ANNUAL REPORT 2021

BlueLife
THE FUTURE OF DEVELOPMENT

DEAR SHAREHOLDER,

The Board of Directors of BlueLife Limited is pleased to present its Annual Report for the year ended 30 June 2021. This report was approved by the Board of Directors on 30 September 2021.

On behalf of the Board of Directors of BlueLife Limited, we would like to invite you to go through the Annual Report and to attend the Annual Meeting of the Company which will be held on:

Date: Friday, 17 December 2021
Time: 9.30 hours
Venue: The Gallery, Radisson Blu Azuri Resort & Spa,
Azuri Ocean & Golf Village,
Roches Noires

We look forward to seeing you.

Yours sincerely,

Jean-Claude Béga
Chairman

Hugues Lagesse
Chief Executive Officer

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My passion for my job is driven by going the extra mile to put a smile of satisfaction on the face of our clients. I strive to keep a positive mindset in every challenge I undertake and focus on being successful in the objectives that have been set out for my team and I.

MARIE LUCILLE KEBLÉ-MOMPLÉ

PORTFOLIO MANAGER

OCEAN EDGE PROPERTY MANAGEMENT

Palmea, Sea View Villas at Azuri Ocean & Golf Village

Designed by Bérengère Croidieu, these eight 3-bedroom villas are exquisitely unique. This island home provides the sophistication of a contemporary residence, and the charm of a life bathed by sunlight overlooking the majestic lagoon of Roches Noires. Like the emblematic Azuri art of living, these sea view villas offer the perfect balance between luxury and comfort, indoors and outdoors, moments for yourself and moments to share. The promise of a happy life surrounded by those we love. Soon for sale in the Quartier du Barachois.

GROUP STRUCTURE

ACTIS PARADISE JERSEY LIMITED
17.48%

GML INEO LTEE
8.32%

IBL LTD
57.41%

OTHER SHAREHOLDERS
16.79%

BlueLife
THE FUTURE OF DEVELOPMENT

100% OCEAN EDGE PROPERTY MANAGEMENT COMPANY LTD

100% AZURI SERVICES LTD

100% CIRCLE SQUARE HOLDING COMPANY LTD

100% HAUTE RIVE HOLDINGS LTD

100% LES HAUTS CHAMPS 2 LTD

60% PL RESORT LTD

100% LIFE IN BLUE LIMITED

100% AZURI SMART CITY LTD

100% AZURI ESTATE MANAGEMENT LTD

100% HR GOLF HOLDING LTD

100% AZURI GOLF MANAGEMENT LTD

100% HAUTE RIVE OCEAN FRONT LIVING LTD

100% HAUTE RIVE IRS COMPANY LTD

100% HAUTE RIVE PDS COMPANY LTD

62.9% HAUTE RIVE AZURI HOTEL LTD

100% AZURI SUITES LTD

FINANCIAL
INDICATORS

BlueLife Limited (BLL) is a property investment and development company. Over the past two years, the Company has engaged in selling a number of non-core assets, and remains with a portfolio of retail units, hotels and land for mixed-use development, mainly from within Azuri Ocean & Golf Village, which, in the future, shall be developed under the Smart City Scheme.

The global COVID-19 pandemic has affected all industries in Mauritius, although it has had a larger impact on certain sectors and businesses than others, namely the hospitality and real estate sectors that rely on personal interaction and travel in order to be optimally performing.

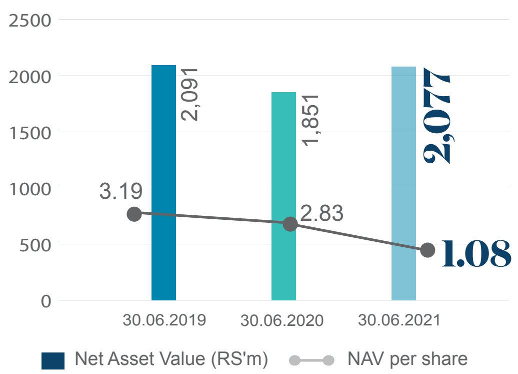
From 19 March 2020 through 30 June 2021 inclusive, a combination of local lockdowns and travel restrictions to the island resulted in the two Radisson Blu hotels having to close temporarily (during lockdowns), or operate at a fraction of their available capacity for local clientele only. A year ago, no one could have anticipated the duration of the crisis, and management's immediate focus was towards cutting costs, imposing efficiency measures, and eliciting other resilience initiatives in order to mitigate the impact on operational results, and to generate cash for working capital needs.

Throughout this same period of roughly 18 months, some operations deemed essential to the functioning of Azuri Ocean & Golf Village remained open, while others were forced to close during full or partial lockdowns, the second of which lasted 3.5 months over the 2020-2021 financial period. Having endured lockdown already the preceding year, the company reacted quickly to transition employees at administrative and management levels to work-from-home status, and while non-essential shops and facilities were made to close, maintenance and syndic operations continued to function, allowing revenues for these segments to increase from a year ago. Most perceptible was the absence of foreign tourists for the entire financial year, affecting property rental and resale activities, which suffered significantly from the period of closure.

As the property development segment is very dependent on the physical presence of prospective foreign buyers in Mauritius, restricted access to borders placed considerable pressure on our ability to register real estate sales during this period. Against these setbacks, we took the opportunity to restructure Azuri's masterplan, by redesigning neighbourhoods in the Rive Droite region; breaking ground for construction of the golf course on April 12th; and pursuing development and certification for the Azuri Smart City concept, for which we received the Letter of Intent in August 2021.

At the time of reporting, we expect to obtain permits imminently, that will allow reservation agreements to be signed, building construction to start, and revenues to be recognised for this segment.

NET ASSET VALUE (MUR 'M)

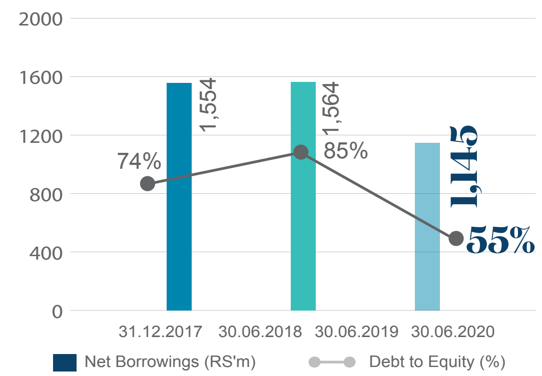


In June 2021, 500,000,000 additional ordinary shares were subscribed by the shareholders at a price of 60 cents per share, for a total value of MUR 300M.

The resulting increase in Net Asset Value of MUR 226.1M is the combined result of the share capital increase of MUR 298.1M (after costs), plus MUR 95.7M revaluation reserves, less MUR 173.7M loss for the period attributable to the owners.

The NAV per share now stands at MUR 1.80. This figure cannot be compared to last year NAV per share as its value is distorted in proportion by the above-mentioned issue of 500,000,000 new shares at 60 cents apiece. The restated NAV for 2020 per share should read MUR 1.86.

NET BORROWINGS AND DEBT-TO-EQUITY (MUR 'M)



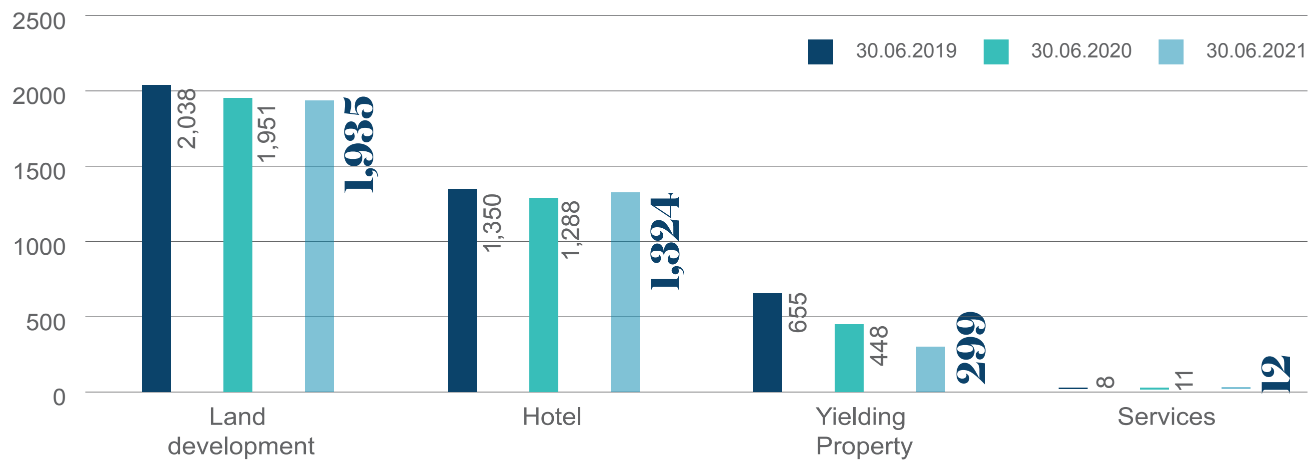
Total Borrowings as per the Statements of Financial Position and detailed in Note 16 amounted to MUR 868M. We report here these borrowings to which we have added MUR 372M debt for assets classified as held for sale and deducted cash and cash equivalent of MUR 95M.

The strategy of reducing Group indebtedness through the sale of non-core assets, as well as capital restructuring, is evidenced by the marked reduction of MUR 419M (-27%) in our net Borrowings. The Debt-to-Equity ratio now stands at 55% compared to an 85% mark a year ago.

We have converted MUR 272M shareholder loans, repaid MUR 221M of term loans, and used MUR 74M of our new overdraft facilities.

We have paid finance costs of MUR 74.3M for the year ended 30 June 2021 (representing MUR 55.3M in finance costs and MUR 19M in discontinued activities), as compared to MUR 102.5M a year ago (MUR 68.2M and MUR 34.3M respectively).

ASSET UNDER MANAGEMENT (MUR 'M)

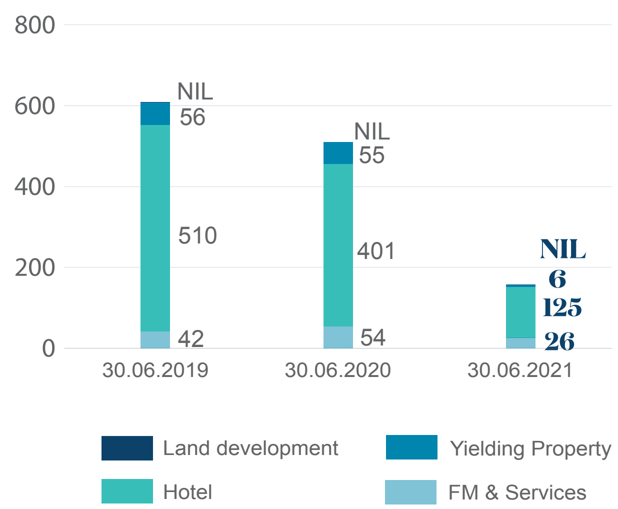


The Land Development assets as shown above reflect the value of 403 arpents of freehold land available for future development, the carried cost for plots available for sale, as well as preliminary project planning and design expenses relating to on-going projects. Our Land Development value remains stable in spite of having sold the plot of land in Forbach, as we commenced the construction on the golf course; and engaged in initial project expenditures for Azuri Smart City and other individual projects.

In order to align to practices adopted by its holding company, the Group elected to measure Property, Plant and Equipment at fair value. This change in accounting policy contributed to MUR 152M in revaluation surplus for Group accounts, which counterbalances hotel segment losses for the year, and explains the MUR 36M increase in value for Hotel assets.

Yielding Property under Management showed continued reduction as rented retail units at MotorCity were sold to tenants throughout the year to 30 June 2021; while other retail assets at Azuri were reclassified under Property, Plant and Equipment. Sale of the few remaining units at Circle Square, MotorCity will be finalised in the next financial year.

TURNOVER PER ASSET SEGMENT (MUR 'M)



A lot has been said already on the unprecedented level of disruption caused by the COVID-19 pandemic, which materialised as a steep drop in revenue for the Group.

With the advent of construction for the Par 3, 9-hole golf course last April, we received renewed interest for properties around the golf. We are pleased to report that two deeds of sale to the IRS programme were signed subsequent to close of year 30 June 2021, meaning that we will realise renewed revenue flows from property sales during the coming financial year. As all new property projects going forward are to be shifted into the Smart City Scheme, we rely on receipt of the Smart City Certificate to permit signing of deeds of sales, and collection of proceeds for our future projects. At the time of reporting, we have two developments comprising 45 and 8 plots, fully-optioned, for which revenue is to be recognised in the 2022-2023 financial period.

Revenue generated from our facilities management and other services segment continued to grow; only our rental/resales subsidiary faced declining revenue as a consequence of COVID-19 on tourists' arrivals. This growth is not visible on the above graph as we reclassified in June 2021 all recharges invoiced by Azuri Estate Management Ltd to co-ownerships and stakeholders under Other Income, and not Revenue as it was in June 2019 and June 2020 respectively.

The pandemic's negative impact on revenues has been especially pronounced for our hotels with a drop of 69% from the previous year. Occupancy for the financial year under review stood at a depressed 19% compared to 62% a year ago, and to the pre-COVID level of 86% for the 12 months to June 2019. TREVPAR was down by 66% to last year's metric from MUR 5,630 to MUR 1,917.

After the initial re-opening of the country's borders on 1st October, our aim is to build the Group's capacity to resist and overcome conflicts and market pressures, while maintaining the procedures that have been put in place to safeguard, and grow, our business.

Travel will resume, and tourists will return to our shores. But the recovery to our financial well-being and the economy will likely take longer. What's certain is that the world's citizens are starting to experience a New Normal in the ways they move and interact with others; and this is stimulating structural shifts in all our systems, particularly regarding customer expectations surrounding hygiene and flexibility.

Our road to recovery is paved with making Azuri's hotel and living experiences safe. We have to manage customer expectations, and we must be prepared to respond promptly and skilfully when presented with health and safety concerns. Remaining agile to adapting to the New Normal is the cornerstone of success when it comes to Hospitality and Property Development, and new trends and expectations on behalf of our target markets.

"To be effective, I need to know the strengths, values, and concerns of every employee at Azuri. I always try to make myself available to listen to what they have to say in order to guide them, be attentive to their safety and well-being at work, and stand strong together as a team.

JOELLE CHARLOT

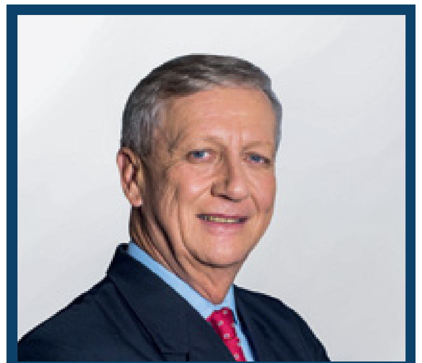
HR OFFICER

AZURI OCEAN & GOLF VILLAGE

BOARD
OF DIRECTORS

01 JEAN-CLAUDE BÉGA
NON-EXECUTIVE DIRECTOR & CHAIRMAN

02 KISHORE SUNIL BANYMANDHUB
CHAIRMAN



03 JAN BOULLE
NON-EXECUTIVE DIRECTOR

04 MICHELE ANNE ESPITALIER NOEL
EXECUTIVE DIRECTOR

05 RAVI PRAKASH HARDIN
NON-EXECUTIVE DIRECTOR

06 RICHARD KOENIG
INDEPENDENT NON-EXECUTIVE DIRECTOR

07 THIERRY LABAT
NON-EXECUTIVE DIRECTOR

08 HUGUES LAGESSE
EXECUTIVE DIRECTOR

09 DOREEN LAM
INDEPENDENT NON-EXECUTIVE DIRECTOR

10 ROSHAN RAMOLY
NON-EXECUTIVE DIRECTOR

BOARD OF DIRECTORS

01

JEAN-CLAUDE BÉGA

Non-Executive Director & Chairman

Citizen and Resident of Mauritius

Appointed:
14/10/2020 (Board) & 11/01/2021 (Chairman of the Board)

Skills & Experience
- Born in 1963, Jean-Claude started his career in 1980, spending seven years as external auditor before moving to a sugar group to perform various functions within accounting and finance. He joined GML in 1997 as Finance Manager and is currently the Group Head of Financial Services and Business Development and Executive Director of IBL Ltd.

Qualifications
- Fellow of the Association of Chartered Certified Accountants.

Core competencies
- Finance, Mergers and Acquisitions, Strategic Development.

External appointments include
- DTOS Ltd
- Eagle Insurance Limited
- EKADA Capital Ltd
- IBL Ltd
- LCF Securities Ltd
- Lux Island Resorts Ltd
- Phoenix Beverages Limited
- The Bee Equity Partners Ltd

02

KISHORE SUNIL BANYMANDHUB

Non-Executive Director

Citizen and resident of Mauritius

Board Member since 05/09/2016, Chairman from 06/10/2017 to 11/01/2021 and Corporate Governance Committee Member since 09/11/2016

Skills & Experience
- Occupied senior positions in the private sector in Mauritius.
- In 1990, launched a transport company which he controls.
- Between 2001 and 2008, was CEO of CIM Group, engaged in financial and international services

Qualifications & Professional Development
- Associate of the Institute of Chartered Accountants of England and Wales
- Master's Degree in Business Studies, London Business School
- B.Sc. Honours First Class in Civil Engineering, UK

Core Competencies
- Strategic development, business and finance

External appointments
- Is a member of the Board of Directors of several major listed and non-listed companies.

03

JAN BOULLE

Non-Executive Director

Citizen and resident of Mauritius

Appointed:
23/02/2018 (Board)

Skills and experience
Jan Boullé worked for The Constance Group from 1984 to 2016 and occupied various executive positions and directorships. He has a particular expertise in hospitality and real estate development.

Qualifications
- "Ingenieur Statisticien Economiste" France
- Post Graduate studies in Economics – Université Laval- Canada

Core competencies
- Strategic Development, Hospitality, Real Estate Development.

External appointments
- IBL Ltd
- Alteo Limited
- Lux Island Resorts Ltd
- Phoenix Beverages Limited
- Phoenix Investment Company Limited
- The Bee Equity Partners Limited
- Camp Investment Company Limited
- The United Basalt Products Limited
- Manvest Limited

04

MICHELE ANNE ESPITALIER NOEL

Executive Director

Citizen and resident of Mauritius

Appointed:
11/02/2020 (Board)

Skills & Experience
- Joined IOREC as Corporate Finance Executive to provide direction to the financial function of the company, including corporate finance, project finance, planning and administration.
- Appointed CFO of BlueLife Limited upon the amalgamation of IOREC with BlueLife.

Qualifications & Professional Development
- Graduate from Ecole Supérieure de Commerce (E.S.C.A.E), Clermont Ferrand, France with specialization in audit, accounting and finance management.
- Passed the "Stockbrokers' Examination organised by the Stock Exchange Commission and the Mauritius Examination Syndicate.
- Completed the One-Year ESSEC General Management Program.

Core Competencies
- Project and Corporate Finance, Corporate structuring and planning, Real estate development and operations

External appointments
- Council Member of the MCCI representing the Real Estate sector

05

RAVI PRAKASH (ROBIN) HARDIN

Non-Executive Director

Citizen and resident of Mauritius

Appointed:
23/02/2018 (Board)
23/03/2018 (Member: Audit and Risk Committee)

Skills & Experience
- Is the current Chief Executive Officer of Bloomage Ltd, a property fund fully owned by IBL Ltd.
- Has more than 20 years' experience at senior level in multiple geographies, working for Shell, Rogers and ENL.
- Has spent the last 15 years focusing on the real estate sector.

Qualifications & Professional Development
- B-Tech in Chemical Engineering, Indian Institute of Technology.
- MBA from the University of Surrey.
- Leadership development programmes from London Business School and Witts Business School.
- Property Development programme from the Graduate Business School of University of Cape Town.
- Real Estate Development, Investment and Finance programme from the International Faculty of Finance.

Core Competencies
- Strategic business development, real estate finance and investment, real estate asset management and real estate development

06

RICHARD KOENIG

Independent Non-Executive Director

Citizen and resident of Mauritius

Appointed:
13/08/2021 (Board)
24/09/2021 (Chairperson: Corporate Governance Committee)

Skills and experience
- Over 25 years experience in the fields of agriculture, leisure and property as Project Manager & Corporate Executive at Espitalier Noel Ltd (ENL), CEO of Compagnie Sucriere de Bel Ombre Ltd & Case Noyale Ltd and Chief Projects & Development Executive (Real Estate) at Rogers & Co Ltd
- He has strong expertise in project management, business development and process optimisation and property development

Qualifications
- BSc Electronic Engineering – University of Cape Town
- Master in Business Administration – University of Cape Town

Core competencies
- Agri-business, real estate, business strategy

External appointments
- None

07

THIERRY LABAT

Non-Executive Director

Citizen and resident of Mauritius

Appointed:
01/07/2020 (Board)

Skills & Experience
- Was appointed Company Secretary of GML in 2001, then Group Company Secretary & Head of the Corporate Secretarial teams of IBL Ltd in 2016.
- Played a role in the successful closing of significant mergers and acquisitions of listed companies.
- Was appointed Group Head of Corporate Services of IBL Ltd in 2017, now leading the following Group functions: Corporate Secretarial, Legal Affairs, Human Capital, Communications, Risk Management & Compliance, Internal Audit and Trademarks & Consulates.

Qualifications & Professional Development
- Chartered Secretary and Fellow of the Institute of Chartered Secretaries and Administrators (ICSA), South Africa and United Kingdom respectively.
- Executive Management Programme – ESSEC Business School

Core Competencies
- Governance, Compliance, Management

External appointments
- Is a member of the Board of Directors of several non-listed companies

08

HUGUES LAGESSE

Executive Director

Citizen and resident of Mauritius

Appointed:
29/07/2020 (Board)

Skills & Experience
- Hugues Lagesse currently CEO of Bluelife Limited (BLL), was formerly Head of Projects and Strategic Property Development at BLL, a real estate company that develops property in Mauritius. He has acquired considerable experience and competence in high-end residential and mixed-use real estate.

Qualifications & Professional Development
- Diploma in Administration and Finance – Ecole Supérieure de Gestion – Paris
- Management Program INSEAD - France
- Real Estate Program – Harvard Business School – United States
- General Management Program for Mauritius and South East Africa – ESSEC

Core Competencies
- Real Estate, Property development, Management.

External appointments
- IBL Ltd
- Phoenix Beverages Limited
- Phoenix Investment Company Limited
- Camp Investment Company Limited

09

DOREEN LAM

Independent Non-Executive Director

Citizen and resident of Mauritius

Appointed:
13/08/2021 (Board)
24/09/2021 (Chairperson: Audit and Risk Committee)

Skills and experience
- Over 20 years' experience in the UK and Mauritius in various sectors and recently appointed Chief Manager – Finance at ABC Motors
- Focus on real estate in Mauritius for the past 12 years as Executive Director and CFO of Lavastone Properties from 2018 to 2021 and Financial Controller of the Property division at Medine from 2009 to 2018.
- UK experience includes audit experience at Ernst & Young and controller position at Shell

Qualifications & Professional Development
- Executive Management Programme – ESSEC Business School
- Chartered Accountant - Institute of Chartered Accountants of England and Wales
- Bsc Management Sciences - London School of Economics and Political Science

Core competencies
- Finance and strategy, risk management, real estate development and management, audit and assurance

External appointments
- None

10

ROSHAN RAMOLY

Non-Executive Director

Citizen and resident of Mauritius

Appointed:
04/10/2018 (Board)
04/10/2018 (Member: Audit and Risk Committee)

Skills & Experience
- Over 15 years of experience at management level in the financial services industry including being the Managing Director of Cim Stockbrokers and the Head of Strategy of Barclays Mauritius
- In 2015 launched a company providing corporate training and Blue Ocean Strategy consultancy

Qualifications & Professional Development
- BSc. Honours in Management Studies
- MBA, Durham University Business School

Core Competencies
- Strategic development, business improvement, customer experience and financial markets

External appointments
- Is a member of the Board of Directors of several non-listed companies and a listed company.

CHAIRMAN'S MESSAGE

Dear Shareholder,

I am pleased to introduce the Annual Report of BlueLife Limited for the year ended 30 June 2021.

Market Environment

The COVID-19 pandemic continues to disrupt lives and businesses globally. In this challenging context, Management has adapted itself to ensure business continuity in a safe working, living and vacation environment for employees, suppliers, residents, clients and visitors. Management spared no effort to preserve employment and business value.

Tourism was one of the first sectors to be deeply impacted by the pandemic as from March 2020, as measures introduced to contain the virus led to a near-complete cessation of tourism activities around the world. The restart of domestic tourism in July 2020, together with Government's wage assistance support and lenders' moratoriums on loan servicing helped to mitigate the impact on the Group

For the property development sector, travel restrictions into Mauritius have delayed sales, as potential buyers could not fly in to get a feel of the Azuri experience. This, in turn, has delayed the start of our current projects and revenue recognition thereon.

Although the company has struggled along with the entire world through the Covid-19 pandemic that has persisted for almost two years now, the spirit of our vision and mission endures, thanks to the effort and resilience of our management team and each of our employees.

The Group focused on making Azuri as a safe place to be by promoting a sustainable and healthy environment based on Government's Covid-19 protocols of public safety rules and regulations.

> Management has adapted itself to ensure business continuity in a safe working, living and vacation environment for employees, suppliers, residents, clients and visitors.

Throughout 2020-2021

In the course of this financial year, the Group disposed of non-core assets - land in Forbach, retail units in Circle Square and an industrial building in Mon Loisir. Proceeds from these sale transactions were used to reduce the Group's bank debts and to support the Group's working capital needs. The Group also signed a Binding Offer for the sale of its shares in PL Resort Ltd.

Despite the challenging environment, we started the construction of 'The Nine', a Par 3 - 9 holes golf course. This course of international standard, which has been designed by IMG, is due to open at the end of Q2 2022. We are confident that the golf course will contribute significantly to the promotion of Azuri.

The Company, on 18 December 2020, announced a capital raising plan consisting of a Rights Issue of Rs.300M and a multi-tranche Bond Issue of Rs.500M, with a view to strengthening its Balance Sheet. On 25 June 2021, the Rights Issue of Rs.300M was completed. The Company received Rs.28M in cash and the subscription for the remaining Rs.272M was in the form of a conversion of shareholder loans to ordinary shares by our three major shareholders. The First Tranche (Rs.300M) of the Bond Program was completed just after year end, on 5 July 2021. Shareholders subscribed to Rs.31.1M, and the remaining Rs.268.9M were issued following a private placement.

Performance of the Group

Our hotels generated revenue only from the local market and remained closed during the second lockdown from 10 March to 30 April 2021. As such, our two hotels posted a revenue of Rs.125.5M compared to Rs.406.4M a year ago. Despite the Government Wage Assistance Scheme and Management's cost control efforts, the hotel segment losses post consolidation adjustments for the year stood at Rs.68.7M.

Our property development cluster did not contribute positively to Group results due to delays incurred pertaining to current market and economic conditions. The recognition of revenue from the sale of inventory properties will only start when we break ground on construction, which is expected in the next financial year.

The strategy to sell non-core assets to reduce the Group's indebtedness resulted in a marked reduction in finance costs.

Group losses for the year ended 30 June 2021 amounted to Rs.203.1M as compared to Rs.274.2M for last financial year while a reassessment of the value of land and building of our Property, Plant and Equipment on their fair market value resulted in a revaluation surplus of Rs.152.1M which was posted to Other Comprehensive Income.

CHAIRMAN'S **MESSAGE**

A 15-year masterplan for Azuri

One of the key objectives was to leverage a resilient, yet lucrative business model for the next 15 years, especially in an uncertain period which continues to affect business continuity across the world.

In that context, Azuri embarked on paving the way to designing a comprehensive masterplan for its Smart Destination that corresponds with The Group's vision for tomorrow's lifestyle configurations with a view to responding to the needs of current homeowners and residents, the aspirations of visitors and buyers from key markets, and also attracting new prospects and customers from untapped countries and regions.

Hence, an application for Smart City Certification was submitted to the Economic Development Board, for which we have received a Letter of Intent in August 2021, putting us into the final stages of obtaining certification by year's end. Meanwhile, we can start signing reservation agreements for projects that have been launched commercially. Additionally, we fine-tuned our contact base, updated our websites and mailing campaigns with animated content.

With the real estate sector increasingly put under the limelight to comply with new legislation promoted by Government in its effort to combat money laundering, terrorism and proliferation financing, policies and procedures have been implemented to improve The Group's ability to meet its legal obligations.

Seeking opportunities in the face of crisis

BlueLife and its affiliates are geared to maximise on opportunities presented, including the potential for renewed stimulation in real estate sales following Government's new investment laws – announced in June 2020 – that provide greater incentives for investors, professionals and retirees to settle in Mauritius.

We remain convinced that the Group is on track for a healthier future, capable of sustaining growth prospects, practicing lean management of assets and acquisitions, and establishing an array of provisions that will assure sustainable development in the coming years.

Prospects

We will continue to favour cash generation with the sale of non-core assets. The sale of the last few remaining units at Circle Square is nearly completed. We signed a Sales and Purchase Agreement (SPA) on 13 July 2021 for the sale of 100% of our stake in PL Resort Ltd. We expect the sale to be concluded before the end of 2021 upon fulfilment of some remaining conditions precedent.

The focus for the financial year 2022 is on the implementation of property development projects in the Azuri Smart City as booster for future profits.

Acknowledgements

In closing, I wish to commend several persons who have been, and will continue to prove key to our company's resilience:

First, I would like to thank Mr. Sunil Banymandhub, for his valuable support as Chairman of the Company over the last 3 years, until my appointment last January 11th. Sunil has been and continues to be an energetic contributor to our board and its efforts.

I also want to extend my gratitude to fellow Board members, each of whom has played an integral role in moving the company ahead to realise its full potential; and to our shareholders, who have supported our Capital Raising Plan, for their trust in our deliberations and decisions.

I also wish to thank Mr. Hugues Lagesse – appointed Chief Executive Officer last June 25th – for having led the company through the past year. His input in the company's strategic and planning processes has been significant to spearheading reflection, identifying areas for development, and allowing for growth.

And finally, it is to every member of the company's staff, our clients, and the multitude of partners, that I extend a sincere acknowledgement for bringing enthusiasm, loyalty, good faith, and constant sustenance to all our undertakings, with a particular focus on this grand project, Azuri Ocean & Golf Village.

Jean-Claude Béga
Chairman

Halona, a new definition of beachside urban living

A turnkey lifestyle: this is what awaits the future owners of the 22 Halona townhouses. These 165 m² residences (on a 300 m² plot of land), comprising 3 bedrooms, offer the best of Azuri's art of living - from its shops to its beach to its school - all less than 5 minutes away. The perfect alliance between the convenience of having everything at hand, and the pleasure of living by the sea.

CEO'S REPORT

As I write this message for BlueLife Limited's 2020-2021 Annual Report, the COVID-19 pandemic continues to disrupt every single global citizen's life. It has left a severe effect on the world's business environment and has changed our property development landscape significantly. Many changes that have taken place on business models and consumer behaviour during the pandemic are here to stay, and as a Company designing the lifestyle patterns of tomorrow, we will need to continue adapting our strategies to keep up with new trends that will certainly evolve over time.

While these are complex times for our Company, the past 12 months have been a period of growth and awareness on both personal and human levels for all of us. We have been compelled to step back and reflect deeply on our values and accomplishments, to strive for new opportunities, and to determine the commitments needed that will assure future viability and sustainability of our projects, specifically for Azuri Ocean & Golf Village. For a business which is almost exclusively reliant on international clientele, we are also learning to look closer to home by offering goods and services likely to appeal to our Mauritian neighbours, such as property offerings; attractive and competitive holiday packages; dining and shopping alternatives; outsourcing of maintenance and homeowner association services; in-village festivals, sports, and entertainment activities; and much more.

Knowing that the pandemic will linger for some time – yet, not knowing for how long – BlueLife and its affiliates must remain equipped to lead the way and assure continuance of the protective sanitary measures put in place since 2020, so that our community and country remain the safe and attractive destination for which they have been traditionally recognised.

We are convinced that our Company is getting back on track to be stronger and able to sustain growth opportunities in the real estate sector. Our dedicated team and staff have spent hours strengthening the work force, and its ethics, and building solidarity. We are prepared to face the challenges and opportunities that will come with reopening our doors to international and local tourists.

Performance overview

Tourism continued to be deeply impacted by the pandemic, due to the near-complete cessation of tourism activities around the world, which has lasted until today. When our financial year began in July 2020, domestic tourism had restarted, together with Government's wage assistance support, moratoriums on loan servicing, and management efforts on cost-cutting. These efficiency measures, along with other resilience initiatives, helped to mitigate the impact on jobs and businesses for much of the entire year, during which our hotels derived revenue only from the local market. Despite plans to reopen business to international visitors in 2021, the country's second lockdown – from 10 March to 30 April 2021 – meant that borders were not reopened until after 30 June 2021; and it wasn't until Government announced the good news that fully-vaccinated tourists can enter without quarantining as from October 1st, that our hotel teams were able to prepare to welcome visitors once again. Although real recovery will be seen once international tourism is free-flowing, reopening allows us to test the waters and fine-tune as tourist travel increases. We foresee regaining strong occupancy levels only after this coming financial year, that is during the 2022-2023 period.

In the continuity of the current restructuring strategy initiated these past two years, BlueLife sold its non-core office and retail units, and some land holdings, so that our portfolio of assets now includes the hotels, retail and land for mixed-used developments, mainly at Azuri Ocean & Golf Village. This has lightened our indebtedness and freed up cash flow for working capital needs, as well as for allowing us to start construction works on Azuri's 9-hole par-3 golf course.

”

For a business which is almost exclusively reliant on international clientele, we are also learning to look closer to home for new market opportunities.

CEO'S **REPORT**

Attracting foreign buyers to our shores

Property development, a key driver of our organisation, was also greatly impacted by the fact that potential foreign buyers were not able to come to Mauritius. Throughout months of speaking to clients and researching markets, it became evident that customer needs and expectations for real estate were changing along with the lifestyle adjustments being imposed by COVID. Our sales and project teams worked tirelessly to learn about and understand buyer's shifting expectations for living in a post-pandemic world.

Clearly the way we live, work, play and interact has altered our behaviours because of COVID-19. Medium to high-income households saw their savings rise as opportunities to spend were reduced during the pandemic; leaving many in a strong position to spend as the pandemic recedes. Traveling to and living in safe and resilient destinations will be the main consideration going forward.

