BlueLife

THE FUTURE OF DEVELOPMENT

LISTING PARTICULARS

PROSPECTUS

IN RESPECT OF

A RIGHTS ISSUE OF

229,599,782 NEW ORDINARY SHARES AT AN ISSUE PRICE OF MUR. 1.96 PER SHARE REPRESENTING A TOTAL AMOUNT OF MUR. 450 MILLION.

0.5398 NEW ORDINARY SHARE WILL BE ISSUED FOR EVERY ONE (1) ORDINARY SHARE HELD ON 9 JANUARY 2018.

THE NUMBER OF ORDINARY SHARES WILL BE ROUNDED DOWN TO THE NEAREST INTEGER WHEN FRACTIONS OCCUR.

Date: 19 December 2017
LEC reference number: LEC/RI/03/2017

IF YOU ARE A SHAREHOLDER OF BLUELIFE LIMITED, THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This document serves as a Prospectus (as defined in the Securities Act 2005), and is deemed to be Listing Particulars pursuant to the Listing Rules of the Stock Exchange of Mauritius Ltd (“SEM”). It is issued in compliance with the rules and regulations of the SEM, the Securities Act 2005 and the Securities (Public Offers) Rules 2007 for the purpose of giving information to the shareholders of BlueLife Limited (“BlueLife” or the “Company”) and the public at large with regards to the Rights Issue.

An application has been made to the SEM for the listing of the securities.

This Prospectus is not an invitation to the public to subscribe for shares in BlueLife and securities shall not be issued under this Prospectus more than 6 months after the date the Prospectus is granted effective registration.

For a full appreciation of this Prospectus, this document should be read in its entirety. If you are in doubt about the action you should take, you should consult your investment dealer, legal adviser or other professional adviser immediately.

This document is intended only for the use of the person to whom it is addressed and is not to be redistributed, reproduced or used, in whole or in part, for any other purpose save and except as provided in this Prospectus.

DISCLAIMER OF THE LISTING EXECUTIVE COMMITTEE OF THE STOCK EXCHANGE OF MAURITIUS LTD AND THE FINANCIAL SERVICES COMMISSION

Neither the Listing Executive Committee (“LEC”) of the SEM, nor the SEM, nor the Financial Services Commission (“FSC”) assumes any responsibility for the contents of this document. The LEC, SEM and the FSC make no representation as to the accuracy or completeness of any of the statements made or opinions expressed in this document and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part of this document.

The SEM, the LEC and the FSC do not vouch for the financial soundness of the Company or for the correctness of any statements made or opinions expressed with regard to it.

A copy of the Prospectus has been registered with the FSC.

DECLARATION AND STATEMENT BY DIRECTORS

DECLARATION BY DIRECTORS

This Prospectus (deemed to be Listing Particulars pursuant to the Listing Rules of the SEM) has been prepared in compliance with the Securities Act 2005, the Securities (Public Offer) Rules 2007 and the SEM Rules (the “Listing Rules”) governing the listing of securities on the Official Market of the SEM for the purpose of giving information with regard to the issuer and its contemplated Rights Issue. The Directors of BlueLife, whose names appear in section 6.1, collectively and individually accept full responsibility for the accuracy and completeness of the information contained in this Prospectus and confirm, having made all reasonable enquiries that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

A copy of this Prospectus and all relevant statutory documents of BlueLife, have been delivered to the FSC and the SEM.

The Board of Directors (the “Board”) of BlueLife hereby states that:

(i) it has recently finalised a capital, financial and operational restructuring plan with its senior lenders (namely the Mauritius Commercial Bank Ltd and AfrAsia Bank Limited) and BlueLife’s third largest shareholder, IBL Ltd (“IBL”) with a view to restore the Group’s profitability in the medium term. The measures taken up by the Board are intended to ensure that the gearing of the Group is reduced and that working capital available to the Group is sufficient for the running of the business before cash flows are generated from ongoing projects.

(ii) there has been no material adverse change in the financial or trading position of the Group since the latest published financial statements for the quarter ended 30 September 2017.

(iii) the historical financial information included in this document, except for unaudited interim financial statements for the period ended 30 September 2017, which have been subject to a limited review by the auditors, have been extracted from audited, unqualified, consolidated annual reports for the years ended 31 December 2014, 2015 and 2016 of the Company which have been prepared in accordance to the International Financial Reporting Standards and in compliance with the Companies Act 2001 and Financial Reporting Act 2004 and the Board accepts full responsibility for them.

(iv) no changes are anticipated in the nature of the business of the Group; and

(v) at 30 September 2017:
- there are no debt securities for the Group
- the total borrowings of the Group amounted to MUR. 1,942,220,245, of which MUR. 1,737,220,245 are secured and MUR. 205,000,000 unsecured
- the total mortgages, bank guarantees and charges of the Group amounted to MUR. 5,494,700,000

On 11 August 2017, the Board of Directors approved a proposed Rights Issue of 229,599,782 New Ordinary Shares of no par value at an issue price of MUR. 1.96 per share. Each BlueLife Shareholder will be entitled to subscribe for 0.5398 New Ordinary Shares for every one (1) Ordinary Share held at close of business on 9 January 2018. In accordance with clause 7.2(a) of the Constitution of the Company, the Board may issue shares of any Class at any time, to any person and in such numbers as the Board thinks fit. The Board will approve the issue of the New Ordinary Shares under this Rights Issue.

In the context of the Rights Issue, the Board has received an undertaking from its third largest shareholder, IBL, which currently owns a 8.5% stake in BlueLife, that it will underwrite the Rights Issue to a maximum of up to MUR. 400 Million in accordance with the Underwriting Agreement.

STATEMENT OF DIRECTORS PURSUANT TO SECTION 71(2) (B) OF THE SECURITIES ACT 2005

The Directors accept responsibility for the contents of the Prospectus and declare that, to the best of their knowledge and belief, and after making reasonable inquiries, the Prospectus complies with the Securities Act 2005, any regulations made under this act or any FSC Rules.

For and on behalf of the Board of Directors of BlueLife.

Sunil Banymandhub
Director

Christine Marot
Director

19 December 2017

SALIENT FEATURES OF THE RIGHTS ISSUE

New Ordinary Shares	New ordinary shares of no par value of BlueLife ranking pari passu with the existing ordinary shares.
Purpose of the issue	To enable the Company to restructure its financial position for future growth and value creation and provide for working capital to strengthen its current financial position, as elaborated in section 3.1.
Terms of the issue	Rights Issue of 229,599,782 New Ordinary Shares at an issue price of MUR. 1.96 each. A shareholder of BlueLife, will be entitled to subscribe to 0.5398 New Ordinary Shares for every one (1) Ordinary Share registered in his/her name on 9 January 2018 rounded down to the nearest integer when fractions occur.
Listing of the New Ordinary Shares	Fully paid New Ordinary Shares will be listed and traded on the Official List of the SEM as from 6 March 2018. The Listing Executive Committee of SEM has, on 19 December 2017 approved the listing of the New Ordinary Shares.
Amount to be raised under Rights Issue	MUR. 450 Million
Opening of rights subscription	26 January 2018
Closing of rights subscription	16 February 2018
Payment terms	Payable on 16 February 2018 at latest
Issue date	5 March 2018

A full calendar of events is set out in section 4 of this document.

CONTENTS

1. DEFINITIONS

In this document, where the context permits, the abbreviations set out below bear the following meanings:

Act	The Companies Act 2001, as may be amended from time to time
Actis	Actis Paradise Jersey Limited
BlueLife group/ the Group	BlueLife Limited and its subsidiaries, as defined per the International Financial Reporting Standards (IFRS)
BlueLife/the Company	BlueLife Limited
Board	The Board of Directors of BlueLife Limited
CDS	The Central Depository & Settlement Co. Ltd
Constitution	The constitution of the Company dated 4 December 2013
EPS	Earnings per share
FSC	The Financial Services Commission of Mauritius
IBL	IBL Ltd
Investment Dealer	As defined by section 2 of the Securities Act 2005
IOREC	Indian Ocean Real Estate Company Limited
Issue Date	5 March 2018
Issuer	BlueLife
Listing Rules	The rules governing securities listed on the Official Market of the SEM
MUR.	Mauritian Rupee
New Ordinary Shares	New ordinary shares of no par value of BlueLife ranking pari passu with the existing ordinary shares
Ordinary Shares	Ordinary shares of no par value in the capital of BlueLife
Prospectus	This document (deemed to be Listing Particulars) prepared for the purpose of the Rights Issue pursuant to the Listing Rules issued by SEM, the Securities Act 2005, and the Securities (Public Offer) Rules 2007
Record date	9 January 2018
Rights Issue	The rights issue of 229,599,782 New Ordinary Shares of no par value at an issue price of MUR. 1.96 each to the shareholders of BlueLife as particularised in this Prospectus
SEM	The Stock Exchange of Mauritius Ltd, established under the repealed Stock Exchange Act 1988 and governed by the Securities Act 2005 as amended
Subscriber	Any person subscribing to the Rights Issue
Transaction Adviser	BDO & Co
Underwriting Agreement	The underwriting agreement dated 10 October 2017 entered into between BlueLife, IBL and Actis Paradise Jersey Limited with regards to an underwriting of this Rights Issue by IBL for a maximum of MUR. 400 Million subject to certain conditions

2. COMPANY BACKGROUND AND PRINCIPAL ACTIVITIES

2.1. COMPANY BACKGROUND

BlueLife (previously known as FUEL Properties Limited) is a public company limited by shares, incorporated in Mauritius on 16 April 2004. BlueLife bears registration number C07050411 and its registered office is situated at 4th Floor, IBL House, Caudan Waterfront, Port Louis, Mauritius.

BlueLife is listed on the Official Market of the SEM and is also registered as a “Reporting Issuer” with the Financial Services Commission in line with the Securities Act 2005.

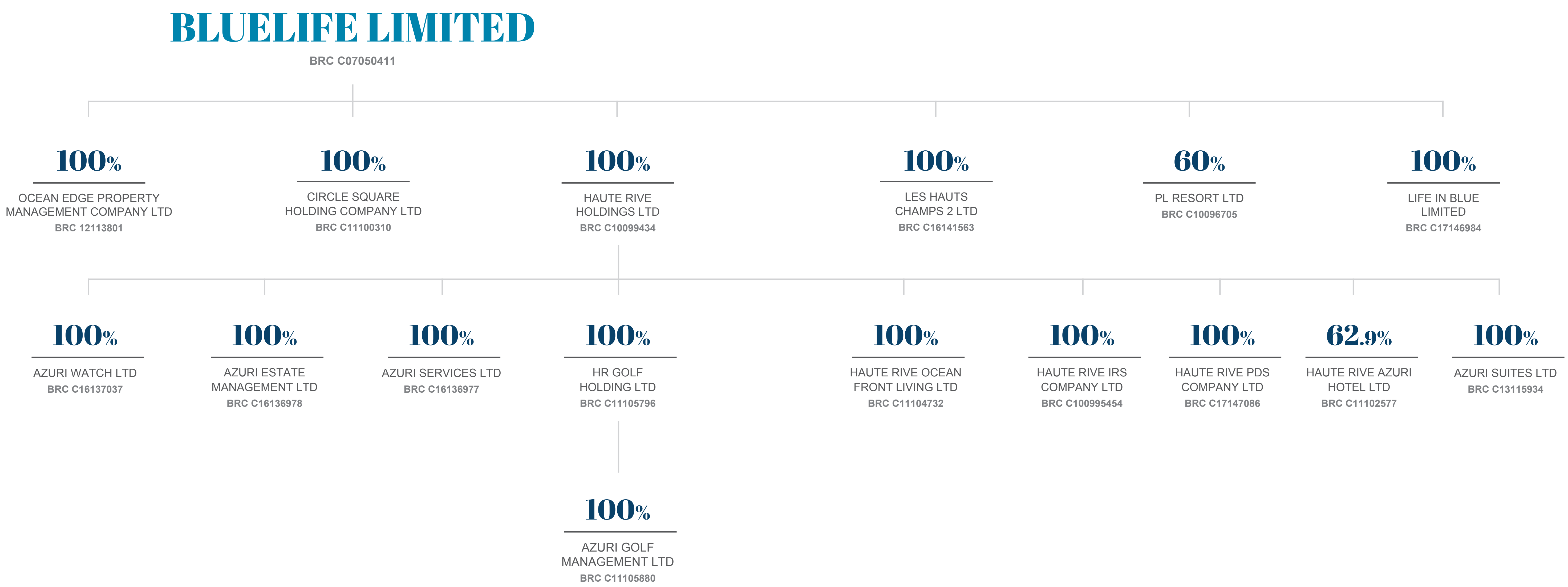
The principal activities of BlueLife consist of property development projects and real estate properties investment, including investment in hotels. The Company has 2 ancillary clusters which include asset management and support services to property development.

