

The image shows a low-angle shot of several large, cylindrical stainless steel industrial storage tanks. The tanks are arranged in a row, with the central one being the most prominent. They have a metallic, reflective surface and are supported by a complex network of pipes and structural beams. The background is a clear blue sky with some light clouds. The overall composition is industrial and modern.

ANNUAL 20
REPORT 20

CAMP
INVESTMENT
COMPANY LIMITED

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Corporate Information

Dear Shareholder,

The Board of Directors is pleased to present the Annual Report of Camp Investment Company Limited ("CICL") for the year ended 30 June 2020. This report was approved by the Board of Directors on 14 October 2020.

On behalf of the board of CICL, we invite you to join us at the Annual Meeting of the Company which will be held:

Date: Tuesday, 15 December 2020

Time: 11.30 hours

Place: 1st Floor, IBL House
Caudan Waterfront
Port Louis

We look forward to seeing you.

Sincerely,

Arnaud Lagesse
Chairman

Guillaume Hugnin
Director

Name of Company

Camp Investment Company Limited

Business Registration Number

C07001362

Registered Office

4th Floor, IBL House
Caudan Waterfront
Port Louis
Mauritius
Phone: (230) 203 2000

Business Address

Pont Fer
Phoenix
Mauritius
Phone: (230) 601 2000

Company Secretary

IBL Management Ltd
4th Floor, IBL House
Caudan Waterfront
Port Louis
Mauritius
Phone: (230) 211 1713

Share Registry & Transfer Office

If you are a shareholder and have inquiries regarding your account, wish to change your name or address, or have questions about lost share certificates, share transfers or dividends, please contact our Share Registry and Transfer Office:

Ocorian Corporate Administrators Limited
6th Floor, Tower A
1 CyberCity
Ebène
Mauritius
Phone: (230) 403 6000

Auditors

Ernst & Young
Level 9, Tower 1, NeXTeracom
Cybercity,
Ebene
Mauritius
Phone: (230) 403 4777

Banker

The Mauritius Commercial Bank Ltd
Sir William Newton Street
Port Louis
Mauritius

Chairman's Message



The final keystone of our refined strategy model is building a sustainable and profitable business through our five chosen SDGs, which ensure that our activities remain aligned with global social and environmental aspirations.

Leadership's role is to identify and make the most of the opportunities hidden within every crisis while navigating the turmoil.

We aim to increase our relevance by diversifying our portfolio of beverages and modifying our offerings to meet the developing needs of our customers and consumers.

Dear Shareholder,

The fact that the Covid-19 pandemic has had relatively little impact on Mauritius from a public health perspective is in no small part due to the swift and decisive action taken by government. However, the unprecedented and necessary steps taken, including the lockdown and confinement, had a significant social and economic impact that affected every business and every person. Our subsidiary, Phoenix Beverages Ltd ("PhoenixBev") was closed for a short period of time and the management worked hard to restart production and packaging, while keeping the safety and health of the Group's team as our first priority.

Leadership's role is to identify and make the most of the opportunities hidden within every crisis while navigating the turmoil. Covid-19 provided the Group with a number of opportunities to support various stakeholders. When shops and supermarkets were closed at the start of the lockdown, we provided food hampers to our team members and NGOs. I would like to take this opportunity to thank all of our team members for their commitment, hard work and support during this challenging period.

Our customers were particularly affected by the lockdown and are still very much affected, given the downfall of the tourism industry and the temporary closure of on-premises outlets such as hotels, restaurants, bars and taverns. We are helping them to recover, by providing training and other support through various initiatives that aim to support the return of safe and responsible places to socialise. We continued to support local musicians who were unable to perform live by moving our popular Kafe Kiltir sessions online

A resilient financial performance in challenging times

The Group's financial performance was good for the eight months period to February 2020 and we were on track to deliver results ahead of budget and prior year. Even with the disruption in the last quarter and the difficult conditions prevailing, our organisation produced a respectable overall financial performance, with revenue in Mauritius decreasing only by 2.6% and by 2.4% in Reunion Island. The Group's revenue decreased by 3.0% to MUR 7.5 billion (2019: MUR 7.8 billion) and profit after tax for the year declined to MUR 477.8 million from MUR 693.7 million in 2019.

Despite the current uncertainties in the market and based on the Company's strong financial position, the Board declared a total dividend of MUR 65.78 per share (2019: MUR 76.76). It is the first time after more than a decade that revenue has declined.

Our strategic approach

We refined our strategy during the year to align our activities with our vision of 'Providing happiness through beverages' and our goal of being the commercial beverage leader in the Indian Ocean. We continued to invest in our manufacturing, warehousing and distribution facilities and equipment to further strengthen our foundation of world-class execution and create capacity for future growth. Our strong brands underpin our strategy and our ability to create value.

We aim to increase our relevance by diversifying our portfolio of beverages and modifying our offerings to meet the developing needs of our customers and consumers. That included the launch of a number of new product packages and container sizes, rebranding Pearona and Gister and launching a naturality campaign for Orangina. We continue to progress our craft beer project and were delighted when Phoenix Special Brew was recognised with a Gold Award at the Le Monde Selection 2020 in Brussels.

The final keystone of our refined strategy model is building a sustainable and profitable business through our five chosen SDGs, which ensure that our activities remain aligned with global social and environmental aspirations. We support those global goals through initiatives such as our focus on water, waste and energy reduction initiatives, promoting responsible consumption of alcohol and reducing sugar content, using responsible production methods and by working with the authorities to find solutions to reduce plastic waste and build the circular economy.

The socio-economic impact of Covid-19 has again clearly demonstrated the relevance of environmental, social and governance (ESG) issues, which were further highlighted by the ecological crisis caused by the oil spill from the MV Wakashio at the end of July. Solving the sustainability challenges our society faces will require a collaborative effort from all stakeholders. PhoenixBev is committed to a sustainable future and to being part of these solutions as we grow our business in the Indian Ocean region.

Ethics and good governance

The Board is committed to ensuring that the principles of good governance are embedded and evident in the Group's policies, procedures and practices. We recognise that good governance and ethical business practices improve corporate performance and enhance the value created for our stakeholders. The Group has fully applied the principles contained in the National Code of Corporate Governance for Mauritius (2016). The directors are committed to diversity and recognise the value that it brings to the board by adding different perspectives, balancing decision-making and deepening our understanding of the needs of both our market and our stakeholders.

Outlook

While Mauritius and Reunion Island have largely been spared from the worst of the Covid-19 pandemic to date, the timing, nature and speed of the recovery is uncertain and the unfolding global and regional impacts are likely to be felt for some time to come. We will continue to closely monitor the key drivers of the business to ensure that our strategy and objectives remain in focus with special attention to develop our brands in our domestic markets.

The Group's strong balance sheet and robust cash flows provide a solid platform for organic and acquisitive growth in the years ahead to extend and deepen our presence in the region.

Acknowledgements

I would like to express my gratitude to my colleagues on the Board for their significant collective contribution to the oversight of the Group during the year. Our thanks go to the executives and management team under the leadership of our CEO – Bernard Theys, for their diligence in guiding the Company through the challenges of the last year. I would also like to thank the regulators, shareholders, business partners, customers and other stakeholders for their positive engagements and support.

Arnaud Lagesse
Chairman

14 October 2020

Notice of Annual Meeting to Shareholders

Notice is hereby given that the Annual Meeting of shareholders of **Camp Investment Company Limited** will be held at, 1st Floor, IBL House, Caudan Waterfront, Port Louis on **Tuesday 15 December 2020** at **11.30 hours** to transact the following business in the manner required for the passing of ORDINARY RESOLUTIONS:

AGENDA

1. To consider the Annual Report 2020 of the Company.
2. To receive the report of Ernst & Young, the auditors of the Company for the year ended 30 June 2020.
3. To consider and adopt the Group's and Company's audited financial statements for the year ended 30 June 2020.
4. To elect as Director, Mrs. Christine Marot*, who has been nominated by the Board and offers herself for election.
- 5-11. To re-elect as Directors of the Company, to hold office until the next Annual Meeting, the following persons* who offer themselves for re-election (as separate resolutions):
 5. Mr. Arnaud Lagesse
 6. Mr. Jan Boullé
 7. Mr. François Dalais
 8. Mr. Roger Espitalier Noël
 9. Mr. Guillaume Hugnin
 10. Mr. Hugues Lagesse
 11. Mr. Thierry Lagesse
12. To fix the remuneration of the Directors for the year to 30 June 2021 and to ratify the emoluments paid to the Directors for the year ended 30 June 2020.
13. To reappoint Ernst & Young as Auditors for the ensuing year and to authorise the Board of Directors to fix their remuneration.
14. To ratify the emoluments paid to Ernst & Young for the financial year ended 30 June 2020.

BY ORDER OF THE BOARD


Doris Dardanne
 IBL MANAGEMENT LTD
 Company Secretary

14 October 2020

NOTES:

- a. A shareholder of the Company entitled to attend and vote at this meeting may appoint a proxy of his/her own choice to attend and vote on his/her behalf. A proxy need not be a member of the Company.
- b. The instrument appointing a proxy or any general power of attorney shall be deposited at the Share Registry and Transfer Office of the Company, Ocorian Corporate Administrators Limited, 6th Floor, Tower A, 1 CyberCity, Ebene, by **Monday 14 December 2020 at 11.30 hours** and in default, the instrument of proxy shall not be treated as valid.
- c. A proxy form is enclosed and is also available in the Annual Report as well as at the registered office of the Company
- d. For the purpose of the above mentioned Annual Meeting, the Directors have resolved, in compliance with Section 120(3) of the Companies Act 2001, that the shareholders who are entitled to receive notice of the meeting shall be those shareholders whose names are registered in the share register of the Company as at 17 November 2020.
- e. The minutes of the Annual Meeting held on 13 December 2019 are available for consultation by the shareholders during office hours at the registered office of the Company, 4th Floor, IBL House, Caudan Waterfront, Port Louis.
- f. The minutes of the Annual Meeting to be held on 15 December 2020 will be available for consultation and comments during office hours at the registered office of the Company, 4th Floor, IBL House, Caudan Waterfront, Port Louis from 3 February to 17 February 2021.
- g. Shareholders will receive the Notice of Annual Meeting and the Proxy Form by post. Shareholders may obtain a copy of the Annual Report by choosing one of the following:
 - i) **Downloading the documents from PhoenixBev website on www.PhoenixBev.mu.**
 - ii) **Sending a request to the email address: iblcosec@iblgroupp.com so that a copy be sent to their email address.**
 - iii) **Making a written request to IBL Management Ltd, IBL House, Caudan Waterfront, Port Louis for a printed copy (which shall be sent to them within 2 days from the request being received).**

* Footnote: The profiles and categories of the Directors proposed for re-election are set out at pages 25 to 27 of the Annual Report 2020.

Corporate Governance Report

INTRODUCTION

Camp Investment Company Limited ("CICL" or "the Company"), which was incorporated on 27 November 1963, is a public interest entity as defined under the Financial Reporting Act 2004. This Corporate Governance Report sets out how CICL has applied the principles contained in the National Code of Corporate Governance for Mauritius (2016) (the "Code").

CICL is an investment vehicle and does not undertake managerial or operating activities. As such, it fully adheres and complies with the recommendations of the Board committees of its operating subsidiary, Phoenix Beverages Limited ("PhoenixBev").

Throughout the year ended 30 June 2020, to the best of the knowledge of its Board of Directors, CICL has complied with the Code. The Company has indeed applied all of the principles set out in the Code and explained how these principles have been applied, mostly through the governance structure of its operating subsidiary.

PRINCIPLE 1: GOVERNANCE STRUCTURE

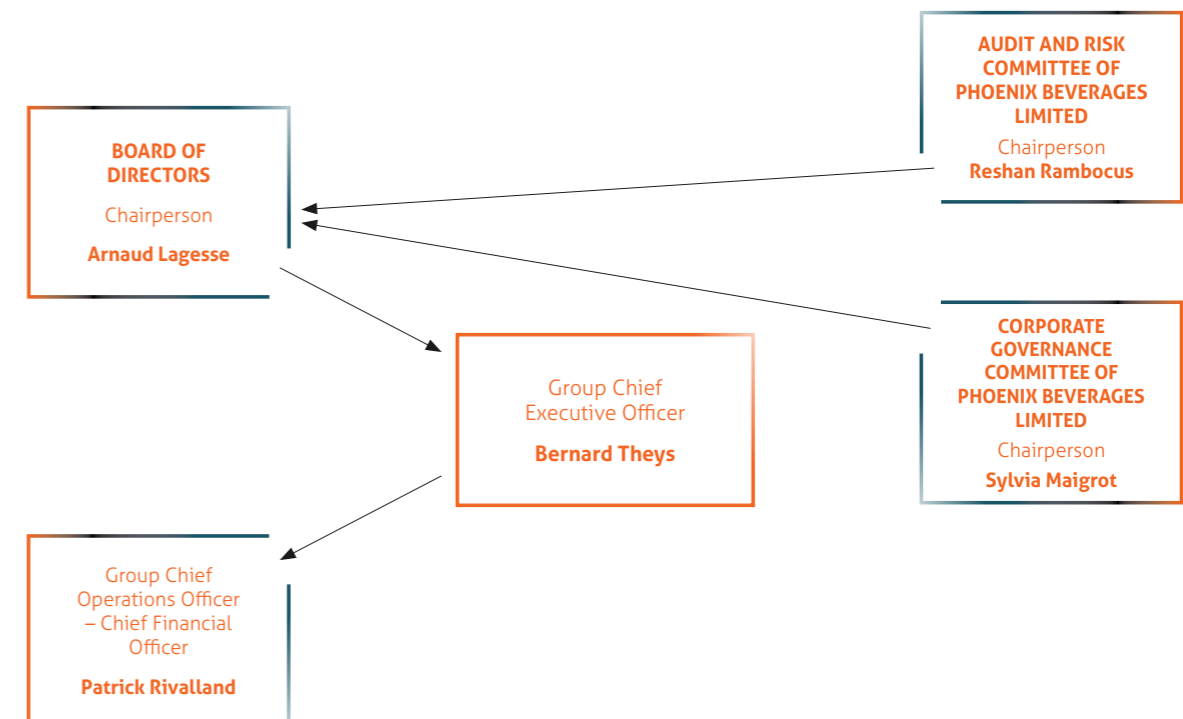
Governance

The Constitution of the Company defines the role, function and objectives of the Board of Directors and of its Chairperson.