The period of slowed activity experienced throughout 2020-2021 allowed us to shape the future of Azuri, and to restructure its Masterplan for the next 15 years – aligning it with consumer's new patterns of behaviour. With a view on creating a health-based and sustainable lifestyle that serves our residents now and for the future, we found ways to distinguish Azuri, by giving it a new élan. Eager to be at the forefront of easing ever-growing health and climate concerns, while also reshaping momentum for the future, we fine-tuned our health and wellness-based scheme inspired by the UN's 17 Sustainable Development Goals, and applied for Smart City certification, for which we received our letter of intent on 5th August 2021 and expect to receive accreditation within the next couple months.

At time of writing, we are about to launch a refreshed collection of real estate offerings that responds to global changes in architectural and lifestyle preferences brought on by work-at-home and present-day distancing trends. In all, the uplifted masterplan promises improved accessibility and greater potential for long-term sustainability of the community.

Furthermore, the latest Government budget is proving favourable for recovery of our economy, and already we are seeing advantages for our real estate projects, not least of which is the recent announcement that Mauritius has been removed from the GAFI grey list since October 22nd, and looks to be on track to move to the European Union's white list by end 2021. This will surely win back the hearts and minds of foreign investors. Now is truly the time for foreigners to invest and live in Mauritius, and it is in our interest to be ambassadors for such measures.

Service excellence

Azuri's property development arm is complemented by our service-driven activities, that focus on broadening its offerings, and improving its services to become more consumer centric. A major adjustment to family lifestyles these past 18 months has been that they are spending more time in their homes than in recent generations. In the short-term, the services we offer support the changing lifestyles of the village's inhabitants; in the long run, it brings added value to their properties and the estate.

This diversification into becoming a service provider extends to syndic and residential facilities such as rental management, concierge services, and resale or rental of properties, permitting us to expand our one-stop-shop approach to a broader Mauritian market, while improving customer experience and satisfaction, whether they are searching for investment property or management services for tenants and owners. I can only congratulate our teams for conceiving and creating these vertical integration and diversification initiatives, and for the vision it takes to continually look ahead.

Ocean Edge and the Homeowner Associations

Our trustee and estate management teams are the brainchild of the village, where the safety of our owners and residents, and their serenity is of highest importance. During these difficult months, our staff maintained its focus on the core business of providing a full range of innovative and complete solutions to the community. Using their know-how, associated technical methods and tools, and in addition to their aptitude for transparency, Ocean Edge has proposed its savoir-faire to a larger audience outside of Azuri, thereby managing other Homeowner Associations around the island.

Azuri Services

By restructuring and galvanising its resources, Azuri Services has taken action to meet its customers' demands for professional and timely maintenance and repairs inside and outside the home. Azuri Services offers a complete range of services from daily residential cleaning and laundry services, to garden and pool maintenance amongst others.

Azuri Residences & Villas

In the last year Azuri Residences & Villas has reorganised itself as a one-stop real estate provider for buyers, short-term and long-term renters, and sellers coming to stay or live at Azuri. Property Management Services at Azuri can be likened to a concierge service. Today's customer is seeking information and guidance for every matter related to how they live, work and play These include management of sales and rentals of new homes, or existing properties; as well as of the village infrastructure, including retail shops, community lifestyle, and activities and events; combined with a strong emphasis on hospitality, residence upkeep and caretaker services.

In closing, I want to express my sincere thanks to our Board for their trust in nominating me as CEO for BlueLife Limited. I truly take this challenging task and commitment to heart and am grateful for the trust that has been placed in me. I look forward to working closely with all the teams to bring BlueLife Limited and its subsidiaries into this new era opening before us, and in the interest of our Company, our guests and clients, and our various stakeholders and partners.

I also extend genuine gratitude to the entire staff and management, who have put every bit of themselves, including heart and soul, into keeping our dream alive over the past two years. As a result of your energy, creativity and drive, we are better and stronger than ever, and I know that together, we will make it through any challenge presented to us.

Hugues Lagesse
Chief Executive Officer

The period of slowed activity experienced throughout 2020-2021 allowed us to shape the future of Azuri, and to restructure its Masterplan for the next 15 years – aligning it with consumer's new patterns of behaviour. With a view on creating a health-based and sustainable lifestyle that serves our residents now and for the future, we found ways to distinguish Azuri, by giving it a new élan.

MANAGEMENT
TEAM

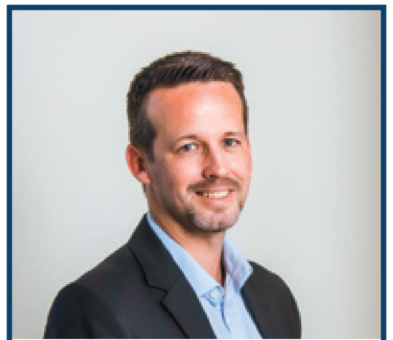
01 **HUGUES LAGESSE**
CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR

02 **MICHELE ANNE ESPITALIER NOEL**
CHIEF FINANCE OFFICER AND EXECUTIVE DIRECTOR

03 **GUY REGIS FANCHETTE**
HEAD OF ESTATE SERVICES

04 **ISABELLE JACQUES**
HR & IT MANAGER

05 **AURELIE PITOT**
HEAD OF COMMERCIAL



06 **NICOLAS REY**
HEAD OF PROJECTS

01
HUGUES LAGESSE
Chief Executive Officer and Executive Director

Hugues holds a diploma in administration and finance from the École Supérieure de Gestion et Finance in Paris, France. In September 2007, he followed a management course at INSEAD in Fontainebleau, France as well as a course in real estate development in Paris and at Harvard Business School in Boston, USA. He completed a one-year general management programme offered by ESSEC and specifically designed for GML Executives. After joining BlueLife in 2007 as Project Executive, Hugues was actively involved in the conception and deployment of projects which came to define BlueLife's prestige and identity. He is driven by his perseverance and dedication to making a difference. He believes in the power of people's brilliant minds coming together to create a better future, as a legacy for future generations.

02
MICHELE ANNE ESPITALIER NOEL
Chief Finance Officer and Executive Director

Michele Anne is currently the Chief Finance Officer of BlueLife Limited. She joined IOREC in January 2010 as Corporate Finance Executive to provide financial direction to the company, including corporate finance, planning and administration and took on the role of CFO upon the amalgamation of IOREC with BlueLife. She is a graduate from Ecole Supérieure de Commerce (E.S.C.A.E) of Clermont Ferrand, France with a specialization in Audit, Accounting and Finance Management and passed the Mauritius Stockbrokers Examination organised by the Stock Exchange Commission (now the Financial Services Commission) and the Mauritius Examination Syndicate. She completed the One-Year ESSEC General Management Program designed for GML Executives.

03
GUY REGIS FANCHETTE
Head of Estate Services

After graduating from the University of Mauritius in Physics, Guy-Regis has started his working career as a secondary school teacher. During this time he completed an MSc in Environmental Engineering from the same university. Moving into the business environment, he joined a young technico-commercial company and was instrumental to its development. Building up his skills he completed an MBA from University of Surrey. He then joined EnATT, and ENL group company managing retail and commercial assets. In March 2016, Guy-Regis joined BlueLife as the Manager for Azuri Estate Management Ltd, set up as the "private municipality" of Azuri and General Manager of Ocean Edge Property Management Ltd, the syndic management company of BlueLife. He is also in charge of Azuri Services which provides technical, maintenance & housekeeping services to the residents of Azuri.

04
ISABELLE JACQUES
HR and ICT Manager

Isabelle joined BlueLife Limited in July 2015 as Office and ICT Manager. Isabelle studied economics at the University of Cape Town and worked in the IT sector in South Africa and the UK. In 2002 she moved back to Mauritius where she worked in the insurance sector as an IT / HR / Admin Manager. She is now responsible for BlueLife's IT infrastructure, software and support. She also heads up the Group's HR function.

05
AURELIE PITOT
Head of Commercial

Aurélie Joined BlueLife in January 2021 as Head of Commercial. Aurélie obtained her baccalaureate in France, where she is from, and holds a commercial degree from l'Ecole Superieure de Commerce et de Management (ESCEM Tours). She arrived in Mauritius in 2001 and started her career in the hospitality world where she managed one of the leading Destination Management Companies on the island. Her sense of service and customer experience is a strong added value for BlueLife as we seek to improve our journey to greater customer satisfaction. Aurélie heads the Property Sales and Rentals, Property Management and Retail Services in BlueLife's portfolio.

06
NICOLAS REY
Head of Projects

Nicolas holds a BCom (double major in accounting and finance) from Curtin University in Australia and qualified with the Association of Chartered Certified Accountants (ACCA) in 2014. He started his career at Ernst & Young in the audit department before moving into the offshore sector in Mauritius. Nicolas joined Bluelife Limited in 2013 as a financial analyst. In this role, he has been involved in the Group's project finance, corporate finance and treasury functions. In 2019, Nicolas was responsible for monitoring various operational departments and contributing to the Company's overall financial strategy. In 2021, Nicolas took the responsibility of heading the Projects department and bringing his expertise to the development of the Azuri Smart City.

Inspiring respect is vital in a productive working environment. Respect is earned and not demanded. I believe the way to achieve this is by treating my colleagues and clients in a way that I would like to be treated myself, whilst always being attentive to their point of view.

NERVIN MAURIMOOTOO

RESIDENT MANAGER
AZURI RESIDENCES & VILLAS

HUMAN
RESOURCES

FOSTERING HEALTH, SAFETY AND WELL-BEING AS WORKPLACE IDEALS

Working and living with Covid-19

The dramatic spread of Covid-19 has created out-of-ordinary upheaval in our businesses and operations. We have had to prove our resilience and adaptability to align our work processes with full awareness that health and safety measures are going to be a big part of our lives in the future. Management, therefore, is steadfast in its pursuit of innovative and effective ways to engage employees in practicing safe and healthy behaviours, both at work and at home with their families.

In our daily operations at Azuri, we remain aware of the risks of Covid-19 contamination and have put policies and protocols in place to ensure a safe working and living environment, with guidance from the Ministry of Health, and the Tourism Authority. These protocols – adapted as and when required – include:

- Encouraging vaccination of all staff (we have reached close to 100% vaccination of staff);
- Temperature control at Azuri entrance for all those entering the premises;
- Compulsory wearing of masks when in public areas, inside and outside;
- Favouring on-line meetings whenever possible;
- Establishing work-from-home rosters where possible.

Health and Safety

BlueLife believes in providing and maintaining a safe and healthy work environment for its employees, as well as for contractors and visitors to the estate. The Group's Health & Safety Policy is included in the Employee Handbook, with training and instruction carried out to ensure safety standards are integrated into everyone's daily work habits, whether one is involved in cleaning, maintenance, security, sales and customer service, sport and leisure activities, village events, hotel and restaurant, construction, and more; as well as those who are tasked with working at height, handling dangerous equipment, or manipulating chemicals.

Our part-time Health & Safety Officer is tasked with ensuring the company's safety guidelines are adhered to by identifying the critical risk controls related to individual work practices, monitoring activities, and verifying the controls' effectiveness, so that every single employee develops and embraces a safety culture around their actions and operations.

During May and June 2021, external auditors followed up on the Health & Safety Audit which was carried out by BlueLife two years prior. Out of the thirteen reported findings, five were rated critical of which one is already considered closed, three are reported in-progress, and one remains open.

Training and Development

To develop awareness on health and safety measures as described above and to ensure our workforce embraces this safety culture in their daily operations, emphasis was placed on dedicated training sessions during the period of September 2020 to September 2021. One internal training programme concerning Basic Health and Safety at work, was conducted by the Health and Safety Officer in May 2021, with 82 staff members in attendance. Other programmes were organised with the expertise of external trainers (Security & Risk Management Training Centre; and Apave Indian Ocean Ltd), with 115 employees attending as per the following table:

Course Title	Date	No Staff attendance
Sécurité lors des Interventions et Exigences Règlementaires	Sep-20	2
Les Premiers Soins Au Travail	Dec-20	28
Gestion de la Sécurité lors de l'intervention d'entreprises d'extérieures	Feb-21	16
Observation and Reporting Skills as a CCTV Operator	Sep-21	10
Radio Communication as a CCTV Operator	Sep-21	10
Introduction to CCTV Security Training	Sep-21	10
Sécurité Lors du Montage et L'utilisation d'un Echafaude fixe et ou roulant	Sep-21	9
Security Alarm Systems	Sep-21	10
Technical Controls of a CCTV System	Sep-21	10
Incident Management as a CCTV Operator	Sep-21	10

Well-being

Azuri's masterplan development was conceived in alignment with the United Nation's Sustainable Development Goals, and in particular Goal #3 – Good Health & Well-Being – which is to "ensure healthy lives, and promote well-being for all, at all ages". The Company's commitment for the next 15 years is to develop a smart lifestyle where the pursuit of health and well-being become relevant to every initiative undertaken, thus directly impacting the way residents – and everyone associated with the estate – lives, works, and plays. This philosophy has outlined the framework within which we would like our employees to partake; the initiatives mentioned above are the start of this well-being journey the Company will be implementing amongst the community over the years to come.

Striving for Excellence in Service

Now is the time to celebrate and reinforce the values the company stands for, and how they were demonstrated in the Group's pandemic response. The entire team showed strength of will, and true resilience when faced with the numerous challenges that Covid-19 presented each and every day. It was heartening to witness staff and management alike, demonstrating a mutual sense of resolve when responding to typical daily demands, as well as unexpected undertakings with the goal of keeping our residents, our guests, our visitors, and our customers safe and attended to at all times.

Our team well understands the collective ambition we strive for when going the extra mile in service of others: It comes down to doing more than is expected, by stretching one's limits. Exceptional brands deliver more, and our goal is to make Azuri an exceptional brand.

Leavers and Newcomers

The major changes at head and management that arose since our last report are as follows:

Aurélie Pitot joined BlueLife in January 2021 as Head of Commercial. This new position was created to group the activities of property rentals and sales, and management of retail outlets and tenants under one head. The sense of customer care and service that Aurélie brings from previous experience directing one of the hospitality sector's leading Destination Management Companies, provides strong added-value to BlueLife's goal of improving customer satisfaction.

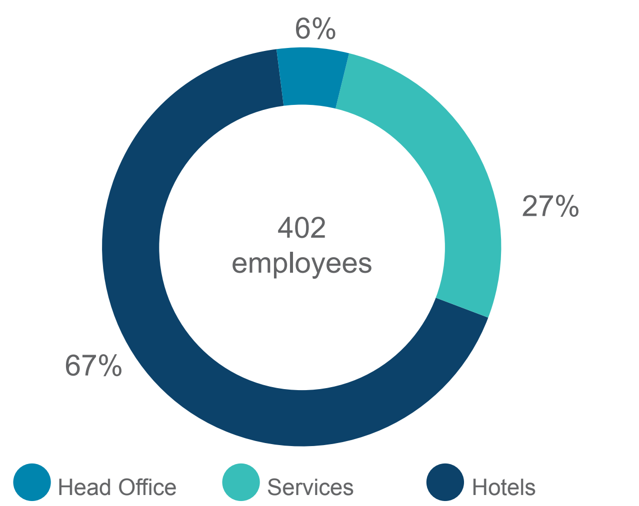
Nicolas Rey, who was previously acting as Asset and Operations Manager, has accepted the challenge of leading the Property Development team as Head of Projects. As we launch Azuri Smart City and other projects under the umbrella of the Smart City Scheme, Nicolas' valuable expertise in real estate will greatly benefit the management of new projects for the Group.

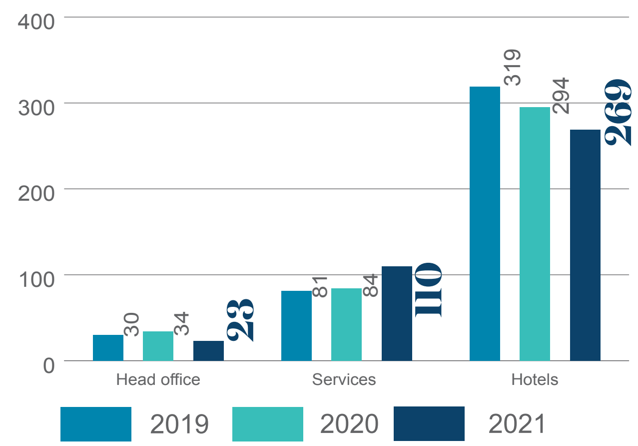
Nervin Maurimootoo joined the Azuri team in April 2021 as Resident Manager for short-term rentals and property management services at Azuri. Nervin has a strong background and experience in the hospitality sector.

Following two years of service as Syndic Portfolio Manager, Jean Eldric Bauda left for new ventures, and has been replaced by Lucille Keplé-Momplé, who was internally promoted, and is responsible for Syndic Management of Co-Ownerships at Azuri. As the syndic management activity for Ocean Edge Property Management is increasing, we have hired Mr Julien Dantier in August 2021, as Syndic Portfolio Manager for all co-ownerships in the North.

HR at a glance…

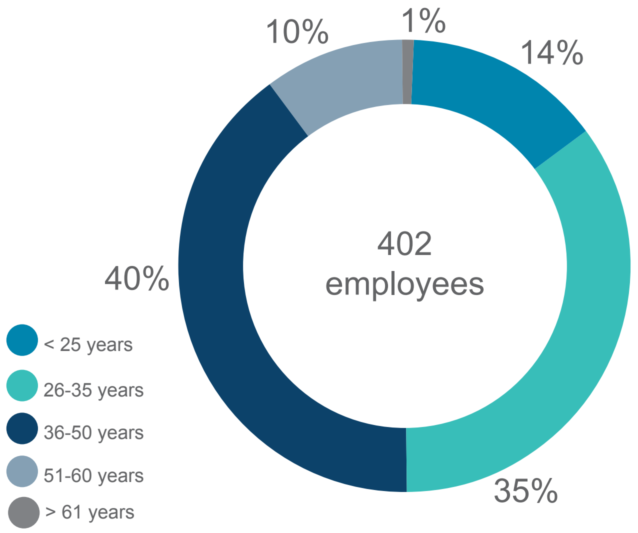
NUMBER OF EMPLOYEES AT 30 JUNE 2021





HUMAN RESOURCES

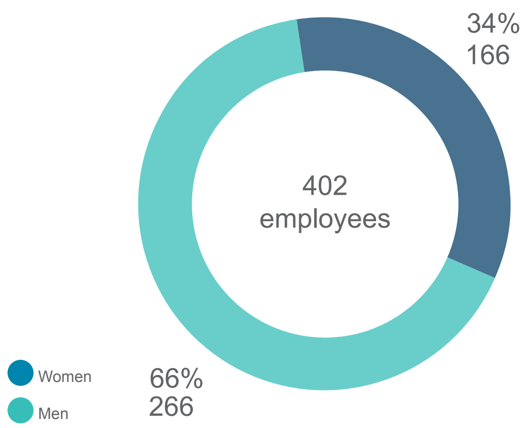
EMPLOYEES PROFILE AGE NUMBER OF PEOPLE

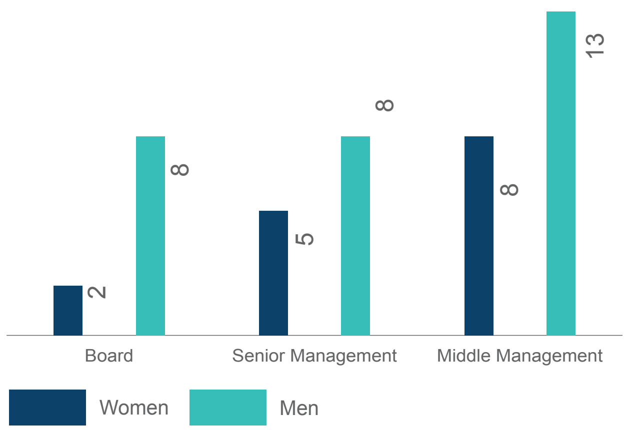


Our workforce demographics have not changed much from last year with 50% of our staff being under 35 years of age. We value the dynamics of a young workforce in bringing new ideas and perspective.

We are committed to encouraging our staff to grow within the Group and in this endeavour, we provide training and mentoring at various levels to promote job satisfaction and self-confidence.

EMPLOYEE PROFILE GENDER DIVERSITY NUMBER OF PEOPLE





Female empowerment is important to the social fabric of the workforce, and society as a whole. BLL policy remains that selection is based on the best person for the role, and in so choosing, we recognise the benefits to our business in having a gender-diverse team.

The impact of Covid-19 on staff reduction mainly affected women, reducing the gender ratio by 1%, to stand at 34% of our workforce as at 30 June 2021.

We are working toward increasing the ratio for women to 40% by 2023, although the particular nature of our activities leans in favour of male personnel (hotels and services tend to employ 7 men of 10 employees).

At management level, specifically, we have improved women's representation to 38% with the recruitment and the internal promotion of several female managers.

RISK MANAGEMENT

BlueLife faces the risks and uncertainties inherent to the property development sector as well as those associated with the economic situation and the financial world. The 2020/2021 financial period with COVID-19 has presented a number of uncertainties and associated risks for the Group and has set priorities.

The successful management of risk is critical for the Group to deliver its strategic priorities. Whilst the ultimate responsibility for risk management rests with the board, the effective day to day management of risk is integral in the way we do business and the culture of our team. We consider that risk management and mitigation is of collective responsibility within our organisation and we promote the risk awareness culture within the team.

The risk governance structure and framework is available on BlueLife website: www.bluelife.mu

OUR FOCUS DURING THE YEAR

Ensuring business continuity of our operations, safety of employees, residents, customers and visitors while being confronted to cycles of disruptions and adaptation. The dramatic spread of COVID-19 has created unprecedented upheaval in the lives of our businesses and operations, but also in the lives of our employees. From the very start of the crisis, Management evolved effective ways to engage the employees in a safer way during this difficult time, staying engaged with them through the pandemic and keeping them safe when they return as well as to assist our operations. Some of our operations are deemed essential to the functioning of the Azuri Village and remained open, while others were forced to close during lockdowns. We were well equipped for the transition to shift employees to remote work in our administration and management levels and to adapt our workforce on site to support operational imperatives.

Continuous assessment and management of the financial impact of Covid-19 outbreak in our businesses. We reported last year on the urgency to tackle the financial side of the threat: our Company was already facing cash flow issues; it was critical to ensure the working capital required to continue our activities: deferral payment for loans and interests, support programmes offered by the Authorities and cost cutting exercises were the first immediate measures. They are progressively coming to an end and we need to be prepared.

Budget and cash flow projections remained the constant focus of the management. As from 1 October 2021, it is now confirmed that international travellers will return. But the recovery will likely take longer. The budgeting for our hotel segment on conservative assumptions already shows signs of pressures onto cash flow, mainly for loan servicing. Our property segment is demonstrating glimpse of recovery but the inflows will be flat over a couple of years. With the sale of non-core assets and the raising of funds through a bond issue, the Company has given itself the means to support the hospitality and the property development segments, but looking ahead, vigilance is upheld in the management of cash flows.

Implementation under Real Estate Agent Authority Bill and Financial Intelligence Anti-Money Laundering Act (follow Up). We reported, last year, that we registered BlueLife Group as a 'Reporting Entity' with the FIU (Financial Intelligence Unit) and appointed internally a MLRO (Money Laundering Reporting Officer) in charge of the implementation of all measures pertaining to the legislation.

The Group policies and procedures have been prepared in accordance with the requirements and are intended to provide assistance to all employees of the Group involved in real estate transactions, in meeting their obligations under the:

- Financial Intelligence and Anti Money Laundering Act 2002 (FIAMLA);
- United Nations (Financial Prohibitions, Travel Bans and Arms Embargo) Sanctions Act 2019 (UN Sanctions Act);
- Anti Money Laundering and Combatting the Financing of Terrorism and Proliferation (Miscellaneous Provisions) Act 2019;
- Financial Intelligence and Anti Money Laundering Regulations 2018 (FIAML Regulations 2018).

Policies and Procedures were approved by the Board. The next steps will be towards the training of concerned employees and towards the audit of processes and effectiveness of protocols.

RISK MANAGEMENT

Top Group Risks

The principal risks of the Group are explained in the below table. These risks could materially affect the Group's performance, revenue and profits.

Risk theme	Risk description	Trigger event / indicator	Main BU concerned	Present Risk Rating after mitigation	Likelihood change from LY	Impact change from LY	Control process to mitigate risk
Business disruption risk	• Global pandemics such as COVID-19, viral outbreaks and natural catastrophes could have an adverse effect on our business, financial condition and results of operations. Threats on closure of businesses, forced redundancies. • Public perception about the safety of travel and adverse publicity related to tourists, such as incidents of viral illnesses or other contagious diseases, may impact international tourism vacations and result in cancellations. • Inability to be back in operations in the event of unexpected disruptions and disasters as well as loss of critical management information and delays in billing and collection of revenues	• Travel ban, closure of borders, quarantine measures • Natural disaster impacting our sites, buildings and operations • Theft, destruction of information and breaching the system security like hacking • Lockdowns, staff absenteeism • COVID-19 positive cases in workforce, in the Azuri Village	• Hotels • Property Development • Operations and services • Administration & Management	HIGH	→	→	• Procedures in place for crisis management in case of incident • Ensure that all staff conversant with procedures in case of hazardous situations • Establish communication protocols which favour recovery after hazardous situations • Cloud based solutions hosted by reliable service providers for key databases and mails • Daily backups of information • Moved to a virtualised server environment • Guaranteed uptime in terms of service level agreements • Protocol for WFH for business continuity • Insurance cover • Contingency and recovery plans for core services, key systems and priority business processes have been developed and are revisited as part of existing management processes to ensure that continuity strategies and plans remain relevant • Vaccination of staff against COVID-19
Macro-Economic uncertainties	• An economic downturn or recession that results in customers freezing new spending. • Financial turmoil in our traditional market feeders leading to continued low occupier demand and pricing correction. • A decline in the attractiveness of Mauritius to international visitors	• Pandemic outbreak in our main source markets	• Property Development • Hotels	HIGH	↑	↑	• Build attractive residences on prime sites to enhance demand • Look at new markets [Africa, Far East] • Favour agility in our product offerings at various price levels
Planning & permits	• Our businesses are highly dependent on receiving relevant planning permits; delay in approval of permits will cause sales and construction programmes to be deferred and will affect revenue and profit.	• Failure to gain viable planning consents • Failure or delay to gain relevant permits or application rejected	• Property Development	HIGH	↑	↑	• Keep abreast with changes in legislation in relation to planning and development • Select competent professionals to ensure that all planning guidelines are followed in project development • Submit complete files to relevant authorities in order to avoid delays which are linked to incomplete files • Early engagement with planning authorities to ease the process as well as nurturing of strong ongoing relationships throughout the process
Legal & Regulatory risks	• Failure to comply to laws and regulations can result in significant costs and penalties, revocation of licence or Stop Orders / suspension of operations • Introduction or changes in legislations resulting in increased compliance costs • Inclusion of Mauritius on EU blacklist damaging the country's reputation and attractiveness causing clients exodus to competing destination impact on our Property development segment • Government policy decisions may impact performance	• Health and safety or environmental issues found by authorities on a project • Being made aware of failures to comply with the law/ regulations through Criminal / Civil prosecution • Enactment of Real Estate Authority Act, Anti Money Laundering and Combatting the Financing of Terrorism and Proliferation (Miscellaneous Provisions) Act 2019 • Changes in Workers' Right Act	• Property Development • Operations and services • Hotels	HIGH	→	↑	• Assess, on a regular basis, the legal and regulatory framework in relation to the industry • Keep abreast with changes in the legal framework though relationships with other industry players (forum, formal or informal meetings) • Establish internal procedures and controls to comply with prevalent legislations • Appointment of a Compliance Officer and of a Money Laundering Reporting Officer • AML/CFT Policies and Procedures have been written and approved by the Board • Training of employees in concerned BU • Ensure close communication and relationship with clients

RISK MANAGEMENT

Risk theme	Risk description	Trigger event / indicator	Main BU concerned	Present Risk Rating after mitigation	Likelihood change from LY	Impact change from LY	Control process to mitigate risk
Increases in construction costs	• Construction cost is a key factor in property development and is more critical for projects sold off plans with sales price already fixed. Any increase in construction cost when construction start several months after sales will affect profitability.	• Increase in world price of fuel and key construction products. • Increase in labour cost. • Depreciation of local currency.	• Property Development	HIGH	↑	→	• Favour a detailed design - Built methodology to ensure costing are made on detailed designs. • Treat the general contractor as a trusted adviser or partner, leverage to ensure proper costing at start. • Use controlled pricing mechanisms when entering into construction contracts. • Change in construction management model.
Liquidity and gearing risks	• The risk that the company's available cash will not be sufficient will impact the ability to make full and timely payments. There is a need for operating capital to keep the company in business and to avoid disruption of operations. It is also essential that the company meets its financial obligations to avoid any case of insolvency and bankruptcy. • The bank facilities are subject to some restrictions and covenants that may limit our flexibility in business operations.	• Unavailability of cash to fund the business and meet our obligations. • OD limits reached. • Limitation in our ability to access, engage into transactions or projects. • Deterioration of the covenant ratios. • Financial institutions exposure to real estate or to the majority shareholder's group, limiting lending capacity of some institutions.	• The Company • Hotels • Property development	MEDIUM	↓	→	• Maintaining a sufficiently large liquidity buffer or alternatively adequate contingency funding plans. • Maintaining conservative loan to value ratios and spread the maturity profile of debt evenly. • Work on immediate solutions to raise cash particularly through the sale of assets. • Diversification of funding providers. • Regular liquidity stress testing and scenario analysis. • Rights and Bond issues arranged to restructure group debt and to make available appropriate funds for development.
Health & Safety risks	• Unguarded machinery & Improper use of equipment causing accident and injuries. • Working at heights in maintenance operations causing accident and injuries. • Staff transportation. • Chemical exposure for employees causing, by inhalation, ingestion, and skin contact, irritation or even serious injury or disease.	• Accident / Fatal Accident on & off Site. • Injuries. • Poisoning on site. • Unexpected dissemination or contamination in specific areas . • Enforced health checks resulting in non-compliance to regulations levels.	• Operations and services • Hotels	MEDIUM	↓	→	• Abide to occupational health and safety regulations. • Set up safe work procedures on how work is to be carried out safely. • Ensure that workers receive H&S education, training and adequate supervision. • Set aside time for regular workplace safety inspections. • Incident investigations to ensure that the same incident will not happen again. • Read the labels and the safety data sheets (SDSs) that accompany chemicals. • When handling chemicals, use personal protective equipment as recommended by the manufacturers and required by the employer. • Store chemicals in a properly ventilated, locked area and post warning signs. • Select trustworthy companies to ensure transport of staff/clients. • Control and monitor performance and adherence to safety measures. • Follow up on Internal Audit 2019 on Health & Safety performed in 2021.
Technology efficiency	• Increased cyber threats and IT security breaches resulting in loss of critical and confidential data. • Data production failures having legal and reputational implications. • Loss of competitive advantage due to delay to respond to rapid changes in technology or to adopt new technology.	• Major breakdown of cloud servers causing loss of critical data or inability to operate. • Increasing number of emails containing malwares.	• Operations and services • Administration	MEDIUM	→	→	• Moved to virtualised server environment. • Contingency and recovery plans for core services, key systems and priority business processes have been developed and are revisited as part of existing management processes to ensure that continuity strategies and plans remain relevant. • IT policies in place. • Tested Business Continuity Plan or reviewed the disaster recovery plans (DRP) for cloud based applications. • IT General Controls Internal Audit performed in 2021. • Continue digital transformation with implementation of Community Connected management system and computerised maintenance management system.

Top direct markets' risks for our Business Units and departments

The principal risks of the Group are explained in the below table. These risks could materially affect the Group's performance, revenue and profits.