As at 31 December 2016, the stated capital of BlueLife was made up of 425,342,317 Ordinary Shares of no par value amounting to MUR. 3,027,298,338. All issued shares are fully paid and carry one vote per share and carry a right to dividends. The Ordinary Shares are in registered form.

As at 31 December 2016, the number of people employed by the Group stood at 452.

2.2. GROUP STRUCTURE

The current group structure of BlueLife as at 30 September 2017 was as follows:



3. PARTICULARS OF THE RIGHTS ISSUE

3.1. BACKGROUND TO AND PURPOSE OF THE RIGHTS ISSUE

On 31 December 2013, FUEL Properties Limited and Indian Ocean Real Estate Company Limited (“IOREC”) were amalgamated, giving rise to BlueLife.

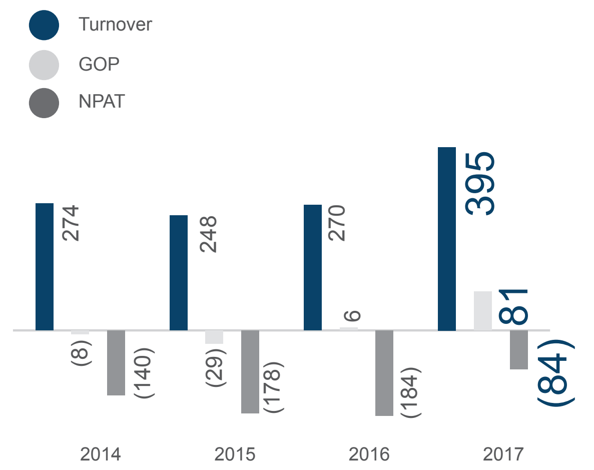
The amalgamation had been undertaken to present the shareholders with a more solid asset base so as to unlock its development potential. Within months of the amalgamation, the Company suffered unplanned overruns in construction costs. The Board took the wise decision of replacing the Company’s top management and in view of mounting losses in the hospitality cluster, the hotel operators were also replaced.

The new management had the support of the main shareholders and financial institutions to financially restructure the Company. The first phase of the turnaround had begun.

Although the initial restructuring was successful in many aspects, it proved insufficient to scale up the financials so as to unlock the potential of the asset base for further development. The Company suffered from triple ailments: prolonged losses from the hospitality cluster, insufficient working capital and increased financial costs as past losses were funded by borrowings.

Recovery of the hospitality cluster had occurred at a pace slower than anticipated but it is now back on track with promising trends.

HOSPITALITY CLUSTER MUR. ‘m



In order to restructure its balance sheet, BlueLife is planning to reinforce its capital base so that it can unlock the potential of its assets base and return to its core activity of property development.

A MUR. 450 Million Rights Issue has been considered appropriate and IBL, as the third largest shareholder of BlueLife, has agreed to underwrite the Rights Issue to a maximum amount of up to MUR. 400 Million. Support from the banks was obtained, through capital restructuring with moratorium on capital and reduced interest rates, provided a Rights Issue of a minimum of MUR. 400 Million is undertaken at latest by 30 June 2018.

The strategy of BlueLife has been reviewed to focus essentially on property development which is its key revenue driver and core business activity.

A challenging development in the Northern part of Azuri including a 9-hole golf course has been launched with an expected development value of MUR. 3.5 Billion to be completed by 2020.

This development will lead to the achievement of a 33% footprint on the Azuri site and other concept projects are already being considered to maintain the development pace to ensure ongoing business generation.

The successful implementation of the new strategy is highly dependent on BlueLife’s ability to raise the required capital through the Rights Issue which will:

(i) enhance its capital structure;

(ii) provide adequate working capital;

(iii) reduce finance costs; and

(iv) secure the continued support of banks for future developments.

The Directors of BlueLife are confident that BlueLife is now poised to unlock the value of its assets base with the successful implementation of its revised strategy and a solid capital structure which will provide the required foundation to create shareholder value in the coming years.

3.2. ESTIMATED NET PROCEEDS

Details	MUR.
Proceeds from Rights Issue	450,015,572
Estimated expenses (see below)	5,566,200
Estimated net proceeds	444,449,372

The estimated amount of expenses associated with the Rights Issue is MUR. 5,566,200.

The details of the estimated costs relating to the Rights Issue, to be incurred by BlueLife are as follows:

Details	MUR.
Consultancy fees	1,671,200
Underwriting fee	3,000,000
Postage and printing fees	650,000
Fees for listing	95,000
Fees for FSC	150,000
Total estimated costs	5,566,200

3.3. INTENDED USE OF PROCEEDS

The net proceeds of the Rights Issue will be used as follows for the implementation of the Strategic Plan:

Details	MUR.’000	%
Loan repayment to financial institutions	110,000	25%
Repayment of short term financing	175,000	39%
Repayment of shareholders loan	63,085	14%
Working capital	96,364	22%
	444,449	

In the event that the Rights Issue is not fully subscribed, the proceeds from the Rights Issue will be allocated to the above-mentioned projects in order of priority as detailed in the table above.

3.4. TERMS OF THE RIGHTS ISSUE

3.4.1. New Ordinary Shares

BlueLife will issue up to 229,599,782 New Ordinary Shares of no par value at an issue price of MUR. 1.96 each.

Shareholders of BlueLife (the “Shareholders”) will be entitled to subscribe for 0.5398 New Ordinary Share for every one Share registered in their names at the close of business on 9 January 2018. BlueLife will not issue fractional shares. The number of New Ordinary Shares will be rounded down to the nearest integer when fractions occur.

Immediately following the completion of the Rights Issue in accordance with the terms of this Prospectus, the New Ordinary Shares will rank in all respect pari passu with the Ordinary Shares of the Issuer presently in issue. Fully paid New Ordinary Shares will be listed and traded on the Official List of the SEM as from 6 March 2018.

Shareholders of BlueLife opting not to take up their rights may freely trade same on SEM as from 5 February 2018 to 9 February 2018.

As at the date of this Prospectus, the stated capital of BlueLife is made up of 425,342,317 fully paid up Ordinary Shares. Upon completion of the Rights Issue, BlueLife will have a stated capital made up of a maximum of 654,942,099 Ordinary Shares.

	Number of shares
Stated capital prior to the Rights Issue	425,342,317
New issue of shares	229,599,782
Stated capital following the Rights Issue	654,942,099

3.4.2. Issue Price for New Ordinary Shares

The Board has approved an issue price of MUR. 1.96 per share. The table below shows the average of the quoted prices of BlueLife on the first day of each month during the 6 months immediately preceding the date of this Prospectus.

Average quoted prices	MUR.	2.22
Issue price	MUR.	1.96

On 13 November 2017, being the last practicable date prior to the publication of this Prospectus, the trading price of BlueLife was MUR. 2.34.

The issue price of MUR. 1.96 is at a 16% discount to the trading price as at 13 November 2017.

3.4.3. Opening and Closing Date for the Rights Issue

The Rights Issue will open at 09:00 hours on 26 January 2018 and will close at 16:00 hours on 16 February 2018.

3.5. RIGHTS ATTACHED TO NEW ORDINARY SHARES

Immediately following the completion of the Rights Issue in accordance with the terms of this Prospectus, the New Ordinary Shares will rank in all respect pari passu with the Ordinary Shares of the Issuer presently in issue. Those rights, privileges and conditions are set out in Section 46(2) of the Act and in the Company's Constitution.

Fully paid New Ordinary Shares will be listed and traded on the Official List of the SEM as from 6 March 2018.

Further details with regard to the rights attached to New Ordinary Shares are set out in section 11 below.

3.6. SUBSCRIPTION PROCEDURE FOR RIGHTS ISSUE

An offer letter detailing the application procedures along with the Application Forms A, B, C and D will, on or about 19 January 2018, be sent to the shareholders registered at close of business on 9 January 2018.

3.6.1. Acceptance

Acceptances are irrevocable and cannot be withdrawn.

Shareholders may accept the offer to fully or partially subscribe for New Ordinary Shares by completing and returning Application Form A with full payment for the shares subscribed to The Share Registry and Transfer Office, Abax Corporate Administrators Ltd, 6th Floor, Tower A, 1 Cybercity, Ebène not later than 16 February 2018 at 16:00 hours, Mauritius time.

Incomplete applications will be rejected.

3.6.2. Sale of Rights

Shareholders who do not wish to subscribe for any or part of the New Ordinary Shares, may renounce wholly or partly their rights or trade them by completing Application Form B (Sale of Rights) and submitting same to their investment dealer. Such Rights will be traded from 5 February 2018 to 9 February 2018.

3.6.3. Transfer of Rights

The rights of a shareholder to subscribe for New Ordinary Shares may be transferred to a related party by completing Application Form C (Transfer) in accordance with the instructions contained therein.

- Transfer of Rights to a Related Party

The transfer of rights will only be accepted if made between spouses, or an ascendant to a direct descendant or by way of a succession.

A certified true copy of document evidencing such relationship between the transferor and the transferee must be submitted, together with the duly completed and signed application form, as follows:

- Transfer of rights between spouses:
  - From the shareholder
    - National Identity Card
  - From the Subscriber
    - National Identity Card
    - Birth certificate
    - Marriage certificate.
- Transfer of rights from an ascendant to a direct descendant:
  - From the shareholder
    - National Identity Card
  - From the Subscriber
    - National Identity Card
    - Relevant civil status certificates

A duly completed and signed Purchase of Application Form D must be remitted with full payment for the New Ordinary Shares to The Share Registry and Transfer Office, Abax Corporate Administrators Ltd, 6th Floor, Tower A, 1 Cybercity, Ebène not later than 16 February 2018 at 16:00 hours, Mauritius time.

3.6.4. Purchase of Rights to Subscribe for New Ordinary Shares

The Purchase of Rights Application Form D, for the purchase of rights to subscribe for New Ordinary Shares on the Official List of the SEM will be made available by Investment Dealers. Buyers other than the shareholders whose names appear on the register of shares of BlueLife at close of business on 9 January 2018 subscribing for New Ordinary Shares shall complete and remit the form with full payment in respect of the purchase of rights to the Investment Dealer. The Investment Dealers shall then remit the completed forms along with full payment to The Share Registry and Transfer Office, Abax Corporate Administrators Ltd, 6th Floor, Tower A, 1 Cybercity, Ebène not later than 9 February 2018 at 16:00 hours, Mauritius time.

3.7. PAYMENT

Payment for New Ordinary Shares will be made by using bank transfer /crossed cheque/bank office cheque.

Cheques must be drawn to the order of "BlueLife Limited" for the total amount payable and must reach The Share Registry and Transfer Office, Abax Corporate Administrators Ltd, 6th Floor, Tower A, 1 Cybercity, Ebène not later than 16 February 2018 at 16:00 hours, Mauritius time together with the appropriate form(s) duly completed and signed.

BlueLife will reject applications for New Ordinary Shares where cheques received for payment in relation thereto have been dishonoured by the drawer's bank or where bank transfers have failed.

The below bank account details should be used to effect bank transfer transaction:

Bank Account Name: BlueLife Limited
Bank Name: Mauritius Commercial Bank Limited
MUR Account Number: 000011844701
IBAN: MU98MCBL0901000001844701000MUR
Swift Code: MCBLMUMU

3.8. SHARE FRACTIONS

BlueLife will not issue any fractions of New Ordinary Shares. Fractions will be rounded down to the nearest integer.

3.9. NEW ORDINARY SHARES NOT SUBSCRIBED FOR

The New Ordinary Shares in respect of which no duly completed Application Form A (Acceptance) from shareholders and Application Form D (Purchase of Rights) from new buyers and/or relevant full payment have been received at the closure of subscription will remain under the control of the Board.

3.10. ISSUE OF NEW ORDINARY SHARES

The issue of New Ordinary Shares will be effected on the Issue Date. The Share Registry and Transfer Agent will send a letter by registered post to shareholders as it appears in the records of BlueLife to confirm the number of New Ordinary Shares issued to them.

For shareholders having a CDS account, their respective accounts will be credited with the number of New Ordinary Shares allotted once listed. A letter will be sent to shareholders to confirm the number of New Ordinary Shares credited to their account. For all other applicants, the Share Registry and Transfer Agent will send a letter by registered post to shareholders as it appears in the records of BlueLife to confirm the number of New Ordinary Shares issued to them, and Share Certificates will be sent by registered post to shareholders with no CDS account.

All New Ordinary Shares issued under the Rights Issue will be in registered form.

3.11. RIGHTS OF THE NEWLY ISSUED ORDINARY SHARES

The newly issued Ordinary Shares will rank pari-passu with the existing Ordinary Shares of BlueLife and accordingly shall have the rights set forth in the Constitution.

3.12. THEORETICAL EX-RIGHTS PRICE

The theoretical ex-rights price is based on the share price of BlueLife on 13 November 2017 being the last practicable day prior to the publication of this Prospectus.

