arising on financial assets at fair value through other comprehensive income.

Translation reserve
The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Reserve of associate
The reserve of associate consists of percentage holding of the Group on the revaluation & other reserves of its associate.

Actuarial losses reserve
The actuarial losses reserve represents the cumulative remeasurements of defined benefit obligation recognised.

Hedging reserve
The hedging reserve includes the cash flow hedge reserve and the costs of hedging reserve.

16. REVALUATION AND OTHER RESERVES (CONT'D)

(b) THE COMPANY	Revaluation surplus Rs000's	Financial assets at fair value through OCI reserve Rs000's	Hedging Reserve Rs000's	Actuarial losses reserves Rs000's	Total Rs000's
(i) 2024					
At July 1, 2023	249,004	115,096	(4,152)	(43,251)	316,697
Gains on revaluation of property, plant and equipment (note 5)	52,806	-	-	-	52,806
Deferred income tax on revaluation of property, plant and equipment (note 19)	(8,977)	-	-	-	(8,977)
Transfer of excess depreciation on revaluation of property, plant and equipment	(10,388)	-	-	-	(10,388)
Remeasurements of defined benefit obligations (note 18)	-	-	-	4,462	4,462
Income tax relating to components of other comprehensive income (note 18)	-	-	-	(759)	(759)
Changes in fair value of equity instruments at fair value through other comprehensive income (note 10)	-	(6,400)	-	-	(6,400)
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	(108,698)	-	-	(108,698)
Cash flow hedges (note 14)	-	-	7	-	7
At June 30, 2024	**282,445**	**(2)**	**(4,145)**	**(39,548)**	**238,750**

(b) THE COMPANY	Revaluation surplus Rs000's	Financial assets at fair value through OCI reserve Rs000's	Hedging Reserve Rs000's	Actuarial losses reserves Rs000's	Total Rs000's
(ii) 2023					
At July 1, 2022	190,245	121,202	-	(33,012)	278,435
Gains on revaluation of property, plant and equipment (note 5)	81,676	-	-	-	81,676
Deferred income tax on revaluation of property, plant and equipment (note 19)	(13,885)	-	-	-	(13,885)
Transfer of excess depreciation on revaluation of property, plant and equipment	(9,032)	-	-	-	(9,032)
Remeasurements of defined benefit obligations (note 18)	-	-	-	(12,336)	(12,336)
Income tax relating to components of other comprehensive income (note 18)	-	-	-	2,097	2,097
Changes in fair value of equity instruments at fair value through other comprehensive income (note 10)	-	(6,106)	-	-	(6,106)
Cash flow hedges (note 14)	-	-	(4,152)	-	(4,152)
At June 30, 2023	249,004	115,096	(4,152)	(43,251)	316,697

17. BORROWINGS

	THE GROUP 2024 Rs000's	THE GROUP 2023 Rs000's	THE COMPANY 2024 Rs000's	THE COMPANY 2023 Rs000's
Current				
Import loan	**275,152**	546,600	**275,152**	546,600
Non-current				
Redeemable preference shares	**30,000**	30,000	**30,000**	30,000

(a) The bank borrowings are secured by floating charges over all the assets of the Group and the Company, including property, plant and equipment and inventories (notes 5 and 11).

(b) The effective interest rates of the loans at the reporting date were as follows:

THE GROUP AND THE COMPANY

	2024 USD %	Rs %	2023 USD %	EUR %
Bank overdrafts	**SOFR + 2.5% / 3%**	5.60% - 6.75%	**SOFR + 2.5% / 3%**	5.71%
Import loan	**6.64%**	-	**5.96% to 6.62%**	-

(c) The carrying amounts of the Group's and the Company's borrowings are denominated in Mauritian rupees and in US Dollars.

(d) The holders of the preference shares are entitled to a fixed cumulative dividend of 13% per annum in preference to the holders of ordinary shares which is considered as a finance cost. Any amount paid over and above the 13% is considered as dividend.

The 13% cumulative preference shares meets the definition of a liability under the requirements of IAS 32, because the instrument includes a contractual obligation to deliver cash to the holder.