The Board of Directors of CICL assumes responsibility for leading and controlling the organisation and meeting all legal and regulatory requirements.

Organisation chart and statement of accountabilities

The governance structure and the organisation chart of CICL setting out the key senior positions as well as the reporting lines, as approved by its Board of Directors, is found below:





PRINCIPLE 2: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

The Board of Directors

CICL is led by an effective and highly committed unitary Board comprising eight Directors who possess the appropriate skills, knowledge, independence and experience in core and other business sectors, for both local and regional markets, to enable them to discharge their duties and responsibilities effectively. The Board plays a key role in determining the Company's direction, monitoring its performance and overseeing risks and is collectively responsible for the long-term success of the Company. The Board of CICL believes that, based on its size and the nature of its activity, it possesses the right balance.

The composition of the Board of Directors as at the date of this report is as follows:

Name	Status
Arnaud Lagesse	Non-executive Chairperson
Jan Boullé	Non-executive director
François Dalais	Non-executive director
Guillaume Hugnin	Non-executive director
Roger Espitalier Noël	Non-executive director
Hugues Lagesse	Non-executive director
Thierry Lagesse	Non-executive director
Christine Marot	Non-executive director

During the year under review, Jean-Claude Béga resigned as director of the Company and was replaced by Christine Marot, effective from 20 May 2020.

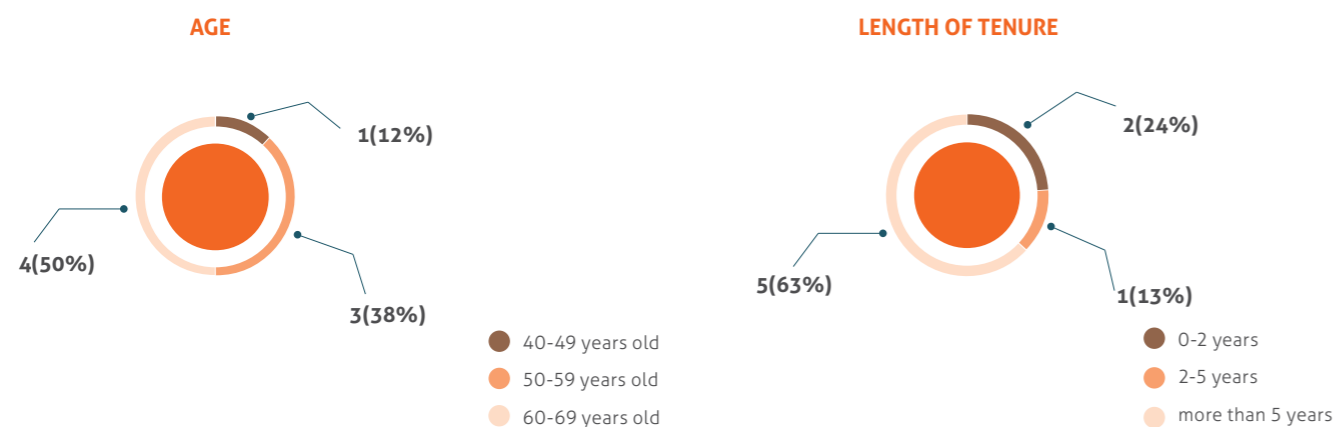
Although the Code recommends having at least two independent and two executive directors, the directors of the Company believe that the Board composition is adequate due to the presence of independent and executive directors on the Board of its principal operating subsidiary, PhoenixBev.

Profiles of directors and details of other directorships

The profiles of the directors including their external directorships in listed entities are disclosed at the end of this report.

Details of other directorships are available at the Registrar of Companies and upon request made to the Company Secretary, IBL Management Ltd, 4th Floor, IBL House, Caudan Waterfront, Port Louis..

Balance and diversity as at 30 June 2020



Key roles and responsibilities within the Board

The Board is responsible for ensuring that there is an effective organisational and reporting structure in place so that there are clear reporting lines and well-defined roles and responsibilities. The above measures have been implemented to ensure that the right decisions are being made with the involvement from the right people. The Board's ultimate responsibility is for the supervision and sustainability of the Company and its subsidiaries (the "Group").

The key governance roles and responsibilities, as approved by the Directors, are as follows:



- Provides overall leadership
- Ensures smooth functioning of the Board
- Encourages active participation of each Director in discussions
- Makes sure the Board is aware of the Company's and Group's affairs and assumes its obligations to all shareholders and other stakeholders.



- Monitor the delivery of the agreed strategy within the risk and control framework set by the Board
- Constructively challenge the senior management of the Company.



- Responsible for the day to day running of the Company's and Group's operations
- Leads and directs management to implement the strategy and policies set by the Board
- Provides insights for short and medium term development of Group operations.



- Provides assistance and information on governance and corporate administration matters
- Guides the Board on the Directors' statutory duties under the law, disclosure obligations and listing rules as well as corporate governance requirements and effective Board processes.



Common directorships

The Directors of the Company who also sit on the Boards of the companies shown in the cascade holding structure on page 21, namely IBL Ltd, Phoenix Investment Company Limited ("PICL") and PhoenixBev, are:

Directors	PhoenixBev	PICL	CICL	IBL Ltd
Arnaud Lagesse	√*	√*	√*	√
Jan Boullé	√	√	√	√*
François Dalais	√	√	√	
Roger Espitalier Noël	√**	√**	√	
Guillaume Hugnin	√	√	√	
Hugues Lagesse	√	√	√	√
Thierry Lagesse	√	√	√	√
Christine Marot	√	√	√	

* Chairperson

** Alternate director

Board processes, meetings and activities in 2019-2020

Board meeting process

Beginning of the year	Planning for Board meetings for the ensuing year is set by the Company Secretary and communicated to Directors.
Setting of agenda	Draft agendas for the Board are finalised by the Chairperson prior to each meeting.
Before the meeting	Agenda and all relevant Board papers are sent to the Directors prior to the scheduled meeting.
Board meeting	Agenda items are discussed supported by presentation from other relevant attendee.
After Board meeting	Minutes are produced and sent to the Chairperson for review and comments prior to circulating these to the Board members. Follow-up on Board decisions are then ensured by senior management as well as the Company Secretary.

Board meetings and activities

During the year under review, the Board met three times. Decisions were also taken by way of written resolutions signed by all the Directors.

Below is a list of the main issues discussed at the meeting or decisions taken by way of written resolutions, namely:

- the annual financial statements for the year ended 30 June 2019 and the corresponding abridged audited consolidated results for publication;
- the annual report 2019 including the corporate governance report;
- recommendation to the Shareholders of the appointment of EY as external auditors for the year ended 30 June 2020;
- the convening of the Annual Meeting 2019 of shareholders;
- the condensed unaudited quarterly & three months results at 30 September 2019 for publication;
- the condensed unaudited quarterly & half-yearly results at 31 December 2019 for publication;
- the condensed unaudited quarterly & nine months results at 31 March 2020 for publication;
- the appointment of Christine Marot as director in replacement of Jean-Claude Béga who had submitted his resignation;
- the declaration of an interim and a final dividend for the financial year ended 30 June 2020.

Attendance at Board meetings in 2019-2020

Directors	24 September 2019	12 November 2019	02 June 2020	Attendance
Arnaud Lagesse	√	√	√	3 out of 3
Jean-Claude Béga*	√	√		2 out of 3
Jan Boullé	√	√	√	3 out of 3
François Dalais	√		√	2 out of 3
Roger Espitalier Noël**			√	3 out of 3
Guillaume Hugnin**	√	√	√	3 out of 3
Hugues Lagesse	√	√	√	3 out of 3
Thierry Lagesse	√	√		2 out of 3
Christine Marot*			√	1 out of 3
In Attendance				
Patrick Rivalland	√	√	√	3 out of 3
Bernard Theys	√	√	√	3 out of 3

* Mr Jean-Claude Béga resigned on 20 May 2020 and was replaced by Mrs Christine Marot on the same.

** Mr. Guillaume Hugnin who is also the alternate of Mr Roger Espitalier Noël represented the latter for the board meetings held on 24 September and 12 November 2020.

Annual effectiveness review

The Board confirms that, for the year under review, it has met its key objectives and carried out its responsibilities effectively.

Board Committees

In line with the Code, PhoenixBev, the principal operating subsidiary of the Company, has set two Board Committees namely, a Corporate Governance Committee and an Audit and Risk Committee.

The Board of Directors of PhoenixBev Limited has decided that the Corporate Governance Committee should also act as a Nomination Committee. The two Board Committees of PhoenixBev function within clearly defined terms of reference and operating procedures and report regularly to the latter's Board of Directors.

These two Board Committees also respectively oversee the main audit, risk and nomination issues of the whole CICL group of companies.

The Company Secretary acts as secretary to the Board committees. The minutes of each Board Committee meeting are submitted for consideration and approval at the following meeting and are then signed by the Chairman of the Board committee and the Company Secretary.

The memberships, attendance record and terms of reference of the two Board committees of Phoenix Beverages Limited are reproduced below.



Audit and Risk Committee of Phoenix Beverages Limited

The Audit and Risk Committee of PhoenixBev assists the Board in fulfilling its oversight responsibilities. It is the Committee's responsibility to review the integrity of the financial statements and the effectiveness of the external auditors. It assists in creating an environment and structures for risk management to operate effectively.

A copy of the Audit and Risk Committee Charter of Phoenix Beverages Limited is available on the website of the said company on www.phoenixbev.mu.

Composition

The Audit and Risk Committee of PhoenixBev is chaired by Reshan Rambocus who is an Independent Non-Executive Director. The Board considers that he has substantial accounting and financial experience to chair the Audit and Risk Committee. The other members of the Committee are Jean-Claude Béga and Jan Boullé, who are both Non-Executive Directors. The meetings are also attended by the CEO, the Chief Operations Officer-Chief Financial Officer as well as the internal and external auditors as and when required.

Attendance at Audit and Risk Committee meetings in 2019-2020

Members	19 September 2019	8 November 2019	3 February 2020	27 May 2020	Total number of meetings attended
Reshan Rambocus	√	√	√	√	4
Jean-Claude Béga	√		√	√	3
Jan Boullé	√	√	√	√	4
In attendance (not members)					
Patrick Rivalland	√	√	√	√	4
Bernard Theys	√	√	√	√	4

Matters considered in 2019-2020

During the year under review, the Audit and Risk Committee of PhoenixBev met four times. Matters discussed included:

Regular financial matters

- Abridged audited annual financial statements and Annual Report including full audited financial statements
- Report from the external auditors
- Abridged unaudited financial statements for the first, second and third quarters
- Management accounts for each quarter

Internal Audit

- Edena SA commercial report
- Edena SA finance manual
- Edena SA marketing manual
- Planning for forthcoming internal audits

Other matters

- Follow up on ERP system implementation and contingency plan
- Thorough review of Reunion Island activities and leadership
- Covid-19 emerging risks and corresponding action plan

Annual effectiveness review

The Audit and Risk Committee of PhoenixBev confirms that, for the year under review, it has met its key objectives and carried out its responsibilities effectively in accordance with its Charter.

Corporate Governance Committee of Phoenix Beverages Limited

The Corporate Governance Committee of PhoenixBev has been set up in order to advise the Board on matters pertaining to corporate governance and to ensure that the principles of the Code of Corporate Governance are applied. This Committee also acts as the Nomination Committee for CICL.

A copy of the Corporate Governance Committee Charter is available on the website of PhoenixBev on: www.phoenixbev.mu

Composition

The Corporate Governance Committee of PhoenixBev is chaired by Sylvia Maigrot who is an Independent Non-Executive Director. The other members of the Committee are Jan Boullé and Guillaume Hugnin who are both Non-Executive Directors as well as Bernard Theys, Executive Director.

Attendance at Corporate Governance Committee Meetings in 2019-2020

Members	16 September 2019	14 May 2020	Total number of meetings attended
Sylvia Maigrot	√	√	2
Guillaume Hugnin	√	√	2
Jan Boullé	√	√	2
Bernard Theys	√	√	2

Matters considered in 2019-2020

During the year under review, the Corporate Governance Committee met twice. Matters discussed included:

Corporate Governance

- Review of the Corporate Governance Report 2019
- Review of the conformity of the previously adopted Board Charter, Directors' Charter, Audit and Risk Committee Charter and Corporate Governance Committee Charter
- Alignment of the website with the recommendations of the Code of Corporate Governance
- Follow up on the recommendations from the Board evaluation exercise performed by an external service provider in 2019

Nomination

- Recommendation for appointments of representatives of PhoenixBev as Directors of Edena SA in Reunion Island
- Recommendation to the Board for the reappointments of Directors pursuant to the rotation plan
- Recommendation to the respective boards of PICL and CICL for the appointment of a Director

Remuneration

- Recommendation to the Board of the remuneration for the Non-Executive Directors for the year ending 30 June 2021



Annual effectiveness review

The Corporate Governance Committee of PhoenixBev confirms that, for the year under review, it has met its key objectives and carried out its responsibilities effectively in accordance with its Charter.