	PROPERTY DEVELOPMENT & CONSTRUCTION	PROPERTY SALES	HOTEL	ASSET MANAGEMENT, OPERATIONS & SERVICES	HUMAN RESOURCES
	Managing project management risks such as delays to receive permits, construction budgeting, cost overruns in terms of time, cost and quality are the highest challenges for our BU.	**Decline in demand as a result of economic context and competition with other real estate developers may impact revenue and performance.**	**The hotel industry was the hardest hit sector by COVID-19 pandemic. Uncertainties on recovery time make the budgeting and financial projections a complex exercise.**	**Any damages or deterioration to our own or managed properties and assets will lead to business interruptions, operating losses and impairment of the assets' value.**	**Our people are a key asset for unlocking value. Departure of key staff members, unsafety of the work environment but also internal dysfunctional behaviours of employees and underperformance may impact the full organisation, revenue and performance.**
	• *At the current stage of development of our projects under the Smart City Scheme, where the sales are carried out at off plans per set designs, there is a risk linked to the alignment of the product to the market and potential need to review the product in case of slow sales process. In addition, while contracts must still be negotiated with contractors/suppliers and selling prices are fixed based on cost plans, there is a risk of construction costs increasing beyond contingencies. Those two risks associated with property development could impact our capacity to meet targets in terms of sales, breakeven, start of construction and our ability to generate cash for our businesses and profits for our shareholders.*	• *The current risk in respect of residential sales is on the high side since we are in an off-plan sales phase. All built units have been sold and the high risk is attributable to the need of reaching sales levels which allow the launching of the various Azuri residential components. At this stage, we rely largely on the ability of design and concepts to be attractive, the right range and pricing of products as well as performing sales team and channels. Property was amongst the hardest hit sector with the COVID-19 outbreak as a significant portion of our clientele was not able to travel and conclude their buying intention in Mauritius. We also worked on increasing our product offerings to the local market.*	• *The outbreak of the virus disrupted supply chains, closed hotels and resulted in quarantines across the globe. In Mauritius travel restrictions to enter the country, in place since March 2020, were only lifted on 1st October 2021 resulting in the quasi-total absence of tourists. Since re-opening, tourists do not yet rush at our borders. The outlook for recovery is extraordinarily uncertain making projections and scenario planning similar to gazing into a crystal ball.*	• *As a property developer, we own a certain number of physical assets and we need to ensure that they are properly built and maintained.* • *Access as well as readiness of information and data are key for the running of operations and we have enforced security and backup procedures.*	• *Our people are a key asset and we permanently invest in the training of our staff, in the recognition of their individual and collective talents, ensuring to develop a safe, pleasant and inspiring work environment.*
BU MARKETS' RISKS AND THEIR IMPACT	• As we are highly dependent on the Property Development segment for future results, unexpected delays in obtaining the Azuri Smart City certification and relevant permits will exposure the Group to revenue being deferred and cash flows to deteriorate. • Selecting the wrong professionals and contractors may lead to inefficient building designs, budgeting errors, disruption in the construction programmes. Impact is financial with cost increases and benefits shortfalls, reputational with damage to developer image and potential dispute and claims from buyers. • Poorly written contracts may lead to interminable, costly disputes. Legal documentation and contracts in the construction sphere are key to avoid financial losses in case of disputes.	• Due to unfavourable economic conditions after the Covid-19 outbreak with the loss in confidence, the fall in purchasing power, the fear of future may cause a decline in demand for residential products as we proposed in Azuri. Impact would be on revenue and cash flow. • Increasing competition from other local and foreign residential development is putting additional pressure on sale capabilities, revenue and cash flow. • Wrong assessment of customer needs or expectations so that developed projects are out of market price ranges or do not reply to market demand. This would result in less demand for our products, abortive costs and decline in revenue.	• Delay in seeing the number of tourists visiting Mauritius back to 2019 levels as a result of a structural shift in clients' preferences with the fear to travel long distance, potential price war between local hoteliers. Leading to Revenue as low as we experienced in FY20/21 while being confronted to rising cost of operations. • Reputational risks such as a hotel that receives bad publicity due to a guest service or injury incident. With reviews on the internet becoming the norm for rating guests' satisfaction, the high impact of trusted guests' reviews can rapidly and significantly affect the bookings.	• Accidental or malicious damages caused to physical assets and critical infrastructure (water, power or sewerage networks for example) due to natural disasters or other events like terrorism and vandalism or due to vacancies, lack of assets' supervision & maintenance may lead to business interruptions, financial loss etc..	• People resource risk: the risk of losing key skills in case of employee resignation will impact the smooth running of operations and could lead to reduction in results. • Internal fraud: intent to defraud, tax non-compliance, misappropriation of assets, forgery, bribes, deliberate mismarking of positions and theft can cause serious damages to the reputational, operational and financial aspects of the Company.
ACTIONS TAKEN	• Effective stakeholder management with the Economic Development Board as centralised point for project permit application. • Improved the internal validation processes to ensure completeness of applications before submission to avoid back and forth. • Formalised the selection of projects partners by internal committee. • We use controlled pricing mechanisms when entering into construction contracts. • Formalised the writing and/or vetting of contracts by our legal advisors. • Rigorous Progress and PM meetings to ensure the construction programme is on time and costs are contained. • Internal audit performed in July 2021 on our tendering procedures and selection processes for project partners, professionals and contractors.	• Developing attractive projects on prime sites to enhance demand, ensuring permanent adequacy of offer relative to customers' needs and adopting competitive pricing strategies while capitalising on the USP and offerings of the Azuri Ocean & golf Village. • Ensure robust market analysis process internally and externally with specialised service providers and estate agencies. • Nurture relationships with our sales channels. • Reinforced sales force with recruitment of qualified sales persons.	• Act agilely and communicate to address health and safety concerns of our guests with the SGS Certification on safety measures as outlined in the Radisson Hotels Safety Protocol. • Engage with our sales channels as well as Radisson network to promote the destination. • Maintain continuous stringent cost control and management of working capital needs. • Social media monitoring to quickly address negative reviews and encourage happy guests to write positive reviews. • Keep and test a Crisis Management procedure.	• Maintain an up-to-date list of all equipment, including serial numbers and cost. This should also be duplicated and backed up, as it will prove very useful if it becomes necessary to make an insurance claim. • Ensure that the adequate insurance cover is in place and renewed on time. • Install and monitor CCTV cameras and implement other security measures. • Limit access to valuable resources. Only necessary staff members should have access to supplies, merchandise or key technical sites or equipment. • Regular site visits and inspection. • Maintenance contracts with service providers on expiry of guarantee period. • Backup plans for utilities and engagement with local authorities.	• Succession planning and staff retention plans introduced across the group. • Offering market-related salaries and benefits . • Performance appraisal system with performance related incentives. • Keep database of interesting CVs & contacts. • Establish a Group's Code of Ethics and ensure all employees from top to bottom levels are made aware of the corporate culture. • Ensure the strict adherence to the Code of Ethics embracing the Group's values, ethical considerations and principles. • Create procurement norms and rules and ensure controls are in place and signatories of authority established.

My clients are more than mere clients. They are special people who have made the decision to come and live by the sea under the sun, and I believe my mission is to add a few more rays of light to their everyday lifestyle by creating a vibrant and active atmosphere in the village. A place with a soul.

ISABELLE DE CORIOLIS

EVENTS & LIFESTYLE MANAGER

AZURI OCEAN & GOLF VILLAGE

STATEMENT OF DIRECTORS' RESPONSIBILITIES

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements in accordance with International Financial Reporting Standards for each financial year. The financial statements are required by law to give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Company and the Group for that period and the external auditors are responsible for reporting on whether the financial statements are fairly presented. In preparing these financial statements, the Directors confirm that they have:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and accounting estimates that are reasonable and prudent;
- Stated that International Financial Reporting Standards have been adhered to, subject to any material departures being disclosed and explained in the financial statements;
- Prepared the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business; and
- Ensured application of the Code of Corporate Governance and provided reasons in case of non-application with the Code.

The Directors are responsible for keeping proper accounting records, which disclose reasonable accuracy at any time, the financial position of the Company and the Group to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001. The Directors have the duty to safeguard the assets of the Company and the Group and for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible for maintaining an effective system of internal control and risk management.

The Directors hereby confirm that they have complied with the above requirements.

Approved by the Board of Directors on 30 September 2021 and signed on its behalf by

Jean-Claude Béga
Chairman

Michele Anne Espitalier Noel
Executive Director

CORPORATE GOVERNANCE REPORT

INTRODUCTION

BlueLife Limited (BLL), a public interest entity as defined by the Financial Reporting Act 2004, has applied the principles of the National Code of Corporate Governance (2016). This corporate governance report sets out how the Code's principles have been applied and reflected throughout BLL. The Board of BlueLife Limited ("BLL") is committed to high standards of corporate governance and recognises that good governance is vital for the long-term success and sustainability of BLL's business. The key corporate governance practices and activities during the year ended 30 June 2021 are highlighted in this report, as well as in other sections of the Annual Report which is available on the website of the Company on **www.bluelife.mu**.

BLL has applied the principles of the National Code of Corporate Governance to its corporate governance structure and practices in the manner as described in this report.

GOVERNANCE STRUCTURE

Corporate governance framework

The Board is collectively responsible for the long-term success of the Company and for its leadership, strategy, values, standards, control and management. Through sound leadership, the Board seeks to promote a culture of openness and innovation, relying upon a framework of corporate governance and internal controls which are designed to protect the Company's assets.

A Board Charter setting out the governance structure has been adopted by the Board in October 2018. This Charter may be amended at the Board's sole discretion as and when required. A copy of this Charter is available on the website of the Company **on www.bluelife.mu**.

The Board functions independently of management, with a clear division of responsibilities between the Chairman and the Chief Executive Officer. The day-to-day management of the business is delegated to the Chief Executive Officer and Senior Management. The Board has also specific matters reserved to it for decision, such as strategic long-term objectives and it delegates some of its duties to Committees, each of which has clearly written terms of reference. The relevant Committee Charters, approved by the Board in October 2018, may be amended at the Board's discretion as and when required. A copy of each Charter is available on BLL's website.

Constitution

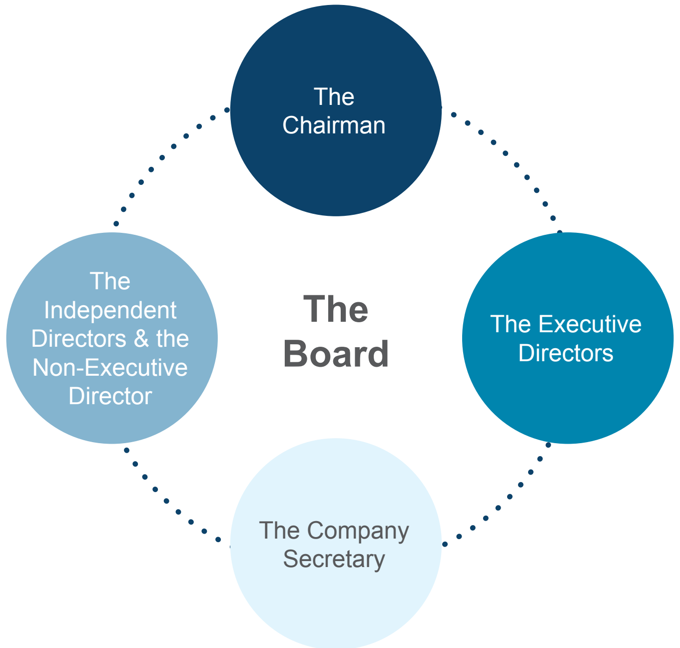
The Constitution of BLL complies with the provisions of the Mauritian Companies Act 2001 and the Listing Rules of the SEM. There are no clauses of the Constitution deemed material enough and which require special disclosure. A copy of BLL's Constitution is available on its website.

Organisational chart and Accountability Statement

The organisational chart for BLL setting out the key senior positions and the reporting lines within the Group is set out in the section "MANGEMENT TEAM" of the Annual Report.

THE STRUCTURE OF THE BOARD

For the year under review, the Board of BLL consisted of 9 Directors (one Independent Non-Executive Director, two Executive Directors and six Non-Executive Directors). As at the date of signature of this report, the Board of BLL is managed by a unitary Board of ten Directors, comprising the Chairman who is a Non-Executive Director, two Executive Directors, two Independent Non-Executive Directors and five other Non-Executive Directors. Out of the 10 Directors, 4 have been nominated by IBL Ltd and 2 by Actis Paradise Jersey Limited. IBL Ltd is a related party and the major shareholder of the Company.



The Board's mandate

Defining Governance Roles
- Role of the Board
- Board structure
- Role of the Chairman
- Role of the CEO
- Role of the Directors
- Role of the Company Secretary

Key Board Functions
- Definiton of strategy
- Monitoring compliance
- Risk mangement
- Decision-making
- Policy framework
- Stakeholder communication

Board Effectiveness
- Director selection
- Director induction
- Director development
- Director remuneration
- Board evaluation

Improving Board Processes
- Board meeting agenda
- Board papers
- Board minutes
- Board calendar
- Board sub-committees

Key roles and responsibilities of the Board

Chairman (Jean-Claude Béga)	Executive Directors (Michele Anne Espitalier Noel & Hugues Lagesse)
Key responsibilities (i) Providing leadership to the Board (ii) Ensuring its effectiveness (iii) Setting its agenda (iv) Ensuring effective links between shareholders, the Board and management	Key responsibilities (i) Developing the Company's strategic direction (ii) Implementing policies and strategies as decided by the Board (iii) Managing the Company's business
Independent Directors (Doreen Lam & Richard Koenig) & Non-Executive Directors (Sunil Banymandhub, Jan Boullé, Ravi Prakash Hardin, Thierry Labat & Roshan Ramoly)	**Company Secretary (IBL Management Ltd)**
Key responsibilities (i) Constructively challenge the Executive Director and the Senior Management (ii) Monitor the delivery of the agreed strategy within the risk and control framework set by the Board.	Key responsibilities (i) Guiding the Board as regards their duties and responsibilities (ii) Advising the Board on matters of corporate governance (iii) Ensuring good information flows with the Board and its Committees (iv) Ensuring that Board procedures are followed, and that applicable laws and regulations are complied with (v) Primary channel of communication between the Company and its shareholders and interacts also with the relevant regulatory authorities.

Note: Doreen Lam and Richard Koenig have been appointed by the Board on 13 August 2021 and shall be subject to election at the Annual Meeting of Shareholders scheduled on 17 December 2021.

Balance and Gender Diversity

Given the size and the sector of activities of the Company, the Directors consider that the current Board is of a reasonable size and possesses the right mix of skills and experience to provide leadership, integrity and judgement in managing the affairs of the Company.

The Company Secretary

IBL Management Ltd comprises a team of experienced company secretaries providing support and services to the companies of the Group. As governance professionals, the company secretaries guide the Boards on corporate governance principles and on their statutory duties and responsibilities. In its advisory role, the Company Secretary provides support and advice to companies of the Group on corporate transactions/projects. The Company Secretary is responsible for the efficient administration of a company, particularly with regard to ensuring compliance with statutory and regulatory requirements and for ensuring that Board decisions are implemented.

Board meeting process

Start of the year	• Yearly planning is prepared by the Company Secretary.
Setting of agenda	• Draft agendas for the Board are sent to the CEO and Chairman prior each meeting. • Agendas are finalised at least one week before the scheduled meeting.
Papers compiled and distributed	• Board packs are sent to all Directors one week in advance of the meeting to ensure sufficient time to review matters which shall be subject to discussions/approval.
Before the meeting	• Committee meetings are held prior to Board meetings. The respective Chairmen then report matters discussed at Committee level to the Board. • Necessary arrangements (video conferencing, etc) are made for those Directors who are not able to be physically present.
Board meeting	• Regular agenda items such as reports from the Committee Chairmen and CEO are discussed. Any other additional items requiring Board endorsements are also discussed/approved.
After the meeting	• Minutes are drafted and sent to the CEO and Chairman for review prior to circularising to the Board. • Follow-up of certain Board decisions (update of bank signatories, for e.g.) are ensured by the Company Secretary.

Board Changes in 2020-2021

Name of Director	Date of Appointment during the financial year 2020-2021	Date of Resignation during the financial year 2020-2021
Jean-François de Comarmond		17/07/2020
Jean-Luc Wilain		01/07/2020
Arnaud Lagesse		14/10/2020
Thierry Labat	01/07/2020	
Thierry Sauzier	01/07/2020	
Hugues Lagesse	29/07/2020	
Jean-Claude Béga	14/10/2020	

**Note: As of date of signature of this report, Mr Thierry Sauzier resigned as Independent Director (8 September 2021) and two new Independent Directors have been appointed by the Board on 13 August 2021, namely Doreen Lam and Richard Koenig. The newly appointed Directors shall be subject to election at the Annual Meeting of Shareholders scheduled on 17 December 2021.*

Board meetings in 2020/2021

Board meetings are scheduled by all Directors in advance and are held on a quarterly basis to devise, implement, review and monitor strategies, procedures and controls for the smooth running of operations and to ensure compliance with various legislations and regulatory requirements.

For the year under review, there were six Board meetings. Decisions were also taken by way of written resolutions signed by all the Directors.

Below are the key focus areas as discussed by the Board during the year.

Financial Matters
- 2021-2022 Budget
- Quarterly financial statements
- Half-year results
- Year-end results

Corporate Governance Matters
- Review and approval of the Corporate Governance Report
- Review the salaries and performance bonus
- Review Board composition

Regular Agenda Items
- CEO's report
- Report of each Committee Chairperson

Strategic Matters
- Review of the Golf Project
- Approve the sale of earmarked assets
- Smart City Project
- Validate contingency measures and actions in respect of Covid-19 impact on assets and operations

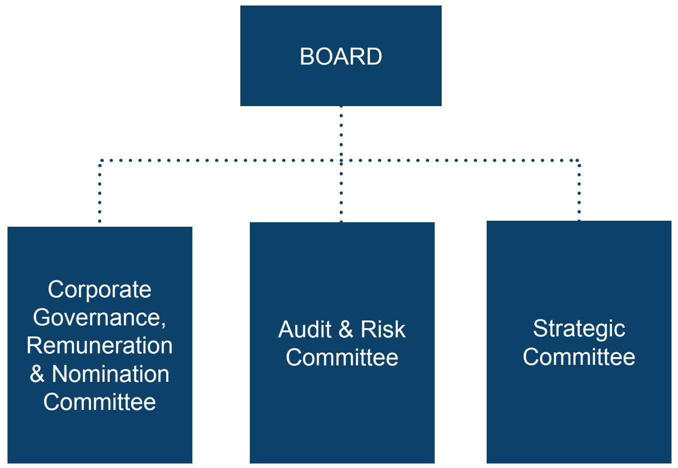
Risk Management Matters
- Review of internal control systems
- Review of IT processes and operations

The Board's attendance in 2019/2020

Directors	14/10/2020	18/12/2020	18/01/2021	10/02/2021	07/05/2021	26/06/2021	Total number of meetings attended
Chairman							
Jean-Claude Béga	•[2]	•	•	•	•	•	6
Executive Directors							
Michele Anne Espitalier Noel[1]	•	•	•	•	•	•	6
Hugues Lagesse	•	•	•	•	•	•	6
Non-Executive Directors							
Sunil Banymandhub	•	•	•	•	•	•	6
Jan Boullé	•	•	•	•	•	x	5
Ravi Prakash Hardin	•	•	•	•	•	•	6
Roshan Ramoly	•	•	•	•	•	•	6
Thierry Labat	•	•	•	•	•	•	6
Arnaud Lagesse [1]	•	-	-	-	-	-	1
Independent Non-Executive Directors							
Thierry Sauzier [3]	•	•	•	•	•	x	5

Notes:
1. *Arnaud Lagesse resigned as Director after the Board meeting of 14 October 2020.*
2. *Jean-Claude Béga was in attendance at the Board meeting held on 14 October 2020 and was appointed on that same date following the resignation of Arnaud Lagesse. He was subsequently appointed as Chairman on 11 January 2021 replacing Sunil Banymandhub who stepped down as Chairman but remained as a Board member.*
3. *hierry Sauzier who was still an Independent Director for the year ended 30 June 2021, resigned on 8 September 2021.*

THE STRUCTURE OF THE BOARD'S COMMITTEES



The Board is assisted in its functions by three main sub-Committees: (a) an Audit & Risk Committee, (b) a Corporate Governance Committee, which also acts as the Remuneration and Nomination Committee, and (c) a Strategic Committee. These three Committees operate within defined terms of reference and may not exceed the authority delegated by the Board. Two sub-Committees are chaired by Independent Non-Executive Directors and the Strategic Committee is currently chaired by the Chairman of the Board. The Committee Chairpersons then report to the Board on the issues discussed at each of their meetings. The Secretary of the Board acts also as the Secretary of these Board Committees. Each member of the Board has access to the minutes of the Committees regardless of whether the Director is a member of the Committee or not.

The Audit & Risk Committee in 2020-2021

Committee purpose & responsibilities	• The main purpose and responsibilites of the Committe are: to review the financial reporting process, the system of internal control and management of financial risks and other risks linked to the operations of the business, the audit process and the ethical behaviour of the Company, its executives and senior officials.
Committee composition	• Doreen Lam - Chairperson (Independent Non-Executive Director) * • Ravi Prakash Hardin - Member (Non-Executive Director) • Roshan Ramoly - Member (Non-Executive Director)

** As at the date of signature of this report, Doreen Lam, an Independent Non-Executive Director, has been appointed as Chairperson of the Committee.*

The Committee's attendance in 2020/2021

	13/10/2020	09/11/2020	09/02/2021	06/05/2021	Total number of meetings attended
Chairman					
Thierry Sauzier	•	•	•	•	5
Members					
Ravi Prakash Hardin	•	•	X	•	4
Roshan Ramoly	•	•	•	•	5
In attendance					
Hugues Lagesse	•	•	•	•	5
Michele Anne Espitalier Noel	•	•	•	•	5

Note: *Thierry Sauzier has taken up a new function in another Company and due to his busy commitment, he has submitted his resignation as Director and Chairman of the Committee on 8 September 2021.*

The Committee's attendance in 2020/2021

The Committee met four times during the year under review and the following main issues were discussed:

Regular Financial Matters	• Abridged audited annual financial statements and full audited financial statements • Abridged financial statements for the first, second and third quarters • Consider and recommend to the Board for approval the budget 2021-2022
Internal Audit Matters	• IT Governance
Other Matters	• Approval of the Internal Audit Plan for the year 2020/2021 • Follow-up on internal audit reports & implementation of recommendations • Review of the Risk register

** As at the date of signature of this report, Doreen Lam, an Independent Non-Executive Director, has been appointed as Chairperson of the Committee.*

The Corporate Governance, Remuneration & Nomination Committee in 2020-2021

Committee purpose & responsibilities	• In relation to Corporate Governance: to ensure that the reporting requirements of corporate governance are in accordance with the Code. • In relation to Remuneration: determine, agree and develop the Company's general policy on executive and senior management remuneration; recommend to the Board the level of fees of Non-Executive and Independent Non-Executive Directors to be recommended to the Shareholders at the Meeting of Shareholders. • In relation to Nomination: identify and nominate candidates for the approval of the Board to fill board vacancies as and when they arise.
Committee composition	• Richard Koenig - Chairperson (Independent Non-Executive Director) * • Jean-Claude Bega - Member (Non-Executive Director) • Sunil Banymandhub - Member (Non-Executive Director) • Hugues Lagesse - Member (Executive Director)

** As at the date of signature of this report, Doreen Lam, an Independent Non-Executive Director, has been appointed as Chairperson of the Committee.*

The Committee's attendance in 2020/2021

Directors	08/12/2019	07/05/2021	25/06/2021	Total number of meetings attended
Chairman				
Jean-Claude Béga	•	•	•	3
Members				
Sunil Banymandhub	•	•	•	3
Hugues Lagesse	•	•	•	3

Note: Given the impact of Covid-19 on the operations of the BLL Group, the contracts of the independent foreign directors have not been renewed. Christophe Barge resigned on 08/05/2020 and for the year under review, there was no independent director to chair the Corporate Governance Committee. The above meetings have been chaired alternatively by Jean-Claude Béga and Sunil Banymandhub. On 24 September 2021, Richard Koenig, an independent director, has been appointed as Chairman of the Committee

Key focus areas in 2020/2021

The Corporate Governance Committee members met three times during the year 2020/2021 and matters discussed included:

Corporate Governance Matters	• Reviewed and recommended to the Board for approval, the Corporate Governance Report.
Remuneration Matters	• This Committee also acts as Remuneration and Nomination Committee. Salary increases and performance bonuses were discussed. However, due to the impact of Covid-19 on the operations of the Company, voluntary salary reductions have been proposed to employees not covered by the wage assistance scheme.
Nomination Matters	• Considered and recommended to the Board for approval, the appointment of Hugues Lagesse as Acting Chief Executive Officer and subsequently as Chief Executive Officer • Considered and recommended to the Board for approval, the appointments of Doreen Lam and Richard Koenig as Independent Non-Executive Directors.

The Strategic Committee

Committee purpose & responsibilties	• Providing oversight, guidance and strategic input to the management primarily for the developement of the Group. • Analysing and making reports and recommendations to the Board regarding potential strategic transactions. • Evaluating the progress of ongoing real estate projects in terms of program, financial performance and other KPIs as approved by the Board of Directors.
Committee composition	• Jean-Claude Béga - Chairperson (Non-Executive Director) • Jan Boullé - Member (Non-Executive Director)

The Committee's attendance

Since its incorporation in August 2021 and as at the date of signature of this report, the Committee members met only once, on 10 August 2021.

Key focus areas

The main matters discussed focused on ongoing Golf Project and the development of the Smart City at Azuri.

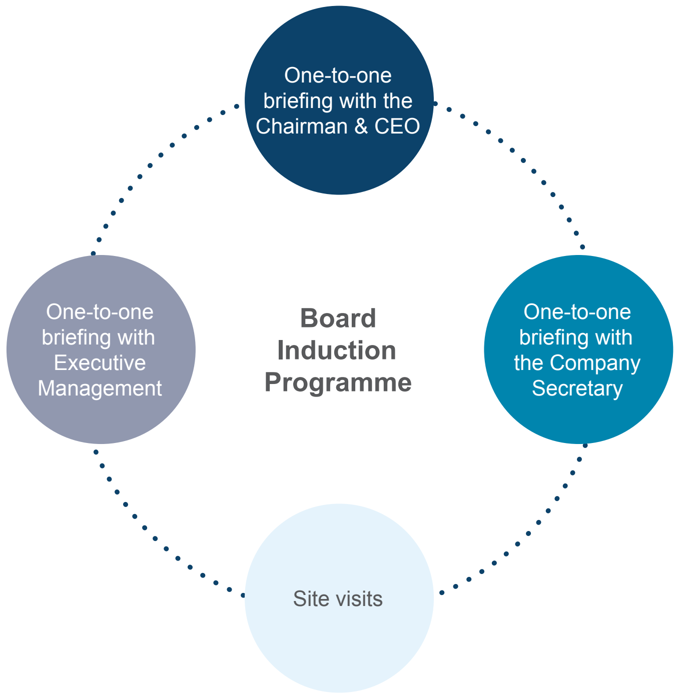
DIRECTOR APPOINTMENT PROCEDURES

Appointment and re-election

Potential candidates are identified and selected by the Nomination Committee	Recommendation by the Nomination Committee to the Board	Appointment of new Director approved by the Board	Newly appointed Director is then subject to election in the first year of appointment at the Annual Meeting

At the Annual Meeting of Shareholders scheduled on 17 December 2021, Doreen Lam and Richard Koenig who have been appointed by the Board shall offer themselves for election.

Board induction



Professional development and training

Directors are encouraged to keep themselves up to date with latest professional practices. They are also encouraged to participate in various workshops organised by the holding Company, IBL Ltd.

Time Commitments

Directors are expected to dedicate such time as is necessary for them to effectively discharge their duties. Each Board member is expected to act in the best interests of the Company and is expected to ensure that his or her other responsibilities do not impinge on his or her responsibilities as a Director of BLL.

Succession plan

One of the responsibilities of the Board is to ensure that there exists a succession plan for appointments to the Board and senior management positions within the Company.

In order to avoid the risk of a company suffering from an unplanned vacancy in leadership, processes are in place to ensure the best mix of directors and executive officers so as to address the Company's goals which are subject to a changing environment. Processes have also been established to ensure that there is business continuity with respect to key aspects dealt by key management personnel.

Directors' Duties

Directors are aware of their legal duties. Once appointed on the Board, a leaflet detailing the duties and responsibilities is provided to the Director. In addition, a newly appointed Director receives the following documents:

a) The Board Charter

b) The Board sub-committees' Charters

c) BLL's Constitution

d) Salient features of the Listing Rules and the Securities Act

Interests' Register, conflicts of interest and related party transactions policy

The Directors of BLL have the obligation to disclose any potential conflict of interest in accordance with the law in the event that companies in which they are Directors are engaged or may become engaged in real estate developments substantially of the same nature as the Company. Such disclosure is recorded in an interests' register maintained by the Company Secretary. The interests' register is available for inspection by any shareholder of the Company upon written request made to the Company Secretary.

A document setting out the salient points of what is a conflict of interest and how to identify and disclose any potential conflict of interest has been made available to the Directors of BLL. The proper procedure for declaring a conflict of interest is set out in the document and in the Board Charter. As per the procedures, when a Director is conflicted, the latter does not participate in Board discussions and does not vote on the matter. Any declaration of interest is formally minuted. The Directors confirm that there exists no conflict between their duty to act in the best interests of the Company and their own personal interest.

The Directors also confirm that they have followed the principles of the Model Code for Securities Transactions as detailed in Appendix 6 of the Mauritius Stock Exchange Listing Rules. For the financial year under review, the Directors did not deal in the shares of the Company.

Directors are aware of situations which may trigger related party transactions. A document identifying related parties and related party transactions has been made available to the Directors

Code of Ethics

BLL's Code of Ethics is integrated in the Employee Handbook. BLL is committed to the highest standards of integrity and ethical conduct when dealing with all its stakeholders. The value system presently in place dictates that all employees maintain high standards of integrity and ethics when dealing with suppliers, tenants, business partners, government, other stakeholders and society at large.

Information, information technology and information security governance

Board Information

Board information is sent to the Directors at least one week before each Board meeting. Information is sent by the Management who remain at the disposal of the Board members should they wish to obtain further clarification. The Company Secretary acts as a liaison between the Management and the Board.

Information to Shareholders and Investors

Information to external parties is communicated regularly on BLL's website, which contains news and press releases. Quarterly interim reports are published in the press and are supplemented by investor meetings attended by the Group Executive Management. In addition, there is an established agenda for communicating information to shareholders/ investors.

Information Technology and Information Security Governance

The Board is responsible for information governance within BLL. Treatment and keeping information rely substantially on information and communication technology ('ICT'). The management of information technology and information security governance falls under the responsibility of the Office and ICT Manager. Financial and other company data is an asset of the BLL Group. As such the asset is preserved through policies and procedures to ensure that the information is properly updated, monitored and safeguarded.

ICT Policies and Procedures are handled by the management and overseen by the Audit and Risk Committee.

Through policies, including internet and computer usage policy as well as social media policy included in the staff handbook, principles are established for the management of information technology. BLL has designed a policy to ensure that its operations can run smoothly. The policy document is designed to create employee awareness of aspects which impact the smooth running of ICT operations to promote easy adherence by its employees. It includes:

- Computer and Internet Usage Policy
- Mobile Usage Policy
- BYOD Policy
- Social Media & Data Privacy Policy

Information Security Governance has the objective to minimize the risk of damage by preventing security incidents whether internal or external, deliberate or accidental and to enable BLL to recover as quickly and as efficiently possible. Information security governance lies in:

- the obligations set on employees for usage and access
- the determination of access rights and relevant login and passwords
- the Password Protection Enforcement Policy
- internal IT procedures for backups
- an IT Business Continuity Policy

A full review of existing ICT and Information Security Policies as well as on the control procedures and adherence to the relevant policies and procedures, was conducted in the first quarter of 2021. Over the last two years, the Group required and implemented robust Computer Maintenance Management Systems which centralizes maintenance information and facilitates the processes of maintenance operations. The emphasis was made on the requirement of an IT strategy, adequate service agreements with IT providers to ensure continuity and access to key information and efficient record and management of IT incidents.

A strategic plan is being developed in view of establishing alignment of ICT with the business as well as its ability to maximize benefits while being properly managed.

Remuneration policy

The Board has entrusted the Corporate Governance Committee which also acts as Remuneration Committee with the responsibility of determining the remuneration of the Directors, Senior Management and employees whilst taking into consideration prevailing market conditions, benchmarking within the industry and the Company's results.

No pre-determined criteria have been set up for remunerating the Executive Director approaching retirement. This will be determined by the Board as and when required.

The schedule of fees paid to the Directors remains unchanged. At the forthcoming Annual Meeting of shareholders, the following fees shall be submitted to the shareholders for approval.

Directors	Board Fees (MUR)		Audit & Risk Committee Fees (MUR)		Corporate Governance Fees (MUR)		Total Fees (MUR)
	Fixed	Variable	Fixed	Variable	Fixed	Variable	
Jean Claude Bega[2]	151,563	50,000	-	-	43,750	-	245,313
Sunil Banymandhub	162,500	75,000	-	-	31,250	-	268,750
Jan Boullé[2]	75,000	75,000	-	-	-	-	150,000
Ravi Prakash Hardin[2]	75,000	75,000	25,000	-	-	-	175,000
Arnaud Lagesse[2]	10,938	12,500	-	-	-	-	23,438
Roshan Ramoly	75,000	75,000	25,000	-	-	-	175,000
Thierry Labat[2]	75,000	75,000	-	-	-	-	150,000
Thierry Sauzier	75,000	75,000	50,000	-	-	-	200,000
Hugues Lagesse	-	-	-	-	-	-	-
Michele Anne Espitalier Noel	-	-	-	-	-	-	-

Note:

1. *Fixed fees refer to annual fees and variable fees to attendance fees.*
2. *Fees paid to IBL Ltd*

Attendance fees are not paid to the Chairman and the members of the Audit and Risk Committee and the Corporate Governance Committee.

The Non-Executive Directors have not received remuneration in the form of share option or bonuses associated with the organisational performance.

Remuneration and benefits paid to the Executive Directors under employment contract

	Total Fees (MUR)
Hugues Lagesse	4,496,993
Jean François de Comarmond	21,439,821
Michele Anne Espitalier Noel	4,701,119

** Including severance allowance paid to former CEO*

Long term incentive plan

BLL does not have a long-term incentive plan.

Board evaluation

In view of the various Board changes, no Board evaluation exercise has been conducted in the year 2020-2021. The Corporate Governance Committee of BLL will consider whether to initiate such an exercise for the year 2021-2022.

RISK GOVERNANCE AND INTERNAL CONTROL

The Directors are responsible for maintaining an effective system of internal control and risk management (including financial and compliance risk). Whilst these two functions are delegated to the Audit and Risk Committee, the governance of risk, the nature and risk appetite of the Company remain the ultimate responsibility of the Board. The Directors are also responsible in ensuring that:

- Adequate accounting records are kept, and effective internal control systems are maintained.
- Accounts are prepared in order to fairly present the state of affairs of the company and the results of its operations and that those accounts comply with International Financial Reporting Standards (IFRS).
- Appropriate accounting policies are applied, supported by reasonable and prudent judgements.
- Appropriate whistle-blowing rules and procedures are in place.

While it is not possible to identify or anticipate every risk due to the changing business environment, the Company has an established risk management process to manage and mitigate those key risks which it believes could have an impact on its activities. The Company's process for identifying and managing risks is set by the Board and delegated to the Audit and Risk Committee. Risks are managed and reviewed on a quarterly basis by the members of the Audit and Risk Committee and reported accordingly to the Board.

A detailed report on the key risks facing the Company, the potential impact of these risks and the mitigating actions and controls in place are set out under the Section "Risk Management" of the Annual Report.

Internal controls and procedures are in place to mitigate the risks in relation to the various operations in which BLL is involved.

Whistleblowing

BLL is committed to the highest possible standards of openness, probity, accountability and ethics. In line with that commitment, employees and business partners, who have concerns about any aspect of the Company's affairs, are strongly recommended to report any suspected or presumed incidents of illegal behaviour in the activities of the Company or misconduct or infringement of the rules, policies or guidelines to which the Company must adhere, or any action that is or could be harmful to the mission or reputation of the Company.

Procedures relevant to whistleblowing are set out in the Employee Handbook. A copy of the whistleblowing procedures is available on the website of the Company.

REPORTING WITH INTEGRITY

Financial and operational performance

The financial and operational performance of the Company is detailed in the sections "Financial Indicators" and "Operations" of the Annual Report.

Environment

BLL is committed to sustainability and protecting the environment for future generations. As such, the Company ensures that it adheres to environmental regulations regarding emissions into the atmosphere as well as the quality of liquid industrial effluents disposed of through water courses.

Social Responsibility

BLL believes that the Company should provide an effective leadership based on ethical foundations and taking into account its stakeholders and the society as a whole. As such, it conducts its business activities in a responsible manner with due consideration to all its stakeholders including but not limited to its shareholders, employees, contractors, suppliers and the local community so as ensure the sustainability of the environment for the future. The section "Smart Initiatives" details further the steps taken by BLL to a more liveable future.