Any balance the Board decides to distribute by way of dividends shall be distributed "pari-passu" per share amongst the ordinary and preference shareholders, the latter being entitled to a maximum dividend of 20%.

The preference shares carry a right to repayment of capital in winding up in priority to the ordinary shares but no other rights in respect of dividends, capital and voting.

(e) The carrying amounts of borrowings are not materially different from their fair value.

18. RETIREMENT BENEFIT OBLIGATIONS

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Amounts recognised in the statement of financial position		
Defined pension benefits (note 18(a)(ii))	**35,975**	45,032
Other post retirement benefits (note 18(b)(i))	**24,808**	24,043
	60,783	69,075
Analysed as follows:		
Non-current liabilities	**60,783**	69,075

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Amount charged to profit or loss:		
- Defined pension benefits (note 18(a)(vii))	**3,924**	3,126
- Other post retirement benefits (note 18(b)(ii))	**2,055**	333
- Benefits paid	**(3,229)**	(5)
	2,750	3,454

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Amount (credited)/charged to other comprehensive income		
- Defined pension benefits (note 18(a)(ix))	**(6,363)**	6,485
- Other post retirement benefits (note 18(b)(iv))	**1,901**	5,851
	(4,462)	12,336

(a) Pension schemes

(i) The Group contributes and operates a defined benefit pension. The plan is a defined benefit arrangement, with benefits based on final salary. It provides for pension at retirement and a benefit on death or disablement in service before retirement.

The assets of the fund are independently administered by The Swan Life Ltd which carries out a full valuation of the plan every year.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligations was carried out at June 30, 2024. 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 statement of financial position are as follows:

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Present value of funded obligations (note 18(a)(iv))	**62,352**	67,718
Fair value of plan assets (note 18(a)(v))	**(26,377)**	(22,686)
Liability in the statement of financial position	**35,975**	45,032

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

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
At July 1,	**45,032**	41,474
Charged to profit or loss	**3,924**	3,126
(Credited)/charged to other comprehensive income	**(6,363)**	6,485
Contributions paid	**(1,646)**	(1,081)
Deficit funding payment	**(4,972)**	(4,972)
At June 30,	**35,975**	45,032

(iv) The movement in the defined benefit obligation over the year is as follows:

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
At July 1,	**67,718**	73,994
Current service cost	**1,667**	1,150
Interest cost	**3,427**	2,684
Contributions by plan participants	**481**	1,018
Actuarial (gains) / losses	**(5,289)**	5,723
Benefits paid	**(5,652)**	(16,851)
At June 30,	**62,352**	67,718

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

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
At July 1,	**22,686**	32,520
Expected return on plan assets	**1,170**	991
Actuarial gains / (losses)	**1,074**	(762)
Cost of insuring risk benefits	**-**	(283)
Employer contributions	**1,646**	1,081
Employee contributions	**481**	1,018
Deficit funding payment	**4,972**	4,972
Benefits paid	**(5,652)**	(16,851)
At June 30,	**26,377**	22,686

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

18. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Pension schemes (cont'd)

(vi) The fair value of the plan assets at the end of the reporting period for each category are as follows :

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Cash and cash equivalents	**4,865**	908
Equity investments categorised by industry type:		
- Financial	**1,836**	1,513
- Commerce	**383**	331
- Industry	**222**	254
- Investment	**764**	561
- Leisure & Hotel	**355**	239
- Property	**239**	261
- Sugar	**15**	15
Debt instruments (categorised by type of issuers, credit quality, geography)		
- BBB	**4,133**	4,992
- Not rated	**6,877**	8,167
Investment funds	**6,688**	5,445
	26,377	22,686

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

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Current service cost	**1,667**	1,150
Interest cost	**2,257**	1,693
Cost of insuring risk benefits	**-**	283
Net periodic pension cost per IAS 19	**3,924**	3,126

(viii) The actual return on plan assets are as follows:

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Actual return on plan assets	**2,244**	230

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

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Remeasurements on the defined benefit liability:		
(Gains) / losses on pension scheme assets	**(1,074)**	762
Liability experience (gains) / losses	**(5,992)**	2,022
Actuarial losses arising from changes in assumptions underlying the present value of the scheme	**703**	3,701
	(6,363)	6,485

(x) The assets in the plan and the expected rate of return are as follows:

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Cash and cash equivalents	**3,390**	908
Fixed income	**12,633**	13,159
Local Equities	**3,921**	3,176
Overseas Equities	**6,433**	5,443
Total Market value of assets	**26,377**	22,686

(xi) The weighted average duration of the liabilities as at June 30, 2024 is 5 years.