PRINCIPLE 3: DIRECTOR APPOINTMENT PROCEDURES

Recommendation by the Corporate Governance Committee of Phoenixbev to the Board of Directors of CICL

Appointment of new director by the Board of Directors

Newly appointed director is subject to election in first year of appointment by the shareholders at the Annual Meeting

Once appointed, every year, the directors stand for re-election at the Company's Annual Meeting

Board induction

The Company Secretary assists the Chairperson in ensuring that an induction programme is in place for all new directors to enable them to develop a good understanding of the Company and of the Group as a whole. All newly appointed directors shall receive an induction pack containing documents pertaining to their role, duties and responsibilities. In addition, the Company Secretary and the Chairperson remain available for one-to-one briefings and new directors are invited to meet members of the senior management of Phoenix Beverages Limited, the Company's principal operating subsidiary, in order to rapidly acquire a comprehensive view of the Group's operations, risks and strategy.

The Company Secretary also submits a copy of the declaration of the director's interests to the Financial Services Commission.

Professional development and training

Directors are encouraged to keep themselves up to date with the latest workplace trends and professional practices. Most of the Directors confirmed having engaged in learning activities to develop and enhance their abilities during the year under review.

Professional development programmes are organised by the Company as and when necessary.

Time commitments

Board members are expected to dedicate such time as is necessary for them to effectively discharge their duties. Directors have a duty to act in the best interests of the Company and are expected to ensure that their other responsibilities do not impinge on their responsibilities as directors.

Succession plan

The Board, upon the recommendation of the Corporate Governance Committee acting as the Nomination Committee, is responsible for preparing the succession plan for directors. The Board believes that good succession planning is a key contributor in the delivery of the Company's strategy.

PRINCIPLE 4: DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

Directors' duties

Directors are aware of their legal duties. Once appointed on the Board, the directors receive a set of documents pertaining to their duties and responsibilities.

Interests register, conflicts of interest and related party transactions policy

The Constitution of the Company contains provisions to prevent insider dealing as well as any potential conflict of interest.

In accordance with the Mauritius Companies Act 2001, written records of the interests in shares of CICL held by the officers, directors and their related parties are kept in a register of interests. All newly appointed directors are required to notify the Company Secretary in writing of their direct and indirect holdings in shares of Camp Investment Company Limited. According to the Constitution of CICL, a director is not required to hold shares in the Company. As soon as a director becomes aware that they are interested in a transaction or that their holdings or their associates' holdings have changed, the interest must be reported to the Company in writing. The register of interests is updated on a continuous basis with any subsequent transactions entered into by the directors and persons closely associated with them.

CICL being registered as a reporting issuer under the Securities Act 2005 administered by the Financial Services Commission, the Company ensures that it abides by all relevant disclosure requirements.

The register of interests is maintained by the Company Secretary and available to shareholders upon written request being made to the Company Secretary.

The directors and officers of Camp Investment Company Limited having direct and/or indirect interests in the ordinary shares of the Company at 30 June 2020 were as follows:

Directors	Direct interest		Indirect interest
	Number of shares	Percentage holding (%)	Percentage holding
Arnaud Lagesse	–	–	0.29
François Dalais	4 916	0.36	–
Roger Espitalier Noël	940	0.07	0.64
Hugues Lagesse	360	0.03	0.29
Officers			
Patrick Rivalland	728	0.05	–

Please refer to page 33 of the statutory disclosures for the direct and indirect interest of the directors and officers of CICL in the securities of the subsidiaries of the Company as at 30 June 2020.

Directors' and officers' dealings in shares of the Company

The directors and officers of the Company are prohibited from dealing in the shares of CICL at any time when in possession of unpublished price-sensitive information, or for the period of one month prior to the publication of the Company's quarterly and yearly results and to the announcement of dividends and distributions to be paid or passed, as the case may be, and ending on the date of such publications/announcements.

Moreover, directors and officers of CICL are required to observe the insider trading laws at all times even when dealing in securities within permitted trading periods.



Information, information technology and information security governance

The Board is responsible for the governance of information. It is the role of senior executives to manage information technology and ensure information security.

Since 2011, information governance policies are applicable at the level of the operating subsidiary and all its employees are continuously encouraged to consult them on a regular basis. The main programs and guidelines covered by the policies are listed below:

- Antivirus management procedures
- Back up procedures
- Change management procedures
- Data destruction procedures
- Incident management procedures
- Information handling procedures
- Log review procedures
- Patch management procedures
- User account management procedures
- Guidelines cabling security
- Guidelines intellectual property rights
- Guidelines IT team
- Guidelines server rooms
- Guidelines for user

In some specific cases, expenditures and investment in IT shall be discussed and put to the Board for approval.

Besides and further to the new regulations on data protection applicable since January 2018 in Mauritius, the operating subsidiary, PhoenixBev, has undertaken an exhaustive exercise during the year under review with the assistance of an external expert in order to ensure continuous compliance over time.

Code of Ethics and whistleblowing

It is believed that it is essential that all employees of the Group act in a professional manner and extend the highest courtesy to co-workers, visitors, vendors, clients and all other stakeholders.

As such, PhoenixBev adopted a code of ethics applicable to the Group. The Code is based on the important principle of respect. This fundamental principle applies to the consumers, customers, employees, shareholders and the communities in which the Group operates.

Moreover, the Code provides guidance to employees of PhoenixBev on how to behave both in the immediate internal environment as well as for external interactions. It also defines what is regarded as acceptable and not acceptable for the Group as a whole and also deals with whistleblowing and queries.

All employees are aware of the Code of Ethics and it is ensured that same is complied with. Indeed, compliance with the code is continuously monitored by the Human Resources Manager. The code is available on the website of PhoenixBev on www.phoenixbev.mu.

Remuneration policy

All directors of CICL receive a Board remuneration consisting of a fixed fee. Changes to Board remuneration are submitted to the Annual Meeting of shareholders for approval.

The directors' fees for the year under review were MUR 50 000 per director.

The executive directors and key management personnel of PhoenixBev are remunerated by Phoenix Management Company Ltd ("PMC"), a subsidiary of Camp Investment Company Limited, further to a management contract between PMC and Phoenix Beverages Limited. The remuneration package takes into consideration the financial performance of Phoenix Beverages Limited, individual performance, market norms and best practice.

Please refer to the end of this report for the profiles of the senior managers of the Company.

The remuneration and benefits received, or due and receivable, by the directors from the Company and its subsidiaries, and the remuneration received from companies on which the Directors serve as representatives of CICL for the year ended 30 June 2020, are disclosed below:

Directors	Remuneration and benefits received from the Company (MUR)	Remuneration from subsidiary companies (MUR)	Total (MUR)
Arnaud Lagesse*	50 000	380 000	430 000
Jean-Claude Béga*	45 833	450 833	496 666
Jan Boullé*	50 000	505 000	555 000
François Dalais	50 000	360 000	410 000
Roger Espitalier Noël	50 000	None	50 000
Guillaume Hugnin	50 000	430 000	480 000
Hugues Lagesse	50 000	380 000	430 000
Thierry Lagesse	50 000	380 000	430 000
Christine Marot	4 167	4 167	8 334

* The emoluments of Arnaud Lagesse, Jean-Claude Béga, Jan Boullé and Christine Marot are paid directly to IBL Ltd.

The directors did not receive any other remuneration and benefits from companies on which the directors serve as representatives of CICL.

Please refer to page 32 – Statutory Disclosures.

Incentive schemes

The Company has no employees. However, a performance management policy has been established to accompany all managers and employees of PhoenixBev, the operating subsidiary, in their performance and personal development, through the setting up of annual objectives, competencies and development plans. In this respect, discretionary bonuses are paid in accordance with such targets. The outcome of the performance management process is also used for succession planning.

Short-term incentive schemes of executive directors of PhoenixBev are being overseen by PMC.

Board evaluation

An evaluation of the Board of Directors of the operating subsidiary, PhoenixBev, has been conducted by an external independent evaluator, namely BDO & Co, during the year under review. Given that all directors of the Company also sit on the Board of PhoenixBev as directors or alternate directors, the Board was of the opinion that the process shall not be repeated for the holding Company, CICL.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

Risk management at Phoenix Beverages Limited

The directors of PhoenixBev are responsible for maintaining an effective system of risk management at the level of the Group. Whilst its Audit and Risk Committee provides an oversight on risk governance, the nature and risk appetite of PhoenixBev remain the ultimate responsibility of its Board.

The responsibility of the Board of PhoenixBev in this respect includes, amongst others:

- Ensuring that structures and processes are in place to manage risks
- Identifying the principal risks, uncertainties and opportunities
- Ensuring that management has developed and implemented the relevant internal control framework
- Ensuring that systems and processes are in place for implementing, maintaining and monitoring internal controls
- Identifying any deficiencies in the system of internal control.

Risk management has become an integral part of doing business at Phoenix Beverages Limited. It is the responsibility of the Chief Executive Officer and his dedicated team, under the supervision of the Audit and Risk Committee, to establish and maintain a risk management system.



The Chief Executive Officer, in collaboration with his risk management team, identifies potential risks to the Company's business and conducts a rating of the identified risks with respect to both probability of occurrence and severity of impact. Strategies and action plans are established and implemented to manage and mitigate the identified risks.

An annual review process reassesses the evolving probability and severity of the identified risks as well as of new risks emerging. The effectiveness of implemented mitigating actions is also assessed.

The Risk Report, which is an annexure to this Corporate Governance Report, details the main risk areas identified, mitigating effects and control procedures put in place accordingly.

Financial risk management

For the financial risk management, please refer to pages 60 to 65 – Notes to the Financial Statements.

Internal control of Phoenix Beverages Limited

Phoenix Beverages Limited has processes in place for identifying, classifying and managing significant risks at Group level. The effectiveness of the internal control systems is reviewed by the Audit and Risk Committee of PhoenixBev and provides the Board with reasonable assurance that assets are safeguarded, operations are run effectively and efficiently, financial controls are reliable, and applicable laws and regulations are complied with.

The Board of PhoenixBev is responsible for the Group's system of internal controls and for reviewing its effectiveness.

To date, no material financial issues, which would have an impact on the results as reported in these financial statements, have been identified. The Board of PhoenixBev confirms that if significant weaknesses had been identified during this review, it would have taken the necessary steps to remedy them.

PRINCIPLE 6: REPORTING WITH INTEGRITY

The directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations. Company law further requires the directors to prepare financial statements in accordance with International Financial Reporting Standards for each financial year.

The directors are also responsible for keeping adequate accounting records, explaining the Company's transactions and disclosing, with reasonable accuracy at any time, the financial position of the Company and the Group. The directors have the duty to safeguard the assets of the Company and the Group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPLE 7: AUDIT

Internal audit of Phoenix Beverages Limited

The Audit and Risk Committee of PhoenixBev oversees the internal audit function. The Committee is responsible for the mission and scope, accountability, independence, responsibilities and authority of internal audit.

The mission of internal audit is to:

- Ensure the adequacy and effectiveness of the internal control framework
- Help in the improvement of the processes by which risks are identified and managed
- Assist in the strengthening of the organisation's internal control framework

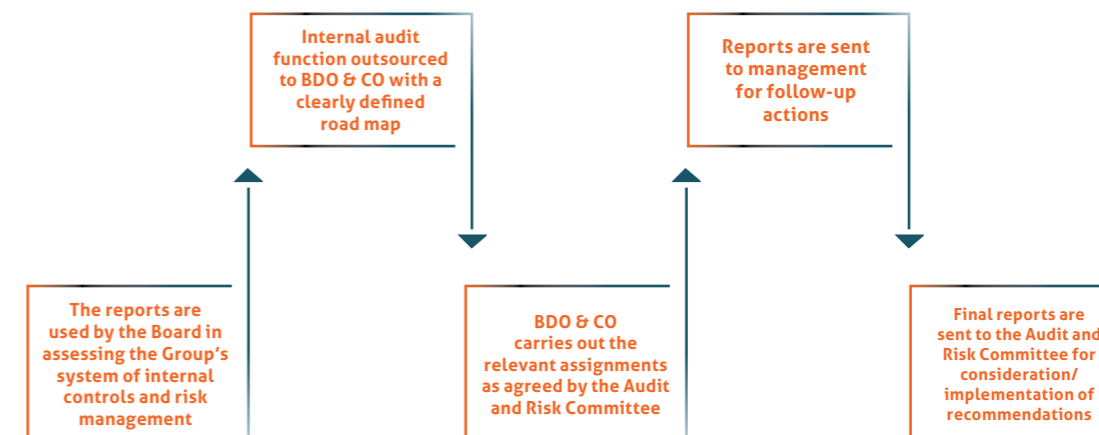
The Group's internal audit function is currently outsourced to BDO & CO for the provision of independent and objective assurance and consultancy services. BDO & CO employs a systematic and disciplined approach with a view to evaluate and improve governance and risk management processes including reliability of information, compliance with laws, regulations and procedures, as well as efficient and effective use of resources. The methodology applied is in accordance with the standards of the Institute of Internal Auditors and other relevant governing bodies.

Internal auditors work according to an audit plan agreed with the Audit and Risk Committee of PhoenixBev. In addition, special reviews and assignments are also performed at the request of management or of the Audit and Risk Committee, as required.

The internal auditors provide regular reports on the areas audited and the completion status of corrective action plans. These reports are also shared with external auditors as and when necessary.

The internal auditors have full, free and unrestricted access to the Audit and Risk Committee and to all functions, records, property and personnel of the Group.