Health and Safety

BLL believes in providing and maintaining a safe and healthy work environment for all its employees. The Group through its established policies encourages the enhancement of safety and health standards in the workplace. BLL has a part time Health & Safety Officer who ensures that its policies are followed. During the month of July 2021, external auditors carried out a follow up on the Health & Safety Audit which was carried out two years ago. The findings were very positive with most of the recommendations having been applied.

At Azuri, we are very aware of the risks of Covid 19 contamination and have put in place policies and protocols, under the guidance of the Ministry of Health and the Tourism Authority to ensure a safe working, living and vacation environment. The protocols are being adapted as and when required as guided by the Ministry of Health.

We are aware that with the opening of borders, and a hotel on our site, we will have to apply strict protocols to ensure the safety of our staff, vacationers, and members of the public.

AUDIT

Internal Audit

The Board recognises its ultimate responsibility for the Group's system of internal control, which is designed to provide reasonable assurance against material misstatement and loss. The Company maintains a system of financial control that is designed to provide assurance regarding the keeping of proper accounting records and the reliability of financial information used within the business and for publication. It also ensures compliance with internal procedures, statutory guidelines and regulations, accounting and financial reporting standards.

The internal audit function has been outsourced to Messrs. PwC and the audit plan covers the areas of risks that may arise in the business activities of the Group. An internal audit plan for the financial year 2020/2021 was approved by the Audit and Risk Committee in October 2020. Audit reports submitted by Messrs. PwC are circulated to the management and members of the Audit and Risk Committee. These reports are thereafter submitted to the Board for analysis and discussions.

No restrictions are placed on the right of access to the records, management and employees. The audit activities have been designed in accordance with International Standards of Auditing and the audit process involves the following:

- A pre-audit phase, which comprises the audit notification and the audit preparation;
- Fieldwork where audit tests target risk areas; and
- Reporting phase.

During the period under consideration, two assignments have been duly completed and submitted: (1) Information Technology General Controls (ITGC) with special focus on security and integrity of IT systems and (2) Follow up on Health and Safety previous audit findings in May 2019. The report on Health and Safety was completed in June 2021 and subsequently submitted to the Audit and risk Committee in September 2021.

External Auditors

The Audit and Risk Committee is responsible for reviewing, with the external auditors, before the audit commences, the auditors' letter of engagement, the terms, nature and audit scope and approach and ensure no unjustified restrictions or limitations have been placed on the scope. At least once a year, the external auditors meet the members of the Committee and have direct access to the members should they wish to discuss any matters privately.

With regard to external audit, the Audit and Risk Committee is responsible for, inter-alia:

- reviewing the auditors' letter of engagement; reviewing the terms, nature and scope of the audit; and its approach;
- ensuring that no unjustified restrictions or limitations have been placed on its scope;
- assessing the effectiveness of the audit process.

The Committee is also responsible for monitoring the auditors' independence, objectivity and compliance with ethical, professional and regulatory requirements and also for maintaining control over the provision of non-audit services, where applicable. The external auditors are prohibited from providing non-audit services where their independence might be compromised by later auditing their own work. Any other non-audit services provided by the external auditors are required to be specifically approved by the Audit and Risk Committee.

At the forthcoming Annual Meeting of Shareholders, the Board shall recommend the appointment of Messrs. Deloitte as external auditors for the year ending 30 June 2022.

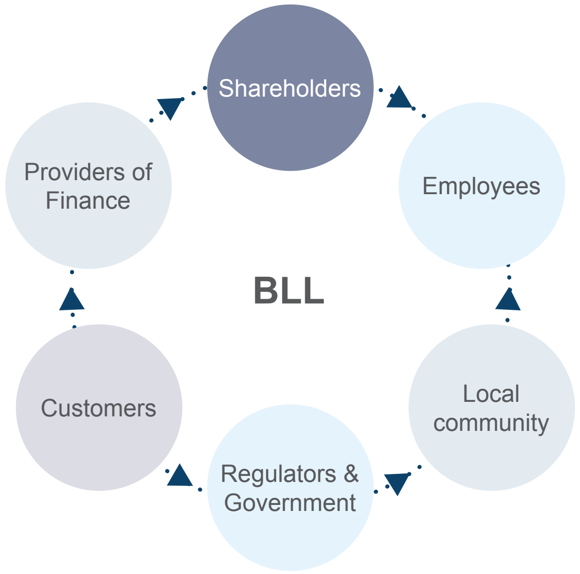
Auditors' Independence

The Board is responsible for the appointment and the removal of the external auditors, whilst the Audit and Risk Committee is responsible for monitoring the auditors' independence and objectivity. Audit fees are set in a manner that enables an effective external audit on behalf of shareholders. Auditors should ensure that they observe the highest standards of business and professional ethics and, in particular, that their independence is not impaired in any manner.

RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

The Board recognises and values greatly the need to deliver a programme of engagement that offers all shareholders the opportunity to receive Company communications and to share their views with the Board. The Group has a diverse range of shareholders and investors and its website enables access to documents and communications as soon as they are published.

BLL'S KEY STAKEHOLDERS



Reflecting our engagement towards our stakeholders

BLL views its stakeholders as fundamental in the way it conducts its business. It firmly believes that engaging with its stakeholders through regular communication is vital in ensuring the long-term success of the Group. The table below outlines BLL's principal stakeholders and how the Company interact with them.

Employees	Shareholders	Local Community
BLL believes in the welfare of its employees. The Company strives to maintain a high standard of professionalism and its employees are thus encouraged to attend regular training and refresher courses. Further details are set out in the section "Human Capital" of the Annual Report.	The Company Secretary is the focal point of communication between the Company and its shareholders. Queries/views from shareholders when received are communicated to the management/Board.	Our community actions have focused, since Mid-2019, on engaging in several environment campaigns with our #Prankont brand, in order to raise the awareness on the responsibility we each have to keeping our island clean, not littering and sorting trash for recycling purposes. These actions aim to encourage respect for the environment in the local community. As an organisation, we strongly believe that caring for our environment is part of who we are. We organized and sponsored several site clean- ups, installed dedicated bins for plastic, glass and metal collection in the regions of Riviere du Rempart, Poudre d'Or and Roches Noires.
	Any major announcement relating to the activities of the Company are disclosed in a timely manner and posted on the website of the Company.	The social contribution from the IRS projects has been used to assist families in need especially in the lockdown period, contribute to the educational needs of the younger kids in the community and strive to improve the quality of life of the less privileged.
	The Annual Meeting of shareholders provides the opportunity to the shareholders to be apprised of the Group's performance and strategic direction. Shareholders are also encouraged to attend this meeting and to question the Directors thereon.	Funds and time of the CSR coordinator were devoted to the welfare of senior citizens, disabled and social organisations in the region.

Regulators & Government	Customers	Providers of Finance
Meetings as and when required are held with the relevant regulatory authorities.	In the challenging times that the world is going through, our strategy of always putting our customers at the heart of our actions and priorities has made us stand apart. The privileged and close relations we maintain, with every one of the communities we manage, allows us to meet their long-term needs that we have promised to deliver against, by inspiring happiness and security.	We regularly interact with banks who are also invited to visit our operations for increased transparency and understanding of the businesses we are in. We are exploring other sources of funding with the successful completion of a Rights Issue of MUR 300M and a first tranche of MUR 300M Bond Issue, subscribed by Shareholders and by private placement with a sophisticated investor.
BLL conducts its business ethically and in accordance with national regulations.	We are promoting interactions between team members and customers to ensure increased satisfaction with product and services as well as the general customer journey.	

Main shareholders

As at June 30, 2021, there were 2,871 shareholders recorded in the share register of the Company and the main shareholders were:

Name of Shareholder	Percentage Held (%)
IBL Ltd	57.4113
Actis Paradise Jersey Limited	17.4762
GML Ineo Ltée	8.3207

Shareholders' agreement

There exists no Shareholders' Agreement to the knowledge of the Company.

Dividend Policy

The Company does not have any predetermined dividend policy and the dividend payout is subject to the performance of the Company. BLL did not declare any dividend for the year under review.

Calendar of forthcoming shareholders' events

One of the most important shareholders' related events of the year is the Annual Meeting. This meeting allows the Board of Directors to communicate to the shareholders up-to-date and detailed information on the activities of the Company for the year under review and future projects or developments for the year ahead. The shareholders are therefore encouraged to attend the Annual Meeting and discuss with the Directors.

The external auditors also attend the Annual Meeting and are available to respond to queries which the shareholders may have with regard to their scope of work.

The Annual Meeting of shareholders has been scheduled for 17 December 2021 and shareholders entitled to receive notice of the meeting are those registered at close of business on 19 November 2021.

November 2021	Publication of Q1 results
December 2021	Annual Meeting of Shareholders
February 2022	Publication of Q2 results
May 2022	Publication of Q3 results

Approved by the Board of Directors on 30 September 2021 and signed on its behalf by

Jean-Claude Béga
Chairman

Michele Anne Espitalier Noel
Executive Director

STATEMENT OF
COMPLIANCE

(Section 75 (3) of the Financial Reporting Act)

Name of Public Interest Entity ("PIE"):	BlueLife Limited
Reporting Period:	30 June 2021

Throughout the year ended 30 June 2021 to the best of the Board's knowledge, BlueLife Limited has not applied Principle 2 of the Corporate Governance Code for Mauritius (2016). Reasons for non-application are set out below:

Areas of non-application of the Code		Explanation for non-application
Principle 2	The Board should normally have at least 2 Independent Directors.	For the year ended 30 June 2021, there was only one Independent Director on the Board of BlueLife Limited. On 13 August 2021, the Board upon the recommendation of the Corporate Governance Committee, appointed two Independent Directors. The two newly appointed Directors will be subject to re-election at the Annual Meeting of Shareholders scheduled on 17 December 2021.

Jean-Claude Béga
Chairman

Michele Anne Espitalier Noel
Executive Director

30 September 2021

SECRETARY'S
CERTIFICATE

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 under the Companies Act 2001.

Doris Dardanne, FCG
Per IBL Management Ltd
Company Secretary

STATUTORY
DISCLOSURES

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

Principal Activities

The principal activities of BlueLife Limited are land promotion, property development and hotel and leisure.

Directors' and Senior Officers' Interests in Shares

The direct and indirect interests of the Directors and the Senior Officers in the equity securities of the Company as at 30 June 2021 were as follows:

	Direct Interest	Indirect Interest
Directors	%	%
Jean-Claude Béga		
Michele Anne Espitalier Noel	0.0001	0.0002
Sunil Banymandhub	-	-
Jan Boullé	-	0.015
Ravi Prakash Hardin	-	-
Thierry Labat		
Hugues Lagesse		0.254
Roshan Ramoly	-	-
Thierry Sauzier		
Senior Officers	%	%
IBL Management Ltd	-	-

Directors' Remuneration and Benefits

Total remuneration and benefits received by the Directors from the Company and its subsidiaries were:

	From the Company		From Subsidiaries	
	2021	2020	2021	2020
	Rs	Rs	Rs	Rs
Hugues Lagesse	4,496,993	n/a	-	-
Jean-François de Comarmond *	21,439,821	1,446,148	-	-
Michele Anne Espitalier Noel	4,701,119	5,732,795	-	-
Non-executive Directors	1,387,500	2,755,000	487,500	1,750,000

* Including severance allowance paid to former CEO

Directors' service contracts

None of the Directors of the Company and of its subsidiary companies have service contracts that need to be disclosed under section 221 of the Companies Act.

Contract of significance

There exists no contract of significance, save as disclosed above, between the Company and its Directors.

Directors' Insurance

The Directors benefit from an indemnity insurance to cover the liabilities which may be incurred while performing their duties to the extent permitted by law.

Political and Charitable Donations

BLL did not make any political or charitable donations during the year under review.

Auditors' remuneration

For the year under review, the fees paid to the Auditors for audit services and non-audit services were as follows:

	2021	2020
	Rs	Rs
Ernst & Young (The Company)	1,820,000	1,900,000

	Non-Audit Services			
	Details of Services	Audit Firm	2021	2020
			Rs	Rs
The Company	Internal audit	PwC	10,000	670,000
	Preparing corporate tax return	EY	50,000	-
	Transaction Adviser for Rights & Bond Issue	PwC	2,250,000	
	Interim audit / review of FS for Rights & Bond Issue	EY	1,000,000	
	Vendors Due Diligence – sale of PL Resort Ltd	KPMG	425,000	-
	Review of Consolidation	BDO&Co	-	380,000

Approved by the Board on 30 September 2021 and signed on its behalf by

Jean-Claude Béga
Chairman

Michele Anne Espitalier Noel
Executive Director

Human relations are wat the basis of my day-to-day operations. The positive interactions my team and I have with owners and residents living at Azuri, contributes to their feeling well-integrated, safe and always welcome in the village.

GIANDEV LOLITH

CREW SUPERVISOR

AZURI SECURITY

INDEPENDENT AUDITOR'S REPORT

To the Members of BlueLife Limited

Rreport on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of BlueLife Limited (the "Company") and its subsidiaries (the "Group") set out on pages 64 to 130 which comprise the consolidated and separate statements of financial position as at June 30, 2021, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Group and Company as at June 30, 2021, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001 and the Financial Reporting Act 2004.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
Fair valuation of investment properties	
The Group has investment properties of Rs. 1,310 million at June 30, 2021. As detailed in note 6 to the financial statements, these are measured at fair value, with movements in their fair value included in profit or loss. The investment properties have been fair valued by an independent valuer. Significant judgement has been used by the independent external valuer in determining the fair value of the investment properties. Accordingly, the valuation of investment properties is considered to be a key audit matter due to the significance of the balance to the financial statements as a whole and the level of judgment involved.	We obtained, read and understood the 2021 report from the independent valuation specialist. We tested the mathematical accuracy of the report and evaluated the valuation methodology used by the external property valuer. We also: • Assessed the competence, capabilities and objectivity of management's independent valuer, and verified the credentials of the valuer. • Reviewed the scope of work with management to ensure that there were no matters affecting the valuer's objectivity and scope of work. • Evaluated management's/the independent valuer' s judgements, in particular: − The models used by management/the independent valuer and its appropriateness; and − The significant assumptions used, including discount rates and capitalisation rates. • Tested a selection of data inputs against supporting documentation to ensure it is accurate, reliable and reasonable. This includes the verification of the size of the properties against title deeds and quantity surveyor's report • Discussed the valuations with the external property valuer, challenging key assumptions adopted in the valuations, including available market selling prices, market rents and by comparing them with historical rates and other available market data. We performed a sensitivity analysis using the key assumptions used. • Assessed the reasonableness of the inputs and assumptions used in the context of the Covid-19 pandemic

INDEPENDENT AUDITOR'S REPORT

To the Members of BlueLife Limited

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
Fair valuation of investment properties (Continued)	
	Fair valuation of freehold land and buildings in Property, Plant and Equipment The Group has property, plant and equipment of Rs 1,012 million, out of which Rs 995 million relates to freehold land and buildings, as detailed in note 5. The Group has changed its policy of recording the freehold land and buildings at fair value instead of cost in June 2021. This change has been applied prospectively. As a result of the policy change, a revaluation gain of Rs 152 million was accounted in Other Comprehensive Income, net of deferred tax liability of Rs 4 million. There was no impact on the depreciation charge given that the policy changed at end of the financial year. An independent valuation was carried out by a qualified valuer at year end and thereafter, valuations will be undertaken with sufficient regularity (i.e., at least every 3-4 years). The revaluation gain on the discontinued operations has been excluded from the revaluation reserve as they are valued as per IFRS 5. The valuation of freehold land and buildings is a key audit matter due to its financial magnitude and judgement involved in the assessment of the fair value of these assets. The judgment disclosed in note 5 relates to the valuation methodologies used and the assumptions included in each of those methodologies.
Fair valuation of freehold land and buildings in Property, Plant and Equipment	
The Group has property, plant and equipment of Rs 1,012 million, out of which Rs 995 million relates to freehold land and buildings, as detailed in note 5. The Group has changed its policy of recording the freehold land and buildings at fair value instead of cost in June 2021. This change has been applied prospectively. As a result of the policy change, a revaluation gain of Rs 152 million was accounted in Other Comprehensive Income, net of deferred tax liability of Rs 4 million. There was no impact on the depreciation charge given that the policy changed at end of the financial year. An independent valuation was carried out by a qualified valuer at year end and thereafter, valuations will be undertaken with sufficient regularity (i.e., at least every 3-4 years). The revaluation gain on the discontinued operations has been excluded from the revaluation reserve as they are valued as per IFRS 5. The valuation of freehold land and buildings is a key audit matter due to its financial magnitude and judgement involved in the assessment of the fair value of these assets. The judgment disclosed in note 5 relates to the valuation methodologies used and the assumptions included in each of those methodologies.	We reviewed the disclosures about significant estimates and critical judgments made by management in the financial statements in respect of valuation of investment properties. We have also ensured adequate disclosures as per IAS 40 Investment Property and other sensitivity disclosures in respect of the effects on fair value to changes in the assumptions and valuation techniques under IFRS 13 Fair Value Measurements have been made in the consolidated financial statements. We reviewed the working papers and deliverables of the component auditors and the substantive testing procedures which include the procedures listed above. We reviewed the working papers and deliverables of the component auditors and the substantive testing procedures included the following: • We obtained, read and understood the 2021 reports from the independent valuation specialist. • We tested the mathematical accuracy of the reports and evaluated the valuation methodology used by the external property valuer. We assessed the competence, capabilities and objectivity of the independent external valuer. We also verified the credentials of the external valuer. • We assessed the appropriateness of the models used by the independent external valuer and reviewed the scope of work with management to ensure that there were no matters affecting the external valuer's judgment. Other audit procedures also included challenging key assumptions adopted in the valuations and reasonableness of the assumptions used through performing the following: • Tested a selection of data inputs against supporting documentation to ensure it is accurate, reliable and reasonable. This includes the verification of the size of the properties against title deeds and quantity surveyor's report Discussed the valuations with the external property valuer, and challenged the key assumptions comprising of the discount rate and capitalisation rates adopted in the valuation, including available market selling prices, market rents and by comparing them with historical rates and other available market data. We performed a sensitivity analysis using the key assumptions used. • Ensured the reasonableness of the inputs and assumptions used in the context of Covid-19 pandemic. We reviewed the significant estimates and critical judgments and ensured that adequate disclosures as per IAS 16 Property, plant and equipment have been made in the consolidated financial statements. We also ensured that the prospective application and disclosures thereof is in compliance with IFRS.

KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
Impairment of investment in subsidiaries	
In the Company's separate financial statements, investment in subsidiaries are carried at cost less impairment. As set out in note 10 to the financial statements, the Company has an investment of Rs 1,994 million in its subsidiaries. Management makes an impairment assessment on the investment in subsidiaries when an indication of impairment is noted and at the end of each reporting date. Various models are used for testing of impairment of investment in subsidiaries, including the discounted cash flow (DCF) models and net asset value (NAV) of the investees, and involve complex judgments and estimates. Accordingly, it has been considered as a key audit matter.	We assessed and tested the design and operating effectiveness of selected key controls over management's process to assess impairment of investment in subsidiaries. We also performed the following substantive procedures: • Assessed appropriateness of the valuation methodology. • Tested the design and integrity of the Company's discounted cash flow model in order to evaluate the methodology applied in the Company's annual impairment assessment. • Compared previous forecasts to actual results to assess management's ability to make reliable projections of future income. • Assessed reasonableness of the cash flow forecast/business plans and related key financial assumptions. • Involved our internal valuation experts to assist in evaluating the methodology and key assumptions used, including the weighted average cost of capital. • Challenged management forecast in light with uncertainties around COVID-19. • Where the recoverable amount is based on NAV, ensured that the NAV agrees to the audited financial statements of the investee entity.
Recoverability of intercompany receivables	
The Company has short-term receivables from its investment in subsidiaries and associates amounting to Rs 711 million as at June 30, 2021 as detailed in Note 13 and representing 25% of the total assets. These receivables have been assessed as credit impaired for the purpose of assessment of expected credit losses. The related expected credit loss amounts to Rs. 37 million as at the end of the reporting period. The Company exercises significant judgement using subjective assumptions over both when and how much to record as impairment. Furthermore, COVID-19 may have different levels of impact depending on an entity's specific situation and the management's methodology in assessing ECL. Because these receivables form a major portion of the Company's assets and due to the significance of the judgements used in determining the related impairment loss requirements, this audit area is considered a key audit matter.	We reviewed and assessed the design of the controls over the identification of facilities that are credit impaired and the related calculations of expected credit losses, including the quality of underlying data and systems. For receivables that are credit impaired, we independently assessed the appropriateness of provisioning methodologies and policies and formed an independent view on the levels of provisions booked based on the counterparty information. Re-performed calculations of discounted cash flow models and assessed the reasonableness of assumptions used to support the timing and extent of the cash flows. We involved our internal valuation experts to verify the accuracy of the discount rate used. Where the borrowers' cash flow forecasts are used to determine recoverable amounts, we ensured that these are supported by objective and unbiased evidence. Challenged management assumptions with respect to uncertainties due to COVID-19.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled ''BlueLife Limited, Annual Report, Year ended June 30, 2021'', which includes the Directors' Report, Statement of Directors' Responsibilities, Corporate Governance Report, Statement of Compliance, Statutory disclosures and the Company Secretary's Certificate as required by the Companies Act 2001. The other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

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

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

Corporate Governance Report

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

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 2001and the Financial Reporting Act 2004, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT
AUDITOR'S REPORT
To the Members of BlueLife Limited

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Use of our report

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

We have no relationship with or interests in the Company other than in our capacity as auditor, tax advisors and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

ERNST & YOUNG	DARYL CSIZMADIA, C.A. (S.A)
Ebène, Mauritius	Licensed by FRC
Date: 30 September 2021	

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2021

	Notes	THE GROUP 2021	THE GROUP 2020	THE COMPANY 2021	THE COMPANY 2020
		Rs.	Rs.	Rs.	Rs.
ASSETS					
Non-current assets					
Property, plant and equipment	5	**1,011,695,065**	1,236,186,085	**1,326,064**	882,342
Investment properties	6	**1,310,517,832**	1,627,735,827	**16,000,000**	100,500,000
Intangible assets	7	**1,251,902**	2,088,060	**23,447**	40,546
Right of use assets	8	**4,386,286**	84,998,921	**108,343**	711,171
Investment in subsidiaries	10	**-**	-	**1,994,381,775**	2,068,738,188
Deferred tax assets	17	**18,441,106**	32,270,225	**566,257**	1,228,150
		2,346,292,191	2,983,279,118	**2,012,405,886**	2,172,100,397
Current assets					
Inventories	9	**499,253,581**	234,247,915	**25,866,350**	25,866,350
Trade and other receivables	12	**49,535,200**	53,682,336	**13,387,160**	4,661,556
Other financial assets at amortised cost	13	**-**	-	**711,366,507**	559,890,616
Cash and cash equivalents	29(b)	**94,975,896**	41,764,386	**61,050,728**	1,348,460
		643,764,677	329,694,637	**811,670,745**	591,766,982
Assets classified as held for sale	11	**579,954,866**	384,294,174	**-**	-
Total assets		**3,570,011,734**	3,697,267,929	**2,824,076,631**	2,763,867,379
EQUITY AND LIABILITIES					
Equity					
Stated capital	15	**3,770,370,310**	3,472,320,310	**3,770,370,310**	3,472,320,310
Actuarial reserves		**2,014,987**	(4,029,952)	**2,156,629**	272,192
Revaluation reserves		**95,699,283**	-	**-**	-
Accumulated losses		**(1,790,942,621)**	(1,617,262,795)	**(1,520,744,290)**	(1,395,698,409)
Owners' interests		**2,077,141,959**	1,851,027,563	**2,251,782,649**	2,076,894,093
Non-controlling interests	10	**11,354,121**	(17,965,012)	**-**	-
Total equity		**2,088,496,080**	1,833,062,551	**2,251,782,649**	2,076,894,093
LIABILITIES					
Non-current liabilities					
Interest bearing loans and borrowings	16	**314,864,311**	565,813,143	**40,739**	176,690
Employee benefits liability	14	**10,046,884**	18,348,344	**1,655,368**	3,600,965
Deferred tax liabilities	17	**927,169**	2,526,986	**-**	-
		325,838,364	586,688,473	**1,696,107**	3,777,655
Current liabilities					
Trade and other payables	18	**223,061,499**	217,946,267	**258,011,192**	191,561,204
Interest bearing loans and borrowings	16	**552,690,581**	849,175,110	**312,586,683**	491,634,427
		775,752,080	1,067,121,377	**570,597,875**	683,195,631
Liabilities directly associated with assets classified as held for sale	11	**379,925,210**	210,395,528	**-**	-
Total liabilities		**1,481,515,654**	1,864,205,378	**572,293,982**	686,973,286
Total equity and liabilities		**3,570,011,734**	3,697,267,929	**2,824,076,631**	2,763,867,379

These financial statements have been approved for issue by the Board of Directors on

Jean-Claude BEGA

Michele Anne ESPITALIER NOEL

The notes on pages 68 to 130 form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

- FOR THE YEAR ENDED JUNE 30, 2021

	Notes	THE GROUP 2021	THE GROUP 2020	THE COMPANY 2021	THE COMPANY 2020
		Rs.	Rs.	Rs.	Rs.
Continuing operations					
Revenue	19	**106,125,839**	303,196,849	**-**	6,223,891
Cost of sales	20	**(76,487,751)**	(116,442,767)	**-**	-
Gross profit		**29,638,088**	186,754,082	**-**	6,223,891
Other income	21	**93,636,078**	(3,352,281)	**70,801,831**	39,867,025
Interest income at EIR	21	**-**	-	**10,945,614**	11,588,010
Other (losses)/gains–net	23	**(15,821,643)**	30,073,179	**(15,017,378)**	-
Selling and marketing expenses	20	**(13,915,176)**	(35,335,004)	**-**	-
Administrative expenses	20	**(254,059,385)**	(305,450,477)	**(80,156,238)**	(91,978,463)
Expected credit losses	20	**19,543,096**	(22,807,461)	**(7,681,786)**	(8,943,498)
Other operating expenses	20	**(13,714,037)**	(18,599,150)	**(2,042,190)**	(1,835,943)
		(154,692,979)	(168,717,112)	**(23,150,147)**	(45,078,978)
Net decrease in fair value of investment properties	6(i)	**(1,562,675)**	(10,797,476)	**-**	(2,348,792)
Impairment charges	25	**-**	-	**(74,356,413)**	(119,592,826)
Finance costs	22	**(55,304,317)**	(68,248,820)	**(27,263,397)**	(29,002,023)
Loss before taxation	24	**(211,559,971)**	(247,763,408)	**(124,769,957)**	(196,022,619)
Income tax credit/(charge)	26	**3,592,377**	2,433,067	**(275,924)**	142,727
Loss for the year from continuing operations		**(207,967,594)**	(245,330,341)	**(125,045,881)**	(195,879,892)
Discontinued operations					
Profit/(loss) from discontinued operations, net of tax	11	**4,886,367**	(28,829,297)	**-**	-
Loss for the year		**(203,081,227)**	(274,159,638)	**(125,045,881)**	(195,879,892)
Other comprehensive (loss)/ income for the year, net of tax					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurements of employee benefits liability, net of deferred tax	27	**6,630,225**	(662,867)	**1,884,437**	193,195
Revaluation of land and buildings, net of deferred tax	27	**152,145,124**	-	**-**	-
Discontinued operations					
liability, net of deferred tax	27	**1,689,407**	(501,523)	**-**	-
Total comprehensive loss for the year		**(42,616,471)**	(275,324,028)	**(123,161,444)**	(195,686,697)
Loss attributable to:					
Owners of the parent		**(173,679,826)**	(239,784,583)	**(125,045,881)**	(195,879,892)
Non-controlling interests		**(29,401,401)**	(34,375,055)	**-**	-
		(203,081,227)	(274,159,638)	**(125,045,881)**	(195,879,892)
Total comprehensive loss attributable to:					
Owners of the parent		**(71,935,604)**	(240,375,623)	**(123,161,444)**	(195,686,697)
Non-controlling interests		**29,319,133**	(34,948,405)	**-**	-
		(42,616,471)	(275,324,028)	**(123,161,444)**	(195,686,697)
Loss per share (Rs/cs)					
- From continuing and discontinued operations	28	**(0.150)**	(0.366)	**(0.108)**	(0.299)
- From continuing operations	28	**(0.155)**	(0.322)	**(0.108)**	(0.299)

The notes on pages 68 to 130 form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2021

THE GROUP

	Notes	Attributable to owners of the parent							
		Stated capital	**Other reserves**	**Actuarial reserves**	**Revaluation reserves**	**Accumulated losses**	**Total**	**Non-controlling interests**	**Total Equity**
		Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
At July 1, 2020		3,472,320,310	-	(4,029,952)	-	(1,617,262,795)	1,851,027,563	(17,965,012)	1,833,062,551
Issue of shares	15	300,000,000	-	-	-	-	300,000,000	-	300,000,000
Share issue costs	15	(1,950,000)	-	-	-	-	(1,950,000)	-	(1,950,000)
Loss for the year		-	-	-	-	(173,679,826)	(173,679,826)	(29,401,401)	(203,081,227)
Other comprehensive income for the year	27	-	-	6,044,939	95,699,283	-	101,744,222	58,720,534	160,464,756
Total comprehensive income/(loss) for the year		-	-	6,044,939	95,699,283	(173,679,826)	(71,935,604)	29,319,133	(42,616,471)
At June 30, 2021		**3,770,370,310**	**-**	**2,014,987**	**95,699,283**	**(1,790,942,621)**	**2,077,141,959**	**11,354,121**	**2,088,496,080**
At July 1, 2019		3,472,320,310	-	(3,438,916)	-	(1,377,478,212)	2,091,403,182	16,983,397	2,108,386,579
Loss for the year		-	-	-	-	(239,784,583)	(239,784,583)	(34,375,055)	(274,159,638)
Other comprehensive loss for the year	27	-	-	(591,036)	-	-	(591,036)	(573,354)	(1,164,390)
Total comprehensive loss for the year		-	-	(591,036)	-	(239,784,583)	(240,375,619)	(34,948,409)	(275,324,028)
At June 30, 2020		**3,472,320,310**	**-**	**(4,029,952)**	**-**	**(1,617,262,795)**	**1,851,027,563**	**(17,965,012)**	**1,833,062,551**

THE COMPANY

	Note	**Stated capital**	**Actuarial reserves**	**Accumulated losses**	**Total**
		Rs.	**Rs.**	**Rs.**	**Rs.**
At July 1, 2020		3,472,320,310	272,192	(1,395,698,409)	2,076,894,093
Issue of shares	15	300,000,000	-	-	300,000,000
Share issue costs	15	(1,950,000)	-	-	(1,950,000)
Loss for the year		-	-	(125,045,881)	(125,045,881)
Other comprehensive income for the year	27	-	1,884,437	-	1,884,437
Total comprehensive loss for the year		-	1,884,437	(125,045,881)	(123,161,444)
At June 30, 2021		**3,770,370,310**	**2,156,629**	**(1,520,744,290)**	**2,251,782,649**
At July 1, 2019		3,472,320,310	78,997	(1,199,818,517)	2,272,580,790
Loss for the year		-	-	(195,879,892)	(195,879,892)
Other comprehensive loss for the year	27	-	193,195	-	193,195
Total comprehensive loss for the year		-	193,195	(195,879,892)	(195,686,697)
At June 30, 2020		**3,472,320,310**	**272,192**	**(1,395,698,409)**	**2,076,894,093**

The notes on pages 68 to 130 form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2021

	Notes	THE GROUP		THE COMPANY	
		2021	2020	**2021**	2020
		Rs.	Rs.	**Rs.**	Rs.
Operating activities					
Cash (used in)/generated from operations	29(a)	**(119,974,140)**	29,917,023	**(91,709,366)**	37,181,806
Tax paid		**(4,461)**	(23,992)	**-**	-
Interest received		**-**	-	**-**	-
Interest paid		**(32,038,979)**	(85,686,923)	**(10,312,027)**	-
Cash (used in)/generated from operating activities		**(152,017,580)**	(55,793,892)	**(102,021,393)**	37,181,806
Investing activities					
Purchase of property, plant and equipment		**(5,337,904)**	(21,370,264)	**(951,274)**	(2,475,616)
Purchase of right of use assets		**(167,556)**	(77,934)	**-**	-
Purchase of intangible assets		**-**	(1,479,337)	**-**	(48,275)
Expenditure incurred on investment properties		**-**	(2,895,681)	**-**	-
Proceeds from sale of investment properties		**343,091,575**	162,000,000	**60,760,000**	-
Additions of investment in subsidiaries		**-**	-	**-**	(14,000,100)
Cash generated from/(used in) investing activities		**337,586,115**	136,176,784	**59,808,726**	(16,523,991)
Financing activities					
Repayment on borrowings	16(i)	**(222,693,428)**	(192,707,936)	**-**	(134,686,135)
Proceeds from borrowings	16(i)	**12,500,000**	80,000,000	**-**	81,881,939
Finance lease capital repayment		**(2,212,376)**	(3,364,672)	**(548,241)**	(1,450,198)
Issue of shares		**27,960,580**	-	**27,960,580**	-
Share issue costs		**(1,950,000)**	-	**(1,950,000)**	-
Cash (used in)/generated from financing activities		**(186,395,224)**	(116,072,608)	**25,462,339**	(54,254,394)
Net movement in cash and cash equivalents		**(826,689)**	(35,689,716)	**(16,750,328)**	(33,596,579)
Movement in cash and cash equivalents					
At July 1,		**(275,665,411)**	(241,987,134)	**(205,377,751)**	(171,781,172)
Effect of foreign exchange difference		**714,386**	2,011,439	**-**	-
Decrease		**(826,689)**	(35,689,716)	**(16,750,328)**	(33,596,579)
At June 30,	29(b)	**(275,777,714)**	(275,665,411)	**(222,128,079)**	(205,377,751)

The notes on pages 68 to 130 form an integral part of these financial statements.

1 GENERAL INFORMATION

BlueLife Limited (the "Company") is a public company limited by shares, incorporated and domiciled in Mauritius. Its registered office is situated at Azuri Village, Haute Rive, Riviere du Rempart, Mauritius.

Bluelife Limited is a property investment and development company. Its portfolio of assets includes offices, rental units, hotels and land for mixed-used developments, mainly in Azuri Ocean & Golf Village, where there is ongoing development.

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 financial statements of BlueLife Limited comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

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

(i) Land and Buildings are stated at fair value;

(ii) investment properties are stated at fair value; and

(iii) relevant financial assets and liabilities are carried at amortised cost.