(xii) Sensitivity analysis on defined pension benefit obligations at end of the reporting date:

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Increase in Defined Benefit Obligation due to 1% decrease in discount rate	**3,405**	4,364
Decrease in Defined Benefit Obligation due to 1% increase in discount rate	**3,041**	3,870
Increase in the Defined Benefit Obligation due to 1% increase in future long-term salary assumption	**3,546**	3,711
Decrease in the Defined Benefit Obligation due to 1% decrease in future long-term salary assumption	**3,221**	3,968

(xiii) Expected contributions to post-employment benefit plans for the year ending June 30, 2025 are Rs000's 7,150.

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

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Discount rate	**4.8%**	5.0%
Expected return on plan assets	**4.8%**	5.0%
Future salary increases	**2.0%**	2.0%
Post retirement mortality table	Swan Annuity rates	

(b) Other post retirement benefits

Other post retirement benefits comprise of gratuity on retirement payable under the Workers Rights Act 2019.

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

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Present value of unfunded obligations - Deficit	**24,808**	24,043

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

18. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

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

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

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
At July 1,	**24,043**	17,864
Liabilities of new employees who left the company before the year end	**38**	-
Charged to profit or loss	**2,055**	333
Charged to other comprehensive income	**1,901**	5,851
Benefits paid	**(3,229)**	(5)
At June 30,	**24,808**	24,043

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

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Current service cost	**792**	892
Net interest cost	**1,263**	762
Benefits paid out of plan assets	**-**	(354)
Curtailment / settlement gain on obligation	**-**	(967)
Net periodic pension cost per IAS 19	**2,055**	333
Benefits paid	**(3,229)**	(5)
Total included in employee benefit expense	**(1,174)**	328

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

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Remeasurement on the defined benefit liability:		
Losses on pension scheme assets	**1,748**	411
Liability experience (gains) / losses	**(4)**	6,102
Actuarial losses / (gains) arising from changes in assumptions	**157**	(662)
	1,901	5,851

(v) Amounts for the current period are as follows:

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Present value of defined benefit obligations	**24,808**	24,043
Experience (gains) / losses on plan liabilities	**1,235**	(3,774)

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

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Discount rate	**5.06% - 5.3%**	5.4% - 5.6%
Future salary increases	**2.0%**	2.0%
Mortality rate	PMA92_PFA92	

(vii) The weighted average duration of the liabilities as at June 30, 2024 is between 8-11 years.

(viii) Sensitivity analysis on other post retirement benefit obligations at end of the reporting date:

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Increase in Defined Benefit Obligation due to 1% decrease in discount rate	**19,823**	19,023
Decrease in Defined Benefit Obligation due to 1% increase in discount rate	**16,388**	15,768
Increase in the Defined Benefit Obligation due to 1% increase in future long-term salary assumption	**20,498**	19,583
Decrease in the Defined Benefit Obligation due to 1% decrease in future long-term salary assumption	**17,013**	16,264

An increase or decrease of 1% in other principal actuarial asssumptions would not have a material impact on other post retirement benefit obligations at the end of the reporting period.

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

The sensitivity analysis may not be representative of the actual change in the post retirement 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 periods.

18. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(c) Risks associated with the plans

The defined benefits and other post retirement benefit plans expose the Group to actuarial risks, such as interest rate, salary increase, mortality, longevity, withdrawal and liquidity risks.

- Interest rate – this is the risk that yields on Government Bonds and Treasury Bills decrease, leading to an increase in the provision required to be set aside for the benefits.
- Salary increase – the risk is that actual salary increases are higher than assumed, thereby leading to a shortfall in benefit provisions already set aside.
- Mortality – higher than expected death will expose the company to having to effect pay-outs that were not expected.
- Longevity – employees living longer than expected will expose the employer to the risk that more employees make it to retirement to claim their benefits while the provisions assume that fewer employees will live till retirement.
- Withdrawal risk – lower than expected withdrawal will have the same impact as longevity risk.
- Liquidity risk – this risk arises if the employer's actual net cashflows are not sufficient to pay for the gratuity benefit when it becomes due.