Internal Audit Process



The various internal audit exercises carried out at BDO during the year have been detailed in the section "Audit and Risk Committee – Matters considered in 2019-2020 of this report.

External Audit

Following the amendment of the Finance Act 2016 and the subsequent regulation as regards auditors' rotation, the Board of CIGL decided to rotate its auditors as from the financial year ending 30 June 2019 from Deloitte to EY and the said recommendation was ratified by the Annual Meeting of shareholders held on 14 December 2018.

The shareholders approved the reappointment of EY as external auditors for the year under review during the Annual Meeting held on 13 December 2019.

The Audit and Risk Committee of PhoenixBev is responsible for reviewing the terms, nature and audit scope and approach, and ensure no unjustified restrictions or limitations have been placed on the scope.

The external auditors have full, free and unrestricted access to the Audit and Risk Committee should they wish to discuss any matters privately and to all functions, records, property and personnel of the Group.

Auditors' independence

The Audit and Risk Committee of PhoenixBev is responsible for monitoring the auditors' independence, objectivity and compliance with ethical, professional and regulatory requirements and for maintaining control over the provision of non-audit services

The external auditors are prohibited from providing non-audit services where their independence might be compromised by later auditing their own work. Any other non-audit services provided by the external auditors are required to be specifically approved by the Audit and Risk Committee of PhoenixBev. Audit fees are set in a manner that enables an effective external audit on behalf of shareholders. Auditors should ensure that they observe the highest standards of business and professional ethics and, in particular, that their independence is not impaired in any manner.

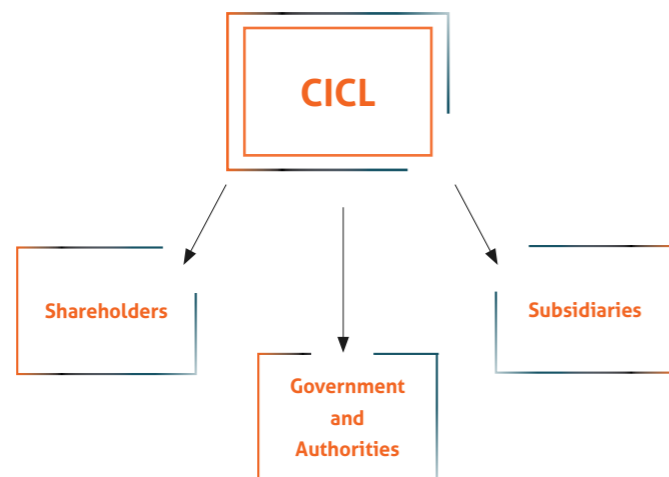
The remuneration paid to the external auditors, EY, for the year ended 30 June 2020 amounted to MUR 2 542 000 for audit and MUR 731 000 for other services.



PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER STAKEHOLDERS

Key stakeholders

The diagram illustrates the key stakeholders of CICL.



Shareholders' communication

The Board of Directors places great importance on clear, open and transparent communication with all its shareholders. It endeavours to keep them regularly informed on matters pertaining to and affecting the Company through official press announcements, disclosures in the Annual Report and at the Annual Meeting of shareholders, which all Board members and shareholders are encouraged to attend.

The Company's Annual Meeting provides an opportunity for shareholders to raise and discuss matters with the Board relating to the Company and the performance of its subsidiaries. The external auditors are also present. Shareholders attending the Annual Meeting are kept up to date with the Group's strategy and goals.

The attendance of Directors at the Annual Meeting 2019 of the Company held on 13 December 2019 was as follows:

Directors	Attendance
Arnaud Lagesse	<input type="radio"/>
Jean-Claude Béga	<input checked="" type="radio"/>
Jan Boullé	<input type="radio"/>
François Dalais	<input type="radio"/>
Roger Espitalier Noël	<input checked="" type="radio"/>
Guillaume Hugnin	<input type="radio"/>
Hugues Lagesse	<input checked="" type="radio"/>
Thierry Lagesse	<input checked="" type="radio"/>
Officers	
Patrick Rivalland	<input type="radio"/>
Bernard Theys	<input type="radio"/>

Attended Not attended

Shareholding profile

The stated capital of the Company is made up of 1 373 130 ordinary shares of MUR 10.00 each.

Main shareholders

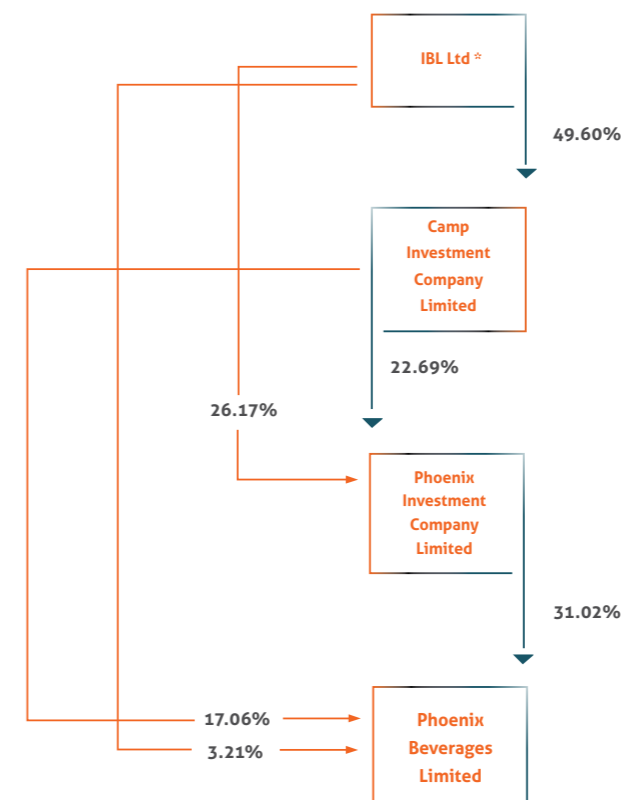
As at 30 June 2020, there were 289 shareholders recorded in the share register of the Company.

The ten largest shareholders and those shareholders holding more than five percent of the ordinary shares of the Company as at 30 June 2020 are set out below.

Name of shareholder	Number of shares	Percentage holding (%)
IBL Ltd	681 098	49.60
Hugnin Frères Ltée	163 361	11.90
Société Pierre Larcher & Cie	74 149	5.40
Les Ternans Ltd	72 200	5.26
Société Miguy	48 493	3.53
Société des Amaryllis	16 682	1.21
The MCB Ltd (A/c Mrs. Marie T. M. Hugnin)	14 626	1.07
Succession Mrs. Marie Odyle Koenig	14 621	1.06
Frank Sylvestre Roger Espitalier Noel	11 595	0.84

Cascade holding structure

The cascade holding structure is as follows:



PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER STAKEHOLDERS (CONTINUED)**Breakdown of share ownership as at 30 June 2020**

Size of shareholding	Number of shareholders	Number of shares	Percentage holding (%)
1 – 500 shares	175	28 138	2.05
501 – 1,000 shares	51	37 269	2.71
1,001 – 5,000 shares	38	89 358	6.51
5,001 – 10,000 shares	13	87 311	6.36
10,001 – 50,000 shares	8	140 246	10.21
50,001 – 100,000 shares	2	146 349	10.66
Above 100,000 shares	2	844 459	61.50
	289	1 373 130	100.00
Category			
Individuals	264	276 073	20.11
Investment & trust companies	4	1 816	0.13
Other corporate bodies	21	1 095 241	79.76
	289	1 373 130	100.00

Note: The above number of shareholders is indicative, due to consolidation of multi-portfolios for reporting purposes.

Share Registry and Transfer Office

The Company's Share Registry and Transfer Office is administered by Ocorian Corporate Administrators Limited.

Share price information

The Company is not listed on the Stock Exchange of Mauritius Ltd. Shares of CICL were last exchanged during the year under review at a price of MUR 450 per share.

Net asset value per share at 30 June 2020 amounted to MUR 779.

Dividend policy

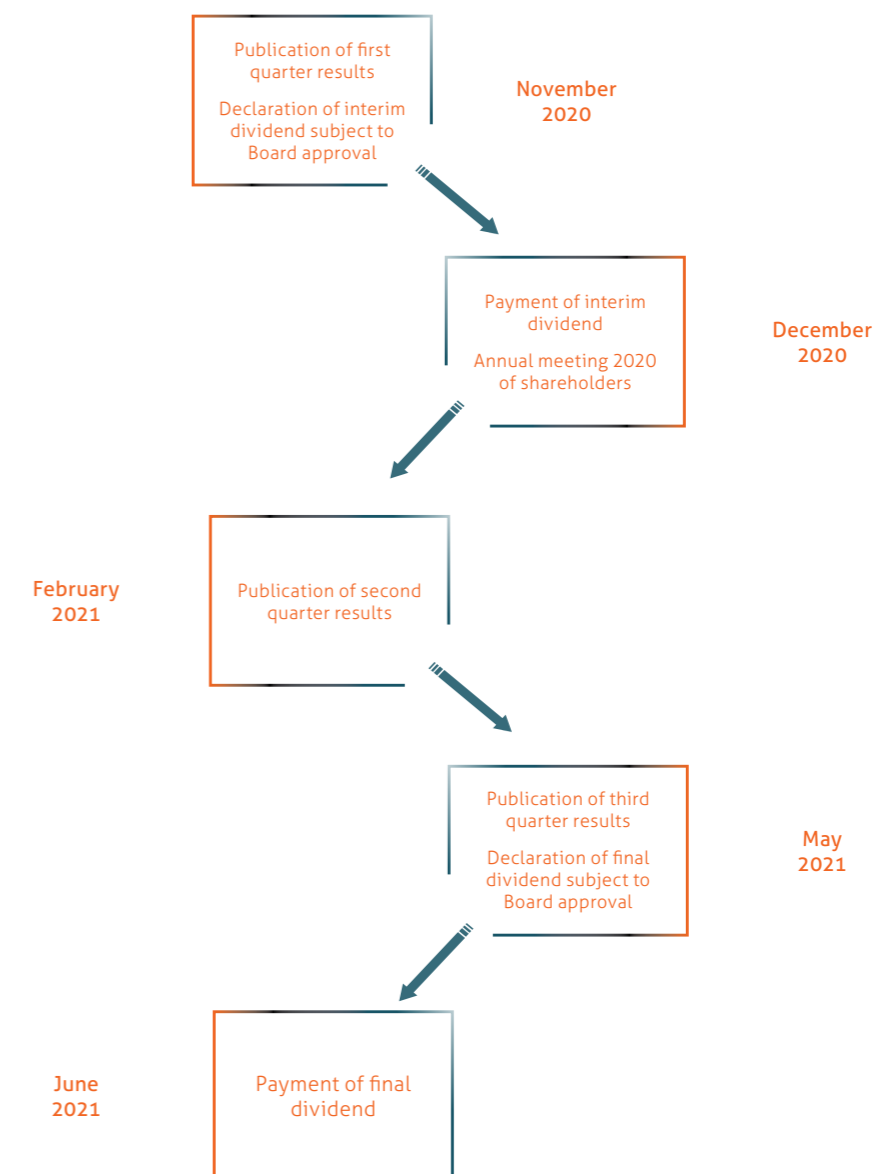
No formal dividend policy has been determined by the Board. Dividend payments are determined by the profitability of the Company, its cash flow, its future investment and growth opportunities. The Board of Directors of CICL decided that, based on management forecasts and the Group's profitability, an interim dividend would be paid in December 2019 and a final dividend in June 2020. Each dividend paid was subject to the satisfaction of the corresponding solvency test.

An interim dividend of MUR 22.00 per ordinary share was declared in November 2019 and a final dividend of MUR 43.78 per ordinary share was declared in June 2020, bringing the total dividend declared for the financial year under review to MUR 65.78 per ordinary share.

Key dividend information over the past five years is shown in the table below:

Name of shareholder	2020	2019	2018	2017	2016
Dividend per share (MUR)	65.78	76.76	64.20	58.00	50.22
Dividend cover (Number of times)	1.00	1.00	1.00	1.00	1.00

To date, a small number of dividend cheques remain outstanding. Shareholders who have not yet received their dividend cheques are requested to contact Ocorian Corporate Administrators Limited, the Company's share registry and transfer office.

Calendar of forthcoming shareholders' events

Arnaud Lagesse
Chairperson

Guillaume Hugnin
Director

14 October 2020



Directors' Profiles



1. ARNAUD LAGESSE

Non-Executive Chairman

Appointed on the Board in 1998 and as Chairman in 2017

Citizen and resident of Mauritius

Skills and Experience

Arnaud Lagesse is the Group CEO of IBL Ltd, the largest business group in Mauritius. He is one of the most prominent leaders of the Mauritian private sector and is known to drive the IBL Group which he leads with innovative and challenging undertakings. Three years ago, he initiated the merger of GML Investissement Ltée and Ireland Blyth Limited, creating a successful Group and substantial shareholder value for all stakeholders since its introduction onto the local stock market.