Last price quoted prior to the issue	MUR.	2.34
Number of shares in issue		425,342,317
Market capitalisation prior to the issue	MUR.	995,301,022
Number of shares to be issued		229,599,782
Value of shares issued	MUR.	450,015,572
Capitalisation following the issue	MUR.	1,445,316,595
Number of shares following the issue of New Ordinary Shares		654,942,099
Theoretical ex-rights price following the issue	MUR.	2.21

3.13. LISTING OF NEW ORDINARY SHARES

A copy of this Prospects, deemed to be the Listing Particulars pursuant to the Listing Rules, has been submitted to the FSC and registration was granted on 19 December 2017.

An application has been made to the Listing Executive Committee (LEC) of the SEM for the issue and listing of the New Ordinary Shares. The LEC has approved the application on 19 December 2017, subject to final registration from the FSC. This prospectus bears the LEC number LEC/RI/03/2017.

The fully paid New Ordinary Shares will be listed and traded on the Official List of the SEM as from 6 March 2018.

3.14. HISTORY OF SHARE PRICES

The market value of BlueLife shares on the SEMDEX indices on the first dealing day in each of the six months preceding the date of this Prospectus.

Date	Share Price (MUR.)	SEMDEX
01 June 2017	2.22	2,076.00
03 July 2017	2.26	2,129.99
01 August 2017	2.26	2,181.71
01 September 2017	2.16	2,189.22
02 October 2017	2.06	2,221.53
03 November 2017	2.36	2,197.79

The trading price per share of BlueLife on 10 August 2017 being the last dealing date before the announcement of the Rights Issue made on 11 August 2017 was MUR. 2.30 and the SEMDEX stood at 2,212.80.

On 13 November 2017 the trading price was MUR. 2.34 and the value of the SEMDEX was at 2,207.42.

3.15. COMMUNICATION FROM SUBSTANTIAL SHAREHOLDERS

As at the date of this Prospectus the Board has received an indication from the Company's major shareholder, namely Actis Paradise Jersey Limited, which holds 32.4% of the shares of BlueLife, that it shall not subscribe to the Rights Issue, nor trade its rights.

4. CALENDAR OF EVENTS

Event	Date
First Cum Rights trading session	19 December 2017
Last day to deposit share certificates at CDS for first day of trading of rights for the New Ordinary Shares	29 December 2017
Last Cum Rights trading session	4 January 2018
Shares quoted Ex-Rights	5 January 2018
Record date (close of business)	9 January 2018
Opening of rights subscription	26 January 2018
First day to deposit Allotment Letters in CDS for trading of rights for the New Ordinary Shares	29 January 2018
Last day to deposit letter of allotment at CDS for trading of rights for the New Ordinary Shares	2 February 2018
First day for trading of rights for the New Ordinary Shares	5 February 2018
Last day for trading of rights for the New Ordinary Shares	9 February 2018
Closure of Rights subscription for New Ordinary Shares and payment	16 February 2018
Communicating results of rights	26 February 2018
Sending share certificate to shareholders and crediting the CDS accounts	5 March 2018
First day of trading of New Ordinary Shares	6 March 2018

5. SHAREHOLDING STRUCTURE

5.1. CURRENT SHAREHOLDING OF BLUELIFE

As at 31 December 2016, the shareholders holding more than 5% of the Ordinary Shares of the Company were as follows:

Substantial Shareholders	% Holding
Actis Paradise Jersey Limited	32.4
GML Ineo Ltée	29.5
IBL Ltd	8.5

5.2. DILUTION IMPACT

	Total number of ordinary shares
Current	425,342,317
Following Rights Issue	654,942,099
Dilution	35.06%

As a result of the Rights Issue, the maximum dilution per share for a shareholder not subscribing to the Rights Issue has been estimated to be 35.06%.

The shareholding of IBL will depend on the subscription of all other shareholders and post rights issue, its stake may reach a minimum of 19.83% and a maximum of 38.14%.

6. DIRECTORS

6.1. DIRECTORS' PROFILES AND DETAILS

KISHORE SUNIL BANYMANDHUB

Chairman and Non-Executive Director

Citizen and resident of Mauritius

Kishore Sunil Banymandhub was appointed as Chairman of BlueLife Limited on 6 October 2017. He was born in August 1949, graduated from UMIST (UK) with a B.Sc. Honours First Class in Civil Engineering, and completed his Master's Degree in Business Studies at London Business School in 1977. He is also an Associate of the Institute of Chartered Accountants of England and Wales. He has occupied senior positions in the private sector in Mauritius, and in 1990 he launched a transport company which he controls. Between 2001 and 2008, he was CEO of the Cim Group, which was engaged in financial and international services. He currently acts as independent Director of a number of domestic and offshore entities. He is Head of Mauritius Operations for Actis, a leading emerging markets Private Equity fund manager. He is the Non-Executive Chairman of Omnicane Ltd, a listed group engaged in the production of refined sugar, energy, ethanol, with a regional expansion strategy in these sectors, as well as the development of property in Mauritius. He is a Director and Chairman of the Audit Committee of MCB Group Ltd, which owns the largest bank in the country. He is also a Director and Member of the Corporate Governance Committee of New Mauritius Hotels, the largest hotel group on the island. He is Chairman of the Risk and Audit Committee of the Select Group, part of the African Alliance Group, engaged in micro finance and investment banking in Africa. He has been Chairman of two para-statal bodies, a member of various private sector institutions, including President of the Mauritius Employers Federation in 1987. He was Member of the Presidential Commission on Judicial Reform (1996), headed by Lord Mackay of Clashfern, previously UK Lord Chancellor.

Directorships of companies listed on the Stock Exchange of Mauritius Ltd:

- Omnicane Ltd
- New Mauritius Hotels Ltd
- The MCB Group Ltd
- Fincorp Investments Ltd

Residential address: Impasse des Tourterelles, Morcellement Swan, Pereybere

CHRISTOPHE BARGE

Independent Non-Executive Director

Non-citizen and non-resident of Mauritius

An expert in new information technologies, Christophe Barge is the CEO of a Smart City Group, a company specialized in Smart Cities. He is a graduate of Sciences Po, Aix en Provence and holds a Master of Information Systems from Paris 8. Christophe Barge worked for 20 years in public affairs, for a ministry and private companies. Christophe Barge is an expert in the field of smart cities and digital business transformation. He accompanies many cities in France on these subjects and collaborates with Fnac, the Caisse des Dépôts et Consignations and Roland Berger strategy firm on these issues. He is the author of several books on these subjects, including Smart Cities for Dummies, published in March 2017.

Directorships of companies listed on the Stock Exchange of Mauritius Ltd: None

Residential address: 4 Avenue Marceau, 75008, Paris, France

MICHELE ANNE ESPITALIER NOEL

Chief Finance Officer and Executive Director

Citizen and resident of Mauritius

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.

Directorships of companies listed on the Stock Exchange of Mauritius Ltd: None.

Residential address: Royal Road, Pont Bon Dieu, Salazie

ARNAUD LAGESSE
Non-Executive Director
Citizen and resident of Mauritius

Arnaud Lagesse was appointed Non-Executive Director on December 31, 2013. He holds a 'Maitrise de Gestion' from the University of Aix-Marseille III, France and is a graduate of the 'Institut Supérieur de Gestion', in France. He also completed an Executive Education Program at INSEAD, Fontainebleau, France, and an Advanced Management Program (AMP180) at Harvard Business School, Boston, USA. He joined GML in 1993 as Finance and Administrative Director before becoming its Chief Executive Officer in August 2005. On July 01, 2016, after the amalgamation of GML Investissement Ltée and its main subsidiary company, Ireland Blyth Ltd, he was appointed as Group CEO of the newly formed entity now known as IBL Ltd. Mr Lagesse participated in the first National Corporate Governance Committee as a member of the Board in 2004 and was recently appointed Chairman of the new committee, set up with the aim of updating the Code after ten years of existence. Arnaud Lagesse is also a member of the National Integrity Advisory Committee and an ex-president of the Mauritius Chamber of Agriculture, the Mauritius Sugar Producers Association and the Sugar Industry Pension Fund. Mr. Lagesse is a member of the Board of Directors of several of the country's major companies, Lux Island Resorts Ltd, inter alia. He is also the Chairman of Fondation Joseph Lagesse since July 2012.

Directorships of companies listed on the Stock Exchange of Mauritius Ltd:

- Alteo Limited
- IBL Ltd
- Lux* Island Resorts Ltd
- Phoenix Beverages Limited
- Phoenix Investment Company Limited
- The United Basalt Products Ltd

Residential address: Charmoses, Forbach

CHRISTINE MAROT
Chief Executive Officer and Executive Director
Citizen and resident of Mauritius

Christine Marot, an accountant by profession, joined BlueLife Limited in May 2015. She started her career at De Chazal Du Mée & Co, Chartered Accountants in Mauritius before joining GML. She acquired vast experience working at GML Management Ltée (now IBL Management Ltd), where she acted as Finance Executive – Corporate and Accounting, until April 2015. She has been a member of the Board of Directors and has served on Committees of the Board of several listed as well as unlisted companies, involved in the financial services industry, human capital management, telecommunication and property management. Christine Marot remains a member of the governing committees of the IBL Pension Fund (formerly GML Pension Fund).

Directorships of companies listed on the Stock Exchange of Mauritius Ltd:None

Residential address: 84 Rue de la Confiance, Domaine de Mont Calme, Tamarin

LOUIS MYNHARDT
Non-Executive Director
Non-citizen and non-resident of Mauritius

Louis Mynhardt is a Chartered Accountant and a member of the Actis Real Estate team. Louis joined Actis in 2009 with a focus on sub-Saharan investments. He has worked across multiple asset classes and transaction types including LBO's, growth capital deals and restructurings. Louis has previously served on the Boards and associated subcommittees of Tracker Technology Holdings (Pty) Ltd, RTT Holdings (Pty) Ltd, Paycorp Holdings (Pty) Ltd and Savcio Holdings (Pty) Ltd. Louis is also associated with the CBH Group which comprises multiple companies across various sectors including real estate, tourism, and retail. Prior to Actis, Louis completed his articles in Ernst and Young's private equity transaction support group in London and Johannesburg.

Directorships of companies listed on the Stock Exchange of Mauritius Ltd: None

Residential address: Fl 3 The Hyde No 3, Hyde Park, Johannesburg, South Africa

KEVINDRA TEEROOVENGADUM
Non-Executive Director
Citizen and resident of Mauritius

Kevin has spent his career working in partnership with African companies to help them build their respective countries. After obtaining his BSc in Economics, an MBA and a MSc in Finance from Leicester, England, he moved back to Mauritius and worked for KPMG, Deloitte and EY in corporate finance and business consultancy before the pan-African advisory and investment banking boutique, Loita Capital Partners Group in Johannesburg, where he assisted clients with fundraising activities in numerous African countries and covered multiple sectors including banking, telecoms, commodities and logistics. In 2007, Kevin joined the Pan Emerging Market Private Equity Firm Actis as a director and was part of the 1st African Real Estate Fund for Sub-Saharan Africa focused in investing equity in new developments across a number of African jurisdictions. Mid-2013, Kevin left Actis to become the founder Chief Executive Officer of African Land Investments focused on buying out properties from Private Equity firms and developers in key markets in Sub-Saharan Africa. In September 2014, African Land Investments was merged with Atterbury Africa, and rebranded AttAfrica. It is the biggest shopping centre property fund in Sub-Saharan Africa excluding South Africa. He was the CEO of AttAfrica till December 2016. He sits on various boards of companies in Mauritius and Africa and is a frequent speaker at international conferences.

Directorships of companies listed on the Stock Exchange of Mauritius Ltd: None

Residential address: Appt F2 Venezia, Residence, Victor Hugo, Beau Bassin

6.2. DIRECTORS' CONTRACTS

As at 31 December 2016, none of the Directors of the Company and of its subsidiary companies have service contracts that needs to be disclosed under section 221 of the Companies Act.

As at 31 December 2016, none of the Directors is materially interested in any contract or arrangement.

6.3. INTERESTS OF DIRECTORS

The Directors' and officers' interests in the shares of the Company as at 30 September 2017 were as follows:

	Ordinary Shares	
	Direct	Indirect
Directors	% of Shares Held	% of Shares Held
Sunil Banymandhub	-	-
Christophe Barge	-	-
Michele Anne Espitalier Noel	0.0001	0.0002
Arnaud Lagesse	-	0.7032
Christine Marot	-	-
Louis Mynhardt	-	-
Kevindra Teeroovengadum	-	-

6.4. DIRECTORS' REMUNERATION AND BENEFITS

Remuneration and benefits received, or due and receivable by the Directors of BlueLife were as follows:

	The Group		The Company	
	2016	2015	2016	2015
	MUR'000	MUR'000	MUR'000	MUR'000
Executive Directors				
Full-Time	-	175,000	12,399,218	10,694,050
Part-Time	-	-	-	-
Non-Executive Directors	800,000	725,000	1,690,000	1,650,000
Total	800,000	900,000	14,089,218	12,344,050

The aggregate remuneration and benefits payable to the Directors of BlueLife for the current financial year is yet to be determined.