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

19. DEFERRED TAX LIABILITIES

Deferred income taxes are calculated on all temporary differences under the liability method at 17% (2023 : 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		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Deferred tax assets	**(30,168)**	(26,378)	**(30,168)**	(26,378)
Deferred tax liabilities	**239,615**	224,034	**239,615**	224,034
	209,447	197,656	**209,447**	197,656
Disclosed as follows:				
Deferred tax liabilities	**209,447**	197,656	**209,447**	197,656
	209,447	197,656	**209,447**	197,656

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

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
At July 1,	**197,656**	185,051	**197,656**	185,051
Charged to other comprehensive income	**9,736**	11,788	**9,736**	11,788
Charged to profit or loss (note 21(b))	**2,055**	817	**2,055**	817
At June 30,	**209,447**	197,656	**209,447**	197,656

(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 AND THE COMPANY	Retirement Benefit Obligations	Leases	Total
	Rs000's	Rs000's	Rs000's
At June 30, 2022	10,086	12,381	22,467
Charged to other comprehensive income	2,097	-	2,097
(Charged) / credited to profit or loss	(441)	2,255	1,814
At June 30, 2023	11,742	14,636	26,378
Credited to other comprehensive income	(759)	-	(759)
(Charged) / credited to profit or loss	(651)	5,200	4,549
At June 30, 2024	**10,332**	**19,836**	**30,168**

(ii) Deferred tax liabilities

THE GROUP AND THE COMPANY	Accelerated tax depreciation	Revaluation of assets	Leases	Total
	Rs000's	Rs000's	Rs000's	Rs000's
At June 30, 2022	84,374	111,677	11,467	207,518
Credited to other comprehensive income	-	13,885	-	13,885
Charged to profit or loss	1,123	-	1,508	2,631
At June 30, 2023	85,497	125,562	12,975	224,034
Charged to other comprehensive income	-	8,977	-	8,977
Charged to profit or loss	639	-	5,965	6,604
At June 30, 2024	**86,136**	**134,539**	**18,940**	**239,615**

(d) Where a Company is engaged in the export of goods, it is liable to income tax at the rate of 3% on the chargeable income attributable to that export.

20. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Trade payables	**38,908**	37,025	**38,908**	37,025
Accrued expenses	**23,159**	45,303	**23,052**	45,164
Amounts owed to related companies	**13,622**	5,918	**13,460**	5,758
Other payables	**10,711**	6,447	**10,711**	6,447
	86,400	94,693	**86,131**	94,394

The carrying amounts of trade and other payables approximate their fair value.

21. TAXATION

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
(a) Statement of financial position				
At July 1,	**14,044**	(6,374)	**13,989**	(6,381)
Current income tax on the adjusted profit for the year at 3%/15% (2023: 3%/15%)	**14,881**	13,041	**14,745**	12,998
Corporate social responsibility tax	**4,656**	4,639	**4,638**	4,633
Add: received during the year	**-**	8,421	**-**	8,421
Less: paid during the year	**(24,069)**	(5,692)	**(24,027)**	(5,691)
Underprovision	**-**	9	**-**	9
At June 30,	**9,512**	14,044	**9,345**	13,989

The Group and the Company are taxed at the normal rate of 15% and for exports at the rate of 3% as per current legislation.