Qualifications and Professional Development

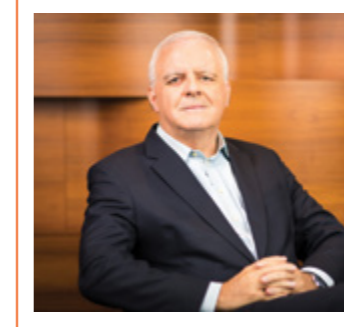
- Breakthrough Executive Program, Egon Zehnder-Mobius, Portugal
- Advanced Management Program (AMP180), Harvard Business School, United States
- Executive Education Program at INSEAD, France
- Master's in Management, Université d'Aix-Marseille, France and graduated from the Institut Supérieur de Gestion de Paris

Core Competences and Contribution

- Business and Finance
- Deal Structuring
- Strategic Business Development

External appointments on listed companies

- Alteo Limited
- IBL Ltd
- Phoenix Beverages Limited
- The United Basalt Products Ltd



2. JEAN-CLAUDE BÉGA

Non-Executive Director

Appointed in 2013 up to 20 May 2020

Citizen and resident of Mauritius

Skills and Experience

Born in 1963, Jean-Claude Béga started his career in 1980 by spending 7 years as external auditor and then moved to a sugar group to perform various functions within accounting and finance before joining GML in 1997 as Finance Manager. He is currently the Group Head of Financial Services and Business Development of IBL Ltd and was also appointed as Executive Director of that company in August 2018.

Qualifications and Professional Development

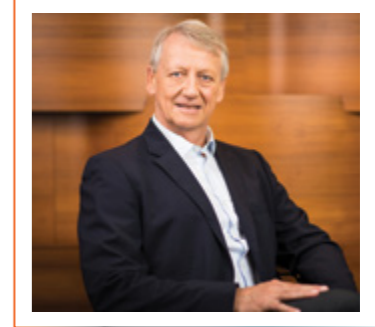
- Fellow of the Association of Chartered Certified Accountants.

Core Competences and Contribution

- Finance
- Mergers and Acquisitions
- Strategic Development

External appointments on listed companies

- BlueLife Limited
- IBL Ltd
- Lux Island Resorts Ltd
- Eagle Insurance Limited
- Phoenix Beverages Limited
- The Bee Equity Partners Ltd



3. JAN BOULLÉ

Non-Executive Director

Appointed in 2002

Citizen and resident of Mauritius

Skills and Experience

Jan Boullé worked for the Constance Group from 1984 to 2016 and has occupied various executive positions and directorships, his latest position being Group Head of Projects and Development. He was appointed as Chairman of IBL Ltd, the ultimate holding company of Camp Investment Company Limited, on 1 July 2016.

Qualifications and Professional Development

- Qualified as an Ingénieur Statisticien Economiste, France
- Pursued post graduate studies in Economics at Université de Laval, Canada

Core Competences and Contribution

- Strategic Development
- Hospitality
- Real Estate Development

External appointments on listed companies

- Alteo Limited
- BlueLife Ltd
- IBL Ltd
- Lux Island Resorts Ltd
- Phoenix Beverages Limited
- The Bee Equity Partners Ltd
- The United Basalt Products Ltd



Directors' Profiles



4. FRANÇOIS DALAIS

Non-Executive Director

Appointed in 1992

Citizen and resident of Mauritius

Skills and Experience

François Dalais is the co-founder and director of the Mauritius Freeport Development Ltd, Sugarex Ltd, Tropical Cubes Co. Ltd, Atlas Communications International Ltd and Caulea Ltd. He also sits on the Board of a number of companies in Mauritius.

Qualifications and Professional Development

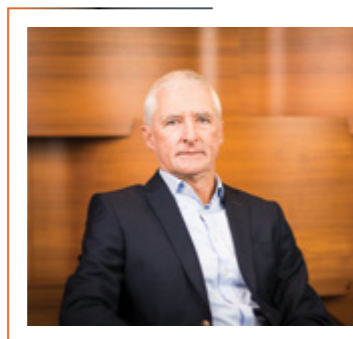
- Diploma in Business Administration, London.

Core Competences and Contribution

- Trading
- Strategic Development,
- Management

External appointments on listed companies

- Phoenix Beverages Limited



5. ROGER ESPITALIER NOËL

Non-Executive Director

Appointed on 1 October 2018

Citizen and resident of Mauritius

Skills & Experience

Roger Espitalier-Noël is the former Corporate Sustainability Advisor of CIEL and former General Manager of Floreal Knitwear Limited. He holds more than 35 years' experience in the textile industry and has been involved in the development and restructuring of this industry regionally, namely in Madagascar.

Qualifications & Professional Development

- Certificate in Textile and Knitwear Technology

Core Competences & Contribution

- Manufacturing
- Corporate Sustainability

External appointments on listed companies

- Ciel Limited
- ENL Limited
- Phoenix Beverages Limited (Alternate Director)



6. GUILLAUME HUGNIN

Non-Executive Director

Appointed in 2011

Citizen and resident of Mauritius

Skills and Experience

Guillaume Hugnin worked in South Africa and Australia for several years before joining the Eclasia Group of Companies in 1993. He is currently Head Group Exports of the Eclasia Group. He has directorships in the hotel industry and is the past Chairman of the Mauritius Exporters Association (MEXA). He has also acted as Council member of the Joint Economic Council (JEC). Guillaume Hugnin is a Council member and Vice President of the Mauritius Chamber of Commerce and Industry (MCCI), a Council member of Business Mauritius (BM) and of the Mauritius Institute of Directors (MIoD). He is Chairman of MCCI Business School.

Qualifications and Professional Development

- Honours in Economics, University of Cape Town, South Africa
- MBA, University of Surrey, United Kingdom

Core Competences and Contribution

- Corporate Governance
- Strategic Business Development
- Local and Regional Market Knowledge
- International Trade

External appointments on listed companies

- Phoenix Beverages Limited



7. HUGUES LAGESSE

Non-Executive Director

Appointed in 2016

Citizen and resident of Mauritius

Skills and Experience

Hugues Lagesse is the Head of Project and Strategic Property Development of BlueLife Limited, a real estate company developing property in Mauritius. He has acquired considerable experience and competence in high-end residential market and mixed-use real estate.

Qualifications and Professional Development

- Diploma in administration and finance from Ecole Supérieure de Gestion, Paris, France.
- Management Program from INSEAD, France.
- Real Estate Program from Harvard Business School, United States
- General Management Program for Mauritius and South East Africa from ESSEC

Core Competences and Contribution

- Real Estate
- Property Development
- Management

External appointments on listed companies

- IBL Ltd
- Phoenix Beverages Limited



8. THIERRY LAGESSE

Non-Executive Director

Appointed in 1995

Citizen and resident of Mauritius

Skills and Experience

Thierry Lagesse is the Founder and Executive Chairman of the Palmar Group of Companies, one of the pioneer companies in the development of the textile industry in Mauritius. A visionary entrepreneur, he launched Direct To Home (DTC) satellite television company in the Indian Ocean Islands.

Qualifications and Professional Development

- Maitrise des Sciences de gestion from Université de Paris Dauphine, France

Core Competences and Contribution

- Entrepreneurship
- Business Development and Finance
- Strategic Development
- Manufacturing
- Textile
- Media
- Hospitality
- Sugar

External appointments on listed companies

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



9. CHRISTINE MAROT

Non-Executive Director

Appointed in 2020

Citizen and resident of Mauritius

Skills and Experience

Christine Marot started her career in an audit firm before joining the GML Group in 1990. She held various positions within the GML Group and, when she left in 2015, she was the Finance Executive – Corporate & Accounting. She was the CEO of BlueLife Limited from May 2015 to April 2020. She is the Group Head of Technology and Sustainability of IBL Ltd since July 2020

Qualifications and Professional Development

- Partly qualified ACCA.
- General Management Program for Mauritius and South East Africa from ESSEC

Core Competences and Contribution

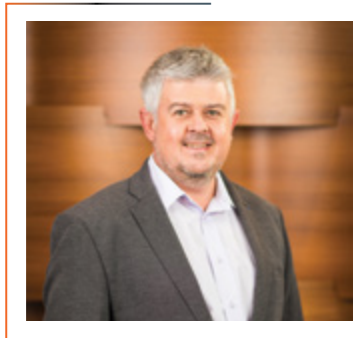
- Finance
- Property Development and Operations
- Hospitality
- Strategic Business Development

External appointments on listed companies

- The United Basalt Products Ltd



Senior Management Profiles



10. PATRICK RIVALLAND

Chief Operations Officer
Chief Financial Officer
Citizen and resident of Mauritius

Skills & Experience

Patrick Rivalland, born in 1972, worked successively for BDO & Co and The Sugar Industry Pension Fund Board before joining Phoenix Camp Minerals Limited in 1999 as Finance and Administrative Manager. He was appointed as Group Senior Manager Finance and Administration in 2001 and Chief Operations Officer in 2014. He is a past President of the Association of Mauritian Manufacturers.

Qualifications & Professional Development

- Fellow member of the Chartered Association of Certified Accountants.

Core Competences and Contribution

- Accounting and Finance
- Strategy
- Operations
- Fast-Moving Consumer Goods (FMCG) industry and market knowledge



11. BERNARD THEYS

Chief Executive Officer
Non-citizen and resident of Mauritius

Skills & Experience

Bernard Theys was born in 1965 in Brussels and has held various general management roles in the brewing industry where he has acquired substantial experience in the Fast-Moving Consumer Goods (FMCG) industry.

Qualifications & Professional Development

- Diploma in Economic Science from Louvain University, Belgium.
- BBA in Business Tourism Management from ICP.
- Several programmes in Executive and Business Education at «l'Association Internationale Américaine de Management» (MCE) in 1995 and at INSEAD Fontainebleau in France in 2008.

Core Competences and Contribution

- Management
- Strategic business development
- Specialised in operations and FMCG industry

Statement of Compliance

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

Name of PIE: Camp Investment Company Limited (the "Company")

Reporting Period: 30 June 2020

We, the Directors of Camp Investment Company Limited, confirm that, to the best of our knowledge, the Company has not fully applied the principles of the Code of Corporate Governance, for the reasons stated below:

Areas of non-application of the Code	Explanation for non-application
Principle 1 No Board Charter.	The Board is governed by the Constitution of the Company.
Principle 2 No independent director, no executive director, no gender balance.	Given that Camp Investment Company Limited is an investment company, it does not employ any personnel. The Board of the Company believes that the Board composition is adequate due to the presence of independent and executive directors on the Board of its principal operating subsidiary, Phoenix Beverages Limited.
No Board committees.	Given that the Company is an investment vehicle and does not undertake managerial and operational activities, it fully adheres and complies with the board committees of its principal operating subsidiary namely Phoenix Beverages Limited. The said committees are governed by newly adopted charters.

Arnaud Lagesse
Chairman

Guillaume Hugnin
Director

14 October 2020

Statement of Directors' Responsibilities

Year ended 30 June 2020

The Directors are responsible for preparing the annual report, corporate governance report and financial statements of the Group and the Company in accordance with applicable laws and regulations. Company law requires the Directors to prepare the financial statements in accordance with International Financial Standards (IFRS) and the Companies Act 2001 for each financial year.

The Board assumes responsibility for leading and controlling the Company and for meeting all legal and regulatory requirements.

The Directors are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Other main responsibilities of the Board of Directors include assessment of the management team's performance relative to corporate objectives, overseeing the implementation and upholding of good corporate governance practices, acting as the central coordination body for the monitoring and reporting of sustainability performance of the Group and ensuring timely and comprehensive communication to all stakeholders on events significant to the Company.

In preparing the financial statements, the Directors report that:

- adequate accounting records and an effective system of internal controls and risk management have been maintained;
- appropriate accounting policies supported by reasonable and prudent judgments and estimates have been used consistently;
- International Financial Reporting Standards (IFRS) have been adhered to and any departure of interest in fair presentation has been disclosed, explained and quantified;
- the Code of Corporate Governance has been adhered to in all material aspects and reasons have been provided for non-application;
- these financial statements fairly present the state of affairs of the Company and the Group as at the end of the financial year and the results of the operations and cash flows for that period; and
- these financial statements have been prepared on the going concern basis.

Nothing has come to the Board's attention to indicate any material breakdown in the functioning of the internal controls and systems during the period under review, which could have a material impact on the business.

The Board of Directors confirms that it is satisfied that Camp Investment Company Limited has adequate resources to continue in business for the foreseeable future. For this reason, it continues to adopt the going concern basis when preparing the financial statements.



Arnaud Lagesse
Chairman



Guillaume Hugnin
Director

14 October 2020





Statutory Disclosures

30 June 2020 (Pursuant to Section 221 of the Mauritius Companies Act 2001 and Section 88 of the Securities Act 2005)

Principal activities

The principal activity of the Company is that of investment holding.

The principal activities of the Group companies consist of:

- brewing of beer, bottling and sale of beer, table water and alternative beverages; and
- production and sale of glass-made products.

Directors

The name of the Directors of Camp Investment Company Limited and its subsidiaries holding office as at 30 June 2020 were as follows:

	Camp Investment Company Limited	Edena S.A.	Espace Solution Réunion S.A.S.	Helping Hands Foundation	MBL Offshore Ltd	Phoenix Beverages Limited	Phoenix Beverages Overseas Ltd	Phoenix Camp Minerals Offshore Ltd	Phoenix Distributors Ltd	Phoenix Foundation	Phoenix Investment Company Limited	Phoenix Management Company Ltd	Phoenix Réunion SARL	SCI Edena	The (Mauritius) Glass Gallery Ltd	The Traditional Green Mill Ltd
Directors																
Arnaud Lagesse	*	*			*	*				*	*					
Jean-Claude Béga						*					*				*	
Jan Boullé	*					*				*						
François Dalais	*				*	*	*	*	*	*	*					
Roger Espitalier Noël	*															
Guillaume Hugnin	*					*				*	*					
Hugues Lagesse	*					*				*						
Thierry Lagesse	*				*	*	*	*	*	*	*					
Sylvia Maigrot						*				*						
Yvan Mainix		*				*										
Christine Marot	*									*						
Charles Prettejohn															*	
Reshan Rambocus						*										
Patrick Rivalland		*		*		*				*					*	*
Paul Rose				*												
Bernard Theys		*	*	*	*	*	*	*	*	*	*		*	*	*	*
Alternate Directors																
Jean-Pierre Dalais (Alternate to François Dalais)						*										
Roger Espitalier Noël (Alternate to Guillaume Hugnin)	*									*						
Guillaume Hugnin (Alternate to Roger Espitalier Noël)	*															

Christine Marot was appointed as Director of Camp Investment Company Limited on 20 May 2020 in replacement of Jean-Claude Béga.