7. CORPORATE INFORMATION

7.1. COMPANY INFORMATION

Company Name	BlueLife Limited
Country of incorporation	Mauritius
Date of incorporation	16 April 2004
Business Registration Number	C07050411
Registered Office	4th Floor, IBL House, Caudan Waterfront, Port Louis, Mauritius
Chief Executive Officer	Christine Marot

7.2. THIRD PARTY INFORMATION

Company Secretary	IBL Management Ltd 4th Floor, IBL House Caudan Waterfront Port Louis
Auditors	BDO & Co 10 Frère Félix de Valois Street, Port Louis
Principal Banker	The Mauritius Commercial Bank Ltd Sir William Newton Street, Port Louis AfrAsia Bank Bowen Square 10, Dr Ferriere Street Port Louis
Legal Advisor	ENSafrica Mauritius 19 Church Street Port Louis
Registrar	Abax Corporate Administrators Ltd 6th Floor, Tower A 1 CyberCity Ebène
Transaction Advisor	BDO & Co 10 Frère Félix de Valois Street Port Louis

8. FINANCIAL INFORMATION

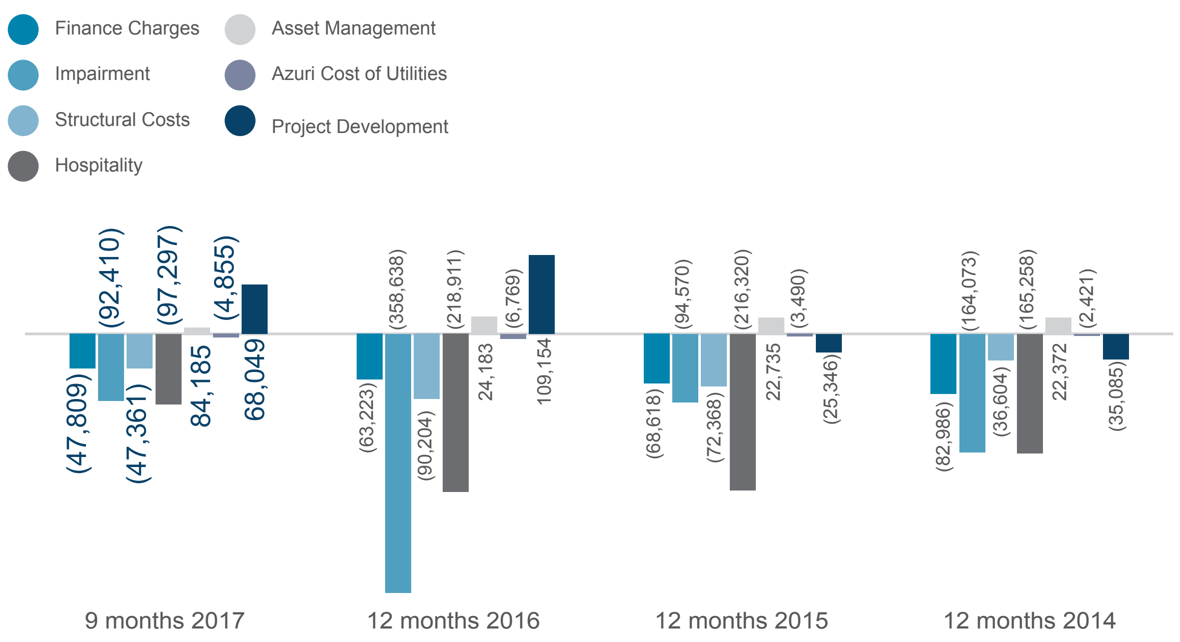
8.1. BLUELIFE FINANCIAL HIGHLIGHTS

The Group financial statements highlights for the financial years ended 31 December 2014, 2015 and 2016 and the nine months ended 30 September 2017 are as follows:

		Nine months ended	Financial year ended		
		30 September 2017	31 December 2016	31 December 2015	31 December 2014
		(Unaudited)	(Audited)	(Audited)	(Audited)
Total assets	MUR.'000	4,436,407	5,014,055	5,679,203	5,925,628
Total liabilities	MUR.'000	2,354,734	2,689,839	2,706,263	2,490,705
Owner's interest	MUR.'000	2,080,475	2,293,807	2,871,455	3,292,851
Turnover	MUR.'000	1,115,748	1,470,154	1,035,252	1,481,500
Loss after tax	MUR.'000	(245,541)	(646,211)	(484,281)	(550,436)
KPI's:					
EPS/(Loss per share)	MUR.	(0.507)	(1.354)	(0.976)	(1.154)
Dividend per share	MUR.	-	-	-	-
Net asset value per share	MUR.	4.89	5.39	6.25	7.74

The Group's figures per above period have been graphically analysed below to explain what impacted most the Group's results and Net Asset Value over the past years as well as the fact that the various actions taken since 2014 have led to recovery which are visible as from 2017.

CONTRIBUTION TO BLUELIFE'S GROUP RESULTS IN MUR



The Group's results are highly reliant on generation of revenue from property development projects which are of cyclical nature and which contribute to the absorption of overheads. Since profits from Azuri Phase 1 development had already been recognised at amalgamation in 2014, all the cost overruns since amalgamation has fully impacted the income statement until 2016 when we started recognising profits from development of the Ocean River Villas Project and as from 2017 from the Riviera Project. There was a full recognition of the increase in construction cost for our Phase II local project further to the appointment of a new contractor to complete the work after the termination of the contract of Super Construction Ltd. Claims have been submitted for all the costs incurred as well as additional expenses.

In addition, the hospitality cluster has negatively impacted the Group's results by around MUR. 325 Million since 2014 and the non-performing rental pool management has resulted in full support of rental guarantee payments over a period of 3 years as from 2014 for a total amount of MUR. 180 Million. With low rates and low occupancy of the residences in the rental pool which was under management of the hotel until end of 2016, the revenue did not cover the costs related to residences management and rental pool rental guarantee. The deficit of the rental pool was fully supported by BlueLife.

The poor results of the asset management cluster, whose contribution since 2014 was only of MUR 80 Million to the Group's results, was exacerbated, since in the income statement, a decrease in the fair value of investment properties totalling MUR 130 Million had to be recognised over the period.

Financial support required to support non-performing activities and overruns led to an increased indebtedness at holdings level. As a result, finance charges which totalled around MUR. 260 Million were incurred over the period.

As a result of the above and due to the impairment of the goodwill created on amalgamation, there was a reduction of the owner's interest by around MUR. 1.45 Billion since amalgamation.

8.2. DIVIDEND POLICY

The Company does not have any predetermined dividend policy and the dividend payout is subject to the performance of the Company.

The Company did not declare any dividend for the year under review and during the previous three years.

8.3. CAPITAL EXPENDITURE

The capital expenditure authorised by the Board and not yet incurred amount to MUR. 116 Million. The capital expenditure represents contracts for construction in progress.

8.4. FINANCIAL AND TRADING PROSPECTS

The turnaround of the hospitality cluster, the disinvestment from the non-performing asset management cluster and the launching of substantial property development projects, which initiated a positive trend since 2017 is expected to continue. The recent launch of our Ennea Villas and upcoming launch of new residential components within the golf estate will provide a diverse offer to capture the various market segments. Our aim is to achieve at the earliest the level of sales allowing the start of the whole Northern Precinct project which will be the driver of revenue for 3 years from beginning of construction which we are striving to start as early as possible

8.5. PROPERTY VALUATION

The Company has revalued the Investment Properties ("IP") in conformity with International Financial Reporting Standards as detailed in the table below:

Detail of IP	Amount as per valuation (MUR'000)	Basis
Industrial Building	105,556	VR [8 November 2017]
Land 14,2017 m² in Riviere du Rempart	14,000	BR [30 September 2017]
Land 5,519 m² in Piton	13,579	BR [30 September 2017]
Harbour Front Office Floors	143,158	VR [8 November 2017]
Circle Square Retail Park	338,458	VR [8 November 2017]
Circle Square additional infrastructures	5,367	
Land 74,204 m² in Forbach	246,124	VR [30 September 2017]
Azuri retail units	179,309	BR [30 September 2017]
Adjustments made mainly due to reclassification	(33,775)	
	1,011,776	

VR means valuation report, BR means Board representation.

9. RISK MANAGEMENT

9.1. BUSINESS RISKS

Risks Relating to Our Business and Industry

Risk description	Trigger event / indicator	Control process to mitigate risk
All of our investment properties are located in Mauritius and our financial performance is almost entirely dependent upon trading in Mauritius.	• Any event that negatively affects the occupancy rate, rental yields or the performance of these centres. • Any financial, economic and political developments in or affecting Mauritius resulting in decreased consumer spending	• Keeping informed of key challenges and changes in the economic and business environments to enable proactive actions to be taken. • Regular monitoring of our tenants' performance, our centres' shopping traffic and other key performance indicators to determine future actions plans
Our results of operations depend on tourism in Mauritius	A decline in the attractiveness of Mauritius to international visitors, and a decline in tourism generally, would have a material adverse effect on our hotel revenue levels.	• Keeping abreast of the continued attractiveness of Mauritius as a tourist destination • Monitoring and ensuring the continued attractiveness of our hotels as compared to competing hotels in Mauritius; • Monitoring the effectiveness of our marketing campaigns and initiatives
We face competition from other residential development projects.	Any oversupply of residential development in the same market segment may adversely affect our sales program, price targets and sales revenue. Our inventory is currently limited to one type of villas.	• Ensuring a robust development project screening process in place • Adopting competitive pricing strategies • Ensuring the permanent adequacy of our offerings to customers' needs. • Favour the proper diversification of the Group's activities by having a blend of residential, office and retail development.
We face competition from other retail real estate assets in Mauritius.	Any oversupply of competing shopping centres in Mauritius may adversely affect our rental income • Footfall may decline • Tension on rental rates • Increased bargaining power of potential tenants • Our tenants' trading performance may be adversely affected	• Ensuring a robust development project screening process in place • Emphasis on right design decision in terms of suitability for shopping purposes with modern outfitting, appropriate access and visibility and sufficient parking space • Favour the proper diversification of the Group's activities by having a blend of residential, office and retail development.

Risks Relating to Our Business and Industry (cont'd)

Risk description	Trigger event / indicator	Control process to mitigate risk
We may be unable to lease or re-lease space in our properties and terms might not be as favourable if let.	• Demand for our properties remaining low • Limit the optimisation of our tenant mix • Limit our ability to retain tenants at expiry • Our tenants seeking to renegotiate the terms of their leases in their favour • Our ability to raise the rent may be constrained	• Ensuring leases contain automatic renewal • Emphasis on retention of tenants on lease expiry • Continued engagement with tenants • Willingness to negotiate lease terms to retain/sign tenants • Ensuring well maintained buildings to attract prospective tenants • Providing quality, yet affordable space
Our results of operations and cash flows are dependent on our tenants' ability to meet their financial obligations.	• Tenants' insolvency / bankruptcy • Growing delinquencies in payment of rent and other charges due from our tenants	• Credit control to assess and regularly monitor tenants' risk profile and engagement • Systematic Risk assessment profile of tenants prior to lease agreement signature • Tenants' arrears closely monitored and termination of non performing tenants' leases • Credit control measures to curb bad debt
Real estate valuation is inherently subjective and uncertain	Our judgement and the judgement of the independent appraisers who perform valuations on our behalf significantly affect the determination of the market value of our properties.	• Benchmarking undertaken, as much as possible, with comparative properties and known transaction to establish reasonableness of value • Ensuring the valuers are of good standards and have experience in the location and category of the property being valued

Risks Relating to Our Operations

Risk description	Trigger event / indicator	Control process to mitigate risk
Our operating expenses and maintenance capital expenditures may be higher than expected, and all of these costs may not be recoverable.	• Increase in subcontracted costs, labour costs, repair and maintenance costs, insurance premiums and/or utility costs. • Not all of these expenses are or can be recouped from our tenants	• Improving facilities management to reduce operational expenses

Risks Relating to Our Operations (cont'd)