The Board of Directors are confident that the Group would continue as a going concern in the foreseeable future and they consider it appropriate to prepare the financial statements on a going concern basis (refer to Note 3.1 for note on Going Concern).

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at June 30, each year. The Company controls an entity when it has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to use its power to affect those returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the company has, or does not have, the current ability to direct the relevant activities at the time that the decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other of the Group.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

2.3 Changes in accounting policies and disclosures

IAS 16–Property, Plant and Equipment

The Group re-assessed its accounting for land and buildings with respect to measurement of a certain class of property after initial recognition. The Group had previously measured land and buildings using the cost model whereby, after initial recognition of the asset classified as land and buildings, the asset was carried at cost less accumulated depreciation and accumulated impairment losses.

In the last quarter of the current financial year, the Group elected to change the method of accounting for land and buildings classified as property, as the Group believes that the revaluation model provides more relevant information to the users of its financial statements as it is more aligned to practices adopted by its holding company and its competitors. In addition, available valuation techniques provide reliable estimates of the land and buildings fair value. The Group applied the revaluation model prospectively in accordance with the relevant IFRS.

After initial recognition, the following are measured at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses.

Company	Asset class	Carrying amount under cost model (MUR)	Revaluation adjustment (MUR)	Carrying amount under revaluation model (MUR)
Blue Life Group	Freehold Land and Buildings	836,045,936 *	156,266,113	992,312,049

2 ACCOUNTING POLICIES (CONTINUED)

2.3 Changes in accounting policies and disclosures (continued)

Amendments to published Standards effective in the reporting period

Amendments to IFRS 16 Covid-19 Related Rent Concessions

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions–amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The impact of this change is mainly at hotel level and amounts to Rs 2m

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

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the consolidated financial statements of the Group as it does not have any interest rate hedge relationships.

Amendments to IAS 1 and IAS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the consolidated financial statements of the Group, but may impact future periods should the Group enter into any business combinations.

Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

The amendments have no impact on the Group.

2.4 Standards issued but not yet effective

The following standards, amendments to existing standards and interpretations were in issue but not yet effective. They are mandatory for accounting periods beginning on or after the specified dates, but the Group has not early adopted them and intends to adopt those standards when they become effective.

	Effective for accounting period beginning on or after
New or revised standards	
IFRS 17 Insurance Contracts	January 1, 2023
Amendments	
IFRS 1 First-time Adoption of International Financial Reporting Standards–Amendments resulting from Annual Improvements to IFRS Standards 2018–2020 (subsidiary as a first-time adopter)	January 1, 2022
Amendments to IAS 8: Definition of Accounting Estimates	January 1, 2023
IFRS 3 Business Combinations–Amendments updating a reference to the Conceptual Framework	January 1, 2022
Covid-19-Related Rent Concessions beyond 30 June 2021 – Amendment to IFRS 16	April 1,2021
IFRS 9 Financial Instrument–Amendments resulting from Annual Improvements to IFRS Standards 2018–2020 (fees in the '10 per cent' test for derecognition of financial liabilities)	January 1, 2022
Amendments to IAS 1: Disclosure of Accounting Policies and IFRS Practice Statement 2	January 1, 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture–Amendments to IFRS 10 and IAS 28	Deferred indefinitely
IAS 1 Presentation of Financial Statements – Amendments regarding the classification of liabilities	January 1, 2023
Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	January 1, 2021
IAS 16 Property, Plant and Equipment–Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use	January 1, 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets–Amendments regarding the costs to include when assessing whether a contract is onerous	January 1, 2022
IAS 41 Agriculture–Amendments resulting from Annual Improvements to IFRS Standards 2018– 2020 (taxation in fair value measurements)	January 1, 2022
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	January 1, 2023

2 ACCOUNTING POLICIES (CONTINUED)

2.4 Standards issued but not yet effective (continued)

Amendments to IAS 8: Definition of Accounting Estimates

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

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Group.

Amendments to IFRS 3: Reference to the Conceptual Framework

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

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

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

Amendments to IFRS 9: Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

Amendments to IAS 1: Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted.

The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group's accounting policy disclosures.

Amendments to IAS 1: Classification of Liabilities as Current or Non-Current

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

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

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

Amendments to IAS 16: Prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. (effective 1 January 2022)

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

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

The Group and Company are still assessing the potential impact of those standards and amendments to existing standards on its financial statements. The Group and Company have not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

2 ACCOUNTING POLICIES (CONTINUED)

2.5 Summary of significant accounting policies

(a) Property, plant and equipment

Land and buildings, held for use for administrative and operating purposes, are stated at their fair value, based on periodic valuations, by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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 shareholder's equity. Decreases that offset previous increases of the same asset are charged against revaluation surplus directly in equity; all other decreases are charged to profit or loss.

Each year, the depreciation based on the revalued carrying amount of the asset charged to the profit or loss 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 purposes not yet determined are carried at cost less any recognised impairment loss. Cost includes professional fees and for qualifying assets, borrowing costs are capitalised. 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 of the assets to their residual values over their estimated useful lives at the following rates:

- Buildings	2%
- Plant and equipment	10%–30%
- Furniture, Fixtures and equipment	20%–25%
- Motor vehicles	20%–25%

Freehold land is not depreciated.

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

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss.

(b) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual valuation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

(c) Intangible assets

(i) Goodwill and Computer software

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Goodwill arising in a business combination is recognised as an asset at cost as established at the date that control is acquired (the acquisition date) less any accumulated impairment losses, if any. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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

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

2 ACCOUNTING POLICIES (CONTINUED)

(c) Intangible assets (continued)

(i) Goodwill and Computer software (continued)

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

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

(ii) Other Intangible Assets include both the Leasehold rights and Computer software

Leasehold rights

Leasehold rights represent the amount paid to acquire the rights to the lease of land and is amortised over the period of the lease, that is, 60 years.

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 straight line method over their estimated useful lives of 3 to 4 years.

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

(iii) Impairment of non-financial assets excluding goodwill

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(d) Investment in subsidiaries

Separate financial statements of the Company

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

Consolidated financial statements

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

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

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

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

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

Transactions and non-controlling interests

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

2 ACCOUNTING POLICIES (CONTINUED)

(d) Investment in subsidiaries (continued)

Disposal of subsidiaries

When the Group ceases to have 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. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entities 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.

(e) Assets classified as held for sale

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

(f) Financial instruments

(i) Financial assets

Initial recognition and measurement

On initial recognition, financial assets are classified as measured at amortised cost, fair value through profit or loss ("FVTPL"), and fair value through other comprehensive income (''OCI'').

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

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

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

<u>Business model assessment</u>

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected); and
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

<u>The solely payments of principal and interest (SPPI) test</u>

As a second step of its classification process the Group assesses the contractual terms of the financial asset to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

The initial recognition of financial assets is disclosed on notes 12 and 13

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired;
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset, is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2 ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (continued)

(i) Financial assets (continued)

Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Further disclosures relating to impairment of financial assets are also provided in Notes 12 and 13.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are measured at amortised cost, fair value through profit or loss when they are held for trading, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, interest bearing loans and borrowings, retirement savings scheme and other liabilities classified as loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate method ("EIR") amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Financial guarantee

Initial recognition

A financial guarantee contract is initially recognised at fair value. If the guarantee is issued to an unrelated party on a commercial basis, the initial fair value is likely to equal the premium received. If no premium is received (which is often the case in intra-group situations), the fair value must be determined using a method that quantifies the economic benefit of the guarantee to the holder.

Subsequent recognition

At the end of each subsequent reporting period, financial guarantees are measured at the higher of the amount of the loss allowance, and the amount initially recognised less cumulative amortisation, where appropriate. The amount of the loss allowance at each subsequent reporting period equals the 12-month expected credit losses. Expected credit losses for a financial guarantee contract are the cash shortfalls adjusted by the risks that are specific to the cash flows.

(g) Share capital

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

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

Deferred tax

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

Deferred income tax is determined using tax rates that have been enacted 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.

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.

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2 ACCOUNTING POLICIES (CONTINUED)

(h) Current and deferred income tax (continued)

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

(i) Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using Mauritian rupees, the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in Mauritian rupees, which is the Group's functional and presentation currency.

(b) Transactions and balances

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other gains and losses–net'.

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.

(j) Leases

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

Group as a lessee

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

i) Right-of-use assets

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

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

The right-of-use assets are also subject to impairment.

ii) Lease liabilities

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

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

The Group's lease liabilities are included in Interest-bearing loans and borrowings.

iii) Short-term leases and leases of low-value assets

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

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(k) Employee benefits liability

(i) 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.

The Group operates a defined contribution retirement benefit plan for all qualifying employees. Payments to defined contribution retirement plans are charged as an expense as they fall due.

(ii) 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.

2 ACCOUNTING POLICIES (CONTINUED)

(k) Employee benefits liability (continued)

The liability recognised in the statements 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 are accumulated in a separate reserve and will not be reclassified to profit or loss in a 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 of the current service cost, past service cost, as well as gains and losses on curtailments and settlements are recognised immediately in profit or loss.

(iii) Retirement gratuity

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 Employment Rights Act 2008 is calculated and provided for. The obligations arising under this item are not funded.

(iv) Termination benefits

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

(l) Inventories

Inventories–Hotel Operations

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in, first out (FIFO) method. The cost of consumables comprises of purchase cost and other direct costs but excludes interest expense. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

Inventory property

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value (NRV). Principally, this is residential property that the Group develops and intends to sell before, or on completion of development.

Cost incurred in bringing each property to its present location and condition includes:

- Freehold land
- Amounts paid to contractors for development

For contracts that meet the over time revenue recognition criteria, the Group's performance is measured using an input method, by reference to cost incurred to the satisfaction of a performance obligation relative to the total expected inputs to the completion of the property. Costs incurred with respect to developing the property are capitalised. Development expenditure incurred with respect to work in progress dealt under with the percentage of completion method is recognised in profit or loss in the period incurred.

(m) Revenue recognition

(i) Revenue derived from hotel operations

The Group has a right to payment once the performance obligation related to the services has been satisfied. Revenue is recognised at a point in time when invoices are issued to the customer, at a point when performance obligation is deemed to have been satisfied and the point at which the Group has an enforceable right to payment from the customer.

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

- Rental income from investment property–recognised in profit or loss on an accrual basis in accordance with the rental agreement.
- Interest income–recognised on a time proportion basis using the effective interest method.
- Dividend income–when the shareholder's right to receive payment is established.

(iii) Sale of completed property

A sale of a completed property is generally a single performance obligation and the Group has determined that it is satisfied at a point in time when control transfers.

(iv) Sale of property under development

The Group has determined that revenue from sales of property under development is to be recognised over time under IFRS 15. Control is deemed to be transferred over time as:

(i) The Group's performance does not create an asset with an alternative use to the Group and;

(ii) The Group has at all times an enforceable right to payment for performance completed to date.

The Group has determined that the input method is the best method for measuring progress of these contracts because there is a direct relationship between the assets incurred by the Group and the transfer of goods and services to the customer.

(n) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of the assets until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are charged to profit or loss in the period in which they are incurred.

(o) Dividend distribution

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

2 ACCOUNTING POLICIES (CONTINUED)

(p) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(q) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(r) Fair value measurement

The Group measures financial instruments such as derivatives, and non-financial assets such as investment properties, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

- In the principal market for the asset or liability

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1–Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2–Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3–Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Management determines the policies and procedures for both recurring fair value measurement, such as land, investment properties and for non-recurring measurement, such as assets held for sale in discontinued operations. Management is comprised of the Chief Finance Executive and chief and finance officers.

External valuers are involved for valuation of significant assets, such as properties and land conversion rights. Involvement of external valuers is determined annually by Management after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

2 ACCOUNTING POLICIES (CONTINUED)

(s) Assets held for sale and discontinued operations

The Group classifies assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Or

- Is a subsidiary acquired exclusively with a view to resale

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

Additional disclosures are provided in Note 11. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

(t) Cash and short-term deposits

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

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

(u) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal annual amounts over the expected useful life of the related asset.

3 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.

3.1 Critical accounting estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and

assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes risk management.

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Revaluation of properties

The Group carries its land and buildings and investment properties at fair value, with changes in fair value being recognised in other comprehensive income and profit or loss respectively. The Group engaged independent valuation specialists to confirm the fair value of its properties as at June 30, 2021.

For land and building, the fair values have been determined based on open market value.

For investment properties, the valuer used a valuation technique based on capitalisation of net operating income. Other investment properties comprise of bare land held for capital appreciation whose fair values have been determined based on director's valuations on an open market basis.

The determined fair value of the investment properties, with regards to rental properties, is most sensitive to the estimated yield. The key assumptions used to determine the fair value of the investment properties, are further explained in Note 6.

(b) Employee benefits liability

The present value of the pension obligation 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 pension plans are funded from payments from the employees and the Group, taking into account the recommendations of an independent actuary, namely SWAN Life Ltd.

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3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(b) Employee benefits liability (continued)

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

Other key assumptions for pension obligations are based in part on current market conditions. For further details, please refer to Note 14.

(c) 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 asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits or losses on the disposal of similar assets.

(d) Impairment of investment in subsidiaries

The group follows the guidance of IAS 36 on determining when an investment is impaired. This determination requires significant judgement. For details, please refer to Note 10.

In making this judgement, the group evaluates, amongst other factors, the duration and extent to which the fair value of an investment is less than cost, the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow. Refer to note 10 for disclosure on the valuation and input used.

(e) Revenue recognition

The Group has evaluated the timing of recognition on the sale of property under development and has considered the facts contained in the contracts and concluded that control of the asset is transferred to the customer over time because:

(i) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

(ii) The Group's performance does not create an asset with alternative use to the Group. Furthermore, the Group has an enforceable right to payment for performance completed to date.

(iii) The Group has determined that the input method is the best method for measuring progress for these contracts because there is a direct relationship between the costs incurred by the Group and the transfer of goods and services to the customer.

When the customer enters into a contract to buy a unit, the company is restricted to deliver to the customer the particular unit purchased. The customer is contracted to pay a deposit and settle the remainder of the contract price upon each stage of completion of the project as per the below table. When a customer default on payment, legal action are taken by the company.

Contract payment

Signature of Deed of Sale	35%
Completion of the roof	35%
Completion of works	25%
Delivery	5%

There was no sale of property for the Group and the Company for the years ended June 30, 2021 and June 30, 2020, where control passes over time.

(f) Deferred tax on investment property

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment property, the directors reviewed the Group's investment property and concluded that some properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time and others are recovered through sale. Since the Company has a land promoter and property developer licence, the Group can recognise deferred taxes on changes in fair value of investment properties. However, no deferred tax assets has been recognised on the fair value losses arising from the investment property amounting to Rs.112.8m as at June 30, 2021 (2020: Rs. 155.7m) for the Group and none as at June 30, 2021 (2020: Rs. 42.9m) for the Company as there is no certainty about when they will be realised.

(g) Going concern

The Group and the Company incurred a loss of Rs. 203,081,227 and Rs. 125,045,881 respectively for the year ended June 30, 2021 and as at that date, the Group's current liabilities exceeded its current assets by Rs 131,987,403 (2020: Rs. 737,426,740). The Company has a net current asset position of Rs 241,072,870 as at June 30, 2021 (2020: net current liability of Rs. 91,428,649).

The reversal from a net current liability position at last year end is the result of the capitalisation of Rs. 300 million where the Company received Rs. 28 million in cash and the subscription for the remaining Rs. 272 million were in the form of a conversion of shareholder loans to ordinary shares by its three major shareholders.

The operations of the Company continued to be impacted by the Covid-19 outbreak over the entire financial period. The closure of the borders or the opening of borders with quarantine obligations rendered travelling to Mauritius problematical for tourists, thus impacting the hotel segment performance, as well as for foreign buyers of residential property, delaying further the Group's ability to recognise revenue from the sale of properties in the property segment.

Management continues to closely monitor the situation and evaluate the impact on the revenue and future performance of the Company. Profitability is expected to be restored when projects are completed and sold. The Group reported in June 2020 that it is forecasting losses until FY23 based on conservative estimates which is dependent on opening of borders, counting mainly on shareholders' support and sale of assets, the timing of which is uncertain.

During the period under review, the Company effectively received proceeds from the sale of assets, reduce borrowings and, subsequent to year end in July 2021, successfully completed the raising of funds via a first tranche of Rs. 300 million on a total bond programme of Rs. 500 million. This indicates a more favourable position to discharge its liabilities in the normal course of business and effectively to have appropriate funds to start the Azuri Smart City project for which it received the Letter of Intent in August 2021.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

3.1 Critical accounting estimates and assumptions (Continued)

(g) Going concern (continued)

Based on the business plan and budgeted cashflow forecast, management is satisfied that the Group has the resources to continue in business for the foreseeable future and is expected to generate sufficient cash flows to meet its financial obligations as and when they fall due with the support of overdraft facilities. The ability to generate sufficient cash flows and profits is largely dependent on the opening of the borders, the extent and duration of the global pandemic in investor-targeted countries, and the continuing renewal of banking facilities. The approval of the projects and issuance of the Smart City certificate by the local authority is also one of the key factors which affects the timing and finality of sales in the property segment.

However, the Group has contingency plans in place to ensure that it can still meet its financial commitments as and when they fall due in the event that the timing and extent of anticipated cash flows fall short of management expectations. These include: the drawing down of the second tranche of the Bond Programme; obtaining funding from the Mauritius Investment Corporation; postponing development project expenditure until cash flows are restored; and, disposing of a portion of the land bank. Based on various scenarios and sensitivity analyses, management is satisfied that the above-mentioned measures will permit the Group and the Company to continue to meet their obligations as and when they fall due. Accordingly, the financial statements have been prepared on a going concern basis.

(h) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The information on the assumptions and model used is detailed in note 12 and 13 to these financial statements.

(i) Leases

Determining the lease term of contracts with renewal and termination options–Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the renewal period as part of the lease term for leases of plant and machinery with shorter non-cancellable period (i.e., three to five years). The Group typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of plant and machinery with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. In addition, the renewal options for leases of motor vehicles are not included as part of the lease term because the Group typically leases motor vehicles for not more than five years and, hence, is not exercising any renewal options. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Refer to Note 8 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

The Group 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 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 the rate the Group 'would be subject to', which requires either estimation when no observable rates are available or adjustments to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs which has been derived from average yield rates from Treasury Bills and Government Bonds issued by the Central Bank of Mauritius with adjustments made such as risk premium/credit spread to reflect the IBR. The IBR is derived individually for each lease based on the remaining tenure as from the assessment date namely July 1, 2019.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

4.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow and fair value interest 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 effects on 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) Currency risk

The Group is exposed to foreign exchange risk arising from currency exposures primarily with respect to the USD, EURO, ZAR and GBP. Foreign exchange risk arises from future currency exposures, commercial transactions and recognised assets and liabilities.

Management has set up a policy to require the Group to manage its foreign exchange risk exposure with treasury performed by IBL Treasury Management Ltd.

Currency profile

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

THE GROUP	June 30, 2021		June 30, 2020	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	Rs.	Rs.	Rs.	Rs.
MUR	114,719,183	1,015,457,302	63,573,305	1,550,572,281
USD	567,916	249	1,143,938	275,340
EURO	2,041,577	14,744,192	9,080,604	17,697,130
ZAR	48,424	68,961	3,379	-
GBP	64,110	913	1,731,946	33,621
	117,441,210	1,030,271,617	75,533,172	1,568,578,372

THE COMPANY	June 30, 2021		June 30, 2020	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	Rs.	Rs.	Rs.	Rs.
MUR	782,055,227	568,610,191	564,845,101	681,093,382
USD	70,651	-	68,394	-
EUR	109,850	-	112,528	-
	782,235,728	568,610,191	565,026,023	681,093,382

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4.1 Financial Risk Factors (Continued)

(a) Market risk (Continued)

(i) Currency risk (Continued)

Currency profile (Continued)

Financial assets exclude prepayments and taxes amounting to Rs27.0m (2020: Rs 19.9m) for the Group and Rs 3.6m (2020: Rs 0.9m) for the Company.

Financial liabilities exclude non-financial liabilities such as taxes, advances received, deferred revenue, provisions and other non-cash obligations amounting to Rs 60.3m (2020: Rs 64.4m) for the Group and Rs 2.0m (2020: Rs 2.3m) for the Company.

Sensitivity analysis

At the end of reporting date, if the rupee had weakened/strengthened by 5% against the the above foreign currencies with all the variables remaining constant , the impact on post tax result for the year would have been as shown in the table 4.1(a)(i), mainly as a result of foreign exchange gains/losses on translation of foreign currency denominated financial assets and liabilities as detailed above.

THE GROUP

	June 30, 2021		June 30, 2020	
Impact on post-tax results	**Financial assets**	**Financial liabilities**	Financial assets	Financial liabilities
	Rs.	**Rs.**	Rs.	Rs.
	+	**+**	+	+
USD	**28,396**	**12**	57,197	13,767
EURO	**102,079**	**737,210**	454,030	884,857
ZAR	**2,421**	**3,448**	169	-
GBP	**3,205**	**46**	86,597	1,681

THE COMPANY

	June 30, 2021		June 30, 2020	
Impact on post-tax results	**Financial assets**	**Financial liabilities**	Financial assets	Financial liabilities
	Rs.	**Rs.**	Rs.	Rs.
	+	**+**	+	+
USD	**3,533**	**-**	3,420	-
EUR	**5,492**	**-**	5,626	-

(ii) Interest rate risk

The Group's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest-rate risk. The Group maintains its deposits held at bank and borrowings in variable rate instruments and its finance lease obligations at fixed rate.

Cash flow interest rate risk

Sensitivity analysis

At the end of the reporting period, if variable interest rates on borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax result for the year would have changed as shown in the table below.

	THE GROUP		**THE COMPANY**	
Impact on post-tax results	**2021**	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
	+/-	+/-	**+/-**	+/-
Liabilities				
Interest bearing loans and borrowings	**4,251,535**	5,848,100	**1,562,901**	1,456,504

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4.1 Financial Risk Factors (Continued)

(b) Credit risk

Credit risk occurs from cash and cash equivalents as well as credit exposure to customers, including outstanding receivables. Credit risk is managed on a Group basis for banks and financial institutions, only independently rated parties are accepted.

Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by management. There are no collaterals held against the financial assets of the Group and the Company.

Tenant's receivables

Tenants are assessed according to Group criteria prior to entering into lease agreements. Credit quality of tenant is assessed and outstanding receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major tenants.

Revenue from hotels

Sales to retail customers are required to be settled in cash, mitigating credit risk. There are no significant concentrations of credit risk, whether through exposure to customers, specific industry sectors and/or regions.

THE GROUP

At June 30, 2021	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**Total**
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Financial assets					
Trade and other receivables (net)	**14,918,195**	**7,249,664**	**297,455**	**-**	**22,465,314**
Cash and cash equivalents	**94,975,896**	**-**	**-**	**-**	**94,975,896**
	109,894,091	**7,249,664**	**297,455**	**-**	**117,441,210**

At June 30, 2020	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Financial assets					
Trade and other receivables (net)	17,727,965	1,406,059	1,186,349	13,448,413	33,768,786
Cash and cash equivalents	41,764,386	-	-	-	41,764,386
	59,492,351	**1,406,059**	**1,186,349**	**13,448,413**	75,533,172

THE COMPANY

At June 30, 2021	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**Total**
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Financial assets					
Trade and other receivables (net)	**698,051**	**9,090,817**	**29,625**	**-**	**9,818,493**
Other financial assets at amortised costs	**711,366,507**	**-**	**-**	**-**	**711,366,507**
Cash and cash equivalents	**61,050,728**	**-**	**-**	**-**	**61,050,728**
	773,115,286	**9,090,817**	**29,625**	**-**	**782,235,728**

At June 30, 2020	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Financial assets					
Trade and other receivables (net)	4,077,556	32,173	30,681	(353,463)	3,786,947
Other financial assets at amortised costs	559,890,616	-	-	-	559,890,616
Cash and cash equivalents	1,348,460	-	-	-	1,348,460
	565,316,632	**32,173**	**30,681**	**-353,463**	565,026,023

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4.1 Financial Risk Factors (Continued)

(c) Liquidity risk

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

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group aims at maintaining flexibility in funding by keeping committed credit lines available.

The Group has not breached its covenants for the year ended June 30, 2021. The covenants are constantly monitored by management. The Group and the Company are in a net liability position at year end but, however, there are incoming cash flows expected with the sale of Investment Properties which will help the Group sustain until future projects are materialised.

Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow.

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

THE GROUP	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	Rs.	Rs.	Rs.	Rs.
At June 30, 2021				
Interest bearing loans and borrowings	**587,020,403**	**56,557,429**	**173,872,000**	**142,467,533**
Trade and other payables	**162,716,726**	**-**	**-**	**-**
At June 30, 2020				
Interest bearing loans and borrowings	918,445,076	112,526,134	351,749,301	256,539,140
Trade and other payables	153,590,119	-	-	-

THE COMPANY	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	Rs.	Rs.	Rs.	Rs.
At June 30, 2021				
Interest bearing loans and borrowings	**325,271,181**	**41,185**	**-**	**-**
Corporate guarantees	**30,000,000**	**-**	**-**	**-**
Trade and other payables	**255,982,769**	**-**	**-**	**-**

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	Rs.	Rs.	Rs.	Rs.
At June 30, 2020				
Interest bearing loans and borrowings	518,453,930	140,373	41,185	-
Corporate guarantees	-	304,200,000	-	-
Trade and other payables	189,282,267	-	-	-

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

4.2 Fair value estimation

The nominal value less estimated credit adjustments to trade receivables and payables are assumed to approximate their fair values.

4.3 Capital risk management

The Group's objectives when managing capital are:

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

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

Consistent with others in the industry, the Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt to adjusted capital. Net debt is calculated as total debt (as shown in the statement of financial position) less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e, share capital, retained earnings/(revenue deficit) and non-controlling interests).

The debt-to-adjusted capital ratios at June 30, 2021 and June 30, 2020 were as follows:

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
Total debt	**867,554,892**	1,414,988,253	**312,627,422**	491,811,117
Less: cash and cash equivalents	**(94,975,896)**	(41,764,386)	**(61,050,728)**	(1,348,460)
Net debt	**772,578,996**	1,373,223,867	**251,576,694**	490,462,657
Total equity	**2,088,496,080**	1,833,062,551	**2,251,782,649**	2,076,894,093
Debt-to-adjusted capital ratio	**0.37:1**	0.75:1	**0.11:1**	0.24:1

5. PROPERTY, PLANT AND EQUIPMENT

(a)

THE GROUP–2021	Freehold land and buildings Rs.	Plant and equipment Rs.	Motor vehicles Rs.	Furniture, Fixtures and equipment Rs.	Capital work in progress Rs.	Total Rs.
COST						
At July 1, 2020	1,368,570,351	32,081,355	2,953,409	115,478,007	906,600	1,519,989,722
Additions	-	287,120	-	1,379,121	3,671,663	5,337,904
Assets written off	-	-	-	(557,460)	-	(557,460)
Transfer from Capital work in progress	3,187,200				(3,187,200)	-
Revaluation	62,934,719	-	-	-	-	62,934,719
Transfer from Investment properties (Note 6)	11,136,565	-	-	-	-	11,136,565
Transfer to assets classified as held for sale	(424,046,048)	(2,786,499)	-	(29,217,612)	(657,900)	(456,708,059)
At June 30, 2021	**1,021,782,787**	**29,581,976**	**2,953,409**	**87,082,056**	**733,163**	**1,142,133,391**
DEPRECIATION						
At July 1, 2020	165,448,738	19,937,106	2,331,118	96,086,675	-	283,803,637
Charge for the year	25,614,193	1,090,743	205,019	7,765,932	-	34,675,887
Assets written off	-	-	-	(428,010)	-	(428,010)
Revaluation	(93,331,394)	-	-	-	-	(93,331,394)
Transfer to assets classified as held for sale	(71,447,999)	(1,407,732)	-	(21,426,063)	-	(94,281,794)
At June 30, 2021	**26,283,538**	**19,620,117**	**2,536,137**	**81,998,534**	**-**	**130,438,326**
NET BOOK VALUE						
At June 30, 2021	**995,499,249**	**9,961,859**	**417,272**	**5,083,522**	**733,163**	**1,011,695,065**

(a)

THE GROUP–2020	Freehold land and buildings Rs.	Plant and equipment Rs.	Motor vehicles Rs.	Furniture, Fixtures and equipment Rs.	Capital work in progress Rs.	Total Rs.
COST						
At July 1, 2019	1,362,605,031	32,950,413	5,105,344	103,329,328	-	1,503,990,116
July 1, 2019, on adoption of IFRS 16–transfer to right of use assets (Note 8) *	-	(3,218,723)	(1,575,000)	-	-	(4,793,723)
Additions	5,965,320	2,349,665	-	12,148,679	906,600	21,370,264
Disposal	-	-	(576,935)	-	-	(576,935)
At June 30, 2020	**1,368,570,351**	**32,081,355**	**2,953,409**	**115,478,007**	**906,600**	**1,519,989,722**
DEPRECIATION						
At July 1, 2019	140,892,166	19,911,202	3,222,207	86,931,504	-	250,957,079
July 1, 2019, on adoption of IFRS 16–transfer to right of use assets (Note 8) *	-	(1,019,262)	(1,031,500)	-	-	(2,050,762)
Charge for the year	24,556,572	1,045,166	717,346	9,155,171	-	35,474,255
Disposal adjustment	-	-	(576,935)	-	-	(576,935)
At June 30, 2020	**165,448,738**	**19,937,106**	**2,331,118**	**96,086,675**	**-**	**283,803,637**
NET BOOK VALUE						
At June 30, 2020	**1,203,121,613**	**12,144,249**	**622,291**	**19,391,332**	**906,600**	**1,236,186,085**

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b)

THE COMPANY–2021	Plant and equipment Rs.	Motor vehicles Rs.	Furniture, Fixtures and equipment Rs.	Total Rs.
COST				
At July 01, 2020	3,172,054	-	10,404,475	13,576,529
Additions	7,000	-	995,234	1,002,234
Assets written off	-	-	(101,920)	(101,920)
At June 30, 2021	**3,179,054**	**-**	**11,297,789**	**14,476,843**
DEPRECIATION				
At July 01, 2020	2,647,636	-	10,046,551	12,694,187
Charge for the year	80,012	-	387,197	467,209
Assets written off	-	-	(10,617)	(10,617)
At June 30, 2021	**2,727,648**	**-**	**10,423,131**	**13,150,779**
NET BOOK VALUE				
At June 30, 2021	**451,406**	**-**	**874,658**	**1,326,064**
THE COMPANY–2020				
COST				
At July 01, 2019	3,044,758	620,000	9,938,094	13,602,852
July 1, 2019, on adoption of IFRS 16–Transfer to right of use assets (Note 8) *	-	(620,000)	-	(620,000)
Additions	127,296	-	466,381	593,677
At June 30, 2020	**3,172,054**	**-**	**10,404,475**	**13,576,529**
DEPRECIATION				
At July 01, 2019	2,550,631	245,417	9,803,145	12,599,193
July 1, 2019, on adoption of IFRS 16–Transfer to right of use assets (Note 8) *	-	(245,417)	-	(245,417)
Charge for the year	97,005	-	243,406	340,411
At June 30, 2020	**2,647,636**	**-**	**10,046,551**	**12,694,187**
NET BOOK VALUE				
At June 30, 2020	**524,418**	**-**	**357,924**	**882,342**

(c) Bank borrowings are secured by fixed and floating charges on the assets of the Group and the Company including property, plant and equipment.

(d) Depreciation expense for the year ended June 30, 2021 of Rs. 34,675,887 (2020: Rs. 35,474,255) for the Group and Rs. 467,209 (2020: Rs. 340,411) for the Company have been charged in administrative expenses.

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(e) Fair value hierarchy of Land and Buildings:

The information about the fair value hierarchy of the Land and buildings as at June 30, 2021 as follows:

	THE GROUP		
	Level 2	Level 3	Total
	Rs.	Rs.	Rs.
June 30, 2021			
Land and buildings	-	995,499,249	995,499,249

The table below shows a reconciliation of all movements in the fair value categorised within Level 3 of the fair value hierarchy between the beginning and end of the reporting year:

	THE GROUP
	2021
	Rs.
At July 01, 2020	1,203,121,613
Charge for the year	(25,614,193)
Revaluation	156,266,113
Transfer from Investment properties (Note 6)	11,136,565
Transfer from work in progress	3,187,200
Transfer to assets classified as held for sale	(352,598,049)
At June 30, 2021	**995,499,249**

The significant unobservable inputs used in the fair value measurement categorised within level 3 of the fair value hierarchy together with a quantitative sensitivity analysis are shown below:

Valuation techniques and key inputs	Significant input used	Sensitivity	THE GROUP 2021 Rs.
Open-market	10% discount rate	1% increase in discount rate	**(8,925,278)**
		1% decrease in discount rate	**8,925,278**

Historical costs of revalued Land and Buildings:	THE GROUP 2021
Cost	1,382,894,116
Accumulated depreciation	(191,062,931)
Transfer to assets classified as held for sale	(352,598,049)
	839,233,136

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5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

During last quarter of the current financial year ending June 30, 2021, land and buildings were revalued by Noor Dilmahomed & Associates and Ramiah-Isabel Consultancy Ltd, both being professional independent valuers. The fair value of the land and buildings have been assessed on the basis of its open market value, being the estimated amount for which the property could be exchanged between market participants at measurement date in an orderly transaction and taking into account the current market conditions and similar transactions undertaken by the group in recent years.

The Sales comparison approach has been used. This comparative approach considers the sales of similar or subsitute properties and related market data, and establishes a value estimate by processes involving comparsion. In general, a property being valued is compared with sales of similar properties that have been transacted in the open market. Listings and offerings may also be considered. A discount of 10% was accounted under open market value pertaining to risks associated with Covid-19.

Following the global pandemic Covid-19, the Directors considered its impact on the recoverable amount of the plant and equipment. As at reporting date, the Directors concluded that the remaining useful lives and residual values remained unchanged.

The Group's policy is to revalue its property every 3-4 years unless there is evidence that the fair value of the assets differ materially from the carrying amount.