Arnaud Lagesse and Yvan Mainix were appointed as Directors of Edena SA on 29 November 2019, date on which Jean-Claude Béga resigned as Director of the said company.

The Traditional Green Mill Ltd was incorporated on 26 February 2020.

Directors' service contracts

As at 30 June 2020, there were no service contracts between any Director and Camp Investment Company Limited.

Directors' and senior officers' interests in shares

The direct and indirect interest of the directors and senior officers in the securities of the Company and its subsidiaries as at 30 June 2020 were:

	Camp Investment Company Limited		Phoenix Investment Company Limited		Phoenix Beverages Limited		
	Direct Interest		Indirect Interest		Direct Interest		Indirect Interest
	Number of Shares	%	%	Number of Shares	%	Number of Shares	%
Directors							
Arnaud Lagesse	–	–	0.29	–	–	0.27	–
Jan Boullé	–	–	–	–	–	–	–
François Dalais	4 916	0.36	–	92	0.00	–	–
Roger Espitalier Noël	940	0.07	–	1 646	0.03	0.22	3 590
Guillaume Hugnin	–	–	–	2 800	0.05	–	4 290
Hugues Lagesse	360	0.03	0.29	–	–	0.27	–
Thierry Lagesse	–	–	–	–	–	–	–
Christine Marot	–	–	–	–	–	–	–
Senior Management							
Patrick Rivalland	728	0.05	–	1 004	0.02	–	4 057
Bernard Theys	–	–	–	–	–	–	–
Company Secretary							
IBL Management Ltd	–	–	–	–	–	–	–

The directors, the senior management and the Company Secretary did not hold any shares in the other subsidiaries of the Company whether directly or indirectly.



Statutory Disclosures (continued)

30 June 2020 (Pursuant to Section 221 of the Mauritius Companies Act 2001 and Section 88 of the Securities Act 2005)

Directors' remuneration and benefits

Total of the remuneration and benefits received, or due and receivable, by the Directors from the Company and its subsidiaries are disclosed below:

	2020		2019	
	Executive directors MUR '000	Non-executive directors MUR '000	Executive directors MUR '000	Non-executive directors MUR '000
The Company				
Camp Investment Company Limited	–	400	–	400
The Subsidiaries				
Edena S.A.	–	–	–	–
Espace Solutions Reunion S.A.S	–	–	–	–
Helping Hands Foundation	–	–	–	–
MBL Offshore Ltd	–	–	–	–
Phoenix Beverages Limited	–	3 665	–	3 425
Phoenix Beverages Overseas Ltd	–	–	–	–
Phoenix Camp Minerals Offshore Ltd	–	–	–	–
Phoenix Distributors Ltd	–	–	–	–
Phoenix Foundation	–	–	–	–
Phoenix Investment Company Limited	–	350	–	350
Phoenix Management Company Ltd	–	–	–	–
Phoenix Reunion SARL	–	–	–	–
SCI Edena	–	–	–	–
The (Mauritius) Glass Gallery Ltd	–	–	–	–
The Traditional Green Mill Ltd	–	–	–	–

All the Executive Directors are engaged in full time employment.

Indemnity insurance

During the year, the indemnity insurance cover was renewed in respect of the liability of the directors and key officers of the Company and its subsidiaries.

Donations

		2020	2019
		MUR '000	MUR '000
The Company			
Camp Investment Company Limited	– Others	600	400
The Subsidiaries			
Phoenix Investment Company Limited	– Others	600	400
Phoenix Beverages Limited	– Corporate Social Responsibility	11 905	6 290
	– Political	3 000	–
	– Others	1 068	1 091

Auditors' remuneration

The fees payable to the auditors for audit and other services were:

	2020		2019	
	Audit MUR '000	Other services MUR '000	Audit MUR '000	Other services MUR '000
The Company				
Camp Investment Company Limited	142	19	135	18
The Subsidiaries				
Helping Hands Foundation	16	1	15	1
MBL Offshore Ltd	24	12	23	11
Phoenix Beverages Limited	1 811	618	1 725	113
Phoenix Beverages Overseas Ltd	110	10	105	10
Phoenix Camp Minerals Offshore Ltd	24	10	23	10
Phoenix Distributors Ltd	7	1	7	1
Phoenix Foundation	16	1	15	1
Phoenix Investment Company Limited	142	19	135	18
Phoenix Management Company Ltd	58	21	55	20
The (Mauritius) Glass Gallery Ltd	192	19	183	18
	2 542	731	2 421	221
	EUR '000	EUR '000	EUR '000	EUR '000
EXCO REUNION AUDIT				
Phoenix Réunion SARL	32	–	21	–
	32	–	21	–
EXA				
Phoenix Reunion SARL	20	–	–	10
Edena S.A.	6	–	33	–
Espace Solution Réunion S.A.S.	–	1	3	–
	26	1	36	10

Other services relate to tax services.

Corporate governance

The Corporate Governance functions of the Company are discharged, if necessary, by the Board committees and governance framework of its principal operating subsidiary, Phoenix Beverages Limited.

A full description of the governance framework is given in the Annual Report of Phoenix Beverages Limited.



Company Secretary's Certificate

30 June 2020

In terms of Section 166(d) of the Companies Act 2001, we certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, for the financial year ended 30 June 2020, all such returns as are required of the Company under the Companies Act 2001.

Doris Dardanne
Per IBL Management Ltd

14 October 2020

Independent Auditor's Report

To the members of Camp Investment Company Limited

Report on the audit of the financial statements (Continued)

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

Opinion

We have audited the financial statements of Camp Investment Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 41 to 104 which comprise the statements of financial position as at 30 June 2020, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of Group and Company as at 30 June 2020, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001 and the Financial Reporting Act 2004.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information

Management is responsible for the other information. The other information comprises the statutory disclosures and the Company Secretary's Certificate as required by the Companies Act 2001 but does not include the financial statements and our auditor's report thereon.

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

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

Corporate governance report

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

Responsibilities of the Directors for the Financial Statements

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

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



Independent Auditor's Report

To the members of Camp Investment Company Limited

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Use of our report

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

Report on other legal and regulatory requirements

Companies Act 2001

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

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

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

ERNST & YOUNG
Ebène, Mauritius

ANDRE LAI WAN LOONG, F.C.A.
Licensed by FRC

14 October 2020

Statements of Financial Position

for the year ended 30 June 2020

	Notes	THE GROUP		THE COMPANY	
		2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
ASSETS					
Non-current assets					
Property, plant and equipment	5	4 206 011	3 960 297	–	–
Intangible assets	6	858 019	792 587	–	–
Right-of-use assets	18(a)	325 394	–	–	–
Investments in subsidiaries	7	–	–	2 664 266	2 523 737
Investment in associate	8	4 380	9 621	–	–
Financial assets at fair value through other comprehensive income	9	3 236	3 119	–	–
Deferred tax assets	15	3 882	1 273	–	–
		5 400 922	4 766 897	2 664 266	2 523 737
Current assets					
Inventories	10	1 087 037	1 072 545	–	–
Trade and other receivables	11	545 787	752 564	61 371	–
Current tax assets	19(b)	18 162	13 850	–	–
Bank and cash balances	29(b)	165 812	130 837	4 011	8 237
		1 816 798	1 969 796	65 382	8 237
Total assets		7 217 720	6 736 693	2 729 648	2 531 974
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	12	19 349	19 349	19 349	19 349
Other reserves	13	289 611	273 295	2 641 230	2 500 701
Retained earnings		760 282	789 338	4 976	4 967
Equity attributable to owners of the Company		1 069 242	1 081 982	2 665 555	2 525 017
Non-controlling interests		3 356 699	3 351 151	–	–
Total equity		4 425 941	4 433 133	2 665 555	2 525 017
Non-current liabilities					
Borrowings	14	681 531	487 279	–	–
Deferred tax liabilities	15	197 097	295 593	–	–
Employee benefit obligations	16	544 048	192 999	–	–
Deferred revenue	20	30 950	36 487	–	–
		1 453 626	1 012 358	–	–
Current liabilities					
Trade and other payables	17	1 075 884	1 109 609	64 093	6 957
Borrowings	14	232 426	119 976	–	–
Current tax liabilities	19(b)	20 156	52 920	–	–
Deferred revenue	20	9 687	8 697	–	–
		1 338 153	1 291 202	64 093	6 957
Total equity and liabilities		7 217 720	6 736 693	2 729 648	2 531 974

These financial statements have been approved and authorised for issue by the Board of Directors on 14 October 2020

Arnaud Lagesse
Chairman

Guillaume Hugnin
Director

The notes on pages 46 to 104 form an integral part of these financial statements. Auditors' report is on pages 37 to 39.



Statements of Profit or Loss and other Comprehensive Income

for the year ended 30 June 2020

	Notes	THE GROUP		THE COMPANY	
		2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Revenue from contract with customers	2(q), 22	7 545 901	7 776 717	-	-
Manufacturing costs	23	(3 166 957)	(3 225 206)	-	-
Excise and other specific duties	23	(2 269 562)	(2 298 492)	-	-
Cost of sales		(5 436 519)	(5 523 698)	-	-
Gross profit		2 109 382	2 253 019	-	-
Other income	25	32 502	44 079	-	-
Marketing, warehousing, selling and distribution expenses	23	(1 012 620)	(972 542)	-	-
Administrative expenses	23	(491 421)	(476 206)	(2 257)	(2 015)
Profit before finance costs	26	637 843	848 350	(2 257)	(2 015)
Finance income	27A	1 131	2 424	92 590	107 773
Finance costs	27	(49 116)	(31 292)	-	-
Share of results of associate	8(a)	107	28	-	-
Profit before credit loss expenses		589 965	819 510	90 333	105 758
Credit loss expenses on financial assets	23	(33 845)	(4 840)	-	-
Profit before tax		556 120	814 670	90 333	105 758
Tax expense	19(c)	(78 300)	(121 002)	-	-
Profit for the year		477 820	693 668	90 333	105 758
Other comprehensive income:					
Items that will not be reclassified subsequently to profit or loss:					
Changes in fair value of equity instrument at fair value through other comprehensive income	7	-	-	140 529	276 024
Remeasurements of post employment benefit obligations	16	(353 481)	(201 148)	-	-
Deferred tax on post employment benefit obligations	15	60 079	34 075	-	-
		(293 402)	(167 073)	140 529	276 024
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations		68 553	(1 439)	-	-
Other movements in associate	8(a)	(946)	(104)	-	-
		67 607	(1 543)	-	-
Total other comprehensive (loss)/income		(225 795)	(168 616)	140 529	276 024
Total comprehensive income for the year		252 025	525 052	230 862	381 782
Profit attributable to:					
Owners of the Company		143 069	216 024	90 333	105 758
Non-controlling interests		334 751	477 644	-	-
		477 820	693 668	90 333	105 758
Total comprehensive income attributable to:					
Owners of the Company		80 270	166 762	230 862	381 782
Non-controlling interests		171 755	358 290	-	-
		252 025	525 052	230 862	381 782
Earnings per share (MUR.cs) - Basic	28	104.19	157.32	-	-

The notes on pages 46 to 104 form an integral part of these financial statements. Auditors' report is on pages 37 to 39.

Statements of Changes in Equity

for the year ended 30 June 2020

	Notes	THE GROUP							
		(Attributable to owners of the Company)							
		Share capital MUR '000	Share premium MUR '000	Revaluation and other reserves MUR '000	Fair value reserve MUR '000	Retained earnings MUR '000	Total MUR '000	Non- controlling interests MUR '000	Total MUR '000
At 1 July 2019 (as previously stated)		13 731	5 618	270 710	2 585	789 338	1 081 982	3 351 151	4 433 133
Effect of adoption of IFRS 16 leases	2.1	-	-	-	-	(2 686)	(2 686)	(8 458)	(11 144)
At 1 July 2019 (restated)		13 731	5 618	270 710	2 585	786 652	1 079 296	3 342 693	4 421 989
Profit for the year		-	-	-	-	143 069	143 069	334 751	477 820
Other comprehensive income/(loss) for the year		-	-	16 521	(228)	(79 092)	(62 799)	(162 996)	(225 795)
Total comprehensive income/(loss) for the year		-	-	16 521	(228)	63 977	80 270	171 755	252 025
Transfer		-	-	23	-	(23)	-	-	-
Dividends	21	-	-	-	-	(90 324)	(90 324)	-	(90 324)
Dividends payable to minority shareholders		-	-	-	-	-	-	(157 749)	(157 749)
At 30 JUNE 2020		13 731	5 618	287 254	2 357	760 282	1 069 242	3 356 699	4 425 941
At 1 July 2018		13 731	5 618	270 952	2 610	727 710	1 020 621	3 156 726	4 177 347
Profit for the year		-	-	-	-	216 024	216 024	477 644	693 668
Other comprehensive loss for the year		-	-	(347)	(25)	(48 890)	(49 262)	(119 354)	(168 616)
Total comprehensive (loss)/income for the year		-	-	(347)	(25)	167 134	166 762	358 290	525 052
Transfer		-	-	105	-	(105)	-	-	-
Dividends	21	-	-	-	-	(105 401)	(105 401)	-	(105 401)
Dividends payable to minority shareholders		-	-	-	-	-	-	(163 865)	(163 865)
At 30 JUNE 2019		13 731	5 618	270 710	2 585	789 338	1 081 982	3 351 151	4 433 133
		THE COMPANY					Total		
		Share capital MUR '000	Share premium MUR '000	Fair value reserve MUR '000	Retained earnings MUR '000		Total MUR '000		
At 1 July 2019		13 731	5 618	2 500 701	4 967		2 525 017		
Profit for the year		-	-	-	90 333		90 333		
Other comprehensive income for the year		-	-	140 529	-		140 529		
Total comprehensive income for the year		-	-	140 529	90 333		230 862		
Dividends	21	-	-	-	(90 324)		(90 324)		
At 30 June 2019		13 731	5 618	2 641 230	4 967		2 665 555		
At 1 July 2018		13 731	5 618	2 224 677	4 610		2 248 636		
Profit for the year		-	-	-	105 758		105 758		
Other comprehensive income for the year		-	-	276 024	-		276 024		
Total comprehensive income for the year		-	-	276 024	105 758		381 782		
Dividends	21	-	-	-	(105 401)		(105 401)		
At 30 June 2019		13 731	5 618	2 500 701	4 967		2 525 017		