Risk description	Trigger event / indicator	Control process to mitigate risk
We are exposed to development / revenue risks.	• Lower than expected yields, rent levels, sales price levels, sales levels • Delay in the sales/ rent programmes • Currently reaching end of project cycle on most developments and there is a low level of inventory. • Delay in putting new residential project to market and launching construction will impact revenue	• Implementing strong research in assessing forecast of yield development, allocation strategy, investor demand and occupiers and consumer demand • Ensuring a robust development project screening process in place • Phasing strategy: By adequately phasing projects, the steps to be taken are smaller, with possible exits / remedies following each phase. • Systematically demonstrate the market appetite by pre-selling and pre-letting phases • Flexibility might be needed to achieve the best price possible or to allow for tenant demands, design changes. • Launch new phases at earliest without compromising on milestones procedures to ensure that risks are contained
We are exposed to construction risks	• Reliable contractors working at full capacity • Upward pressure on cost of construction and building materials, equipment or labour as a result of rising commodity prices or inflation or otherwise • Unforeseen engineering problems • Default by or financial difficulties faced by contractors and other third party service and goods providers	• Careful meticulous calculations in the development and design processes • Using controlled pricing mechanisms when entering into construction contracts. • Ensuring a robust screening of the quality of partners. • Careful drafting of contracts and agreements (clauses on the decision process and exit possibilities) • Ensuring financial situation of contactors and professionals before allotment of contract
We are not attracting new customers or are not able to retain our existing customers	• Declining sales performance • Increasing tenants departure	• Improving responsiveness to our customers' requests • Nurturing relationships with existing customer network

Risks Relating to Our Operations (cont'd)

Risk description	Trigger event / indicator	Control process to mitigate risk
Our properties and assets could be exposed to damages	• Deterioration in the buildings quality as a result of incidents or due to construction defects	• Regular monitoring, sites visits and inspection • Ensuring continual interaction with tenants/ residents • Increasing vigilance and security at properties • Claiming impact of structural defects to contractors/professionals • Insuring against insurable hazards
The terms of our indebtedness contain restrictions that may limit our flexibility in operating our business.	• Limitation in our ability to access, engage into transactions or projects • Increase in required covenant ratios • Financial institutions exposure to real estate limiting potential to lending	• Maintaining conservative loan to value ratios • Manage cash position and available funding headroom • Spread of funding providers / diversified funding base • Maturity profile of debt evenly spread • Maintaining a sufficiently large liquidity buffer • Regular liquidity stress testing and scenario analysis • Maintain adequate contingency funding plans
Our properties and operations could be exposed to external events, catastrophic events or acts of terrorism	• Inability to recover operations in the event in unexpected disruptions and disasters outside our control • Loss of critical management information and delays in billing and collection of revenues, • Risks related to failure of these IT systems (in terms of hardware and software), cyber-crimes like hacking and phishing leading to data thefts	• Implementation of strong response action plan • 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 • Back Ups and complete redundancy of the IT environment being built at an offsite location
We may not have adequate insurance	Losses not fully compensated by insurance	• Maintaining insurance policies where practicable, covering both our assets and employees • Permanent control of policy specifications and insured limits • In 2015, detailed and full review of risks and insurance cover

Risks Relating to Our People and Systems

Risk description	Trigger event / indicator	Control process to mitigate risk
We rely on certain key personnel	We face risks related to our ability to continue to attract, retain and motivate our senior management and other skilled personnel in our company	• Succession planning and staff retention plans introduced across the group • Offering market-related salaries and benefits • Motivating key persons on the Long Term Incentive Plan • Keep database of interesting CVs & contacts
Our employees do not embrace our ethical value and behaviour	• Internal dysfunctional behaviours of employees such as, withholding information, under delivering and overpromising, misrepresenting results, use of company data for personal use, etc. • Whistleblowing with respect to unethical behaviours by employees involved in bribery, misrepresentation, side businesses, etc…	• Ensure the strict adherence to the Code of Ethics embracing the Group's values, ethical considerations and principles

Risks Relating to Economy and Legislation

Risk description	Trigger event / indicator	Control process to mitigate risk
Inflation may adversely affect our financial condition and results of operations	• Inflation increase in the future	• Establishing fixed contracts with suppliers or with capped increases particularly for long term contracts • Providing for indexation clauses in contracts with tenants/clients particularly for long term contracts
Interest rate movement volatility in interest rates may adversely affect our cost of borrowings	• Significant upward changes in interest	• Using fixed interest instruments • Provide for interest rate buffer in all commercial appraisals • Maintaining loan to value ratios as low as possible • Accessing new sources of funding at lower cost
Future changes in the Rupee exchange rate against main currencies	• Significant currency fluctuations in major currencies	• Developing markets based on several currencies for sale of properties, hotel operations and for sourcing of material

Risks Relating to Economy and Legislation (cont'd)

Risk description	Trigger event / indicator	Control process to mitigate risk
We may incur unplanned costs related to compliance with health and safety and environmental laws	• Failure of our contractors to comply with the relevant standards make us liable for penalties and our business or reputation could be materially and adversely affected • Criminal / Civil prosecution • Arising of an health and safety or environmental liability in relation to any of our properties • Amendments to existing laws and regulations relating to safety standards and the environment imposing more onerous requirements on us and necessitating further capital expenditure	• Observe high standards • Changing the Group's safety culture by focusing on behaviour observation, reward and communication • Zero tolerance for non-compliance to safety rules
We are required to comply with applicable laws and regulations and to maintain licences and permits to operate our businesses, and our failure to do so could adversely affect our results of operations and prospects	• Objections or delays in obtaining and maintaining requisite approvals, certifications, permits and licences • Revocation of our licence • Stop orders/suspension of operations	• Establishing internal procedures and controls to comply with prevalent legislations • Keeping informed of changes in legislation governing our business activities.

10. ADDITIONAL DISCLOSURES

10.1. INFORMATION ON THE CAPITAL OF THE BLUELIFE GROUP

There was no alteration in the capital of the issuer or any member of the Group within two years immediately preceding the issue of the Prospectus.

No member of the Group has capital which is under option or agreed conditionally or unconditionally to be put under option.

10.2. EMPLOYEE SHARE OPTION SCHEME

No employee share option plan is in place.

10.3. MATERIAL CONTRACTS

BlueLife, IBL, and Actis entered into an Underwriting Agreement (as defined herein) with regards to the Rights Issue.

No other member of the Group has entered into any contract other than in the ordinary course of business within 2 years preceding the publication of this Prospectus.

10.4. LEGAL PROCEEDINGS, CONTINGENCIES AND GUARANTEES

There is a dispute between BlueLife and its contractor, Super Construction Co. Ltd, in respect of the construction of town houses and apartments on Plot 14 of the development known as Azuri and its associated leisure centre.

(a) The Company has a claim against the contractor which claim has been considered by the Project Manager, who has determined that the contractor owes the sum of MUR. 129.5 Million to the Company. The Company is now claiming part of that sum from SBM Bank (being MUR. 63 Million) pursuant to the Performance Bond issued by the bank under that construction contract.

(b) Super Construction Co. Ltd has made a claim of MUR. 213.4 Million against the Company, which claim has been rejected by the Project Manager.

10.5. STATEMENT OF DEPENDENCE

There is reliance on laws and regulations generally applicable to property development businesses, including dependency on the Board of Investment for obtaining Property Development Scheme ("PDS") Certificate, and related licences, permits, authorisations or approvals from other regulatory authorities.

10.6. OTHERS

No members of Group has received any commission, discount, brokerage or other special term within two years immediately preceding the issue of this Prospectus in connection with the issue or sale of any capital.

11. EXTRACTS OF CONSTITUTION

The clauses below relate to the relevant section of the Company's constitution in relation to the rights attached to the securities being listed.

Board may Issue Shares

(a) Subject to the Act, this Constitution and the terms of issue of any existing Shares, the Board may issue Shares (and rights or options to acquire Shares) of any Class at any time, to any person and in such numbers as the Board thinks fit.

(b) Notwithstanding section 55 of the Act and unless the terms of issue of any Class of Shares specifically provide otherwise, the Board may, if authorised by the Shareholders by Ordinary Resolution, issue Shares that rank (as to voting, Distribution or otherwise) equally with or in priority to, or in subordination to the existing Shares without any requirement that the Shares be first offered to existing Shareholders.

(c) If the Board issue Shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such Shares, and if the Board issue Shares with different voting rights, the designation of each Class of Shares, other than those with most favourable voting rights, shall include the words "restricted voting" or "limited voting".

Consideration for issue of Shares

(a) Subject to clause 7.3(b) before the Board issues Shares, other than shares issued upon incorporation, it must:

  (i) determine the amount of the consideration for which the Shares will be issued and the terms on which they will be issued.

  (ii) if the Shares are to be issued for consideration other than cash, determine the reasonable present value of the consideration for the issue and ensure that the present value of that consideration is fair and reasonable to the Company and all its existing shareholders, and is not less than the amount to be credited in respect of the Shares; and a director shall issue a certificate to that effect;

  (iii) ensure that, in its opinion, the consideration for the Shares and their terms of issue are fair and reasonable to the Company and to all existing Shareholders.

(b) Clause 7.3(a) shall not apply to the issue of Shares on the conversion of any convertible securities, or the exercise of any option to acquire Shares in the Company.

Shares issued in lieu of Dividend

The Board may issue Shares to any Shareholders who have agreed to accept the issue of Shares, wholly or partly, in lieu of a proposed dividend or proposed future dividends provided that:

(a) the right to receive Shares, wholly or partly, in lieu of the proposed dividend or proposed future dividends has been offered to all Shareholders of the same Class on the same terms;

(b) where all Shareholders elected to receive the Shares in lieu of the proposed dividend, relative voting or distribution rights, or both would be maintained;

(c) the Shareholders to whom the right is offered are afforded a reasonable opportunity of accepting it;

(d) the Shares issued to each Shareholder are issued on the same terms and subject to the same rights as the Shares issued to all Shareholders in that Class who agree to receive the Shares; and

(e) the provisions of section 56 of the Act are complied with by the Board.

Variation of Rights

(a) If, at any time, the share capital of the Company is divided into different Classes of Shares, the Company shall not take any action which varies the rights attached to a Class of Shares unless that variation is approved by a Special Resolution or by consent in Writing of the holders of seventy five (75) percent of the Shares of that Class; All the provisions of the Constitution relating to meetings of Shareholders shall apply "mutatis mutandis" to such a meeting provided however that the necessary quorum shall be the holders of at least one third of the issued Shares of that Class (but so that if, at any adjourned meeting of such holders, a quorum is not present, those Shareholders who are present shall constitute a quorum).

(b) Where the variation of rights attached to a Class of Shares is approved under clause 7.7(a) and the Company becomes entitled to take the action concerned, the holder of a Share of that Class who did not consent to or cast any votes in favour of the resolution for the variation, may apply to the Court for an order under Section 178 of the Act, or may require the Company to purchase those Shares in accordance with Section 108 of the Act. For the purposes of this clause, "variation" shall include abrogation and the expression "varied" shall be construed accordingly.

(c) A resolution which would have the effect of:

  (i) diminishing the proportion of the total votes exercisable at a Meeting by the holders of the existing Shares of a Class; or

  (ii) reducing the proportion of the dividends or distributions payable at any times to the holders of the existing Shares of a Class,

  shall be deemed to be a variation of the rights of that Class.

(d) The Company shall within one month from the date of the consent or resolution referred to in clause 7.7 (a) file with the Registrar in a form approved by him the particulars of such consent or resolution.

Fractional Shares

The Company may issue fractions of Shares which shall have corresponding fractional liabilities, limitations, preferences, privileges, qualifications, restrictions, rights and other attributes as those which relate to the whole share of the same Class of Shares.

Purchase by Company of its Shares

The company may purchase or otherwise acquire its Shares in accordance with, and subject to, sections 68 to 74, 106 and 108 to 110 of the Act, may hold the acquired Shares in accordance with section 72 of the Act and transfer them pursuant to section 74(2) of the Act.

Transfer of Shares

Freedom to transfer is unlimited

(a) There shall be no restrictions and lien on the transfer of fully paid up Shares in this Company and transfer and other document relating to or affecting the title to any Shares shall be registered with the Company without payment of any fee.

(b) The Board may impose such restrictions as they may deem fit on the transfer of partly paid shares which are listed provided that such restrictions shall not prevent dealings in respect of such partly paid shares from taking place on an open and proper basis.

Pledge of Shares

(a) Any share in the Company may be given in pledge in all civil and commercial transaction in accordance with the Mauritian civil code or the code of commerce.

(b) The Company shall keep a register in which pledges of Shares shall be inscribed stating that the pledgee holds the Shares not as owner but in pledge of a debt, the amount of which shall be mentioned. A pledge shall be sufficiently proved by the inscription in that register.

(c) If the pledgee so requires, there shall be delivered to him a certificate, signed by the Company's secretary, which shall enumerate the number of Shares given in pledge and the amount and nature of the debt in respect of which the pledge was constituted.

(d) Subject to the terms and conditions of the pledge, the owner of the Shares given in pledge shall continue to be the party entitled to attend Meetings of the Company and to vote with respect to such Shares and to cash all dividends in respect thereof.

Distributions

Solvency test

(a) Notwithstanding section 61(1)(b) of the Act but subject to clause 16.2, the Board may, if it is satisfied on reasonable grounds that the Company will satisfy the Solvency Test as defined in section 6(1) of the Act immediately after the Distribution, authorise a Distribution by the Company to Shareholders.