(b) Statement of profit or loss and other comprehensive income

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Current income tax on the adjusted profit for the year at 3%/15% (2023: 3%/15%)	**14,881**	13,041	**14,745**	12,998
Corporate social responsibility tax	**4,656**	4,639	**4,638**	4,633
Movement in deferred taxation (note 19)	**2,055**	817	**2,055**	817
Underprovision	**-**	9	**-**	9
	21,592	18,506	**21,438**	18,457

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

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Profit before taxation	**200,047**	208,482	**171,715**	195,792
Tax calculated at 3%/15% (2023: 3%/15%)	**25,975**	21,782	**23,938**	27,295
Corporate social responsibility tax	**4,656**	4,639	**4,638**	4,633
Income not subject to tax	**(8,580)**	(10,661)	**(6,627)**	(8,566)
Expenses not deductible for tax purposes	**16,652**	22,038	**16,600**	14,387
Investment tax credit for the year	**(17,111)**	(19,301)	**(17,111)**	(19,301)
Underprovision	**-**	9	**-**	9
Tax charge	**21,592**	18,506	**21,438**	18,457

22. DIVIDENDS PAYABLE

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Statement of financial position		
At July 1,	**44,065**	5,796
Dividend declared	**42,600**	39,900
Dividend paid	**(79,959)**	(1,631)
At June 30,	**6,706**	44,065

The amounts recognised as distributions are as follows:

Final dividend of Rs.3.75 (2023: Rs.3.50) per ordinary share	**40,500**	37,800
Dividend on preference share capital	**2,100**	2,100
Dividend in specie (see note below)	**116,325**	-
	158,925	39,900

On 19th September 2023, the Board resolved to proceed with a distribution of its shareholding in Livestock Feed Limited in the form of a dividend in specie to its ordinary shareholders.

23. OPERATING PROFIT

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Operating profit is arrived at after:				
Charging:				
Depreciation on property, plant and equipment (note 5)	**88,139**	72,601	**88,139**	72,601
Depreciation on rights-of-use assets (note 6A)	**3,715**	3,883	**3,715**	3,883
Amortisation of intangible assets (note 7)	**11,408**	10,595	**11,408**	10,595
Employee benefit expense (note 23(a))	**126,208**	125,161	**126,208**	125,161

(a) Employee benefit expense

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Wages and salaries	**111,825**	112,664
Social security costs	**7,476**	6,234
Pension cost:		
- Defined benefit obligation	**2,973**	3,700
- Defined contribution plan	**3,934**	2,563
	126,208	125,161

24. REVENUE

The following is an analysis of the Group's and the Company's revenue for the year:

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Revenue from the sale of goods	**3,251,028**	3,423,401	**3,251,028**	3,423,401
Dividend income	**14,273**	13,969	**-**	-
	3,265,301	3,437,370	**3,251,028**	3,423,401

Disaggregation of revenue from contracts with customers

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Timing of revenue recognition				
At a point in time	**3,265,301**	3,437,370	**3,251,028**	3,423,401

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

25. EXPENSES BY NATURE

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Depreciation on property, plant and equipment (note 5)	**88,139**	72,601	**88,139**	72,601
Depreciation on rights-of-use assets (note 6)	**3,715**	3,883	**3,715**	3,883
Amortisation of intangible assets (note 7)	**11,408**	10,595	**11,408**	10,595
Employee benefit expense (note 23(a))	**126,208**	125,161	**126,208**	125,161
Cost of inventories recognised as expense (note 11(c))	**2,539,545**	2,731,551	**2,539,545**	2,731,551
Direct expenses (electricity, water, diesel and consumables)	**63,411**	50,385	**63,411**	50,385
Export expenses	**46,255**	35,088	**46,255**	35,088
Repairs and maintenance	**19,690**	27,225	**19,690**	27,225
Advertising costs	**12,910**	14,417	**12,910**	14,417
Management fees	**45,671**	48,076	**45,514**	47,928
Distribution and storage costs	**7,522**	8,044	**7,522**	8,044
Professional fees	**19,417**	18,012	**19,188**	17,650
IT expenses	**16,972**	15,148	**16,972**	15,148
Other expenses	**51,200**	40,348	**50,791**	40,338
Total cost of sales, selling and distribution, and administrative expenses	**3,052,063**	3,200,534	**3,051,268**	3,200,014
Represented by:				
Cost of sales	**2,848,760**	3,004,950	**2,848,760**	3,004,950
Selling and distribution costs	**38,446**	39,797	**38,446**	39,797
Administrative expenses	**164,857**	155,787	**164,062**	155,267
	3,052,063	3,200,534	**3,051,268**	3,200,014