Statements of Cash Flows

for the year ended June 30 2020

	Note	THE GROUP		THE COMPANY	
		2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Cash flows from operating activities					
Cash generated from/(used in) operations	29(a)	992 578	959 063	(5 236)	(1 526)
Interest received		497	2 334	-	-
Interest paid		(43 966)	(31 292)	-	-
Contributions paid on pension		(19 544)	(56 048)	-	-
Tax paid	19(b)	(145 277)	(57 337)	-	-
CSR contribution	19(b)	(6 697)	(2 454)	-	-
Net cash generated from/(used in) operating activities		777 591	814 266	(5 236)	(1 526)
Cash flows from investing activities					
Purchase of property, plant and equipment		(516 952)	(475 532)	-	-
Proceeds from disposal of plant and equipment		3 127	7 166	-	-
Purchase of intangible assets	6	(444)	(1 256)	-	-
Dividends received		4 459	90	31 219	107 773
Net cash (used in)/generated from investing activities		(509 810)	(469 532)	31 219	107 773
Cash flows from financing activities					
Repayment of borrowings		(85 810)	(100 120)	-	-
Payment of principal portion of the lease		(83 505)	-	-	-
Dividends paid to minority shareholders		(67 526)	(163 865)	-	-
Dividends paid to Company's shareholders		(21 441)	(105 401)	-	-
Net cash used in financing activities		(258 282)	(369 386)	(30 209)	(105 401)
(Increase)/decrease in cash and cash equivalents		9 499	(24 652)	4 226	846
Movement in cash and cash equivalents					
At 1 July		112 034	130 129	8 237	7 391
Effect of foreign exchange rate changes		3 077	6 557	-	-
(Increase)/decrease		9 499	(24 652)	(4 226)	846
At 30 June	29(b)	124 610	112 034	4 011	8 237

The notes on pages 46 to 104 form an integral part of these financial statements. Auditors' report is on pages 37 to 39.





Notes to the Financial Statements

for the year ended 30 June 2020

1. GENERAL INFORMATION

Camp Investment Company Limited is a public limited company incorporated and domiciled in Mauritius. The Directors regard IBL Ltd as the holding Company of Camp Investment Company Limited. The two companies are incorporated in Mauritius and their registered office are at 4th Floor, IBL House, Caudan Waterfront, Port Louis.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements comply with the Companies Act 2001 and have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements are prepared under the historical cost basis, except that:

- (i) Freehold land and buildings are carried at revalued amounts; and
- (ii) relevant financial assets and financial liabilities are stated at their fair value;

The financial statements include the consolidated financial statements of the Company and its subsidiaries (the Group) and the separate financial statements of the Company (the Company). The consolidated and separate financial statements are presented in Mauritian rupees (Rs'000).

(b) Basis of consolidation

The Group financial statements consolidate the financial statements of Camp Investment Company Limited, its subsidiaries and its associates using the acquisition method and the equity method respectively. The results of subsidiaries and associates acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date of their acquisitions or up to the date of their disposals respectively.

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- (i) has power over the investee;
- (ii) is exposed, or has rights, to variable returns from its involvement with the investee; and
- (iii) has the ability to use its power to affect its returns.

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

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

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

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Non-controlling interests that are present ownership interests and entitle their holders to proportionate share of the entity's net assets in the event of liquidation may initially be measured either at fair value or at the non-controlling interests' proportionate share of the recognised amount of the acquiree's identifiable net assets.

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

When necessary, adjustments are made to the financial statements to the subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

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

(c) Investments in subsidiaries

Subsidiaries are those companies over which the Company exercises control. These are categorised as fair value through OCI and accounted at fair value in the Company's separate financial statements. Profit or loss on fair value of investments are recognised in the statement of other comprehensive income.

(d) Investment in associate

Associates are those companies which are not subsidiaries and over which the Group exercises significant influence by holding between 20% and 50% of the voting equity, unless it can be clearly demonstrated that the Group does not have significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Company recognises its investments in associates at fair value through OCI and these are stated at fair value in the Company's separate financial statements. Profit or loss on fair value of investment in associate is recognised in the statement of other comprehensive income. The Group uses the equity method of accounting to account for its associates.

Results of the associates in which the Group exercises significant influence are equity accounted for by using their most recent financial statements. Under the equity method of accounting, the Group's share of the associates' profit or loss for the year is recognised in profit or loss and statement of other comprehensive income and the Group's interest in the associates is carried in the statement of financial position at an amount that reflects the post acquisition change in the share of net assets of the associates and unimpaired goodwill.

After the Group's interest in an associate is reduced to zero, additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. Losses recognised under the equity method in excess of the company's investment are recognised in profit or loss.



Notes to the Financial Statements

for the year ended 30 June 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Intangible assets

Intangible assets are initially recorded at cost and amortised using the straight-line method over their estimated useful lives.

The carrying amount of intangible assets is reviewed annually and adjusted for impairment where it is considered necessary. Intangible assets with indefinite useful lives are tested for impairment at least annually and whenever there is indication that the asset may be impaired.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(i) Computer software

Intangible assets include computer software whose estimated useful life is considered to be 5 years.

(ii) Trademarks

Trademarks with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(iii) Goodwill

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

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (CGUs) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(iv) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(f) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements are measured using Mauritian Rupee, the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements of the Group and the Company are presented in Mauritian Rupee, which is the Group's and the Company's functional and presentation currency.

(ii) 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 the profit or loss.

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.

(iii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Mauritian Rupees (Rs) at a rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income.

On disposal of a foreign operation, the component of other comprehensive income relating to that foreign operation is recognised in profit or loss.

(g) Property, plant and equipment

Property, plant and equipment are initially recorded at cost. 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 Company and the cost of the item can be measured reliably. Land and buildings are stated at their revalued amount, based on periodic valuations by external independent valuers, less subsequent depreciation for buildings and impairment losses recognised after the date of revaluation. However, management assesses whether the carrying amount has not changed significantly over years. All other property, plant and equipment are stated at historical cost less depreciation and impairment losses.

Increases in the carrying amount arising on revaluation are credited to revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against the revaluation reserve; all other decreases are charged to the profit or loss.

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

No depreciation is charged on capital expenditure in progress.

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

	Years
Yard	10 - 15
Freehold buildings	10 - 50
Plant and machinery	5 - 25
Motor vehicles	5 - 15
Furniture, computer, office and other equipment	2 - 10
Containers	5 - 10

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

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 disposal of property, plant and equipment are determined by comparing the proceeds with carrying amount and are included in profit or loss.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.



Notes to the Financial Statements

for the year ended 30 June 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Impairment of assets

Assets that have indefinite useful lives 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.

(i) Leases

Policy effective before 1 July 2019 - IAS 17

Leases in which a significant portion of risks and rewards and ownership are retained by the lessor are classified as operating leases. Payments made under operating lease are charged to profit or loss on a straight line basis over the period of the lease.

Leases are classified as finance lease where the terms of the lease transfer substantially all risks and rewards of ownership to 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.

Operating lease payments are recognised as an expense on a straight-line basis over the lease terms, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Policy effective after 1 July 2019 - IAS16

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

Group as a lessee

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

(i) Right of use assets

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

	Years
- Land	20 to 60 years
- Motor vehicle	5 to 7 years

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

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

(ii) Lease liabilities

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

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

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

The Group's lease liabilities are included in borrowings (see note 14).

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

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

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and comprises all costs incurred in bringing the inventories to its present condition and location. The cost of finished goods and work in progress comprises purchase cost or raw materials, direct labour, other direct costs and related production overheads, but excludes interest expenses. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

(k) Initial recognition and subsequent measurement

Financial asset

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

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

Subsequent measurement

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

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

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Notes to the Financial Statements

for the year ended 30 June 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Financial instruments (continued)

Impairment of financial assets (continued)

(ii) Financial liabilities

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade and other receivables, intercompany receivables and long term receivables.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position and the Company's separate financial statement) when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred their rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Impairment of financial assets

The Group recognises an allowance for ECLs for trade receivables with third parties that are not covered or partly covered by an insurance policy. ECLs are based on the difference between the contractual cash flows due and all the cash flows that the Group expects to receive.

For trade receivables, the Group applies a simplified approach in calculating ECLs. The Group makes use of the roll rate methodology. It predicts the probability of default based on delinquency and calculates the percentage of debtors' balance in each bucket that deteriorate to the next bucket in the following month.

Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Group considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. When the trade receivables are referred to attorneys and there is no reasonable expectation of recovery the debtors are written off. The information about the ECLs on the Group's trade receivables is disclosed in note 11.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, interest-bearing loans, borrowings and trade and other payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities include trade and other payables, interest-bearing loans and borrowings including bank overdrafts.

Subsequent measurement

The Group and the Company's financial liabilities are subsequently classified as financial liabilities at amortised cost.

Financial liabilities at amortised cost

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

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

This category generally applies to trade and other payables, interest-bearing loans and borrowings.

Derecognition

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

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(l) Taxation

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date, in the countries where the Group operates and generates taxable income. The income tax is recognised as a charge in profit or loss.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit non taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future.



Notes to the Financial Statements

for the year ended 30 June 2020

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable and there are convincing evidence that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilized except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Deferred income tax assets and deferred income tax liabilities are offset only where both criteria below are met:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously

The Group and the Company have disclosed deferred income tax assets and deferred income tax liabilities separately as it does not meet the above criteria.

Corporate Social Responsibility

In line with the definition within the Income Tax Act 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax shown within the Statement of Comprehensive Income and the income tax liability on the Statement of Financial Position.

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

(n) Provisions

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

(o) Retirement benefit obligations

The employees of the Group are members of IBL Pension Fund (IBLPF). The IBLPF is a multi-employer defined contribution pension scheme. Employees who were transferred from the ex Defined Benefit schemes are entitled to a No-Worse Off Guarantee (NWOOG).

Defined contribution plan

For employees who are not entitled to the NWOOG, the Group pays fixed contributions into the IBLPF, and has no other legal or constructive obligations in respect of pension benefits. The contributions paid are charged as an expense as they fall due.

Defined contribution plan with No-Worse-Off Guarantee

Employees who were transferred from the ex-Defined Benefit schemes are entitled to a NWOOG whereby their respective employers are committed to top-up the Defined Contribution pension in order to meet the pension promise under their respective ex-Defined Benefit schemes. The provisions made include liabilities in respect of this NWOOG and is funded by additional contributions over and above those payable under the Defined Contribution scheme.

Gratuity on Retirement

Employees covered under the IBLPF are entitled to the Retirement Gratuity as provided by Section 49 of the Employment Rights Act 2008. However, half of any lump sum and 5 years pension (relating to the employer's share of contributions only) payable from the IBLPF, is deducted from this Gratuity. Any remaining amount has to be met by the employer and is not funded, the provisions made include an amount for any such liabilities.

Other Post-Retirement Benefit Obligations

The provisions also cover pensions payable directly by the employer from its cash-flow. These pensions would stop on death of the pensioner.

The pensions in respect of employees retiring from IBLPF are payable from an annuity fund within IBLPF. This annuity fund is a multi-employer fund and is currently fully funded. Therefore, no provisions have been made in respect of these pensioners.

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Net interest expense or income
- Remeasurement

The company presents the first two components of defined benefit costs in profit or loss in the line item administrative expenses as part of staff costs. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit liability recognised in the statement of financial position represents the actual deficit or surplus in the defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

(p) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.



Notes to the Financial Statements

for the year ended 30 June 2020

(q) Revenue recognition

Revenue from contract with customers

The main revenue stream of the Group are the sale of beverages which consists of alcoholic and non-alcoholic drinks sold locally and overseas. Deposit on containers is estimated based on the redemption rate over five years period and the portion that is expected to be recovered is accounted as revenue on sale of products.

Performance obligations and timing of revenue recognition

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

Determining the transaction price

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

Some contracts provide customers with a limited right of return. Historical experience enables the Group to estimate reliably the value of goods that will be returned and restrict the amount of revenue that is recognised such that it is highly probable that there will not be a reversal of previously recognised revenue when goods are returned.

Allocating amounts to performance obligations

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

Deposit on containers

Deposit on containers is released to income statement based on average percentage growth of the deposit on a five year period. An assessment is made every year.

Volume rebates

The Group applies either the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the expected future rebates (i.e., the amount not included in the transaction price).

- (i) Other revenues earned by the Group and the Company are recognised as follows:
- Interest income - on a time proportion basis using the effective interest method.
 - Dividend income - when the shareholder's right to receive payment is established.