6. INVESTMENT PROPERTIES

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
Fair value model	Rs.	Rs.	Rs.	Rs.
At July 1	**1,627,735,827**	1,830,563,135	**100,500,000**	102,848,792
Additions	**–**	2,895,681	**–**	–
Decrease in fair value (note 6(i))	**(1,562,675)**	(10,797,476)	**–**	(2,348,792)
Straight lining adjustments	**1,031,037**	3,201,150	**–**	–
Disposal	**(87,281,000)**	(104,982,081)	**(84,500,000)**	–
Transfer to Property, plant and equipment (Note 5)	**(11,136,561)**	–	**–**	–
Transfer to inventories (Note 9)	**(218,268,796)**	(93,144,582)	**–**	–
At June 30,	**1,310,517,832**	1,627,735,827	**16,000,000**	100,500,000

(i) Decrease in fair value of investment properties have been attributable to continuing and discontinued operations as follows:

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Continuing operations	**(1,562,675)**	(10,797,476)	**–**	(2,348,792)
Discontinued operations	**–**	–	**–**	–
	(1,562,675)	(10,797,476)	**–**	(2,348,792)

(ii) The information about the fair value hierarchy of the investment properties as at June 30, 2021 and 2020 as follows:

	THE GROUP		
	Level 2	Level 3	Total
	Rs.	Rs.	Rs.
June 30, 2021			
Bare lands at Azuri, Haute Rive (Note 6 (vii))	–	1,257,144,164	1,257,144,164
Bare lands at Piton and Riviere du Rempart (note 6 (iii))	–	16,000,000	16,000,000
Industrial building, Riviere du Rempart (note 6 (iv))	–	–	–
Harbour Front Building, Port Louis (note 6 (v))	–	–	–
Commercial building–Retail (note 6 (vi))	–	37,373,668	37,373,668
	–	**1,310,517,832**	**1,310,517,832**

6. INVESTMENT PROPERTIES (CONTINUED)

	THE GROUP		
	Level 2	Level 3	Total
	Rs.	Rs.	Rs.
June 30, 2020			
Bare lands at Azuri, Haute Rive (Note 6 (vii)	–	1,477,403,932	1,477,403,932
Bare lands at Piton and Riviere du Rempart (note 6 (iii))	–	28,500,000	28,500,000
Industrial building, Riviere du Rempart (note 6 (iv))	–	72,000,000	72,000,000
Harbour Front Building, Port Louis (note 6 (v))	–	2,781,000	2,781,000
Commercial building–Retail (note 6 (vi))	–	47,050,895	47,050,895
	–	1,627,735,827	1,627,735,827

	THE COMPANY		
	Level 2	Level 3	Total
	Rs.	Rs.	Rs.
June 30, 2021			
Bare lands–Piton and Riviere du Rempart (note 6 (iii))	**–**	**16,000,000**	**16,000,000**
Industrial building, Riviere du Rempart (note 6 (iv))	**–**	**–**	**–**
	–	**16,000,000**	**16,000,000**
June 30, 2020			
Bare lands–Piton and Riviere du Rempart (note 6 (iii))	–	28,500,000	28,500,000
Industrial building, Riviere du Rempart (note 6 (iv))	–	72,000,000	72,000,000
	–	100,500,000	100,500,000

No reconciliation has been provided for investment properties as all are classified within Level 3 and the reconciliation would be same as the first reconciliation at the start of the note.

(iii) Bare lands at Piton and Riviere Du Rempart were fair valued in June 2021 by Ramiah-Isabel Consultancy Ltd, an independent professionally qualified valuer. The fair value was determined on an open-market basis by reference to market evidence of transaction prices for similar properties. The land at Piton has been sold during the financial year.

(iv) The industrial building which had been fair valued by Ramiah-Isabel Consultancy Ltd on June 30, 2020, based on open-market value basis, has been sold during the financial year.

(v) The one Lot of 30 square metres in Harbour Front building which had been valued by the Directors on June 30, 2020, based on capitalisation of net operating income, has been sold dring the financial year.

(vi) Commercial buildings comprise of lots at Azuri and boatyard and sports facilities. The land pertaining to the lots were valued by Ramiah-Isabel Consultancy Ltd, an independent professionally qualified valuer on June 2021 using open-market value basis. The freehold interest in the land component is valued using the direct market comparison approach and the building improvement has been valued at its fair value using the depreciated replacement cost (DRC) approach. The "Boat" yard and sports facilities were valued by Directors as at June 30, 2021, based on depreciated replacement cost. There has been no change in the fair value since last financial year.

(vii) Bare lands at Azuri, Haute Rive have been fair valued in June 30, 2021 by Ramiah-Isabel Consultancy Ltd, an independent professionally qualified valuer. The fair value was determined on a open-market value basis by reference to market evidence of transaction prices for similar properties. There has been no change in the fair value since last financial year.

Part of the bare land relating to short coming development of projects has been transferred to Inventory properties.

(viii) Bank borrowings are secured by fixed and floating charges on the assets of the Group and the Company including investment properties.

(ix) The following have been recognised in profit or loss:

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Continuing and discontinued operations				
Rental income (Note 19(a))	**6,315,310**	30,191,812	**–**	6,223,891
Direct operating expenses arising from investment properties that generate rental income	**8,518,997**	11,801,418	**794,764**	1,095,189

6. INVESTMENT PROPERTIES (CONTINUED)

(x) The significant unobservable inputs used in the fair value measurement categorised within level 3 of the fair value hierarchy together with a quantitative sensitivity analysis are shown below:

	Valuation techniques and key inputs	Significant input used	Sensitivity	GROUP		COMPANY	
				Effect on fair value			
				2021	2020	2021	2020
				Rs.	Rs.	Rs.	Rs.
Bare lands at Azuri, Haute Rive (Note 6 (vii)	Open-market	20% discount rate has been used	1% increase in discount rate	**(15,085,730)**	(18,467,549)	**–**	–
			1% decrease in discount rate	**15,085,730**	18,467,549	**–**	–
		Price per square metre	1% increase in price per square metre	**12,571,442**	14,774,039	**–**	–
			1% decrease in price per square metre	**(12,571,442)**	(14,774,039)	**–**	–
Bare lands at Piton and Riviere du Rempart (note 6 (iii))	Open-market	20% discount rate has been used	1% increase in discount rate	**(192,000)**	(356,250)	**(192,000)**	(356,250)
			1% decrease in discount rate	**192,000**	356,250	**192,000**	356,250
		Price per square metre	1% increase in price per square metre	**160,000**	285,000	**160,000**	285,000
			1% decrease in price per square metre	**(160,000)**	(285,000)	**(160,000)**	(285,000)
* Industrial building, Riviere du Rempart (note 6 (iv))	Open-market	Price per square metre	1% increase in price per square metre	**–**	720,000	**–**	720,000
			1% decrease in price per square metre	**–**	(720,000)	**–**	(720,000)
		20% discount rate has been used	1% increase in discount rate	**–**	(900,000)	**–**	(900,000)
			1% decrease in discount rate	**–**	900,000	**–**	900,000
* Harbour Front Building, Port Louis (note 6 (v))	Capitalisation of net income	Yield of 10%	1% increase in yield	**–**	(252,818)	**–**	–
			1% decrease in yield	**–**	309,000	**–**	–
Commercial building–Retail (note 6 (vi))	Open-market	20%-30% discount rate has been used	1% increase in discount rate	**(485,858)**	(627,345)	**–**	–
			1% decrease in discount rate	**485,858**	627,345	**–**	–
		Price per square metre	1% increase in price per square metre	**373,737**	470,509	**–**	–
			1% decrease in price per square metre	**(373,737)**	(470,509)	**–**	–

** One portion of bare land at Piton valued at Rs 12,500,000 and the Harbour Front Building valued at Rs 72,000,000 were sold during this financial year.*

Discount of 20-30% has been used for the size, land transfer tax and planning restrictions.

7. INTANGIBLE ASSETS

(a) THE GROUP

	Goodwill	Leasehold rights	Computer Software	Total
	Rs.	Rs.		Rs.
2021				
COST				
At July 1, 2020	181,595,314	–	15,842,460	197,437,774
Additions	–	–	–	–
Transfer to assets classified as held for sale	–	–	(4,774,234)	(4,774,234)
At June 30, 2021	**181,595,314**	**–**	**11,068,226**	**192,663,540**
AMORTISATION/IMPAIRMENT				
At July 1, 2020	181,595,314	–	13,754,400	195,349,714
Charge for the year	–	–	625,097	625,097
Transfer to assets classified as held for sale	–	–	(4,563,173)	(4,563,173)
At June 30, 2021	**181,595,314**	**–**	**9,816,324**	**191,411,638**
NET BOOK VALUE				
At June 30, 2021	**–**	**–**	**1,251,902**	**1,251,902**

(a) THE GROUP

	Goodwill	Leasehold rights	Computer Software	Total
	Rs.	Rs.		Rs.
2020				
COST				
At July 1, 2019	181,595,314	61,568,451	14,363,123	257,526,888
July 1, 2019, on adoption of IFRS 16–transfer to Right of use assets (Note 8)	–	(61,568,451)	–	(61,568,451)
Additions	–	–	1,479,337	1,479,337
At June 30, 2020	**181,595,314**	**–**	**15,842,460**	**197,437,774**
AMORTISATION/IMPAIRMENT				
At July 1, 2019	181,595,314	8,839,421	13,040,639	203,475,374
July 1, 2019, on adoption of IFRS 16–transfer to Right of use assets (Note 8)	–	(8,839,421)	–	(8,839,421)
Charge for the year	–	–	713,761	713,761
At June 30, 2020	**181,595,314**	**–**	**13,754,400**	**195,349,714**
NET BOOK VALUE				
At June 30, 2020	**–**	**–**	**2,088,060**	**2,088,060**

7. INTANGIBLE ASSETS (CONTINUED)

(b) THE COMPANY

	Goodwill	Computer Software	Total
	Rs.		Rs.
COST			
At July 1, 2020	179,743,850	1,498,770	181,242,620
Additions	–	–	–
At June 30, 2021	**179,743,850**	**1,498,770**	**181,242,620**
AMORTISATION/IMPAIRMENT			
At July 1, 2020	179,743,850	1,458,224	181,202,074
Charge for the year	–	17,099	17,099
At June 30, 2021	**179,743,850**	**1,475,323**	**181,219,173**
NET BOOK VALUE			
At June 30, 2021	**–**	**23,447**	**23,447**

	Goodwill	Computer Software	Total
	Rs.		Rs.
COST			
At July 1, 2019	179,743,850	1,450,495	181,194,345
Additions	–	48,275	48,275
At June 30, 2020	179,743,850	1,498,770	181,242,620
AMORTISATION/IMPAIRMENT			
At July 1, 2019	179,743,850	1,425,852	181,169,702
Charge for the year	–	32,372	32,372
At June 30, 2020	179,743,850	1,458,224	181,202,074
NET BOOK VALUE			
At June 30, 2020	–	40,546	40,546

(c) The goodwill for the Group and Company arose on amalgamation of BlueLife Limited with Indian Ocean Real Estate Company Ltd in prior years. An assessment of impairment of goodwill was performed in previous years by management, further to which the goodwill was fully impaired.

The recoverable amount of each cash generating unit (CGU) has been determined based on their value-in-use. The pre-tax cash flow projection is based on financial budgets approved by management covering a five-year period. The pre-tax discount rate applied represents the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC) which ranges between 11% to 12%. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. The pre-tax discount rate ranges between 12% to 13%.

A terminal growth rate of 3% has been assumed in the calculation and is determined based on past growth rates of the business.

The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry.

Key assumptions used in value in use calculations and sensitivity to changes and assumptions

The calculation of value in use for the cash generating unit is most sensitive to the following assumptions:

- Discount rate

- Growth rate

There will be no impact on the impairment amount of goodwill due to fluctuations in the key assumptions, given that the goodwill was fully impaired in 2019.

(d) Amortisation charge for the year ended June 30, 2021 of Rs. 625,097 (2020: Rs. 713,761) for the Group and Rs. 17,099 (2020: Rs. 32,372) for the Company have been charged in administrative expenses.

8. RIGHT OF USE ASSETS

(a)

	Leasehold rights	Leasehold land	Motor vehicles	Plant and equipment	Total
THE GROUP–2021	Rs.	Rs.	Rs.	Rs.	Rs.
COST					
July 1, 2020	61,568,451	30,264,782	3,355,477	5,758,260	100,946,970
Additions	–	–	1,590,000	1,432,107	3,022,107
Transfer to assets classified as held for sale (Note 11)	(61,568,451)	(30,264,782)	–	–	(91,833,233)
At June 30, 2021	**–**	**–**	**4,945,477**	**7,190,367**	**12,135,844**
DEPRECIATION					
July 1, 2020	10,070,790	571,034	1,890,607	3,415,618	15,948,049
Charge for the year	1,231,369	571,034	1,153,620	1,289,713	4,245,736
Transfer to assets classified as held for sale (Note 11)	(11,302,159)	(1,142,068)	–	–	(12,444,227)
At June 30, 2021	**–**	**–**	**3,044,227**	**4,705,331**	**7,749,558**
NET BOOK VALUE					
At June 30, 2021	**–**	**–**	**1,901,250**	**2,485,036**	**4,386,286**
THE GROUP–2020					
COST					
July 1, 2019, on adoption of IFRS 16:	–	–	–	–	–
- Initial recognition	–	30,264,782	1,145,477	2,539,537	33,949,796
- Transfer from Property, plant and equipment (Note 5)	–	–	1,575,000	3,218,723	4,793,723
- Transfer from Intangible assets (Note 7)	61,568,451	–	–	–	61,568,451
Additions	–	–	635,000	–	635,000
At June 30, 2020	**61,568,451**	**30,264,782**	**3,355,477**	**5,758,260**	**100,946,970**
DEPRECIATION					
July 1, 2019, on adoption of IFRS 16:	–	–	–	–	–
- Transfer from Property, plant and equipment (Note 5)	–	–	1,031,500	1,019,262	2,050,762
- Transfer from Intangible assets (Note 7)	8,839,421	–	–	–	8,839,421
Charge for the year	1,231,369	571,034	859,107	2,396,356	5,057,866
At June 30, 2020	**10,070,790**	**571,034**	**1,890,607**	**3,415,618**	**15,948,049**
NET BOOK VALUE					
At June 30, 2020	**51,497,661**	**29,693,748**	**1,464,870**	**2,342,642**	**84,998,921**
THE COMPANY–2021					
COST					
July 1, 2020	–	–	1,765,477	736,461	2,501,938
Additions	–	–	–	–	–
At June 30, 2021	**–**	**–**	**1,765,477**	**736,461**	**2,501,938**
DEPRECIATION					
July 1, 2020	–	–	1,259,525	531,242	1,790,767
Charge for the year	–	–	441,369	161,459	602,828
At June 30, 2021	**–**	**–**	**1,700,894**	**692,701**	**2,393,595**
NET BOOK VALUE					
At June 30, 2021	**–**	**–**	**64,583**	**43,760**	**108,343**

8. RIGHT OF USE ASSETS (CONTINUED)

	Leasehold rights	Freehold land and buildings	Motor vehicles	Plant and equipment	Total
THE COMPANY–2020	Rs.	Rs.	Rs.	Rs.	Rs.
COST					
July 1, 2019, on adoption of IFRS 16:	–	–	–	–	–
- Initial recognition	–	–	1,145,477	736,461	1,881,938
- Transfer from Property, plant and equipment (Note 5)	–	–	620,000	–	620,000
At June 30, 2020	**–**	**–**	**1,765,477**	**736,461**	**2,501,938**
DEPRECIATION					
July 1, 2019, on adoption of IFRS 16:	–	–	–	–	–
–Transfer from Property, plant and equipment (Note 5)	–	–	245,417	–	245,417
Charge for the year	–	–	1,014,108	531,242	1,545,350
At June 30, 2020	**–**	**–**	**1,259,525**	**531,242**	**1,790,767**
NET BOOK VALUE					
At June 30, 2020	**–**	**–**	**505,952**	**205,219**	**711,171**

(b) The Group and the Company has adopted the IFRS 16 standard at July 01, 2019 and the Right of use Assets category has been added. The standard has also required the reclassification of all existing finance leases from Property, plant and equipment to Right of use category. Addition to assets held under finance leases during the year ended June 30, 2021 was Rs1,405,816 (2020: Rs 620,000) for the Group.

9. INVENTORIES

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
COST	**Rs.**	Rs.	**Rs.**	Rs.
Inventory property (Note 9 (c))	**496,058,003**	228,539,138	**25,866,350**	25,866,350
Consumables	**3,195,578**	5,708,777	**–**	–
	499,253,581	234,247,915	**25,866,350**	25,866,350

(a) Inventories recognised as expense during the year ended June 30, 2021 amounted to Rs. 70,414,788 (2020: Rs. 192,478,884). During the current year, PL Resort Ltd expenses amounting to Rs. 43,082,093 has been excluded given that the entity is held for sale. Refer to note 11 for further details.There was no write offs during the year for the Group and the Company. The write offs of Rs 12.0m for the Group for 2020 relates to adjustments with respect to marketing costs previously capitalised, now expensed.

(b) The bank borrowings are secured by floating charges on the assets of the Group and the Company, including inventories.

(c) The Group develops residential property which it sells in the ordinary course of business and has entered into contracts to sell these properties where control passes on to the customers as and when work progresses based on the milestones certified by the quantity surveyor. Costs incurred with respect to developing the property are accounted for in accordance with IFRS 15. Development expenditure incurred in respect of work in progress dealt with under the percentage of completion method is recognised in profit or loss in the period incurred. The construction of the inventory property is expected to occur over a period exceeding 12 months. During the year, there was no sale of inventory properties and there were no open contracts entered into with customers nor any development activity, where control passes to the customers over time (2020: same).

(d) The inventory balance excludes Rs 2,898,124 for PL Resort Ltd whose assets and liabilities have been classified as held for sale (Note 11).

9. INVENTORIES (CONTINUED)

(e) A summary of the movement in inventory property is set out below.

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
At July 1,	**228,539,138**	100,779,818	**25,866,350**	37,891,627
Development costs incurred	**49,250,069**	46,640,015	**–**	–
Transfer from Investment properties (Note 6)	**218,268,796**	93,144,582	**–**	–
Write offs (Note 20)	**–**	(12,025,277)		(12,025,277)
At June 30,	**496,058,003**	228,539,138	**25,866,350**	25,866,350

10. INVESTMENT IN SUBSIDIARIES

	THE COMPANY	
	2021	2020
	Rs.	Rs.
At July 1	**2,068,738,188**	1,831,441,846
Additions	**–**	14,000,100
Impairment losses * (note 25)	**(74,356,413)**	(119,592,826)
Transfer from assets classified as held for sales (note 11)	**–**	342,889,068
At June 30	**1,994,381,775**	2,068,738,188

The directors have performed an assessment of impairment of its investment in subsidiaries by comparing the carrying amount with the recoverable amount at June 30, 2021. An impairment of Rs. 74.4m was recognised as a result of this exercise (2020: Rs 119.6m)

* The investment in Circle Square Holding Company Ltd was previously classified as held for sale but has been transferred to Investment in subsidiaries during the last financial year following change in management decision to sell only the properties held by the entity instead of disposing its shareholding in the latter. During the year, the directors performed an impairment review on the investment based on its net assets value since the majority of the assets of Circle Square Holding Company Ltd are measured at fair value. This exercise resulted in recognition of an impairment loss of Rs 12m (2020: Rs 58m). The latter is the result of cummulated losses over the period. The investment is classified within Level 3 of the fair value hierarchy.

Impairment losses were recorded on Societe des Primeveres of Rs. 60m (2020: Rs. 15m) and on Societe du Tigre of Rs. 2.7m (2020: Nil) as these societies wound up during the year. The Societies were previously holding investment properties which have been sold last year and this year respectively. Due to no further activities, management decided to wind up the societies in June 2021.

In prior year, the remaining impairment charges pertained to impairment of investment in one of the hotels (PL Resort Ltd) amounting to Rs 32m and Ocean Edge Property Management Ltd amounting to Rs 14m.

Impairment

a) In FY 2020, the recoverable amount of the hotel (PL Resort Ltd) was determined based on their value in use. The pre-tax cash flow projection is based on financial budgets approved by management covering a five-year period. The pre-tax discount rate applied represents the current market assessment of the risks specific to the tourism industry, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC) which ranges between 11% to 12%. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. A terminal growth rate of 3% has been assumed in the calculation and is determined based on past growth rates of the business.

The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the current covid-19 implications.

Key assumptions used in value in use calculations and sensitivity to changes and assumptions

The calculation of value in use for the cash generating unit is most sensitive to the following assumptions:

- Discount rate

- Growth rate

In the discount rate increases by 10%, this will lead to an increase in impairment by Rs 91m. A fall by 10% will result in no impairment. A 10% increase in the growth rate will lead to a decrease in impairment by Rs12m, whereas a 10% decrease will lead to an increase in impairment of Rs 10m.

b) The recoverable amount of Circle Square Holding Company Ltd is based on the market values of all its assets minus the debts of the company. The values of the properties have been derived based on offer prices and sales proceeds of the latter. Impairment of Rs 11.7 m has been booked accordingly. The key assumption used is the offer prices which were utilised to value the remaining properties for which management has not yet sold. A 5% fall in the estimated price will increase the impairment booked by Rs 6.1m.

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) The list of the Company's significant subsidiaries is as follows:

June 30, 2021

Names	Class of shares	Year end	Stated Capital	Proportion of ownership interest		Proportion of ownership interests held by non controlling interests	Proportion of voting power held	Place of registration and operation	Main business
				Direct	Indirect				
				%	%		%		
PL Resort Ltd	Ordinary	June 30, 2021	215,000,000	60.0	–	40.0	60.0	Mauritius	Hotel operation
Circle Square Holding Ltd	Ordinary	June 30, 2021	450,000,000	100.0	–	–	100.0	Mauritius	Land promoter and property developer
Ocean Edge Property Management Company Ltd	Ordinary	June 30, 2021	100	100.0	–	–	100.0	Mauritius	Management and consultancy activities
Haute Rive Holdings Ltd	Ordinary	June 30, 2021	1,150,000,000	100.0	–	–	100.0	Mauritius	Land promoter and property developer
Haute Rive IRS Company Ltd	Ordinary	June 30, 2021	1	–	100.0	–	100.0	Mauritius	Land promoter and property developer
Haute Rive Ocean Front Living Ltd	Ordinary	June 30, 2021	1,000	–	100.0	–	100.0	Mauritius	Real estate activities
Haute Rive Azuri Hotel Ltd	Ordinary	June 30, 2021	399,000,000	–	62.9	37.1	60.0	Mauritius	Hotel operations
HR Golf Holding Ltd	Ordinary	June 30, 2021	1,000	–	100.0	–	100.0	Mauritius	Development of building projects for sale
Azuri Suites Ltd	Ordinary	June 30, 2021	100	–	100.0	–	100.0	Mauritius	Management and consultancy activities
Azuri Golf Management Ltd	Ordinary	June 30, 2021	100	–	100.0	–	100.0	Mauritius	Development of building projects for sale
Azuri Services Ltd	Ordinary	June 30, 2021	100	–	100.0	–	100.0	Mauritius	Consultancy activities
Azuri Estate Management Ltd	Ordinary	June 30, 2021	100	–	100.0	–	100.0	Mauritius	Consultancy activities
Azuri Watch Ltd	Ordinary	June 30, 2021	100	–	100.0	–	100.0	Mauritius	Consultancy activities
Les Hauts Champs 2 Ltd	Ordinary	June 30, 2021	1,000	–	100.0	–	100.0	Mauritius	Land promoter and property developer
Life in Blue Limited	Ordinary	June 30, 2021	1,000	100.0	–	–	100.0	Mauritius	Real estate activities
Haute Rive PDS Ltd	Ordinary	June 30, 2021	1,000	–	100.0	–	100.0	Mauritius	Real estate activities

** Société des Primeveres and Societe des Tigres have wound up during the year ended June 30, 2021.*

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) The list of the Company's significant subsidiaries is as follows:

June 30, 2020

Names	Class of shares	Year end	Stated Capital	Proportion of ownership interest - Direct %	Proportion of ownership interest - Indirect %	Proportion of ownership interests held by non controlling interests	Proportion of voting power held %	Place of registration and operation	Main business
Société des Primevères	Ordinary	June 30, 2020	60,000,000	100.0	–	–	100.0	Mauritius	Property holding
Société du Tigre	Ordinary	June 30, 2020	1,000	100.0	–	–	100.0	Mauritius	Property holding
PL Resort Ltd	Ordinary	June 30, 2020	215,000,000	60.0	–	40.0	60.0	Mauritius	Hotel operation
Circle Square Holding Ltd	Ordinary	June 30, 2020	450,000,000	100.0	–	–	100.0	Mauritius	Land promoter and property developer
Ocean Edge Property Management Company Ltd	Ordinary	June 30, 2020	100	100.0	–	–	100.0	Mauritius	Management and consultancy activities
Haute Rive Holdings Ltd	Ordinary	June 30, 2020	1,150,000,000	100.0	–	–	100.0	Mauritius	Land promoter and property developer
Haute Rive IRS Company Ltd	Ordinary	June 30, 2020	1	–	100.0	–	100.0	Mauritius	Land promoter and property developer
Haute Rive Ocean Front Living Ltd	Ordinary	June 30, 2020	1,000	–	100.0	–	100.0	Mauritius	Real estate activities
Haute Rive Azuri Hotel Ltd	Ordinary	June 30, 2020	399,000,000	–	62.9	37.1	60.0	Mauritius	Hotel operations
HR Golf Holding Ltd	Ordinary	June 30, 2020	1,000	–	100.0	–	100.0	Mauritius	Development of building projects for sale
Azuri Suites Ltd	Ordinary	June 30, 2020	100	–	100.0	–	100.0	Mauritius	Management and consultancy activities
Azuri Golf Management Ltd	Ordinary	June 30, 2020	100	–	100.0	–	100.0	Mauritius	Development of building projects for sale
Azuri Services Ltd	Ordinary	June 30, 2020	100	–	100.0	–	100.0	Mauritius	Consultancy activities
Azuri Estate Management Ltd	Ordinary	June 30, 2020	100	–	100.0	–	100.0	Mauritius	Consultancy activities
Azuri Watch Ltd	Ordinary	June 30, 2020	100	–	100.0	–	100.0	Mauritius	Consultancy activities
Les Hauts Champs 2 Ltd	Ordinary	June 30, 2020	1,000	–	100.0	–	100.0	Mauritius	Land promoter and property developer
Life in Blue Limited	Ordinary	June 30, 2020	1,000	100.0	–	–	100.0	Mauritius	Real estate activities
Haute Rive PDS Ltd	Ordinary	June 30, 2020	1,000	–	100.0	–	100.0	Mauritius	Real estate activities

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Subsidiaries with non-controlling interests

Details of subsidiaries that have non-controlling interests:

	2021		2020	
			Restated	Restated
Name	**Loss allocated to non-controlling interests during the year**	**Accumulated non-controlling interests at June 30,**	Loss allocated to non-controlling interests during the year	Accumulated non-controlling nterests at June 30,
	Rs.	**Rs.**	Rs.	Rs.
PL Resort Ltd	**(9,321,001)**	**(25,494,514)**	(15,939,092)	(16,849,275)
Haute Rive Azuri Hotel Ltd	**(20,080,400)**	**36,848,635**	(18,435,963)	(1,115,737)
	(29,401,401)	**11,354,121**	(34,375,055)	(17,965,012)

(d) Summarised financial information of subsidiaries with non-controlling interests

(i) Summarised statements of financial position and statements of profit or loss and other comprehensive income:

June 30, 2021

Name	**Current assets**	**Non-current assets**	**Current liabilities**	**Non-current liabilities**	**Revenue**	**Loss from continuing operations**	**Other comprehensive income for the year**	**Total comprehensive income for the year**
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
PL Resort Ltd	**17,493,404**	**484,833,025**	**281,850,609**	**263,513,108**	**47,088,553**	**(30,292,933)**	**1,689,407**	**(28,603,526)**
Haute Rive Azuri Hotel Ltd	**17,742,878**	**903,300,767**	**578,935,960**	**391,023,964**	**78,381,223**	**(69,947,312)**	**90,454,910**	**20,507,598**

June 30, 2020

Name	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenue	Loss from continuing operations	Other comprehensive income for the year	Total comprehensive income for the year
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
PL Resort Ltd	26,567,503	462,644,028	270,536,305	264,397,112	168,766,111	(39,847,731)	(501,523)	(40,349,254)
Haute Rive Azuri Hotel Ltd	33,085,163	841,190,783	553,504,966	389,529,855	237,707,087	(49,692,622)	(1,004,703)	(50,697,325)

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(d) Summarised financial information of subsidiaries with non-controlling interests (Continued)

(ii) Summarised cash flow information:

Name	Operating activities	Investing activities	Financing activities	Net increase in cash and cash equivalents
	Rs.	Rs.	Rs.	Rs.
Year ended June 30, 2021				
PL Resort Ltd	**3,793,170**	**(3,218,620)**	**(60,614)**	**513,936**
Haute Rive Azuri Hotel Ltd	**(3,338,389)**	**(761,793)**	**6,351,092**	**2,250,910**
Year ended June 30, 2020				
PL Resort Ltd	32,776,860	(9,688,275)	(23,244,836)	(156,251)
Haute Rive Azuri Hotel Ltd	24,495,830	(11,602,137)	(16,043,192)	(3,149,499)

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

11. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

		THE GROUP		THE COMPANY	
		2021	2020	2021	2020
		Rs.	Rs.	Rs.	Rs.
(a)	At July 1	**384,294,174**	575,311,872	**–**	342,889,068
	Transfer (to)/from investment in subsidiaries (Note 10)	**–**	–	**–**	(342,889,068)
	Disposal	**(275,075,647)**	(168,197,000)	**–**	–
	Fair value adjustment	**–**	(29,502,618)	**–**	–
	Transfer from Property, plant and equipment (Note 5)	**362,426,265**	–	**–**	–
	Transfer from Intangible asset (Note 7)	**211,061**	–	**–**	–
	Transfer from Rights of use asset (Note 8)	**79,389,006**	–	**–**	–
	Transfer from Deferred tax asset (Note 17)	**11,518,566**			
	Transfer from current assets	**17,191,441**	–	**–**	–
	Movement in working capital	**–**	6,681,920	**–**	–
	At June 30,	**579,954,866**	384,294,174	**–**	–

(b) In prior year, some assets and liabilities of Circle Square Holding Company Ltd were classified as held for sale as the sale of Motor City also was approved. The operations of Circle Square Holding Company Ltd were thus disclosed as discontinued operations in the statements of profit and loss for the Group. Three lots of Motor City have been sold during the financial year ended June 30, 2021 and the remaining lots are expected to be sold by end of year.

The investment properties of Circle Square Holding Company Ltd is measured at fair value.

(c) During the financial year, the assets and liabilities of PL Resort Ltd were classified as held for sale. A binding offer has been signed in March 2021 and the sale is expected to be completed by October 2021. The operations of PL Resort Ltd has been disclosed as discontinued operations in the statements of profit and loss for the Group for the year ended June 30, 2021.

NOTES TO THE
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

11. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONTINUED)

(d) Assets classified as held for sale

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Property, plant and equipment	**362,426,265**	–	**–**	–
Intangible assets	**211,061**	–	**–**	–
Rights of use assets	**79,389,006**	–	**–**	–
Investment properties	**109,218,524**	384,294,174	**–**	–
Deferred tax asset	**11,518,566**	–	**–**	–
Cash and cash equivalents	**13,835,073**	–	**–**	–
Inventories	**2,898,124**	–	**–**	–
Trade and other receivables	**458,247**	–	**–**	–
	579,954,866	384,294,174	**–**	–

(e) Liabilities directly associated with non-current assets classified as held for sale

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Trade and other payables	**4,991,211**	–	**–**	–
Employee Benefit Obligations	**2,861,101**	–	**–**	–
Borrowings *	**372,072,898**	195,328,595	**–**	–
Deferred tax liabilities	**–**	15,066,933	**–**	–
	379,925,210	210,395,528	**–**	–

* Movement in borrowings during the year relates to full repayment of the loan amounting to Rs 195,328,595 for Circle Square Holding Company Ltd and addition to held for sale for PL Resort Ltd of Rs 372,072,898.

(f) An analysis of the results of discontinued operations, and the results recognised on the re-measurement the disposal group is as follows:

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Revenue (Note 19 (a))	**51,222,588**	182,255,518	**–**	–
Cost of sales	**(43,084,695)**	(74,261,935)	**–**	–
Other income (Note 21)	**32,571,258**	36,813,626	**–**	–
Other gains/(losses)	**3,524,319**	1,692,420		
Fair value adjustment	**–**	(29,502,618)	**–**	–
Administrative and other operating expenses (Note 20)	**(51,170,642)**	(72,835,638)	**–**	–
Provision for impairment of receivables(Note 20)	**14,271,449**	(37,662,145)	**–**	–
Finance costs (Note 22)	**(19,032,278)**	(34,259,472)	**–**	–
Loss before tax from discontinued operations	**(11,698,001)**	(27,760,244)	**–**	–
Income tax charge	**16,584,368**	(1,069,053)		
Profit/(loss) after tax of discontinued operations	**4,886,367**	(28,829,297)	**–**	–
Other comprehensive (loss)/ income for the year, net of tax				
Remeasurements of employee benefits liability, net of deferred tax	**1,689,407**	(501,523)		
Total comprehensive profit/(loss)	**6,575,774**	(29,330,820)	**–**	–

The positive amount for expected credit losses relates to major reversal from last year's provision due to collections received.

11. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (CONTINUED)

		THE GROUP		THE COMPANY	
		2021	2020	**2021**	2020
		Rs.	Rs.	**Rs.**	Rs.
(g)	Operating cash flows	**(79,164,504)**	(7,063,499)	**–**	–
	Investing cash flows	**271,857,030**	109,090,491	**–**	–
	Financing cash flows	**(190,576,542)**	(97,142,605)	**–**	–
		2,115,984	4,884,387	**–**	–

12. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
Trade receivables	**41,398,949**	93,714,723	**14,715,179**	9,594,059
Less provision for impairment	**(25,851,573)**	(68,351,110)	**(6,180,945)**	(5,807,111)
Net trade receivables	**15,547,376**	25,363,613	**8,534,234**	3,786,948
Other receivables	**27,909,922**	24,688,004	**1,602,660**	409,622
Prepayments	**6,077,902**	3,630,719	**3,250,266**	464,986
Net trade and other receivables	**49,535,200**	53,682,336	**13,387,160**	4,661,556

Other receivables include VAT, deposit paid and insurances.

The significant decrease in the provision for impairment is with respect to the hotels. The hotels were closed for 3 months last year and there were major delays in repayments. Provisions were been made as per Group policy (100% above 90 days, after taking into consideration amount expected to be received after year end). However, significant receivables have been collected in this financial year thereby decreasing the initial provisions made following the pandemic.

The net trade and other receivables balance exclude Rs 458,247 for PL Resort Ltd whose assets and liabilities have been classified as held for sale (Note 11).