26. OTHER INCOME

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Dividend income	**-**	2,502	**-**	2,502
Sundry income	**918**	3,456	**918**	3,455
	918	5,958	**918**	5,957

27. FINANCE INCOME / (COSTS)

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
(a) Finance income				
- Interest income	**6,581**	1,963	**5,652**	1,668
	6,581	1,963	**5,652**	1,668
(b) Finance costs				
- Foreign exchange loss	**(11,828)**	(1,060)	**(11,828)**	(1,060)
- Interest on bank overdrafts	**(187)**	(8,700)	**(187)**	(8,700)
- Interest on related party loan	**-**	(651)	**-**	(651)
- Interest on import loan	**(14,172)**	(16,596)	**(14,172)**	(16,596)
- Interest on preference shares	**(3,900)**	(3,900)	**(3,900)**	(3,900)
- Interest on lease	**(4,528)**	(4,313)	**(4,528)**	(4,313)
	(34,615)	(35,220)	**(34,615)**	(35,220)

28. EARNINGS PER SHARE

		THE GROUP	
		2024 Rs000's	2023 Rs000's
Profit attributable to equity holders	Rs000's	178,455	189,976
Less: preference share dividends	Rs000's	(2,100)	(2,100)
Net profit attributable to ordinary shareholders	Rs000's	176,355	187,876
Number of ordinary shares			
- in issue	000's	10,800	10,800
Earnings per share	Rs	16.33	17.40

29. NOTES TO THE STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
(a) **Cash generated from operations**				
Profit before taxation	200,047	208,482	171,715	195,792
Adjustments for:				
Depreciation on property, plant and equipment (note 5)	88,139	72,601	88,139	72,601
Depreciation on rights-of-use assets (note 6A)	3,715	3,883	3,715	3,883
Amortisation of intangible assets (note 7)	11,408	10,595	11,408	10,595
Profit on disposal of assets	(145)	-	(145)	-
Assets written off	1,549	(572)	1,549	(572)
Provision for retirement benefit obligations (note 18)	5,979	3,454	5,979	3,454
Dividend income (note 26)	-	(2,502)	-	(2,502)
Interest income (note 27(a))	(6,581)	(1,963)	(5,652)	(1,668)
Interest expense (note 27(b))	22,787	34,160	22,787	34,160
Fair value change on derivative financial instruments (note 14)	7	(4,152)	7	(4,152)
Net foreign exchange (gain)/loss	2,286	(4,203)	2,286	(4,203)
Share of (profit)/loss of associate (note 9)	(13,925)	1,055	-	-
Changes in working capital				
- inventories	213,544	(61,329)	213,544	(61,329)
- trade and other receivables	(58,345)	(110,001)	(40,160)	(93,730)
- trade and other payables	(8,293)	12,483	(8,263)	12,354
Cash generated from operations	462,172	161,991	466,909	164,683

(b) Cash and cash equivalent

Cash and cash equivalents include the following for the purpose of the statements of cash flows:

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Cash in hand and at bank	56,241	111,764	55,499	107,172
Bank overdrafts	-	(7)	-	(7)
	56,241	111,757	55,499	107,165

(c) Net debt reconciliation

	THE GROUP		THE COMPANY	
	2024 Rs000's	2023 Rs000's	2024 Rs000's	2023 Rs000's
Cash and cash equivalents	56,241	111,757	55,499	107,165
Borrowings	(305,152)	(576,600)	(305,152)	(576,600)
Lease liabilities	(116,661)	(82,461)	(116,661)	(82,461)
Net debt	(365,572)	(547,304)	(366,314)	(551,896)