(b) The Directors who vote in favour of a Distribution shall sign a certificate stating that, in their opinion, the Company will satisfy the Solvency Test immediately after the Distribution.

Dividends Payable Pari Pasu

The Board may not authorise a Dividend

(a) in respect of some but not all the Shares in a Class;

(b) of a greater amount in respect of some Shares in a Class than other Shares in that Class except where:

  (i) the amount of the Dividend is reduced in proportion to any liability attached to the Shares under this Constitution;

  (ii) a Shareholder has agreed in writing to receive no dividend, or a lesser dividend than would otherwise be payable;

(c) unless it is paid out of retained earnings, after having made good any accumulated losses at the beginning of the Financial Year.

(d) Dividends may be paid by posted cheques. The Board may cease sending dividend cheques by post, and if such cheques have been left uncashed, such power of the Board will not be exercised until such cheques have been left so uncashed on two consecutive occasions. However, such power may be exercised after the first occasion on which such a cheque is returned undelivered and reasonable enquiries have failed to establish any new address of the registered holder

Unclaimed Dividends

All Dividend and any other moneys payable to any Shareholder or former Shareholder in respect of Shares in the Company and/or interest in respect of debt or Securities issued by the Company remaining unclaimed for five (5) years after having been declared or otherwise having become payable, may at the expiry of such period of five (5) years after having been declared or otherwise having become payable, be forfeited by the Directors for the benefit of the Company provided always that the Directors may at any time after such forfeiture annul the same and pay the dividend or interest or issue the bonus (as the case may be) so forfeited without any interest to any person producing evidence that he is entitled to the same and shall do so unless in the opinion of the Directors such payment or issue would embarrass the Company.

Discounts to Shareholders

(a) The Board may pursuant to a discount scheme resolve that the Company shall offer to Shareholders discounts in respect of some or all goods sold, or services provided by, the Company.

(b) The discount scheme shall be one where the Board has previously resolved that the proposed discounts:

 (i) are fair and reasonable to the Company and all Shareholders; and

 (ii) will be available to all Shareholders or to all Shareholders of the same Class on the same terms.

(c) The discount scheme shall not be approved or continued by the Board unless the Board is satisfied, on reasonable grounds that the Company will satisfy or is satisfying the Solvency Test.

Financial Assistance on Acquisition of Shares

The Company may, subject to and in accordance with, Section 81 of the Act give financial assistance (whether directly or indirectly) to a person for the purpose of, or in connection with, the purchase of Shares issued (or to be issued) by the Company.

Powers reserved to Ordinary Shareholders

(a) Powers reserved to Shareholders of the Company by the Act or by this Constitution may be exercised:

 (i) at a Meeting; or

 (ii) by a resolution in lieu of a meeting; or

 (iii) by a Unanimous Resolution.

(b) Unless otherwise specified in the Act or this Constitution, a power reserved to Shareholders may be exercised by an Ordinary Resolution.

Special Resolutions

When Shareholders exercise a power to approve any of the following, that power may only be exercised by a Special Resolution:

(a) an alteration to or revocation of this Constitution or the adoption of a new Constitution;

(b) a Major Transaction;

(c) an Amalgamation;

(d) the liquidation of the Company; or

(e) a reduction of the Stated Capital under Section 62 of the Act.

Management review by Shareholders

(a) The Chairperson of any meeting of shareholders shall give the Shareholders a reasonable opportunity to discuss and comment on the management of the Company.

(b) A meeting of Shareholders may pass a resolution which makes recommendations to the Board on matters affecting the management of the Company.

(c) Unless carried as a Special Resolution, any recommendation under subsection (b) shall not be binding on the Board.

A Shareholder may require Company to Purchase Shares

(a) A Shareholder may require the Company to purchase his Shares where:

 (i) a Special Resolution is passed under clause 17.2(a) for the purposes of altering the Constitution of the Company with a view to imposing or removing a restriction on the business or activities of the Company, or a Major Transaction, an Amalgamation or a reduction of the stated capital; and

 (ii) the Shareholder casts all the votes attached to the Shares registered in his name and for which he is the beneficial owner against the resolution; or

 (iii) where the resolution to exercise the power was passed as resolution in lieu of Meeting, the Shareholder did not sign the resolution.

(b) A request to that effect shall be addressed to the Company by the dissenting shareholder by notice in Writing within fourteen (14) days of either the passing of the resolution at a Meeting of Shareholders or the date on which notice of the passing of the written resolution is given to him.

(c) Upon receiving a notice given under clause (b), the Board shall:

 (i) agree to the purchase of the Shares by the Company from the Shareholder giving the notice; or

 (ii) arrange for some other person to agree to buy the Shares; or

 (iii) apply to the Court under Section 112 or section 113 of the Act; or

 (iv) save and except as regards a Special Resolution approving the liquidation of the Company which cannot be rescinded in any circumstances, arrange, before taking the action concerned, for the Special Resolution entitling the Shareholder to give the notice pursuant to clause 17.4(b), to be rescinded by a Special Resolution, or decide in the appropriate manner not to take the action concerned; and

(d) the Board shall within twenty-eight (28) days of receipt of the notice under clause (b) give written notice to the Shareholder of its decision under clause (c).

(e) where the Board agrees to the Company purchasing the Shares, pursuant to clause 17.4(c)(i), it shall do so in accordance with section 110 of the Act.

Notice of Meetings

(a) Written notice of the time and place of a Meeting shall be sent to every Shareholder entitled to receive notice of the Meeting and to every Director, secretary and auditor of the Company not less than fourteen (14) days before the Meeting.

(b) The notice shall state:

 (i) the nature of the business to be transacted at the Meeting in sufficient detail to enable a Shareholder to form a reasoned judgement in relation to it; and

 (ii) the text of any Special Resolution to be submitted to the Meeting.

(c) Any irregularity in a notice of a Meeting shall be waived where all the Shareholders entitled to attend and vote at the Meeting attend the Meeting without protest as to the irregularity, or where all such Shareholders agree to the waiver.

(d) Any accidental omission to give notice of a Meeting to, or the failure to receive notice of a Meeting by, a Shareholder shall not invalidate the proceedings at that Meeting.

(e) The Chairperson may, or where directed by the Meeting, shall, adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place.

(f) When a Meeting is adjourned for thirty (30) days or more, notice of the adjourned Meeting shall be given as in the case of an original Meeting.

(g) Notwithstanding clauses (a),(b) and (c) it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.

(h) Notice can be given by advertisement, provided that such advertisement shall be published in at least two daily newspapers of wide circulation.

Quorum

(a) Where a quorum is not present, no business shall, subject to clause (c), be transacted at a Meeting.

(b) Should there be more than one shareholder, the quorum for holding a Meeting of Shareholders, shall be at least 2(two) members present in person or by proxy together holding shares representing at least 35 (thirty five)% of the total voting rights.

(c) Where a quorum is not present within thirty (30) minutes after the time appointed for the Meeting:

 (i) in the case of a Meeting called under section 118 (1)(b) of the Act, the Meeting shall be dissolved;

 (ii) in the case of any other Meeting, the Meeting shall be adjourned to the same day in the following week at the same time and place, or to such other date, time and place as the Directors may appoint; and

 (iii) where, at the adjourned Meeting, a quorum is not present within thirty (30) minutes after the time appointed for the Meeting, the Ordinary Shareholders or their proxies present shall be quorum.

Number of Directors

The Board shall consist of a minimum of 3 (three) Directors and a maximum of twelve (12) Directors.

Disqualification and removal of Directors

A person will be disqualified from holding the office of Director if he:

(a) is removed by Ordinary Resolution passed at a Meeting called for the purpose that includes the removal of a Director; or

(b) resigns in Writing and is not reappointed in accordance with this Constitution or the Act; or

(c) becomes disqualified from being a Director pursuant to section 133 of the Act; or

(d) is (or would, but for the repeal of section 117 of the Companies Act 1984, be) prohibited from being a Director or promoter of, or being concerned with, or taking part in, the management of a Company under section 337 or 338 of the Act; or

(e) dies; or

(f) attains or is over the age of seventy (70) years (but subject always to section 138 of the Act), or

(g) is under eighteen (18) years of age; or

(h) is an undischarged bankrupt.

The removal from office of any Director by the Company shall be without prejudice to the removed Director's right to claim damages under any contract with the Company.

Notwithstanding anything in this section, a person of or over the age of 70 years may, by an Ordinary Resolution of which no shorter notice is given than that required to be given for the holding of a Meeting of shareholders, be appointed or re-appointed as a Director of the Company to hold office until the next Annual Meeting of the Company or be authorised to continue to hold office as a Director until the next Annual Meeting of the Company.

Alternate Directors

(a) Every Director may, by notice given in Writing to the Company, appoint any person (including any other Director) to act as an Alternate Director in the Director's place, either generally, or in respect of a specified meeting or meetings at which the Director is not present.

Powers of the Board

(a) Subject to any restrictions in the Act or this Constitution, the business and affairs of the Company shall be managed by or under the direction or supervision of the Board.

(b) The Board shall have all the powers necessary for managing, and for directing and supervising the management of, the business and affairs of the Company except to the extent that this Constitution or the Act expressly requires those powers to be exercised by the Shareholders or any other person.

(c) The Board shall moreover have all the powers of the Company as expressed in section 27 of the Act, including, but not limited to, the power to purchase and sell property, to borrow money and to mortgage, pledge or create charges on its assets and to issue debentures and other securities, whether outright or as security for any debt, liability, or obligation of the Company or of any third party.

Authority to remunerate Directors

(a) The Shareholders by Ordinary Resolution, or the Board if it is satisfied that to do so is fair to the Company, shall approve:

 (i) the payment of remuneration (or the provision of other benefits) by the Company to a Director for his services as a Director, or the payment of compensation for loss of office; and

 (ii) the making of loans and the giving of guarantees by the Company to a Director in accordance with section 159 (6) of the Act.

(b) The Board shall ensure that, forthwith after authorising any payment under clause 22.1 (a), particulars of such payment are entered in the Interests Register, where there is one.

(c) Notwithstanding the provisions of this clause, the Shareholders of the Company may, by Unanimous Resolution or by Unanimous Shareholders' Agreement, approve any payment, provision, benefit, assistance or other distribution referred to in section 159 of the Act provided that there are reasonable grounds to believe that, after the distribution, the Company is likely to satisfy the Solvency Test.

Interested Director not to vote

(a) Except for those listed in clause 22.4 (b) to (g), no Director shall vote on any contract or arrangement or any other proposal in which he or his associate is interested nor shall he be counted in the quorum present at a meeting at which any such contract or arrangement or any other proposal is to be considered.

(b) The giving of any security or indemnity either:

 (i) to the Director in respect of money lent or obligations incurred or undertake by him at the request of or for the benefit of the Company or any of its subsidiaries; or

 (ii) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director has himself assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

(c) Any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director is or is to be interested as a participant in the underwriting or sub-writing of the offer;

(d) Any proposal concerning any other company in which the Director is interested only, whether directly or indirectly, as an officer or executive or Shareholder r in which the Director is beneficially interested in shares of that company, provided that he, together with any of his Associates, is not beneficially interested in five percent (5%) or more of the issued Shares of any Class of such company (or of any third company through which his interest is derived) or of the voting rights;

(e) Any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:

 (i) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which he may benefit; or

 (ii) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors and employees of the Company or any of its subsidiaries and does not provide in respect of any Director as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(f) Any contract or arrangement in which the Director is interested in the same manner as other holders of Shares or debentures or other securities of the Company by virtue only of his interest in Shares or debentures or other securities of the Company;

Accounts

A printed copy of the Company's Annual Report (including the balance sheet and every document required by law to be annexed thereto and profit and loss account or income and expenditure statement account) shall, at least 14 days before the date if the meeting of Shareholders, be delivered or sent by post to the registered address of every Shareholder.

Winding up

Distribution of Surplus Asset

Subject to the terms of issue of any Shares, upon the liquidation of the Company, any assets of the Company remaining after payment of the debts and liabilities of the Company and the costs of liquidation shall be distributed among the holders of the Shares in proportion to their shareholding, provided however that a holder of Shares not fully paid up shall receive only a proportionate share of his entitlement being an amount which is in proportion to the amount paid to the Company in satisfaction of the liability of the Shareholder to the Company in respect of the Shares.

Division in Kind

(a) When assets are distributed, the liquidator may, with the sanction of a Special Resolution, divide in kind amongst the Shareholders the assets of the Company, whether they consist of property of the same kind or not, and may for that purpose set such value as he shall deem fair upon any property to be divided and may determine how the division shall be carried out as between the Shareholders or different classes of Shareholders.

(b) The liquidator may, with the like sanction, vest any such assets in such persons for the benefit of contributories as the liquidator, with the like sanction, shall think fit.

(c) Nothing in this clause shall require a Shareholder to accept any share or other security on which there is any liability.