(i) Impairment of Trade receivables

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

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

The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced. 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 reflection of forward-looking information does not have a significant impact on the loss rates.

12. TRADE AND OTHER RECEIVABLES (CONTINUED)

(i) Impairment of Trade receivables (Continued)

On that basis, the loss allowance as at June 30, 2021 and July 1, 2020, was determined as follows for trade receivables.

GROUP

At June 30, 2021	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**Total**
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Expected loss rate (%)	**0.00-12.19**	**0.00-16.81**	**0.00-29.89**	**100**	**%**
Gross carrying amount -					
trade receivable	**9,328,878**	**8,973,915**	**860,804**	**22,235,352**	**41,398,949**
Loss allowance	**1,328,621**	**1,724,251**	**563,349**	**22,235,352**	**25,851,573**

At June 30, 2020	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Expected loss rate (%)	0.04–3.4	0.07–4.42	0.13–6.94	100	%
Gross carrying amount -					
trade receivable	9,384,955	1,475,894	1,296,423	81,557,451	93,714,723
Loss allowance	62,163	69,835	110,074	68,109,038	68,351,110

COMPANY

At June 30, 2021	**Current**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**Total**
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Expected loss rate (%)	**3.21**	**3.89**	**7.98**	**100**	**%**
Gross carrying amount -					
trade receivable	**20,930**	**9,298,200**	**37,500**	**5,358,549**	**14,715,179**
Loss allowance *	**673**	**518,729**	**2,994**	**5,658,549**	**6,180,945**

** Loss allowance for more than 90 days includes Rs. 300,000 for provision on corporate guarantee of Rs. 30m.*

At June 30, 2020	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Expected loss rate (%)	4.21	11.19	15.3	100	%
Gross carrying amount -					
trade receivable	4,080,967	36,225	36,225	5,440,642	9,594,059
Loss allowance	3,410	4,052	5,544	5,794,105	5,807,111

**All receivables greater that 90 days are assessed as credit impaired and have been fully provided for after taking into consideration amounts expected to be received after year end.*

12. TRADE AND OTHER RECEIVABLES (CONTINUED)

(i) Impairment of Trade receivables (Continued)

The closing loss allowances for trade receivables as at June 30, 2021 reconcile to the opening loss allowances as follows:

	Trade receivables			
	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
(ii) **At July 1,**	**68,351,110**	9,474,265	**5,807,111**	6,614,817
Loss allowance recognised in profit or loss during the year *	**(33,814,546)**	60,469,606	**373,834**	(584,206)
Receivables written off during the year as uncollectible	**(8,684,991)**	(1,592,761)	**–**	(223,500)
At June 30,	**25,851,573**	68,351,110	**6,180,945**	5,807,111

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Continuing operations	**(19,543,096)**	22,807,461	**373,834**	(584,206)
Discontinued operations (note 11)	**(14,271,450)**	37,662,145	**–**	–
	(33,814,546)	60,469,606	**373,834**	(584,206)

* Loss allowance of Rs 300,000 (Group and Company) relates to provision made on corporate guarantee provided by Bluelife Limited to one of its subsidiaries.

(iii) The carrying amounts of the Group's and Company's trade and other receivables approximate their fair values and are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
MUR	**44,883,265**	44,861,525	**13,387,160**	4,661,556
USD	**347,218**	467,713	**–**	–
GBP	**674,514**	1,012,312	**–**	–
EUR	**3,630,203**	7,340,786	**–**	–
	49,535,200	53,682,336	**13,387,160**	4,661,556

The maximum exposure to credit risk at the end of the reporting date is the fair value of each class of receivable mentioned above.

The other classes within trade and other receivables do not contain impaired assets.

(iv) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.

13. OTHER FINANCIAL ASSETS AT AMORTISED COST

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
(a) Receivable from related parties	**–**	–	**747,955,876**	589,172,033
Less: Loss allowance	**–**	–	**(36,589,369)**	(29,281,417)
	–	–	**711,366,507**	559,890,616

Due to the short-term nature of the receivable from related parties, their carrying amount is considered to be the same as their fair value.

13. OTHER FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

(b) Impairment and risk exposure

(i) The loss allowance for financial assets at amortised cost as at June 30, 2021 reconciles to the opening loss allowance on July 1, 2020 and to the closing loss allowance as at June 30, 2021 as follows:

	THE COMPANY	
	2021	2020
	Rs.	Rs.
Loss allowance at July 1,	**29,281,417**	19,753,713
Write offs	**–**	–
Allowance recognised in profit or loss during the year	**7,307,952**	9,527,704
Loss allowance at June 30,	**36,589,369**	29,281,417

Financial assets at amortised costs amounting to Rs. 170.5m (2020: Rs. 152.6m) are assessed as credit impaired and judgements have been used by management to determine the expected credit loss amount. The expected credit loss of the receivables from the related parties have been assessed by reviewing their cash flow projections. The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the current covid-19 implications. These assumptions include the discount rate and growth rate. The projected cash flows are then discounted using the effective interest rate. A terminal growth rate of 3% has been assumed in the calculation and is determined based on past growth rates of the business.

(ii) All of the financial assets at amortised cost are denominated in Mauritian Rupees. As a result, there is no exposure to foreign currency risk.

14. EMPLOYEE BENEFITS LIABILITY

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Amounts recognised in the statements of financial position				
Other post employment benefits	**10,046,884**	18,348,344	**1,655,368**	3,600,965
Analysed as follows:				
Non-current liabilities	**10,046,884**	18,348,344	**1,655,368**	3,600,965

	THE GROUP		THE COMPANY	
	Year ended June 30, 2021	Year ended June 30, 2020	Year ended June 30, 2021	Year ended June 30, 2020
	Rs.	Rs.	Rs.	Rs.
Amount charged to profit or loss:				
Other post employment benefits (Note 24(a))	**3,366,927**	2,424,991	**324,809**	360,061
Amount (credited)/charged to other comprehensive income:				
Other post employment benefits (Note 27)	**(7,988,223)**	1,402,876	**(2,270,406)**	(232,765)

The Employee benefit liability balance excludes Rs 2,861,101 for PL Resort Ltd whose assets and liabilities have been classified as held for sale (Note 11).

14. EMPLOYEE BENEFITS LIABILITY (CONTINUED)

(a) Other post employment benefits

(i) The plan is a hybrid arrangement in respect of employees who were previously members of a defined benefit plan. These employees have a No Worse Off Guarantee whereby, at retirement, their pension benefits will not be less than what would have been payable under the previous Defined Benefit plan. An employee foregoes this guarantee if he leaves before normal retirement age.

The liability relates to Retirement Gratuities payable under the Employment Rights Act (ERA). The latter provides for a lump sum at retirement based on final salary and years of service. For employees who are members of the Defined Contribution plan, half of any lumpsum and five years of pension (relating to Employer's share of contributions only) payable from the pension fund have been offset from the Retirement Gratuities.

The most recent actuarial valuation of the plan assets and the present value of the other post retirement benefits were carried out at June 30, 2021 by Swan Life Ltd (Actuarial Valuer).

The present value of the defined benefit obligations, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

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

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
Present value of unfunded obligations	**10,046,884**	18,348,344	**1,655,368**	3,600,965
Liability in the statements of financial position	**10,046,884**	18,348,344	**1,655,368**	3,600,965

(iii) The reconciliation of the opening balances to the closing balances for the benefit liability is as follows:

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
At July 1,	**18,348,344**	14,520,477	**3,600,965**	3,473,669
Charged to profit or loss	**4,583,295**	2,424,991	**324,809**	360,061
(Credited)/charged to other comprehensive income	**(10,023,654)**	1,402,876	**(2,270,406)**	(232,765)
Transfer to liabilities held for sale	**(2,861,101)**	–	**–**	–
At June 30,	**10,046,884**	18,348,344	**1,655,368**	3,600,965

14. EMPLOYEE BENEFITS LIABILITY (CONTINUED)

(a) Other post employment benefits (Continued)

(iv) The movement in the benefit obligations over the year is as follows:

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
At July 1,	**18,348,344**	14,520,477	**3,600,965**	3,473,669
Current service cost	**3,896,419**	1,994,174	**187,972**	259,325
Interest expense	**710,146**	430,817	**136,837**	100,736
Settlement costs	**(23,270)**	–	**–**	
Remeasurements:				
Actuarial (gains)/losses arising from experience adjustment (Note 27)	**(10,023,654)**	1,402,876	**(2,270,406)**	(232,765)
Transfer to liabilities held for sale	**(2,861,101)**	–	**–**	–
At June 30,	**10,046,884**	18,348,344	**1,655,368**	3,600,965

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

	THE GROUP		THE COMPANY	
	Year ended June 30, 2021	Year ended June 30, 2020	**Year ended June 30, 2021**	Year ended June 30, 2020
	Rs.	Rs.	**Rs.**	Rs.
Current service cost	**3,896,419**	1,994,174	**187,972**	259,325
Net interest cost	**710,146**	430,817	**136,837**	100,736
Settlement costs	**(23,270)**	–	**–**	–
Transfer to liabilities held for sale	**(1,216,368)**	–	**–**	–
Total included in employee benefit expense (note 24)	**3,366,927**	2,424,991	**324,809**	360,061

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

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs**	Rs.
Experience losses /(gains) on liabilities	**(4,022,981)**	1,018,163	**(1,621,525)**	(376,134)
Changes in assumptions underlying the present value of the scheme	**(3,965,242)**	384,713	**(648,881)**	143,369
	(7,988,223)	1,402,876	**(2,270,406)**	(232,765)

(vii) Cumulative actuarial losses/(gains) recognised:

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
At July 1,	**8,549,678**	7,146,802	**(327,941)**	(95,176)
Actuarial losses/(gains) recognised for the year	**(7,988,223)**	1,402,876	**(2,270,406)**	(232,765)
At June 30	**561,455**	8,549,678	**(2,598,347)**	(327,941)

14. EMPLOYEE BENEFITS LIABILITY (CONTINUED)

(a) Other post employment benefits (Continued)

(viii) Principal actuarial assumptions used for accounting purposes were:

	THE GROUP AND THE COMPANY	
	2021	2020
	%	%
Discount rate	**5.2-5.8**	3.8–3.9
Future long-term salary increase	**3.00**	3.00
Future expected pension increase	**0.00**	0.00

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

	THE GROUP		THE COMPANY	
June 30, 2021	**Increase**	**Decrease**	**Increase**	**Decrease**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Discount rate (1% increase)	**–**	**2,317,570**	**–**	**671,724**
Discount rate (1% decrease)	**1,888,512**	**–**	**562,061**	**–**
Future long term salary assumption (1% increase)	**2,355,892**	**–**	**680,172**	**–**
Future long term salary assumption (1% decrease)	**–**	**1,945,734**	**–**	**578,023**

	THE GROUP		THE COMPANY	
June 30, 2020	Increase	Decrease	Increase	Decrease
	Rs.	Rs.	Rs.	Rs.
Discount rate (1% increase)	–	3,619,867		838,902
Discount rate (1% decrease)	4,564,122	–	997,841	–
Future long term salary assumption (1% increase)	4,557,526	–	995,744	–
Future long term salary assumption (1% decrease)	–	3,678,609	–	852,468

(x) An increase/decrease of 1% in other principal actuarial assumptions would not have a material impact on defined benefit obligations at the end of the reporting period.

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

The present value of the defined benefit obligation has been calculated using the projected unit credit method.

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The defined benefit pension plan exposes the Group and the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

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

14. EMPLOYEE BENEFITS LIABILITY (CONTINUED)

(a) Other post employment benefits (Continued)

(xi) The weighted average duration of the obligation is 15-22 years at the end of the reporting period (2020: 15-26 years).

(xii) The methodology used is to derive the yield curve (to determine the discount rate) based on available local government bonds with terms ranging from 0.25 to 20 years from which the discount rate commensurate with the duration of liabilities. The Nelson Siegel Svensson model has been used to generate the yield curve using the latest yields as at June 30, 2021 as data source.

We have used the Nelson Siegel Svensson model to generate the yield curve using the latest yields as at 30 June 2020 as our data source.

15. STATED CAPITAL

	THE GROUP AND THE COMPANY			
	2021	2020	**2021**	2020
Issued and fully paid ordinary shares at no par value	Number of shares		**Rs.**	Rs.
At July 1 and June 30,	**654,942,099**	654,942,099	**3,472,320,310**	3,472,320,310
Additions	**500,000,000**	–	**298,050,000**	–
At June 30,	**1,154,942,099**	654,942,099	**3,770,370,310**	3,472,320,310

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

In a communiqué dated 25 June 2021, the Company announced the successful completion of a Rights Issue of 500,000,000 new ordinary shares at a price of Rs. 0.60 per share, for an amount of Rs. 300m. The Company received Rs. 28m in cash and the subscription for the remaining Rs. 272m were in the form of a conversion of shareholder loans to ordinary shares by IBL Ltd, GML Ineo Ltée and Actis Paradise Jersey Limited. The additions are disclosed net of transaction costs of Rs. 1.95m.

16. INTEREST BEARING LOANS AND BORROWINGS

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
Non-current				
Bank and other loans (notes (a), (b)& (g))	**312,187,500**	533,424,285	**–**	–
Finance lease liabilities (notes (b) & (f))	**2,676,811**	32,388,858	**40,739**	176,690
	314,864,311	565,813,143	**40,739**	176,690
Current				
Bank overdrafts	**354,683,693**	317,429,797	**283,178,807**	206,726,211
Bank and other loans (notes (a), (b) & (g))	**94,830,993**	168,695,994	**–**	–
Short term loans	**12,822,500**	11,377,500	**–**	–
Loans with related parties (notes (g)&33)	**37,202,419**	289,225,268	**12,094,213**	250,000,000
Finance lease liabilities (notes (b) & (f))	**1,878,117**	1,816,559	**135,950**	548,240
Interest on bank and other loans (note (a))	**51,272,859**	60,629,992	**17,177,713**	34,359,976
	552,690,581	849,175,110	**312,586,683**	491,634,427
Total	**867,554,892**	1,414,988,253	**312,627,422**	491,811,117

(a) Payment of capital and interest due have not be made as per agreed payment schedules as the Group has negociated moratoriums on capital and interest payments with all lending institutions following the current economic situation. The payments due March and June 2020 have been deferred (no breach of covenants) to July 2021 and September 2021.

16. INTEREST BEARING LOANS AND BORROWINGS (CONTINUED)

(b) The borrowings as at June 30, 2021 include secured liabilities (leases, bank overdraft and bank loans) amounting to Rs. 766,257,114 (2020: Rs. 1,053,755,493) for the Group and Rs. 283,355,496 (2020: Rs.207,451,141) for the Company. The bank borrowings are secured by fixed and floating charges over the property, plant and equipment, inventories and part of the investment properties of the Group. The value of amounts pledged as collaterals on the borrowings amount to Rs. 1,264.0m (2020: Rs. 1,426.7m) with an outstanding exposure of Rs. 761.7m at June 30, 2021 (2020: Rs. 1,018.8m). Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

(c) The carrying amounts of the borrowings are not materially different from their fair value and are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
MUR	**854,732,392**	1,403,610,753	**312,627,422**	491,811,117
EUR	**12,822,500**	11,377,500	**–**	–
	867,554,892	1,414,988,253	**312,627,422**	491,811,117

(d)(i) The maturity of non-current borrowings is as follows:

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
- after one year and before two years	**41,308,155**	86,919,551	**40,739**	135,950
- after two years and before five years	**142,306,156**	301,715,581	**–**	40,740
- after five years	**131,250,000**	177,178,011	**–**	–
	314,864,311	565,813,143	**40,739**	176,690

(d)(ii) Non-current borrowings can be analysed as follows:

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
- After one year and before two years	**Rs.**	Rs.	**Rs.**	Rs.
–Bank and other loans	**40,187,500**	85,500,000	**–**	–
–Finance lease liabilities	**1,120,655**	1,419,551	**40,739**	135,950
	41,308,155	86,919,551	**40,739**	135,950
- After two years and before five years				
–Bank loans and other loans	**140,750,000**	300,750,000	**–**	–
–Finance lease liabilities	**1,556,156**	965,581	**–**	40,740
	142,306,156	301,715,581	**–**	40,740
- After five years				
–Bank and other loans	**131,250,000**	147,174,285	**–**	–
–Finance lease liabilities	**–**	30,003,726	**–**	–
	131,250,000	177,178,011	**–**	–
	314,864,311	565,813,143	**40,739**	176,690

16. INTEREST BEARING LOANS AND BORROWINGS (CONTINUED)

(e) The exposure of the Group's and Company's borrowings to interest rate changes and the contractual repricing dates are as follows:

THE GROUP	Six months or less	6 -12 months	1–5 years	Over 5 years	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
At June 30, 2021					
Total borrowings	**391,886,112**	**94,830,993**	**180,937,500**	**131,250,000**	**798,904,605**
At June 30, 2020					
Total borrowings	606,655,065	168,695,994	386,250,000	147,174,285	1,308,775,344

THE COMPANY	Six months or less	6 -12 months	1–5 years	Over 5 years	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
At June 30, 2021					
Total borrowings	**283,178,807**	**12,094,213**	**–**	**–**	**295,273,020**
At June 30, 2020					
Total borrowings	206,726,211	250,000,000	–	–	456,726,211

(f) Finance lease liabilities–minimum lease payments:

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
Not later than one year	**2,151,726**	4,062,486	**140,373**	565,373
Later than one year not later than 2 years	**1,265,138**	3,549,644	**41,185**	140,373
Later than 2 years not later than 5 years	**1,660,361**	6,995,374		41,185
Later than 5 years not later than 60 years	**–**	98,250,300		–
	5,077,225	112,857,804	**181,558**	746,931
Future finance charges on finance leases	**(522,297)**	(78,652,387)	**(4,869)**	(22,001)
Present value of finance lease liabilities	**4,554,928**	34,205,417	**176,689**	724,930

(g) The effective interest rates at the end of reporting date were as follows:

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
Bank overdrafts	**4.1%-5.75%**	4.10%-5.75%	**4.1-4.40%**	4.10%-4.40%
Finance lease liabilities	**4.1%-9.25%**	4.10%-9.25%	**4.1%-7.82%**	4.10%-7.82%
Short term loans	**-**	-	**6.55%**	-
Loan from related parties	**6.60-7.50%**	6.55%-9.10%	**7.50%**	6.55%-7.50%
Bank and other loans	**4.10-7.14%**	4.10%-7.14%	**N/A**	N/A

16. INTEREST BEARING LOANS AND BORROWINGS (CONTINUED)

(h) Reconciliation

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
At Jul 1,	**1,414,988,253**	1,328,075,927	**491,811,117**	368,318,269
Additions	**91,815,712**	124,062,337	**76,452,603**	89,211,432
Repayments	**(43,692,152)**	(98,930,002)	**(548,243)**	(78,567)
Capitalisation of shareholder's loan	**(272,039,420)**	–	**(272,039,420)**	–
Foreign exchange differences	**1,445,000**	1,150,000	**–**	–
Interest accrued	**47,110,397**	60,629,991	**16,951,365**	34,359,983
Transfer to liabilities held for sale (Note 11)	**(372,072,898)**	–	**–**	–
At Jun 30,	**867,554,892**	1,414,988,253	**312,627,422**	491,811,117

(i) Reconciliation of liability arising from Financing activities

The table below details changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financial activities are thise for which cash flows were, or future cash flows will be classified in the Company's statements of cash flows from financing activities.

THE GROUP	At July 1, 2020	Financing cash flows	Transfer to liabilities held for sale	Non-cash changes	**At June 30 2021**
	Rs.	Rs.	Rs.	Rs.	**Rs.**
Bank overdrafts	317,429,798	67,158,885	(29,904,990)	–	**354,683,693**
Bank and other loans	702,120,280	(19,677,502)	(275,424,285)	–	**407,018,493**
Short term loans	11,377,500	–	–	1,445,000	**12,822,500**
Loans with related parties	289,225,268	–	(14,117,062)	(237,905,787)	**37,202,419**
Finance lease liabilities	34,205,416	(2,212,378)	(30,292,664)	2,854,554	**4,554,928**
Interest on bank and other loans	60,629,991	(1,826,932)	(22,333,897)	14,803,697	**51,272,859**
	1,414,988,253	43,442,073	(372,072,898)	(218,802,536)	**867,554,892**

THE GROUP	At July 1, 2019	Financing cash flows	Transfer to liabilities held for sale	Non-cash changes	At June 30 2020
	Rs.	Rs.		Rs.	Rs.
Bank overdrafts	307,874,323	9,555,475	–	–	317,429,798
Bank and other loans	797,685,608	(95,565,330)	–	–	702,120,278
Short term loans	10,227,501	–	–	1,150,000	11,377,501
Loans with related parties	209,225,269	80,000,000	–	–	289,225,269
Finance lease liabilities	3,063,226	(3,364,672)	–	34,506,862	34,205,416
Interest on bank and other loans	–	–	–	60,629,991	60,629,991
	1,328,075,927	(9,374,527)	–	96,286,853	1,414,988,253

THE COMPANY	At July 1, 2020	Financing cash flows	Transfer to liabilities held for sale	Non-cash changes	**At June 30 2021**
	Rs.	Rs.		Rs.	**Rs.**
Bank overdrafts	206,726,204	76,452,603	–	–	**283,178,807**
Loans with related parties	250,000,000	–	–	(272,039,422)	**(22,039,422)**
Finance lease liabilities	724,930	(548,241)	–	–	**176,689**
Interest on bank and other loans	34,359,983	–	–	16,951,365	**51,311,348**
	491,811,117	75,904,362	–	(255,088,057)	**312,627,422**

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16. INTEREST BEARING LOANS AND BORROWINGS (CONTINUED)

THE COMPANY	At July 1, 2019	Financing cash flows	Transfer to liabilities held for sale	Non-cash changes	**At June 30 2020**
	Rs.	Rs.		Rs.	**Rs.**
Bank overdrafts	198,025,080	8,701,124	–	–	**206,726,204**
Loans with related parties	170,000,000	80,000,000	–	–	**250,000,000**
Finance lease liabilities	293,189	(1,450,198)	–	1,881,939	**724,930**
Interest on bank and other loans	–	–	–	34,359,983	**34,359,983**
	368,318,269	87,250,926	–	36,241,922	**491,811,117**

17. DEFERRED INCOME TAXES

(a) Deferred tax assets on tax losses carried forward are recognised only to the extent that realisation of the related tax benefit is probable. The recoverability of tax losses is limited to a period of five years from the relevant year of assessment except for losses attributable to annual allowances claimed in respect of capital expenditure.

(b) 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	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
Deferred tax assets	**(18,441,106)**	(32,270,225)	**(566,257)**	(1,228,150)
Deferred tax liabilities	**927,169**	2,526,986	**–**	–
Net deferred tax assets	**(17,513,937)**	(29,743,239)	**(566,257)**	(1,228,150)

(c) The movement on the deferred income tax account is as follows:

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
At July 1,	**(29,743,239)**	(26,262,673)	**(1,228,150)**	(1,124,999)
Charged/(credited) to profit or loss (note 26)	**(5,114,274)**	(3,218,085)	**275,924**	(142,727)
(Credited)/charged to other comprehensive income	**5,825,010**	(238,496)	**385,969**	39,576
Other movements	**–**	(23,985)	**–**	–
Transfer to assets classified as held for sale (note 11)	**11,518,566**	–	**–**	–
At June 30,	**(17,513,937)**	(29,743,239)	**(566,257)**	(1,228,150)

17. DEFERRED INCOME TAXES (CONTINUED)

(d) At June 30, 2021, the Group had unused tax losses of Rs. 786.5m (2020: Rs. 893.6m) and the Company had unused tax losses of Rs. 310.4 (2020: Rs. 330.0), available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses for the Group and the Company as at June 30, 2021 due to unpredictability of future profit streams. The tax losses expire on a rolling basis over 5 years.

At June 30, 2021, the Group and the Company had expected credit losses provision on trade receivables and current accounts recoverable amounting to Rs. 25.9m (2020 : Rs. 68.3m) for the Group and Rs. 42.8m (2020: Rs. 35.1m) for the Company. No deferred tax asset has been recognised on this provision as the Group is currently loss making

If the Group and the Company were able to recognise the deferred tax assets arising on the tax losses and provisions, the loss for the year would have decreased by Rs. 138.1m (2020: Rs.

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

(i) **THE GROUP**

	At July 1, 2020	(Credited)/ charged to profit or loss	(Credited)/ charged to equity	Transfer to asset Non-current assets held for sale	**At June 30, 2021**
	Rs.	Rs.	Rs.	Rs.	**Rs.**
Deferred tax assets					
Employee benefits liability	(3,119,228)	(779,159)	1,704,021	486,387	**(1,707,979)**
Revaluation of buildings	–	–	4,120,989		**4,120,989**
Accelerated tax depreciation	(26,624,011)	(4,335,115)	–	11,032,179	**(19,926,947)**
	(29,743,239)	(5,114,274)	5,825,010	11,518,566	**(17,513,937)**

	At July 1, 2019	(Credited)/ charged to profit or loss	(Credited)/ charged to equity	Transfer to asset Non-current assets held for sale	At June 30, 2020
	Rs.	Rs.	Rs.	Rs.	Rs.
Deferred tax assets					
Employee benefits liability	(2,468,484)	(412,248)	(238,496)	–	(3,119,228)
Accelerated tax depreciation	(23,794,189)	(2,829,822)	–	–	(26,624,011)
	(26,262,673)	(3,242,070)	(238,496)	–	(29,743,239)

(ii) **THE COMPANY**

	At July 1, 2020	Credited to profit or loss	Credited to equity	**At June 30, 2021**
	Rs.	Rs.	Rs.	**Rs.**
Deferred tax assets				
Employee benefits liability	(507,227)	(55,218)	385,969	**(176,476)**
Accelerated tax depreciation	(720,923)	331,142	–	**(389,781)**
	(1,228,150)	275,924	385,969	**(566,257)**

	At July 1, 2019	Credited to profit or loss	Charged to equity	At June 30, 2020
	Rs.	Rs.	Rs.	Rs.
Deferred tax assets				
Employee benefits liability	(485,592)	(61,211)	39,576	(507,227)
Accelerated tax depreciation	(639,407)	(81,516)	–	(720,923)
	(1,124,999)	(142,727)	39,576	(1,228,150)

18. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
Trade payables	**22,652,428**	64,137,987	**4,505,826**	9,625,890
Amount due to related parties (Note 33)	**28,737,066**	25,898,854	**205,967,069**	93,201,142
Deposit from tenants	**12,029,167**	196,200	**–**	–
Accruals	**40,006,643**	32,995,132	**3,951,250**	–
Other payables	**89,086,195**	94,718,094	**13,037,047**	88,734,172
Bonds	**30,550,000**	–	**30,550,000**	–
	223,061,499	217,946,267	**258,011,192**	191,561,204

The carrying amounts of trade and other payables approximate their fair values.

Accruals and other payables relate mainly to audit and taxation fees, director fees, professional fees, project cost fees and advance payment received for sale of property.

The Trade and other payables balance excludes Rs 4,991,211 for PL Resort Ltd whose assets and liabilities have been classified as held for sale (Note 11).

The bonds issue for Rs. 300m was open in June and the allotment was done in July 2021.

19. REVENUE

(a)

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
Revenue from the sale of goods*	**56,565,195**	160,710,841	**–**	–
Revenue from the rendering of services**	**82,873,087**	289,098,280	**–**	–
Management fee income	**11,594,835**	5,451,434	**–**	–
Rental income (Note 6(ix))	**6,315,310**	30,191,812	**–**	6,223,891
	157,348,427	485,452,367	**–**	6,223,891
Disclosed as follows:				
-Continuing operations	**106,125,839**	303,196,849	**–**	6,223,891
-Discontinued operations (note 11)	**51,222,588**	182,255,518	**–**	–
	157,348,427	485,452,367	**–**	6,223,891

*Revenue from sale of goods relate mainly to food and beverages revenue and other income generated from minor other departments from hotels' operations.

**Revenue from sale of services relate mainly to room revenue, spa revenue and other income generated from minor other departments from hotels' operations as well as fees received for cleaning and housekeeping services and syndicate fees.

(b) Disaggregation of revenue from contracts with customers

	Land Development	**Yielding Property**	**Hotel**	**Service**	**Total**
	Rs	Rs	Rs	Rs	Rs
2021					
Segment revenue	**–**	**13,727,969**	**125,469,776**	**31,217,371**	**170,415,116**
Inter-segment revenue	**–**	**(7,412,659)**	**(364,207)**	**(5,289,823)**	**(13,066,689)**
Revenue from contracts with external customers	**–**	**6,315,310**	**125,105,569**	**25,927,548**	**157,348,427**
Timing of revenue recognition					
At a point in time	**–**	**6,315,310**	**125,105,569**	**25,927,548**	**157,348,427**
Over time	**–**	**–**	**–**	**–**	**–**
	–	**6,315,310**	**125,105,569**	**25,927,548**	**157,348,427**

19. REVENUE (CONTINUED)

	Land Development	Yielding Property	Hotel	Service	Total
	Rs	Rs	Rs	Rs	Rs
2020					
Segment revenue	–	40,261,162	406,473,198	59,402,095	506,136,455
Inter-segment revenue	–	(10,069,350)	(5,476,997)	(5,137,741)	(20,684,088)
Revenue from contracts with external customers	–	30,191,812	400,996,201	54,264,354	485,452,367
Timing of revenue recognition					
At a point in time	–	30,191,812	400,996,201	54,264,354	485,452,367
Over time	–	–	–	–	–
	–	30,191,812	400,996,201	54,264,354	485,452,367

The service revenue under this note includes fees received for cleaning and housekeeping services and syndicate fees but exclude all revenue arising from the hotels' operation, which is disclosed separately.

(c) The Group derives revenue from operations in Mauritius.

(d) Management fee income arise from Ocean Edge Property Management Company Ltd mainly with respect to fees for acting as syndic and for maintenance of common areas.