THE GROUP	Borrowings Rs000's	Leases Rs000's	Cash/Cash Equivalent Rs000's	Total Rs000's
Net debt as at July 1, 2022	(159,900)	(72,834)	(362,070)	(594,804)
- Cash flows				
Payment of medium-term borrowings	129,900	-	-	129,900
Proceeds from medium-term borrowings	(546,600)	-	-	(546,600)
IFRS 16 lease principal repayments	-	3,119	-	3,119
IFRS 16 lease interest payments	-	4,313	-	4,313
Increase in cash and cash equivalents	-	-	469,624	469,624
- Non-cash changes				
Lease additions	-	(1,148)	-	(1,148)
Interest expense	-	(4,313)	-	(4,313)
Lease re-measurement	-	(11,598)	-	(11,598)
Foreign exchange adjustment	-	-	4,203	4,203
Net debt as at June 30, 2023	(576,600)	(82,461)	111,757	(547,304)
- Cash flows				
Payment of medium-term borrowings	546,600	-	-	546,600
Proceeds from medium-term borrowings	(275,152)	-	-	(275,152)
IFRS 16 lease principal repayments	-	2,042	-	2,042
IFRS 16 lease interest payments	-	4,528	-	4,528
Increase in cash and cash equivalents	-	-	(53,230)	(53,230)
- Non-cash changes				
Lease additions	-	(4,364)	-	(4,364)
Interest expense	-	(4,528)	-	(4,528)
Lease re-measurement	-	(31,878)	-	(31,878)
Foreign exchange adjustment	-	-	(2,286)	(2,286)
Net debt as at June 30, 2024	(305,152)	(116,661)	56,241	(365,572)

29. NOTES TO THE STATEMENTS OF CASH FLOWS

(c) Net debt reconciliation (cont'd)

THE COMPANY	Borrowings Rs000's	Leases Rs000's	Cash/Cash Equivalent Rs000's	Total Rs000's
Net debt as at July 1, 2022	(159,900)	(72,834)	(369,060)	(601,794)
- Cash flows				
Payment of medium-term borrowings	129,900	-	-	129,900
Proceeds from medium-term borrowings	(546,600)	-	-	(546,600)
IFRS 16 lease principal repayments	-	3,119	-	3,119
IFRS 16 lease interest payments	-	4,313	-	4,313
Increase in cash and cash equivalents	-	-	472,022	472,022
- Non-cash changes				
Lease additions	-	(1,148)	-	(1,148)
Interest expense	-	(4,313)	-	(4,313)
Lease re-measurement	-	(11,598)	-	(11,598)
- Foreign exchange adjustment	-	-	4,203	4,203
Net debt as at June 30, 2023	**(576,600)**	(82,461)	**107,165**	(551,896)
- Cash flows				
Payment of medium-term borrowings	546,600	-	-	546,600
Proceeds from medium-term borrowings	(275,152)	-	-	(275,152)
IFRS 16 lease principal repayments	-	2,042	-	2,042
IFRS 16 lease interest payments	-	4,528	-	4,528
Increase in cash and cash equivalents	-	-	(49,380)	(49,380)
- Non-cash changes				
Lease additions	-	(4,364)	-	(4,364)
Interest expense	-	(4,528)	-	(4,528)
Lease re-measurement	-	(31,878)	-	(31,878)
Foreign exchange adjustment	-	-	(2,286)	(2,286)
Net debt as at June 30, 2024	**(305,152)**	(116,661)	**55,499**	(366,314)

30 RELATED PARTY TRANSACTIONS

(a) THE GROUP	Majority shareholder Rs000's	Minority shareholders Rs000's	Fellow subsidiaries Rs000's	Enterprise with common directors Rs000's	Total Rs000's
(i) 2024					
Purchase of goods and services	**29,840**	**18,077**	**101,551**	**13,210**	**162,678**
Lease liability (refer to note 6B)	**-**	**3,294**	**-**	**-**	**3,294**
Sale of goods and services	**-**	**188,377**	**167,464**	**-**	**355,841**
Amount owed to related companies	**158**	**4,598**	**8,840**	**26**	**13,622**
Loans receivable	**-**	**36,000**	**64,500**	**13,731**	**114,231**
Interests income	**-**	**1,955**	**1,924**	**270**	**4,149**
Interests expense	**-**	**4,128**	**-**	**-**	**4,128**
Amount owed by related companies	**85**	**31,920**	**26,091**	**134**	**58,230**