12. FINANCIAL INFORMATION

The financial information for the years ended December 31, 2014, 2015 and 2016 set out below has been extracted from the financial statements of the Group which have been audited by BDO & Co.

12.1. AUDITORS' REPORT

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10, Frère Félix de Valois Street
Port Louis, Mauritius
P.O. Box 799

GrpA/pr

November 17, 2017

The Board of Directors
BlueLife Limited
Circle square Retail, Forbach
MAURITIUS

Dear Sirs

We report on the historical financial information set out on pages 38 to 51. This report, for which we accept full responsibility, has been prepared for inclusion in the Prospectus/Listing particulars of BlueLife Limited ("the Issuer"), in relation to a Rights Issue of 229,599,782 New Ordinary Shares at an issue price of MUR. 1.96 per share.

Basis of preparation

The financial information is based on the following:

- Audited consolidated financial statements of BlueLife Limited for the years ended December 31, 2016, 2015 and 2014;
- Unaudited consolidated statement of financial position of BlueLife Limited at September 30, 2017 and statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity for the nine months ended September 30, 2017.

Responsibilities

The Directors of BlueLife Limited are responsible for preparing the financial information on the basis of preparation set out on pages 45 to 51 and in accordance with International Financial Reporting Standards.

Scope of audit for the years ended December 31, 2016, 2015 and 2014

We conducted our audits in accordance with International Standards on Auditing. Our responsibility is to express an opinion on the historical financial information included in the standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the Financial Statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the abovementioned Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Financial Statements 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 entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Financial Statements.

Scope of review for the nine months ended September 30, 2017

We conducted our review of the historical financial information for the nine months ended September 30, 2017 in accordance with the procedures described in International Standard on Review Engagements ISRE 2410: Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of historical financial information consists of making inquiries, primarily of people responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the nine months ended September 30, 2017.

Statement of independence

During the years ended December 2016, 2015 and 2014, and the nine months ended September 30, 2017, we have not been an associate, as defined in the Listing Rules, of any directors or of any shareholders holding more that 5% of the issued share capital of the Issuer.

We have been the statutory auditors of BlueLife Limited for the years ended December 2016, 2015 and 2014.

Opinion on the historical financial information

In our opinion, the historical financial information gives, for the purpose of the Prospectus/Listing particulars, a true and fair view of the financial position of BlueLife Limited and its subsidiaries (the "Group") and its financial performance and its cash flows for each of the year ended 31 December 2016, 2015 and 2014, in accordance with International Financial Reporting Standards and accounting policies used in the Issuer's audited financial statements underlying the historical financial information.

Further, based on our review, nothing has come to our attention that causes us to believe that the historical financial information of the Group for the nine months ended September 30, 2017 is not fairly presented, in all material respects, in accordance with the recognition and measurement requirements of International Financial Reporting Standards.

Consent

We consent to the inclusion in this report in the Listing Particulars in the form and context in which it appears and such consent have not been withdrawn prior to the approval of the prospectus particulars. We confirm that since our last audit report dated March 31, 2017, we are not aware of any matters which could affect the validity of our report.

BDO & Co.

BDO & CO
Chartered Accountants

AUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT

	Audited December 31, 2016 Rs.	Audited December 31, 2015 Rs.	Audited December 31, 2014 Rs.
ASSETS			
Non-current assets			
Property, plant and equipment	**1,181,462,950**	1,218,576,695	1,243,284,598
Investment properties	**1,075,965,159**	1,485,657,787	1,572,905,124
Intangible assets	**209,598,344**	389,832,498	420,827,040
Land and related development costs	**1,634,425,724**	1,819,979,741	1,754,288,000
Investment in associate	**-**	-	10,723,000
Deferred tax assets	**40,578,363**	49,765,123	22,055,200
Non-current receivables	**1,000,000**	16,554,316	-
	4,143,030,540	4,980,366,160	5,024,082,962
Current assets			
Inventories	**27,731,559**	137,672,247	370,860,763
Land and related development costs	**286,641,316**	213,439,590	239,534,529
Trade and other receivables	**121,226,433**	150,086,707	196,170,084
Cash and cash equivalents	**158,810,968**	168,438,926	94,979,256
	594,410,276	669,637,470	901,544,632
Non-current assets classified as held for sale	**276,614,300**	29,199,165	-
TOTAL ASSETS	**5,014,055,116**	5,679,202,795	5,925,627,594
EQUITY AND LIABILITIES			
Capital and reserves (attributable to owners of the parent)			
Stated capital	**3,027,298,338**	3,027,298,338	3,027,298,338
Other reserves	**26,080,000**	26,080,000	26,080,000
Actuarial reserves	**(2,485,539)**	(778,538)	(576,831)
Revenue deficits	**(757,086,172)**	(181,144,667)	240,049,355
Owners' interest	**2,293,806,627**	2,871,455,133	3,292,850,862
Non-controlling interests	**30,409,823**	101,484,538	142,071,730
TOTAL EQUITY	**2,324,216,450**	2,972,939,671	3,434,922,592
LIABILITIES			
Non-current liabilities			
Borrowings	**666,763,252**	1,349,356,911	1,208,617,803
Retirement benefit obligations	**5,994,255**	3,438,408	1,583,815
Deferred tax liabilities	**10,362,529**	9,967,991	7,605,984
	683,120,036	1,362,763,310	1,217,807,602
Current liabilities			
Borrowings	**1,421,321,749**	882,030,017	793,330,425
Trade and other payables	**585,396,881**	461,469,797	470,062,980
Current tax liabilities	**-**	-	9,503,995
	2,006,718,630	1,343,499,814	1,272,897,400
TOTAL LIABILITIES	**2,689,838,666**	2,706,263,124	2,490,705,002
TOTAL EQUITY AND LIABILITIES	**5,014,055,116**	5,679,202,795	5,925,627,594

AUDITED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED

	Audited December 31, 2016 Rs.	Audited December 31, 2015 Rs.	Audited December 31, 2014 Rs.
Revenue	**1,470,153,597**	1,035,251,579	1,481,500,372
Cost of sales	**(1,226,697,858)**	(871,514,125)	(1,296,249,668)
Gross profit	**243,455,739**	163,737,454	185,250,704
Other income	**46,173,570**	43,211,587	42,368,752
Other gains and losses-net	**3,805,532**	11,821,180	(1,565,284)
Selling and marketing expenses	**(21,964,224)**	(23,673,929)	(25,502,194)
Administrative expenses	**(383,010,338)**	(359,492,673)	(346,987,905)
Other operating expenses	**(24,500,723)**	(84,889,715)	(60,190,923)
	(136,040,444)	(249,286,096)	(206,626,850)
Net decrease in fair value of investment properties	**(78,695,444)**	(21,343,645)	(31,467,209)
Impairment charges	**(244,169,260)**	(47,499,385)	(184,968,636)
Finance costs	**(177,281,590)**	(183,568,613)	(148,483,957)
Share of results of associates	**-**	(1,823,048)	7,791,322
Loss on disposal of associate	**-**	(6,784,905)	-
Loss before tax	**(636,186,738)**	(510,305,692)	(563,755,330)
Income tax (charge)/credit	**(10,024,576)**	26,024,478	13,319,260
Loss for the year	**(646,211,314)**	(484,281,214)	(550,436,070)
Other comprehensive income for the year, net of tax			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of post-employment benefit obligations	**(2,511,907)**	(201,707)	(576,831)
Total comprehensive income for the year	**(648,723,221)**	(484,482,921)	(551,012,901)
Loss attributable to:			
Owners of the parent	**(575,941,505)**	(415,797,623)	(490,799,465)
Non-controlling interests	**(70,269,809)**	(68,483,591)	(59,636,605)
	(646,211,314)	(484,281,214)	(550,436,070)
Total comprehensive income attributable to:			
Owners of the parent	**(577,648,506)**	(415,999,330)	(491,376,296)
Non-controlling interests	**(71,074,715)**	(68,483,591)	(59,636,605)
	(648,723,221)	(484,482,921)	(551,012,901)
Loss per share (Rs/cs) - basic	**(1.354)**	(0.976)	(1.154)

AUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED

	December 31, 2016	December 31, 2015	December 31, 2014
	Rs.	Rs.	Rs.
Cash flows from operating activities			
Cash generated from operations	**306,166,393**	17,010,159	2,679,978
Interest paid	**(178,882,503)**	(188,450,325)	(154,693,650)
Interest received	**7,223,546**	274,868	207,368
Tax refunded/(paid)	**-**	2,034,249	(40,202,059)
Net cash from/(used in) operating activities	**134,507,436**	(169,131,049)	(192,008,363)
Cash flows from investing activities			
Purchase of property, plant and equipment, net	**(10,021,061)**	(10,966,515)	(33,697,224)
Purchase of intangible assets	**(876,525)**	(7,432,882)	(1,078,537)
Expenditure incurred for investment properties	**-**	(3,398,700)	(7,038,040)
Proceeds from disposal of assets classified as held for sale	**19,020,000**	-	-
Proceeds from disposal of investment properties	**-**	-	35,000,000
Proceeds from disposal of property, plant and equipment	**24,778**	-	173,913
Dividend received from associates	**-**	2,115,000	-
Net cash from/(used in) investing activities	**8,147,192**	(19,683,097)	(6,639,888)
Cash flows from financing activities			
Proceeds from long term borrowings and loan from related parties	**52,466,697**	329,099,307	214,093,000
Payment on long term borrowings and loan from related parties	**(52,938,097)**	(105,961,706)	(101,147,306)
Proceeds from shareholder's loan	**-**	-	12,000,000
Finance lease capital repayment	**(2,050,161)**	(1,504,336)	(1,646,687)
Net cash (used in)/from financing activities	**(2,521,561)**	221,633,265	123,299,007
Net increase/(decrease) in cash and cash equivalents	**140,133,067**	32,819,119	(75,349,244)
Movement in cash and cash equivalents			
At January 1,	**(387,273,549)**	(424,974,378)	(349,857,212)
Effect of foreign exchange difference	**2,746,140**	4,881,710	232,078
Net increase/(decrease) in cash and cash equivalents	**140,133,067**	32,819,119	(75,349,244)
At December 31,	**(244,394,342)**	(387,273,549)	(424,974,378)

AUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Audited						
	Attributable to owners of the parent						
	Stated Capital	Other reserves	Actuarial reserves	(Revenue deficit)/ Retained earnings	Total	Non-controlling interests	Total equity
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At January 1, 2016	3,027,298,338	26,080,000	(778,538)	(181,144,667)	2,871,455,133	101,484,538	2,972,939,671
Loss for the year	-	-	-	(575,941,505)	(575,941,505)	(70,269,809)	(646,211,314)
Other comprehensive income for the year	-	-	(1,707,001)	-	(1,707,001)	(804,906)	(2,511,907)
Total comprehensive income for the year	-	-	(1,707,001)	(575,941,505)	(577,648,506)	(71,074,715)	(648,723,221)
At December 31, 2016	3,027,298,338	26,080,000	(2,485,539)	(757,086,172)	2,293,806,627	30,409,823	2,324,216,450
At January 1, 2015	3,027,298,338	26,080,000	(576,831)	240,049,355	3,292,850,862	142,071,730	3,434,922,592
Loss for the year	-	-	-	(415,797,623)	(415,797,623)	(68,483,591)	(484,281,214)
Other comprehensive income for the year	-	-	(201,707)	-	(201,707)	-	(201,707)
Total comprehensive income for the year	-	-	(201,707)	(415,797,623)	(415,999,330)	(68,483,591)	(484,482,921)
Issue of shares	-	-	-	-	-	22,500,000	22,500,000
Changes in ownership interest in subsidiaries that do not result in a loss of control	-	-	-	(5,396,399)	(5,396,399)	5,396,399	-
Total transactions with owners of the parent	-	-	-	(5,396,399)	(5,396,399)	27,896,399	22,500,000
At December 31, 2015	3,027,298,338	26,080,000	(778,538)	(181,144,667)	2,871,455,133	101,484,538	2,972,939,671
At January 1, 2014	3,027,298,338	-	-	730,848,820	3,758,147,158	227,788,335	3,985,935,493
Loss for the year	-	-	-	(490,799,465)	(490,799,465)	(59,636,605)	(550,436,070)
Other comprehensive income for the year	-	-	(576,831)	-	(576,831)	-	(576,831)
Total comprehensive income for the year	-	-	(576,831)	(490,799,465)	(491,376,296)	(59,636,605)	(551,012,901)
Movement in reserves	-	26,080,000	-	-	26,080,000	(26,080,000)	-
At December 31, 2014	3,027,298,338	26,080,000	(576,831)	240,049,355	3,292,850,862	142,071,730	3,434,922,592