20. EXPENSES BY NATURE

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
Depreciation of Plant, property and Equipment (Note 5)	**34,675,887**	35,474,255	**467,209**	340,411
Amortisation of Right of use assets (Note 8)	**4,245,736**	5,057,866	**602,828**	1,545,350
Amortisation of intangible assets (Note 7)	**451,196**	713,761	**17,099**	32,372
Assets written off	**–**	–	**–**	–
Employee benefit expense (note 24(a))	**135,813,978**	129,672,574	**60,916,802**	58,000,042
Advertising costs	**11,687,332**	34,600,559		170,369
Business administration and professional fees	**23,416,697**	38,688,460	**14,318,540**	16,886,347
Security and cleaning expenses	**1,862,328**	–	**843,386**	–
Syndic levies and snagging costs	**5,174,501**	9,394,380	**–**	1,347,955
Utilities	**32,799,686**	52,000,609	**514,229**	359,047
Repairs and maintenance	**26,051,331**	25,128,410	**1,627,397**	49,271
Cost of sale F&B *	**81,785,736**	183,209,169	**–**	–
Cost of sale Owners expense *	**–**	1,778,315	**–**	–
Cost of sales others *	**31,722,628**	5,717,218	**–**	–
Rental expenses	**–**	9,576,734	**–**	2,163,298
Management Fees	**10,682,705**	24,701,463	**–**	–
IT Expenses	**4,444,021**	4,686,548	**49,390**	85,705
Other expenses **	**33,346,476**	50,499,373	**2,841,548**	808,962
Inventory written off (Note 9)	**–**	12,025,277	**–**	12,025,277
	438,160,238	622,924,971	**82,198,428**	93,814,406
Provision for impairment of receivables (Notes 12 & 13)	**(19,543,096)**	60,469,606	**7,681,786**	8,943,498
Total cost of sales, selling and marketing, administrative and other operating expenses	**418,617,142**	683,394,577	**89,880,214**	102,757,904
Disclosed as follows:				
-Continuing operations	**338,633,253**	498,634,859	**89,880,214**	102,757,904
-Discontinued operations (note 11)	**79,983,889**	184,759,718	**–**	–
	418,617,142	683,394,577	**89,880,214**	102,757,904

** The line cost of sales has been disaggregated in this note for the current year and prior year.*

*** Other expenses mainly includes licences, insurance, motor vehicles expenses, bank charges, rentals, estate contracts and snagging costs.*

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21. OTHER INCOME AND INTEREST INCOME AT EIR

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
Accounting fees	**–**	105,000	**2,907,600**	3,267,000
Management fee income	**1,127,000**	9,307,055	**1,610,000**	10,022,254
Syndicates fee income	**–**	213,798	**–**	–
Profit/(loss) on sale of property, plant and equipment	**97,840**	–	**–**	–
Profit on disposal in investment property	**–** / **–**	22,425,585	**–** / **–**	–
Bad debts recovered	**90,000**	–	**–**	–
Recoveries from tenants	**4,622,749**	–	**–**	–
Recharge estate expenses	**30,197,851**	–	**–**	–
Recharge of materials and labour	**3,272,310**			
Forfeited deposit **	**14,837,121**			
Share of profit from societies	**–**	–	**2,773,965**	25,527,683
Government wage assistance scheme *	**57,854,821**	16,790,595	**437,579**	782,250
Miscellaneous other income **	**14,107,644**	(15,380,688)	**63,072,687**	267,838
	126,207,336	33,461,345	**70,801,831**	39,867,025
Interest income	**–**	–	**10,945,614**	11,588,010
	126,207,336	33,461,345	**81,747,445**	51,455,035
Disclosed as follows:				
-Continuing operations	**93,636,078**	(3,352,281)	**81,747,445**	51,455,035
-Discontinued operations (note 11)	**32,571,258**	36,813,626	**–**	–
	126,207,336	33,461,345	**81,747,445**	51,455,035

** The grant is in respect of Government assistance to support the Group to settle the salaries of the employees during the COVID-19 pandemic and has been accounted under the income approach. The grant is recognised directly in profit or loss upon receipt to match the salary expenses for the respective periods.*

*** Miscellaneous other income relates mainly to current account write backs and syndic and marketing costs (2020: included recharges of labour and reversal of reserves upon sale of Harbour Front Building). For company, relates mainly to current accoutn write back of Rs62m with respect to winding up of Societe des Primeveres and Societe du Tigre.*

**** Forfeited deposit relates to downpayments from customers for purchase of residences who did not go forward with their sales contract.*

22. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
Interest expense:	**Rs.**	Rs.	**Rs.**	Rs.
- Bank overdrafts	**16,751,681**	19,146,418	**10,295,018**	11,068,505
- Bank and other loans	**35,313,094**	61,286,818	**–**	–
- Short term loans	**3,204,782**	3,877,300	**3,204,782**	3,877,300
- Loan from related parties	**16,688,257**	15,751,274	**13,746,464**	13,956,279
- Finance leases	**2,378,781**	2,446,482	**17,133**	99,939
	74,336,595	102,508,292	**27,263,397**	29,002,023
Disclosed as follows:				
-Continuing operations	**55,304,317**	68,248,820	**27,263,397**	29,002,023
-Discontinued operations (note 11)	**19,032,278**	34,259,472	**–**	–
	74,336,595	102,508,292	**27,263,397**	29,002,023

23. OTHER (LOSSES)/GAINS–NET

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
The exchange differences (charged)/credited to the profit or loss	(1,120,870)	31,765,599	–	–
Loss on disposal on Investment Property and winding up costs	(11,176,454)	–	(15,017,378)	–
	(12,297,324)	31,765,599	(15,017,378)	–
Disclosed as follows:				
-Continuing operations	(15,821,643)	30,073,179	(15,017,378)	–
-Discontinued operations	3,524,319	1,692,420	–	–
	(12,297,324)	31,765,599	(15,017,378)	–

24. LOSS BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Loss before taxation is arrived at after charging:				
Depreciation of property, plant and equipment				
- owned assets	34,470,868	34,756,909	(10,617)	340,411
- leased assets under finance lease	205,019	717,346	–	–
Amortisation of intangible assets (Note 7)	625,097	713,761	17,099	32,372
Amortisation of Right of use assets (Note 8)	4,245,736	5,057,866	602,828	1,545,350
Impairment charges	–	–	74,356,413	119,592,826
Bad debts written off	–	3,289,543	–	223,502
Employee benefit expense (note 24(a))	135,813,978	129,672,574	60,916,802	58,000,042

(a) Employee benefit expense

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Wages and salaries, including termination benefits	122,271,481	106,155,233	56,186,858	50,022,215
Social security costs	3,615,177	8,992,659	1,537,782	1,063,517
Pension costs–defined contribution plans	5,344,025	12,099,691	2,867,353	6,554,249
Other post-retirement benefits (note 14)	4,583,295	2,424,991	324,809	360,061
	135,813,978	129,672,574	60,916,802	58,000,042
Disclosed as follows:				
-Continuing operations	121,126,639	112,730,560	60,916,802	58,000,042
-Discontinued operations	14,687,339	16,942,014	–	–
	135,813,978	129,672,574	60,916,802	58,000,042

25. IMPAIRMENT CHARGES

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Impairment charges on:				
Investment in subsidiaries (note 10)	–	–	74,356,413	119,592,826
Disclosed as follows:				
-Continuing operations	–	–	74,356,413	119,592,826

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26. INCOME TAX EXPENSE

(a) Statements of financial position

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
At July 1,	–	–	–	–
Tax paid	(4,461)	–	–	–
Overprovision from prior year	–	–	–	–
Current tax on the adjusted result for	–	–	–	–
the year at 17% (2020: 17%)	4,461	–	–	–
At June 30,	–	–	–	–
Classified as:				
Current tax liabilities	–	–	–	–
	–	–	–	–

(b) Statements of profit or loss

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Current tax on the adjusted result for the year at 17% (2020: 17%)	4,461	(23,985)	–	–
Deferred tax movement on discontinued operations (note 11(e))	(15,066,932)	–	–	–
Deferred tax (note 17(c))	(5,114,274)	(1,340,029)	275,924	(142,727)
Income tax (credit)/charge	(20,176,745)	(1,364,014)	275,924	(142,727)
Disclosed as follows:				
-Continuing operations	(3,592,377)	(2,433,067)	275,924	(142,727)
-Discontinued operations (note 11)	(16,584,368)	1,069,053	–	–
	(20,176,745)	(1,364,014)	275,924	(142,727)

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

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Loss before taxation from continuing activities	(211,559,971)	(247,763,408)	(124,769,957)	(196,022,619)
Loss before taxation from discontinued activities	(11,698,001)	(27,760,244)	–	–
	(223,257,972)	(275,523,652)	(124,769,957)	(196,022,619)
Tax calculated at the rate of 17% (2020: 17%)	(37,953,855)	(46,839,021)	(21,210,893)	(33,323,845)
Expenses not deductible for tax purposes	35,364,622	4,780,022	4,758,294	2,216,404
Income not subject to tax	(28,376,690)	(5,915,675)	(1,920,315)	(5,915,675)
Deferred tax not recognised	10,789,178	39,014,234	18,648,838	36,481,095
fair value of investment properties	–	7,596,426	–	399,294
Income tax (credit)/charge	(20,176,745)	(1,364,014)	275,924	(142,727)
Disclosed as follows:				
-Continuing operations	(3,592,377)	(3,218,085)	275,924	(142,727)
-Discontinued operations	(16,584,368)	1,854,071	–	–
	(20,176,745)	(1,364,014)	275,924	(142,727)

27. OTHER COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Actuarial reserves				
Items that will not be reclassified to profit or loss:				
Continued				
Remeasurement of defined benefit obligations (Note 14)	7,988,223	(798,631)	2,270,406	232,765
Deferred tax relating to remeasurement of defined benefit obligations	(1,357,998)	135,764	(385,969)	(39,570)
	6,630,225	(662,867)	1,884,437	193,195
Discontinued				
Remeasurement of defined benefit obligations (Note 14)	2,035,430	(604,245)	–	–
Deferred tax relating to remeasurement of defined benefit obligations	(346,023)	102,722	–	–
	1,689,407	(501,523)	–	–
Revaluation reserves				
Items that will not be reclassified to profit or loss:				
Revlauation of land and buildings (Note 5)	156,266,113	–	–	–
Deferred tax relating to revaluation of land and buildings	(4,120,989)	–	–	–
	152,145,124	–	–	–

Actuarial reserves

The actuarial reserves represent the cumulative remeasurement of defined benefit obligation recognised.

28. LOSS PER SHARE

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
From continuing operations	Rs.	Rs.	Rs.	Rs.
Basic loss per share				
Loss attributable to equity holders of the Company from continuing operations and discontinued operations	(173,679,826)	(239,784,583)	(125,045,881)	(195,879,892)
Loss attributable to equity holders of the Company from continuing operations	(178,566,193)	(210,955,286)	(125,045,881)	(195,879,892)
average number/weighted average number of ordinary share in issue	1,154,942,099	654,942,099	1,154,942,099	654,942,099
Basic loss per share from:				
Continuing and discontinued operations	(0.150)	(0.366)	(0.108)	(0.299)
Continuing operations	(0.155)	(0.322)	(0.108)	(0.299)
Discontinued operations	0.005	(0.044)	–	–

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29. NOTES TO THE STATEMENTS OF CASH FLOWS

	Notes	THE GROUP		THE COMPANY	
		2021	2020	2021	2020
		Rs.	Rs.	Rs.	Rs.
(a) Cash generated from operations					
Loss before taxation from continuing operations		(211,559,971)	(247,763,408)	(124,769,957)	(196,022,619)
Loss before taxation from discontinued operations	11	(11,698,001)	(27,760,244)	–	–
Adjustments for:					
Depreciation of property, plant and equipment	5	34,675,887	35,474,255	467,209	340,411
Depreciation of Right of use Asset	8	4,245,736	5,057,866	602,828	1,545,350
Amortisation of intangible assets	6	625,097	713,761	17,099	32,372
Impairment charges	24	–	–	74,356,413	119,592,826
Straight lining adjustments		(1,031,037)	–	–	–
Assets written off		129,450	–	91,303	–
Profit/(loss) on disposal of investment properties		8,630,075	(22,425,585)	14,440,000	–
Net decrease/(increase) in fair value of investment properties	6 & 11	1,562,675	37,098,944	–	2,348,792
Provision for impairment of receivables	12 & 13	(33,814,546)	60,469,606	7,681,786	8,943,498
Exchange (gains)/losses		(541,406)	(1,815,051)	–	–
Interest income	21	–	–	(10,945,614)	–
Interest expense	22	74,336,595	88,284,269	27,263,397	–
Employee benefits liability		4,583,294	2,424,991	324,809	360,062
		(129,856,152)	(70,240,596)	(10,470,727)	(62,859,308)
Changes in working capital:					
- Inventories		(49,634,994)	(32,159,481)	–	–
–Land and related development		–	–	–	12,025,278
- Trade and other receivables		49,410,563	30,576,760	200,562	(96,173,752)
- Other financial assets at amortised cost				(147,838,229)	
- Trade and other payables		10,106,443	101,740,340	66,399,028	184,189,588
Cash generated from/ (absorbed in) operations		(119,974,140)	29,917,023	(91,709,366)	37,181,806

29. NOTES TO THE STATEMENTS OF CASH FLOWS (CONTINUED)

(b) Cash and cash equivalents

Cash and cash equivalents and bank overdrafts include the following for the purpose of the statements of cash flows.

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Cash and cash equivalents	94,975,896	41,764,386	61,050,728	1,348,460
Cash and cash equivalents arising on assets classified as held for sale (note 11)	13,835,073	–	–	–
Bank overdrafts (Note 16)	(354,683,693)	(317,429,797)	(283,178,807)	(206,726,211)
Bank overdrafts classified as liabilities held for sale (note 11)	(29,904,990)	–	–	–
	(275,777,714)	(275,665,411)	(222,128,079)	(205,377,751)

(c) Non-cash items excluded from the statements of cash flows:

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Transfer from Right of use assets	(79,389,006)	(55,471,991)	–	–
Transfer (from)/ to Investment Properties	(218,268,796)	2,742,961	–	–
Transfer from Property, plant	–	93,144,582	–	–
and equipment	(362,426,265)	–	–	–
Transfer from Intangible assets	(211,061)	52,729,030	–	–
Transfer from deferred tax	(11,518,566)	–	–	–
Trnasfer from current assets	(17,191,444)	–	–	–
Transfer to Inventory properties	218,268,796	(93,144,582)	–	–
Transfer to/(from) Assets held for sale	470,736,342	120,000,000	–	–
Transfer (from)/to payables	(4,991,211)	(120,000,000)	–	–
Transfer from current liabilities	(111,420,891)			
Transfer from non-current liabilities	(263,513,108)	–	–	–
Transfer to liabilities held for sale	379,925,210	–	–	–
Issue of shares–share capital	272,039,422	–	272,039,422	–
Issue of shares–borrowings	(272,039,422)	–	(272,039,422)	–
	–	–	–	–

30. COMMITMENTS AND CONTINGENCIES

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Construction contract	61,417,162	–	–	–
	61,417,162	–	–	–

The group has a commitment of Rs 61.4m with its supplier pertaining to the Golf project

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30. COMMITMENTS AND CONTINGENCIES

(b) Operating lease commitments–Group as lessee

The Group has entered into operating lease commitments for some of its motor vehicles and leasehold rights on its land. The leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

In prior year, all the operating leases have been reclassified to Rights of use assets following adoption of IFRS 16 standard.

There are contingent liabilities of an amount of Rs 213m with respect to a on-going legal case for Haute Rive Ocean Front Living Company Ltd, lodged by a contractor for unfair termination of the contract.

(c) Guarantees

At June 30, 2021, the Company has provided corporate guarantee to one of its subsidiaries for an amount of Rs. 30m (2020: Rs. 304.2m). The Company, as guarantor, irrevocably and unconditionally guarantees to the lenders due and punctual repayment of the borrowings.

At June 30, 2021, the Group has also provided sponsor support to two of its subsidiaries for an amount of Rs. 670.1m (2020: Rs. 678.1m). As per the loan agreements with the banks, under the sponsor support, the Group, or any other subsidiary of the main shareholders of the Company, irrevocably and unconditionally undertakes to the banks to fund any shortfall in the cash flows of the respective subsidiaries through additional capital, either in the form of equity or loan.

31. COMMITMENTS FROM LEASES

Operating lease commitments–Group as lessor

The Group has also entered into commercial property leases with respect to its investment property portfolio. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

Future minimum rentals receivable under non-cancellable operating leases at the end of the reporting date are as follows:

	THE GROUP		THE COMPANY	
	2021	2020	2021	2020
	Rs.	Rs.	Rs.	Rs.
Within one year	3,366,637	28,981,526	–	–
One to two years	3,252,793	26,162,606	–	–
Two to three years	1,545,857	19,220,047	–	–
Three to four years	–	21,628,106	–	–
Four to five years	–	13,379,937	–	–
	8,165,287	109,372,222	–	–

As at June 30, 2021 and 2020, the table above for the Group excluded future minimum rentals receivables from Circle Square Holding Company Ltd as the latter has been disclosed as held for sale as at reporting date.

32. SEGMENTAL INFORMATION–THE GROUP

BlueLife Limited's reportable segments namely land development, property, hotel and service are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies. Most of the businesses were acquired as individual units, and the management at the time of the acquisition was retained.

The Group has four reportable segments : Land development, Yielding property, Hotel and Service.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. Performance is evaluated on the basis of profit or loss from operations before tax expense. Intersegment revenue and transfers are accounted for as if the sales or transfers were to third parties, that is, at current market prices.

The operations of each segment is detailed below:

*The land development segment relates to our activities of property developers where we develop, build and sell properties to generate income.

*The yielding property segment accounts for the operations and holding a number of Investment properties.

*The hotel segment is made of the operations and assets of two hotels, namely, the Radisson Blu Azuri Resort & Spa and the Radisson Blu Poste Lafayette Resort & Spa.

*The service segment comprises of the facilities management and services as operational support to our commercial and residential developments. They include facilities management, cleaning, housekeeping, syndicate management, rental and re-sale service.

32. SEGMENTAL INFORMATION–THE GROUP (CONTINUED)

Year ended June 30, 2021

	Land Development	Yielding Property	Hotel	Service	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Total segment revenues	–	9,484,282	78,381,223	31,217,371	119,082,876
Inter-segment revenues	–	(7,412,658)	(254,556)	(5,289,823)	(12,957,037)
Revenues from external customer	**–**	**2,071,624**	**78,126,667**	**25,927,548**	**106,125,839**
Loss before finance costs, fair value and impairment	(76,590,405)	(20,397,908)	(40,217,914)	(17,486,752)	(154,692,979)
Fair value movement	(1,562,675)	–	–	–	(1,562,675)
Impairment charge	–	–	–	–	–
Finance costs	(30,852,338)	(3,660,577)	(20,590,787)	(200,615)	(55,304,317)
Loss before taxation	**(109,005,418)**	**(24,058,485)**	**(60,808,701)**	**(17,687,367)**	**(211,559,971)**
Income tax (charge)/credit	1,324,945	–	2,229,988	37,444	3,592,377
Loss from discontinued operations	–	15,074,196	(10,187,829)	–	4,886,367
Loss for the year	**(107,680,473)**	**(8,984,289)**	**(68,766,542)**	**(17,649,923)**	**(203,081,227)**
Interest income	–	–	–	–	–
Interest expense	(30,852,338)	(3,660,577)	(20,590,787)	(200,615)	(55,304,317)
Material items of income:					
Syndicates fee income	–	–	–	–	–

June 30, 2021

	Land Development	Yielding Property	Hotel	Service	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Additions to non-current assets	1,002,234	–	3,980,413	3,377,364	8,360,011
Depreciation and amortisation	6,908,755	–	31,264,772	1,373,193	39,546,720
Segment assets	1,934,945,534	299,182,413	1,323,549,221	12,334,566	3,570,011,734
Segment liabilities	481,356,633	60,027,506	926,203,789	13,927,726	1,481,515,654

32. SEGMENTAL INFORMATION–THE GROUP (CONTINUED)

Year ended June 30, 2020

	Land Development	Yielding Property	Hotel	Service	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Total segment revenues	–	25,886,774	237,707,087	59,402,095	322,995,956
Inter-segment revenues		(10,274,795)	(4,386,571)	(5,137,741)	(19,799,107)
Revenues from external customer	**–**	**15,611,979**	**233,320,516**	**54,264,354**	**303,196,849**
(Loss)/profit before finance costs	(240,557,270)	29,530,925	(17,516,686)	59,825,919	(168,717,112)
Fair value movement	–	(10,797,495)	–	–	(10,797,495)
Impairment charge	–	–	–	–	–
Finance costs	(41,240,078)	–	(26,936,656)	(72,067)	(68,248,801)
Loss before taxation	**(281,797,348)**	**18,733,430**	**(44,453,342)**	**59,753,852**	**(247,763,408)**
Income tax credit/(charge)	1,023,641	–	1,404,483	4,943	2,433,067
Loss from discontinued operations	–	(22,124,051)	(6,705,246)	–	(28,829,297)
Loss for the year	**(280,773,707)**	**(3,390,621)**	**(49,754,105)**	**59,758,795**	**(274,159,638)**
Interest revenue	–	–	–	–	–
Interest expense	(41,240,097)	–	(46,972,105)	(72,067)	(88,284,269)
Material items of income:					
Service fee income	–	–	–	213,798	213,798

June 30, 2020

	Land Development	Yielding Property	Hotel	Service	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Additions to non-current assets	3,644,011	–	21,146,825	1,589,447	26,380,282
Depreciation and amortisation	5,446,654	–	35,140,620	658,608	41,245,882
Segment assets	1,950,998,877	447,607,636	1,288,062,037	10,599,379	3,697,267,929
Segment liabilities	754,727,408	187,195,812	907,768,921	14,513,237	1,864,205,378

33. RELATED PARTY DISCLOSURES

(a) THE GROUP

	Year ended June 30, 2021						
	Purchases of goods or services	**Sale of goods or services**	**Interest (expense)/ income**	**Bank overdraft**	**Loan from (inc. interest)**	**Amount owed to related parties**	**Amount owed by related parties**
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
(i) June 30, 2021							
Main shareholders	**1,035,615**	**–**	**(26,550,194)**	**–**	**–**	**24,784,589**	**136,771**
Fellow subsidiaries	**3,750,056**	**–**	**(2,941,793)**	**–**	**(50,038,120)**	**3,144,066**	**1,619,403**
Directors and close family members	**703,750**	**–**	**–**	**–**	**–**	**–**	**–**
Joint venture of major shareholders	**6,356,957**	**–**	**(2,731,785)**	**–**	**–**	**808,411**	**–**
Associates of Major Shareholder	**27,986**	**–**	**(6,912,128)**	**94,400,349**	**(53,080,993)**	**–**	**–**

(ii) June 30, 2020	Year ended June 30, 2020						
	Purchases of goods or services	Sale of goods or services	Interest (expense)/ income	Bank overdraft	Loan from (inc. interest)	Amount owed to related parties	Amount owed by related parties
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Main shareholders	3,233,620	–	(17,833,577)	–	(284,359,982)	6,929,470	–
Fellow subsidiaries	9,613,239	–	(3,387,252)	–	(47,096,326)	18,297,556	62,984
Directors and close family members	3,537,983	–	–	–	–	450,000	–
Joint venture of major shareholders	7,131,642	–	–	–	–	221,828	–
Associates of Major Shareholder	36,136	–	(10,086,896)	18,018,054	(248,768,680)	–	–

**Major shareholder of the Group is IBL Ltd (ultimate holding company) and main shareholders include, IBL Ltd, GML Ineo Ltee, Actis Paradise Jersey and The Bee Equity Partners Ltd.*

The contribution made under the Defined Contribution Plan are made to the IBL Pension Fund.

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33. RELATED PARTY DISCLOSURES (CONTIUED)

(b) THE COMPANY

	Year ended June 30, 2021							
	Purchases of goods or services	**Sale of goods or services**	**Interest (expense)/ income**	**Management fee income**	**Bank overdraft**	**Loan from (inc. interest)**	**Amount owed to related parties**	**Amount owed by related parties**
	Rs.	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
(i) June 30, 2021								
Main shareholders	**524,000**	**–**	**(39,353,924)**	**–**	**–**	**–**	**24,740,774**	**68,386**
Fellow subsidiaries	**606,841**	**–**	**–**	**–**	**–**	**–**	**2,470**	**67,435**
Directors	**253,750**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Joint venture of major shareholders	**455,378**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Associates of major shareholders	**16,189**	**–**	**(2,489,031)**	**–**	**94,400,349**	**–**	**–**	**–**
Subsidiaries	**2,004,099**	**3,417,600**	**10,945,614**	**–**	**–**	**–**	**181,223,825**	**711,366,507**

(ii) June 30, 2020	Year ended June 30, 2020							
	Purchases of goods or services	Sale of goods or services	Interest (expense)/ income	Management fee income	Bank overdraft	Loan from (inc. interest)	Amount owed to related parties	Amount owed by related parties
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Main shareholders	2,768,252	–	(17,833,577)	–	–	(284,359,982)	6,729,291	–
Fellow subsidiaries	3,770,397	–	–	–	–	–	1,970,348	62,984
Directors	2,837,983	–	–	–	–	–	–	–
Joint venture of major shareholders	1,923,110	–	–	–	–	–	–	–
Associates of major Shareholders	28,469	–	(1,099,049)	–	18,018,054	–	188,872	–
Subsidiaries	1,027,902	3,877,200	(11,588,010)	–	–	–	163,312,631	559,890,616

**Major shareholder of the group is IBL Ltd (ultimate holding company) and main shareholders include, IBL Ltd, GML Ineo Ltee and Actis Paradise Jersey.*

33. RELATED PARTY DISCLOSURES (CONTINUED)

(c) The sales to and purchases from related parties are made in the normal course of business. Outstanding balances at the year end are unsecured, interest free and settlement occurs in cash.

The Company has provided a total corporate guarantee for one of its subsidiaries for an amount of Rs. 30m (2020: Rs. 304.2m) (note 30(c)). The Group has also provided sponsor support to two of its subsidiaries for an amount of Rs. 670.1m (2020: Rs. 678.1m).

For the year ended June 30, 2021, the Company has recorded an impairment of receivables of Rs. 7.3m (2020: Rs. 9.5m) relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operate.

(d) Directors and key management personnel compensation

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	Rs.	Rs.	**Rs.**	Rs.
Director fees	**2,362,500**	4,505,000	**1,387,501**	2,755,000
Salaries and short term employee benefits	**9,708,759**	16,788,894	**9,708,759**	16,788,894
Post employment benefits	**20,929,174**	1,363,186	**20,929,174**	1,363,186
	33,000,433	22,657,080	**32,025,434**	20,907,080

34. FINANCIAL SUMMARY OF PUBLISHED RESULTS AND ASSETS AND LIABILITIES

(a) THE GROUP

	2021	2020
	Rs.	Rs.
Statement of profit or loss and other comprehensive income		
Continuing operations		
Revenue	**106,125,839**	303,196,849
Loss before taxation	**(211,559,971)**	(247,763,408)
Income tax credit	**3,592,377**	2,433,067
Loss for the year from continuing operations	**(207,967,594)**	(245,330,341)
Discontinued operations		
Loss from discontinued operations, net of tax	**4,886,367**	(28,829,297)
Loss for the year	**(203,081,227)**	(274,159,638)
Other comprehensive income for the year, net of deferred tax	**158,775,349**	(662,867)
Total comprehensive loss for the year	**(44,305,878)**	(274,822,505)
Loss attributable to:		
- Owners of the parent	**(173,679,826)**	(239,784,583)
- Non-controlling interests	**(29,401,401)**	(34,375,055)
	(203,081,227)	(274,159,638)
Total comprehensive loss attributable to:		
- Owners of the parent	**(71,935,604)**	(240,375,623)
- Non-controlling interests	**29,319,133**	(34,948,405)
	(42,616,471)	(275,324,028)
Loss per share (Rs/cs)		
-From continuing and discontinued operations	**(0.150)**	(0.366)
-From continuing operations	**(0.155)**	(0.322)

NOTES TO THE
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

34. FINANCIAL SUMMARY OF PUBLISHED RESULTS AND ASSETS AND LIABILITIES (CONTINUED)

	2021	2020
	Rs.	Rs.
Statement of financial position		
ASSETS		
Non current assets	**2,346,292,191**	2,983,279,118
Current assets	**643,764,677**	329,694,637
Non-current assets classified as held for sale	**579,954,866**	384,294,174
Total assets	**3,570,011,734**	3,697,267,929
EQUITY AND LIABILITIES		
Equity	**2,077,141,959**	1,851,027,563
Non-controlling interests	**11,354,121**	(17,965,012)
Total equity	**2,088,496,080**	1,833,062,551
LIABILITIES		
Non current liabilities	**325,838,364**	586,688,473
Current liabilities	**775,752,080**	1,067,121,377
Liabilities directly associated with non-current assets classified held for sale	**379,925,210**	210,395,528
Total liabilities	**1,481,515,654**	1,864,205,378
Total equity and liabilities	**3,570,011,734**	3,697,267,929

35. EVENTS AFTER THE REPORTING DATE

The following events occurred after the reporting date:

(a) Following the Communiqué issued on 5 July 2021, the Company successfully completed a First Tranche of MUR 300M on a Bond Programme of MUR 500M.

(b) The sale of Circle Square MotorCity is still under progress. The sales of some units took place in FY20/21. The sale of a significant portion with proceeds of MUR60M was completed in August 2021 and the sale of the last 3 units shall be completed before Dec 2021. They are optioned.

(c) The Company has progressed on the sale of 100% of our stake in PL Resort. Since last Annual Report, a Memorandum of Understanding (MOU) was signed in Dec2020, a Binding Offer in Mar2021 and the Sales and Purchase Agreement (SPA) on 13 July 2021. The Company is waiting for the realisation of some conditions precedent to complete the transaction.

(d) The Company received the Letter of Intent for the Azuri Smart City dated 5 August 2021 and are working towards receiving the Smart City Certificate by the end of this year. Management shall however start signing reservation agreements for some projects launched with deposits paid to escrow account with their Notary.

35. EVENTS AFTER THE REPORTING DATE (CONTINUED)

(e) Moratoriums on the servicing of loans provided by financial institutions have been extended to July 2021 or September 2021, to align with the bond issue. In July 2021, the Company cleared all accrued interests during moratorium period (quarters from March 2020 to June 2021) as well as the loan with Afrasia Bank Ltd as stated below. The Group is now back on payment terms as per agreements with term loans for hotels only.

Loan	Original loan amount	Payment terms as per agreement	Capital repayment due at June 30, 2021	Moratorium approved after year end on Capital & interest up to
Afrasia–Haute Rive Holdings Ltd	219,000,000	Final Repayment	53,080,993	Jul-21
MCB–Haute Rive Azuri Hotel Ltd	195,000,000	Quarterly	2,500,000	Sep-21
SBM–Haute Rive Azuri Hotel Ltd	195,000,000	Quarterly	6,000,000	Sep-21
MCB–PL Resort Ltd	275,424,285	Quarterly	11,250,000	Sep-21

The above loans continue to accrue interest during the period where payments are not required to be made.

36. IMPACT OF COVID-19

The COVID-19 pandemic continues to disrupt the market, the lives, and the businesses everywhere. COVID-19 has left a severe effect on the business environment, and has changed the landscape significantly. Many changes in business models and consumer behaviour during the pandemic will stick and businesses will need to adapt.

Tourism was one of the first sectors to be deeply impacted by the pandemic as from March 2020, as measures introduced to contain the virus led to a near-complete cessation of tourism activities around the world. The outlook remains highly uncertain. Domestic tourism has restarted in July 2020 and helped, together with the Government's wage assistance support, moratoriums on loan servicing and management efforts on cost-cutting, efficiencies and other resilience initiatives, to mitigate the impact on jobs and businesses. As a consequence, our hotel segment recognised Revenue of MUR 125.5M for the 12 months period to June 2021, a decrease of 70% to the same period last year (MUR 406.5M) and limited losses for the year to MUR 98M (2020 MUR 80M).

Real recovery will only be possible when international tourism returns. The re-opening of our borders in phases for vaccinated tourists will certainly prime the pump of the rebound of the tourism sector; at the time of reporting, the pace and intensity of the rebound is yet to be ascertained. We do not foresee occupancy back to 2019 levels before our 2022/2023 period. The ending of government subsidies and of moratoriums from banks will also put serious constraints on finance.

On the property segment, the impact relies more towards the ability of foreign buyers to come and visit. The consequence is further delays in starting the construction of our current projects and the recognition of profits towards profit or loss. For the third consecutive year, we did not recognise any Revenue from our property development segment.

Covid-19 changed how we live, work, play and interact in ways that will alter our behaviour long after the pandemic ends. We have taken the time in 2020/2021 to shape the future of Azuri and prepare a masterplan for the 10-15 years ahead; that will response to the new consumer behaviour. Medium to high-income households saw their savings rise as opportunities to spend during the Covid period, dried up; leaving many in strong position to spend once the pandemic is terminated. Travel and living in safe and resilient destinations will be the after-Covid decision.

Refer to Note 3.1(i) for additional disclosures of the impact of COVID-19 on the Group.

A caring and helpful relationship between colleagues in a happy and supportive working atmosphere, is at the very basis of service-excellence, especially in times of crisis when we must support each other as front-liners to continue to devote ourselves to our job and our clients.

RAUMESSUR ASSHISH KUMAR

RESTAURANT MANAGER

LE CAFÉ - AZURI

NOTICE OF ANNUAL MEETING

Notice is hereby given that the Annual Meeting of the Shareholders of the Company will be held at The Gallery, Radisson Blu Azuri Resort & Spa, Azuri Ocean & Golf Village, Roches Noires on **Friday, 17 December 2021** at **9.30 hours** to transact the following business:

AGENDA

1. To receive, consider and approve the Group's and Company's audited financial statements for the year ended 30 June 2021, including the Annual Report and the Auditor's Report, in accordance with Section 115(4) of the Companies Act 2001.

   Ordinary Resolution
   "Resolved that the Group's and Company's audited financial statements for the year ended 30 June 2021, including the Annual Report and the Auditor's Report be hereby approved."

2. To elect as Director of the Company, Mr. Jean-Claude Béga, who has been nominated by the Board and who offers himself for election.

   Ordinary Resolution
   "Resolved that Mr. Jean-Claude Béga be and is hereby elected as Director of BlueLife Limited."

3. To elect as Director of the Company, Mrs. Doreen Lam Hau Ching, who has been nominated by the Board and who offers herself for election.

   Ordinary Resolution
   "Resolved that Mrs. Doreen Lam be and is hereby elected as Director of BlueLife Limited."

4. To elect as Director of the Company, Mr. Richard Koenig, who has been nominated by the Board and who offers himself for election.

   Ordinary Resolution
   "Resolved that Mr. Richard Koenig be and is hereby elected as Director of BlueLife Limited."

5. To fix the remuneration of the Directors of BlueLife Limited for the year ending 30 June 2022 and to ratify the fees paid to the Directors for the year ended 30 June 2021.

   Ordinary Resolution
   "Resolved that the remuneration of the Directors of BlueLife Limited for the year ending 30 June 2022 be fixed and the fees paid to the Directors for the year ended 30 June 2020 be hereby ratified."

6. To appoint the Auditors for the ensuing year and to authorise the Board to fix their remuneration.

   Ordinary Resolution
   "Resolved that the Auditors be appointed for the ensuing year and that the Board be and is hereby authorised to fix their remuneration."

7. To ratify the remuneration paid to the Auditors for the year ended 30 June 2021.

   Ordinary Resolution
   "Resolved that the remuneration paid to the Auditors for the year ended 30 June 2021 be and is hereby ratified."

By order of the Board

(s) Doris Dardanne, FCG
Per IBL Management Ltd
Company Secretary

10 November 2021

NOTES:

1. A Shareholder of the Company entitled to attend and vote at this meeting may appoint a proxy of his/her own choice to attend and vote on his/her behalf. A proxy need not be a member of the Company.
2. The instrument appointing a proxy or any general power of attorney shall be deposited at the Company's Share Registry and Transfer Office, Ocorian Corporate Administrators Limited, 6th Floor, Tower A, 1 CyberCity, Ebène not less than twenty four hours before the time appointed for the holding of the meeting or adjourned meeting at which the person named on such instrument proposes to vote, and in default, the instrument of proxy shall not be treated as valid.
3. For the purpose of this Annual Meeting, the Directors have resolved, in compliance with Section 120(3) of the Companies Act 2001, that the Shareholders who are entitled to receive notice of the meeting shall be those Shareholders whose names are registered in the share register of the Company as at 19 November 2021.
4. The minutes of the Annual Meeting to be held on 17 December 2021 will be available for consultation during office hours at the Registered Office of the Company, IBL House, Caudan Waterfront, Port Louis from 1 February to 15 February 2022.

PROXY FORM

I/We, ____

of ____, being a shareholder/shareholders of

BlueLife Limited, do hereby appoint ____ of

______________________________ failing him/her ______________________________ of

____ failing him/her, the Chairman, as my/our proxy

to vote for me/us and on my/our behalf at the **Annual Meeting** of the Company to be held at The Gallery, Radisson Blu Azuri Resort & Spa, Azuri Ocean & Golf Village, Roches Noires on **Friday, 17 December 2021** at **9.30 hours** and at any adjournment thereof.

I/We desire my/our vote(s) to be cast on the Ordinary Resolutions as follows:

	FOR	AGAINST	ABSTAIN
1. To receive, consider and approve the Group's and Company's audited financial statements for the year ended 30 June 2021, including the Annual Report and the Auditor's Report, in accordance with Section 115(4) of the Companies Act 2001.			
2. To elect as Director of the Company, Mr. Jean-Claude Béga, who has been nominated by the Board and who offers himself for election.			
3. To elect as Director of the Company, Mrs. Doreen Lam Hau Ching, who has been nominated by the Board and who offers herself for election.			
4. To elect as Director of the Company, Mr. Richard Koenig, who has been nominated by the Board and who offers himself for election.			
5. To fix the remuneration of the Directors of BlueLife Limited for the year ending 30 June 2022 and to ratify the fees paid to the Directors for the year ended 30 June 2021.			
6. To appoint the Auditors for the ensuing year and to authorise the Board to fix their remuneration.			
7. To ratify the remuneration paid to the Auditors for the year ended 30 June 2021.			

Signed this ______________________ day of ______________________ 2021.

____

Signature (s)

NOTES:

1. A member of the Company entitled to attend and vote at this meeting may appoint a proxy of his/her own choice to attend and vote on his/her behalf. A proxy need not be a member of the Company.
2. Please mark in the appropriate box how you wish to vote. If no specific direction as to voting is given, the proxy will be entitled to vote or abstain from voting as s/he thinks fit.
3. The instrument appointing a proxy or any general power of attorney, duly signed, shall be deposited at the Share Registry and Transfer Office of the Company, Ocorian Corporate Administrators Limited, 6th Floor Tower A, 1 Cybercity, Ebene by Thursday, 16 December 2021 at 9:30 am and, in default, the instrument of proxy shall not be treated as valid.