	Majority shareholder Rs000's s	Minority shareholders Rs000's	Fellow subsidiaries Rs000's	Enterprise with common directors Rs000's	Total Rs000's
(ii) 2023					
Purchase of goods and services	30,959	20,178	100,158	10,381	161,676
Lease liability	-	5,198	-	-	5,198
Sale of goods and services	-	155,839	149,172	-	305,011
Interests expense	553	4,749	98	-	5,400
Amount owed to related companies	462	1,831	3,610	15	5,918
Loans receivable	-	38,000	23,000	18,000	79,000
Interests income	-	540	326	55	921
Amount owed by related companies	-	31,156	11,602	55	42,813

(b) THE COMPANY	Majority shareholder Rs000's s	Minority shareholders Rs000's	Fellow subsidiaries Rs000's	Enterprise with common directors Rs000's	Total Rs000's
(i) 2024					
Purchase of goods and services	**29,683**	**17,867**	**101,551**	**13,210**	**162,311**
Lease liability	**-**	**3,294**	**-**	**-**	**3,294**
Sale of goods and services	**-**	**188,377**	**167,464**	**-**	**355,841**
Amounts owed to related companies	**-**	**4,594**	**8,840**	**26**	**13,460**
Loans receivable	**-**	**21,500**	**56,000**	**10,000**	**87,500**
Interests income	**-**	**1,386**	**1,563**	**270**	**3,219**
Interests expense	**-**	**4,128**	**-**	**-**	**4,128**
Amounts owed by related companies	**85**	**31,703**	**25,965**	**134**	**57,887**

	Majority shareholder Rs000's s	Minority shareholders Rs000's	Fellow subsidiaries Rs000's	Enterprise with common directors Rs000's	Total Rs000's
(ii) 2023					
Purchase of goods and services	30,811	20,030	100,099	10,381	161,321
Lease liability	-	5,198	-	-	5,198
Sale of goods and services	-	155,839	149,172	-	305,011
Interests expense	553	4,749	98	-	5,400
Amount owed to related companies	462	1,683	3,598	15	5,758
Loans receivable	-	30,000	17,000	18,000	65,000
Interests income	-	441	131	55	627
Amount owed by related companies	-	31,057	11,496	55	42,608

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - YEAR ENDED JUNE 30, 2024

30 RELATED PARTY TRANSACTIONS (CONT'D)

(c) The above transactions have been made at arm's length, on normal commercial terms and in the normal course of business.

The sales to and purchases from related parties are made at normal prices. Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables or payables.

(d) For the year ended 2024, the Group and the Company have not recorded any impairment of receivables relating to amounts owed by the related parties. This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which they operate.

(e) Key management personnel remuneration

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Salaries and short-term employee benefits	17,414	17,646

31. COMMITMENTS

(a) Capital commitments

The Group has capital expenditure authorised for but not recognised in the financial statements at follows:

	THE GROUP AND THE COMPANY	
	2024 Rs000's	2023 Rs000's
Authorised but not contracted for	306,000	-
Authorised and contracted for	32,000	47,000
	338,000	47,000

(b) Lease commitments - where the company is the lessee

The Company leases land under non-cancellable lease agreements. The leases have varying terms, escalation clauses and renewal rights.

32. SEGMENT INFORMATION

The Company is engaged in the milling of wheat and its main produts are wheat flour and wheat bran.

The Company has only one segment and the information reported to the Board for the purpose of resource allocation and assessment is based on this segment. The information presented in the statements of financial position as at June 30, 2024 and June 30, 2023 and in the statement of profit or loss and other comprehensive income for the year ended June 30, 2024 and June 30, 2023 are those of the segment.

33. CONTINGENT LIABILITIES

Bank Guarantees

At June 30, 2024, the Group and 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 Group and the Company had given guarantees in the ordinary course of business, totalling to Rs000's 8,549 (2023: Rs000's 76,658).

34. SUBSEQUENT EVENTS

In July 2024, the Finance (Miscellaneous Provisions) Act 2024 was promulgated into law and requires the company to pay a Corporate Climate responsibility ("CCR") Levy equivalent to 2 per cent of its chargeable income. The levy will be paid in respect of the year of assessment commencing on 1 July 2024. This has been deemed to be a non-adjusting event.

The potential effect of this additional 2% levy are as follows:

	Rs000's
Increase in deferred tax liability	24,641
CCR levy to be paid for year of assessment commencing July 2024	4,638

NOTES

NOTES


35
YEARS

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