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	September 30, 2017
	Rs.
ASSETS	
Non-current assets	
Property, plant and equipment	1,149,912,727
Investment properties	1,011,776,204
Intangible assets	159,411,949
Land and related development costs	1,638,274,204
Deferred tax assets	46,615,141
Non-current receivables	1,128,000
	4,007,118,225
Current assets	
Inventories	9,219,074
Land and related development costs	138,689,044
Trade and other receivables	206,715,607
Cash and cash equivalents	74,664,688
	429,288,413
TOTAL ASSETS	4,436,406,638
EQUITY AND LIABILITIES	
Capital and reserves (attributable to owners of the parent)	
Stated capital	3,027,298,338
Other reserves	26,080,000
Actuarial reserves	6,284
Revenue deficit	(972,909,666)
Owners' interest	2,080,474,956
Non-controlling interests	1,197,778
TOTAL EQUITY	2,081,672,744
LIABILITIES	
Non-current liabilities	
Borrowings	739,304,301
Retirement benefit obligations	7,160,723
	746,465,024
Current liabilities	
Borrowings	1,202,915,944
Trade and other payables	396,499,124
Current tax liabilities	8,853,802
	1,608,268,870
TOTAL LIABILITIES	2,354,733,894
TOTAL EQUITY AND LIABILITIES	4,436,406,638

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	9 months ended
	30 September 2017
	Rs.
Revenue	1,115,748,485
Cost of sales	(855,882,467)
Gross profit	259,866,018
Other income	21,517,208
Other gains and losses-net	2,982,765
Selling and marketing expenses	(18,565,738)
Administrative expenses	(266,839,065)
Other operating expenses	(14,348,433)
	(15,387,245)
Net decrease in fair value of investment properties	(48,714,285)
Impairment charges	(62,476,330)
Finance costs	(127,037,324)
Loss before tax	(253,615,184)
Income tax credit	8,074,401
Loss for the period	(245,540,783)
Other comprehensive income for the period, net of tax	
Items that will not be reclassified subsequently to profit or loss:	
Remeasurements of post-employment benefit obligations, net of deferred tax	2,997,077
Total comprehensive income for the period	(242,543,706)
Loss attributable to:	
Owners of the parent	(215,823,494)
Non-controlling interests	(29,717,289)
	(245,540,783)
Total comprehensive income attributable to:	
Owners of the parent	(213,331,671)
Non-controlling interests	(29,212,035)
	(242,543,706)
Loss per share (Rs/cs)	
-basic	(0.507)

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 months ended September 30, 2017 Rs.
Cash flows from operating activities	
Cash used in operations	(90,876,641)
Interest paid	(108,253,667)
Interest received	2,395,164
Net cash used in operating activities	(196,735,144)
Cash flows from investing activities	
Purchase of property, plant and equipment, net	(3,262,566)
Purchase of intangible assets	(65,000)
Expenditure incurred for investment properties and other developments	(128,000)
Proceeds from disposal of assets classified as held for sale, net	262,783,585
Proceeds from disposal of property, plant and equipment	86,957
Net cash from investing activities	259,414,976
Cash flows from financing activities	
Proceeds from borrowings	1,019,500,000
Payment on borrowings	(1,147,172,046)
Finance lease capital repayment	(1,260,927)
Net cash used in financing activities	(128,932,973)
Net decrease in cash and cash equivalents	(66,253,141)
Movement in cash and cash equivalents	
At January 1,	(244,394,342)
Effect of foreign exchange difference	(961,356)
Net decrease in cash and cash equivalents	(66,253,141)
At September 30,	(311,608,839)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent						
	Stated Capital	Other reserves	Actuarial reserves	Revenue deficit	Total	Non-controlling interests	Total equity
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At January 1, 2017	3,027,298,338	26,080,000	(2,485,539)	(757,086,172)	2,293,806,627	30,409,823	2,324,216,450
Loss for the period	-	-	-	(215,823,494)	(215,823,494)	(29,717,289)	(245,540,783)
Other comprehensive income for the period	-	-	2,491,823	-	2,491,823	505,254	2,997,077
Total comprehensive income for the period	-	-	2,491,823	(215,823,494)	(193,130,030)	(29,212,035)	(222,342,065)
At September 30, 2017	3,027,298,338	26,080,000	6,284	(972,909,666)	2,080,474,956	1,197,788	2,081,672,744

13. SIGNIFICANT ACCOUNTING POLICIES

13.1. BASIS OF PREPARATION

The unaudited financial information for the nine months ended September 30, 2017 have been prepared in compliance with International Financial Reporting Standards (IFRSs) using the same accounting policies as for the audited financial statements for the year ended December 31, 2016, except for the adoption of relevant amendments to existing standards, new published standards and interpretations issued which are now effective. The significant accounting policies have been set out below.

The Group had revenue deficit of Rs.972.9 million and net current liabilities of Rs.1,179.0 million as at September 30, 2017. In preparing the financial statements, the Board of Directors have given careful consideration to the liquidity of the Group and the Company having regards to:

- Cash generation on completion of the Riviera Villas Project at the beginning of 2018 under Haute Rive IRS Company Ltd (HRIRS), will contribute towards the cash needs of HRIRS and reduce its indebtedness. The infrastructure cost in relation to this project had been supported in Azuri Phase 1 and will be recovered;
- Reviewed master plan implementation is under way and the sale of Golf View Villas **and** Ennea Villas was actively launched in 2017 which will create value through cash and revenue generation. **Additional residential units will be put on market in** 2018. These projects include sale of properties under “Vente en etat future d’achevement” as well as development of a **9-hole** golf and other facilities;
- Contemplated monetisation plan on disposal of non-core assets having achieved maturity level;
- Continued support from lenders through capital moratorium and rescheduling of repayment terms of loans of certain subsidiaries.

The Board of Directors are confident that the Group would continue as a going concern in foreseeable future and they consider it appropriate to prepare the financial statements on a going concern basis.

13.2. PROPERTY, PLANT AND EQUIPMENT

Land and buildings, held for use in the production or supply of goods or for administrative purposes, are stated at 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 historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Increases in the carrying amount arising on revaluation are credited to other comprehensive income and shown as revaluation surplus in 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% to 30%
Furniture, fixtures and equipment	20% to 25%
Motor vehicles	20% to 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 the profit or loss.

13.3. INVESTMENT PROPERTY

Investment property, held to earn rentals or for capital appreciation or both and not occupied by the Group, is carried at fair value, representing the open-market value. Changes in fair values are included in the profit or loss. The fair value of certain investment properties are determined by independent valuation specialists while that of others are determined by the directors of the Group.

Properties that are under construction or development to earn rentals or for capital appreciation or both is accounted as investment property. When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

13.4. INTANGIBLE ASSETS

(a) Goodwill

Goodwill arising on acquisition of a business is carried at cost as established at the date of the acquisition of the business less accumulated impairment losses, if any.

Goodwill is tested annually for impairment.

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

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

(b) 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.

(c) 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 if 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.

13.5. INVESTMENT IN SUBSIDIARIES

Separate financial statements of the investor

In the separate financial statements of the investor, 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.

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.

13.6. INVESTMENT IN ASSOCIATES

Separate financial statements of the investor

In the separate financial statements of the investor, investments in associated companies are carried at cost.

The carrying amount is reduced to recognise any impairment in the value of individual investments.

Consolidated financial statements

An associate is an entity over which the Group has significant influence but not control, or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method. Investments in associates are initially recognised at cost as adjusted by post acquisition changes in the group's share of the net assets of the associate less any impairment in the value of individual investments.

Any excess of the cost of acquisition and the Group's share of the net fair value of the associate's identifiable assets and liabilities recognised at the date of acquisition is recognied as goodwill, which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of identifiable assets and liabilities over the cost of acquisition, after assessment, is included as income in the determination of the Group's share of the associate's profit or loss.

When the Group's share of losses exceeds its interest in an associate, the Group discontinues recognising further losses, unless it has incurred legal or constructive obligation or made payments on behalf of the associate.

Unrealised profits and losses are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, appropriate adjustments are made to the financial statements of associates to bring the accounting policies used in line with those adopted by the Group.

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

Dilution gains or losses arising in investments in associates are recognised in profit or loss.

13.7. NON-CURRENT ASSETS HELD FOR SALE

Non-current 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.

13.8. FINANCIAL ASSETS

(a) categories of financial assets

The group classifies its financial assets as loans and receivables. The classification depends on the purpose for which it was made. Management determines the classification of their financial assets at initial recognition.

Loans and receivables

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

The Group's loans and receivables comprise of cash and cash equivalents, non-current receivables and trade and other receivables.

Non current receivables with fixed maturity terms are measured at amortised cost using the effective interest rate method, less provision for impairment.

Loans and receivables are carried at amortised cost using effective interest method.

(b) Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

13.9. TRADE RECEIVABLES

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in profit or loss.

13.10. TRADE AND OTHER PAYABLES

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

13.11. BORROWINGS

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

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

13.12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

13.13. SHARE CAPITAL

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

13.14. 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.

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.

13.15. 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.

13.16. LEASED ASSETS

(a) Classification

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(b) Accounting for leases - where Group is the lessee

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

(c) Accounting for leases - where Group is the lessor

Assets leased out under operating leases are included in investment property in the statements of financial position. They are carried at fair value, as determined by external valuers. Rental income is recognised in line with the relevant lease terms.

(d) Operating leases - where Group is the lessor

Payments under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

13.17. RETIREMENT BENEFIT OBLIGATIONS

(a) Defined contribution plans

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

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.

(b) Defined benefit plans

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

The liability recognised in the statements of financial position in respect of defined benefit pension 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.

(c) 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.

(d) 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 withdrawl, 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.

13.18. INVENTORIES

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.

13.19. IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

13.20. REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied and services rendered, stated net of discounts, returns, value added taxes, rebates and other similar allowances and after eliminating sales within the Group.

(i) Sale of goods

Sales of goods are recognised when the goods are delivered and titles have passed, at which time all of the following conditions are satisfied:

- the Group has transferred, to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(ii) Rendering of services

Revenue from rendering of services are recognised in the accounting year in which the services are rendered (by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of total services to be provided).

(iii) 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. The amount of revenue can be measured reliably;
- 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.

(iv) Sale of completed property

A property is regarded as sold when the significant risks and returns have been transferred to the buyer, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied.

(v) Sale of property under development

Where property is under development and agreement has been reached to sell such property when construction is complete, the directors consider whether the contract comprises:

- A contract to construct a property, or
- A contract for the sale of a completed property

Where a contract is judged to be for the construction of a property, revenue is recognised using the percentage of completion method as construction progresses.

Where the contract is judged to be for the sale of a completed property, revenue is recognised when the significant risks and rewards of ownership of the real estate have been transferred to the buyer. If, however, the legal terms of the contract are such that the construction represents the continuous transfer of work in progress to the purchaser, the percentage of completion method of revenue recognition is applied and revenue is recognised as work progresses. Continuous transfer of work in progress is applied when:

- The buyer controls the work in progress, typically when the land on which the development is taking place is owned by the final customer, and;
- All significant risks and rewards of ownership of the work in progress in its present state are transferred to the buyer as construction progresses, typically when the buyer cannot put the incomplete property back to the Group.

In such situations, the percentage of work completed is measured based on the costs incurred up until the end of the reporting period as a proportion of total costs expected to be incurred.

13.21. BORROWING COSTS

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are expensed.

13.22. 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.

13.23. PROVISIONS

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

13.24. SEGMENTAL REPORTING

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

13.25. LAND AND RELATED DEVELOPMENT COSTS

Land and related development costs consist of cost of land, infrastructural and other development expenditures. These land and related development costs are released to profit or loss as and when sale or disposal is being effected, that is, when risks and rewards pass on to buyers.

Land and related development costs are classified under current assets when completion is imminent and the assets are likely to be disposed of within the next financial year. Otherwise, it is classified under non-current assets.

The Group uses the 'percentage of completion method' to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to the costs incurred up to the end of the reporting period as a percentage of total estimated costs for each project (or by reference to surveys of work performed or completion of a physical proportion of the contract work). Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

The Group presents as an asset the gross amount due from customers for work in progress for which costs incurred plus recognised profits (less recognised losses) exceeds progress billings. Progress billings not yet paid by customers and retention are included within 'trade and other receivables'.

The Group presents as a liability the gross amount due to customers for all work in progress for which progress billings exceed costs incurred plus recognised profits/(losses).

14. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection during normal business hours between 19 December 2017 and 18 January 2018 at the registered office of BlueLife, 4th Floor, IBL House, Caudan Waterfront, Port Louis, Mauritius.

- The constitution of BlueLife;
- The original Prospectus;
- Consents of persons named in this Prospectus to act in their respective capacities;
- List of directorships of BLL Directors in private companies;
- The audited financial statements of BlueLife and its subsidiaries for the years ended 31 December 2014, 2015 and 2016;
- The unaudited abridged published statements of BlueLife for the quarter ended 30 September 2017; and
- Valuation reports and Board representation of investment properties.

Sunil Banymandhub
Director

Christine Marot
Director