(r) Cash and cash equivalents

Cash and cash equivalents include cash in hand and at bank and bank overdrafts. Cash equivalents are short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(s) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

(t) Related parties

Related parties are individuals and companies where the individual or Company has the ability, directly or indirectly, to control the other party or to exercise significant influence over the other party in making financial and operating decisions.

(u) Fair value measurement

The Group and the Company measure financial instruments, such as financial assets at fair value through other comprehensive income and land and building, at fair value at each reporting date. Also, fair values of financial instruments are disclosed in note 3.2 and its respective notes.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

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

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

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

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

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Group and the Company. Management considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

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



Notes to the Financial Statements

for the year ended 30 June 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

Management determines the policies and procedures for recurring fair value measurement, such as Financial Assets at Fair value through other comprehensive income.

External valuers are involved for valuation of significant assets such as land and building. Involvement of external valuers is decided and approved by the Board of Directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

New and amended standards and interpretations

Standards, amendments to standards and circulars adopted for the first time in the current reporting period.

The below accounting standards became effective for the current financial year :

	Effective for accounting period beginning on or after
New or revised standards	
IFRS 16 - Leases	1 January, 2019
IFRS 23- Uncertainty over Income Tax Treatments	1 January, 2019
IAS 19 Amendments Plan amendment, Curtailment or Settlement	1 January, 2019
IAS 28 Amendments- Long-term Interests in Associates and Joint Ventures	1 January, 2019
Annual Improvements to IFRS-2015–2017 Cycle (issued in December 2017)	1 January, 2019

Where the standards had an impact on the financial statements of the Group, its impact has been described as per below:

The Group applied IFRS 16 Leases for the first time. The adoption did not have an impact on the Company. The nature and effect of the changes on the Group as a result of adoption of these new accounting standards are described below.

Several other amendments and interpretations apply for the first time in 2019, but does not have an impact on the financial statements of the Group and the Company. The Group and the Company have not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

IFRS 16 Leases

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 does not have an impact for leases where the Group is the lessor.

The Group adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 July 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases, applying IAS 17 and IFRIC 4 at the date of initial application.

The effect of adoption IFRS 16 as at 1 July 2019 (increase/(decrease)) is, as follows:

	MUR'000
Assets	
Right-of-use assets	329 625
Total assets	329 625
Liabilities	
Interest-bearing loans and borrowings	343 603
Deferred tax liabilities	(2 834)
Total liabilities	340 769
Total adjustment on equity:	
Retained earnings	(2 686)
Non-controlling interests	(8 458)
	(11 144)

Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to note 2 (i) Leases for the accounting policy beginning 1 July 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the Group.

Leases previously accounted for as operating leases

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The lease liabilities as at 1 July 2019 can be reconciled to the operating lease commitments as of 30 June 2019, as follows:

	MUR'000
Assets	
Operating lease commitments as at 30 June 2019	225 754
Weighted average incremental borrowing rate as at 1 July 2019	5.27%
Discounted operating lease commitments as at 1 July 2019	343 603

2.2 NEW AND REVISED STANDARDS AND INTERPRETATION ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective up to the date of issuance of the Group's financial statements are listed below. The Group and the company intend to adopt these new and amended standards and interpretations when they become effective, if applicable.

Where the adoption of the standard or interpretation or improvement is deemed to have an impact on the financial statements or performance of the Group when applicable, its impact is described below:

	Effective for accounting period beginning on or after
New or revised standards	
IFRS 17 Insurance Contracts	1 January, 2023
Amendments	
Amendments to References to the Conceptual Framework in IFRS Standards	1 January, 2020
Definition of Material - Amendments to IAS 1 and IAS 8	1 January, 2020
Amendments to IFRS 16 Covid-19 Related Rent Concessions	1 June, 2020

Where the adoption of the standards or amendments or improvement is deemed to have an impact on the financial statements or performance of the Group, their impact is described below:



Notes to the Financial Statements

for the year ended 30 June 2020

2.2 NEW AND REVISED STANDARDS AND INTERPRETATION ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

Amendments to References to the Conceptual Framework in IFRS Standards

Together with the revised Conceptual Framework published in March 2018, the IASB also issued Amendments to References to the Conceptual Framework in IFRS Standards. The document contains amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32. Not all amendments, however update those pronouncements with regard to references to and quotes from the framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the framework they are referencing to (the IASB framework adopted by the IASB in 2001, the IASB framework of 2010, or the new revised framework of 2018) or to indicate that definitions in the standard have not been updated with the new definitions developed in the revised Conceptual Framework.

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

The amendments in Definition of Material (Amendments to IAS 1 and IAS 8) clarify the definition of 'material' and align the definition used in the Conceptual Framework and the standards.

The Group and the Company are still assessing the impact of these new standards and interpretations on their financial statements.

3. FINANCIAL RISK MANAGEMENT

A Management Risk Committee, composed of the senior managers of the Company and chaired by the Chief Executive Officer, is in place, operating under the terms of reference approved by the Audit and Risk Committee. Risk in the widest sense includes market risk, liquidity risk, operation risk and commercial risk. The most significant risks faced by the Group include those pertaining to the economic environment, the supply chain, regulations, skills and people, technology as well as foreign currency and interest rates. These risks are included in the risk management program. Sub-committees have been set up, chaired by the respective senior managers sitting on the Management Risk Committee, to make detailed identification, assessment, measurement and finally to develop and implement risk response strategies.

3.1 Financial risk factors and risk management policies

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

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

- Market risk (including currency risk, price risk and cash flow and fair value interest rate risk);
- Credit risk; and
- Liquidity risk

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

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in note 2 to the financial statements.

(a) Market risk

(i) Currency risk management

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to Euro and US Dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

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

THE GROUP

The following table details the Group's sensitivity to a 5% change in the Mauritian Rupee against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the Mauritian Rupee strengthens 5% against the relevant currencies. There would be an equal and opposite impact on the profit and other equity where the Mauritian Rupee weakens 5% against the relevant currencies, and the balances below would be negative.

Foreign currency sensitivity analysis

	2020 MUR '000	2019 MUR '000
Increase in profit and other equity		
United States Dollar (USD)	1 766	3 231
Euro (EUR)	30 266	22 302
GBP	23	216

THE COMPANY

No sensitivity analysis has been provided for the Company as it has no financial asset or financial liability denominated in foreign currency.

Following the Pandemic of Covid-19, the global impact on the restriction of certain international trade led to fluctuations in the world exchange currencies. The Group trades mostly in EUR. As at year end, the Group and the Company's financial statements were impacted positively by the favourable appreciation of the EUR. The Group plan to undertake foreign currency trade to mitigate foreign currency risks.

(ii) Price risk

The Group and the Company are exposed to equity securities price risk because of investments held by the Group and the Company classified on the statement of financial position as financial assets at fair value through other comprehensive income. No sensitivity analysis is performed for financial assets at fair value through other comprehensive income as the impact is immaterial.

Equity investments are held for strategic rather than for trading purposes. The Group and the Company do not actively trade these investments.

For investment in subsidiaries classified as fair value through other comprehensive income, the sensitivity analysis is as follows:

	THE COMPANY Impact on equity	
	2020 MUR '000	2019 MUR '000
+5% in share price	113 213	106 187
-5% in share price	(113 213)	(106 187)

(iii) Cash flow and fair value interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrows at both fixed and variable rates. In respect of the latter, it is exposed to risk associated with the effect of fluctuations in the prevailing level of market interest rates on its financial position and cash flows.

The risk is managed by maintaining an appropriate mix between fixed and floating interest rates on borrowings.

Interest rate sensitivity analysis

At 30 June 2020, if interest rates on borrowings had been 50 basis points higher/lower with all other variables held constant profit for the year would have been lower/higher as shown in the table below, mainly as a result of higher/lower interest expense on floating rate borrowings as shown below:



Notes to the Financial Statements

for the year ended 30 June 2020

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors and risk management policies (Continued)

Rupee-denominated borrowings	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Effect on profit + 50 basis points				
- Decrease in profit	(1 138)	(1 329)	-	-
- 50 basis points				
- Increase in profit	1 138	1 329	-	-

Other currencies - denominated borrowings

The Group have borrowings amounting to MUR 454.2m (2019: MUR 356m) denominated in EURO.

For 2020 and 2019, since the interest rate is fixed, the Group is not exposed to interest rate risk.

Interest rates are disclosed in note 14 (c).

(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group had adopted a policy of only dealing with credit worthy counterparties as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are approved and reviewed by key management on a regular basis.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties, except for the Group's largest customer which represents 11% of the trade receivables of the Group. These counterparties are unrelated and have different characteristics.

The Group's credit risk is primarily attributable to its trade receivables and cash deposited in financial institutions. The amount presented in the statements of financial position on net of allowances for expected credit losses, estimated by management based on prior experience and represents the Company's maximum exposure to credit risk on going credit evaluation is performed on the financial conditions of account receivable, insurance cover is taken for some customers in order to minimise credit risk. Management considers these trade receivables of having a low credit risk as the risk of default from these financial institutions are low.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Group does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment.

When the trade receivables are referred to attorneys and there is no reasonable expectation of recovery the debtors are written off.

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

For long term receivables, the Group manages the long term receivables from related parties through considering the purpose of advances and their financial position and forecasted cash flows.

The Group and the Company considered the impact of Covid-19 on its financial assets. The Group segmented its trade receivables balances into categories pertaining to the different industries in Mauritius and Reunion. Where the Group and Company considered there to be an increase in credit risks, it made adjustments to the receivable balances of these respective trade debtors to reflect the situation. The Group has also considered to extend the credit facilities of its trade receivables as part of its strategy to mitigate its credit risks. The Group and the company considered Covid-19 to have had minimal impact on its remaining financial assets.

(c) Liquidity risk management

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

The Group's financial liabilities analysed into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date has been disclosed in note 14(b). All trade and other payables are due within one year.

Liquidity and interest risk tables

The following tables detail the Group's and Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the company can be required to pay. The tables include both interest and principal cash flows.

	THE GROUP						Total MUR '000
	Weighted average effective interest rate	Less than 1 month MUR '000	1-3 months MUR '000	3 months to 1 year MUR '000	1-5 years MUR '000	Over 5 years MUR '000	
2020							
Variable interest rate instruments	3.79%	41 918	19 460	51 590	177 733	35 981	326 682
Fixed interest rate instruments	3.29%	2 230	25 293	47 382	219 964	53 126	347 995
Lease liabilities	5.27%	13 606	17 993	77 368	249 509	97 445	455 921
Non-interest bearing:							
Trade and other payables	-	665 690	165 391	204 277	-	-	1 035 358
		723 444	228 137	380 617	647 206	186 552	2 165 956
2019							
Variable interest rate instruments	5.79%	7 614	19 848	39 423	184 447	74 109	325 441
Fixed interest rate instruments	3.21%	1 718	129 221	50 616	207 341	92 785	481 681
Non-interest bearing:							
Trade and other payables	-	496 433	271 293	203 427	-	-	971 153
		505 765	420 362	293 466	391 788	166 894	1 778 275
		THE COMPANY					
		Less than 1 month MUR '000	1-3 months MUR '000	3 months to 1 year MUR '000	1-5 years MUR '000	Over 5 years MUR '000	Total MUR '000
2020							
Non-interest bearing		-	-	64 093	-	-	64 093
2019							
Non-interest bearing		-	-	6 957	-	-	6 957



Notes to the Financial Statements

for the year ended 30 June 2020

3. FINANCIAL RISK MANAGEMENT

3.2 Fair value estimation of financial instruments

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The fair value of financial instruments that are not traded in an active market is computed as maintainable earnings multiplied by Price/Earnings (P/E) ratio.

The sensitivity analysis of the unquoted investments amounting to MUR 400m is as follows :

Variable	Change	Impact (MUR m)
Earnings	+ - 5 %	+ - 20
P/E ratio	+ - 5 %	+ - 20

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

The fair value of those financial assets and liabilities not presented on the Group's statements of financial position at the fair values are not materially different from their carrying amounts.

Fair value measurements recognised in the statements of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	THE COMPANY			
	Level 1 MUR '000	Level 2 MUR '000	Level 3 MUR '000	Total MUR '000
2020				
Investment in subsidiary	2 264 266	–	400 000	2 664 266
2019				
Investment in subsidiary	2 123 737	–	400 000	2 523 737

Reconciliation of level 3 fair value measurements of financial assets

	THE COMPANY	
	2020 MUR '000	2019 MUR '000
At 1 July	400 000	29 172
Net increase in fair value	–	370 828
At 30 June	400 000	400 000

3.3 Capital risk management

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

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

Following Covid-19, the Group's and the Company's overall strategy is to streamline our operations so as to be cost-efficient at each level of our organisation while consolidating our market share in the region.

The Group and the Company manage the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, or sell assets to reduce debt.

The Group and the Company monitor capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt adjusted capital. Net debt is calculated as total debt (as shown in the statements of financial position) less cash and bank balances. Capital structure comprises all components of equity (i.e. share capital, share premium, retained earnings and reserves).

	THE GROUP	
	2020 MUR '000	2019 MUR '000
The debt-to-equity ratios at 30 June 2020 and 30 June 2019 were as follows:		
Total debt (note 14)	913 957	607 255
Less: bank and cash balances (note 29(b))	(165 812)	(130 837)
Net cash	748 145	476 418
Total equity	4 425 941	4 433 133
Debt-to-equity ratio	0.17:1	0.11:1

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

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

4.1 Critical accounting estimates and assumptions

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

(a) Estimated impairment of goodwill and trademark

The Group tests annually whether goodwill and trademarks have suffered any impairment, in accordance with the accounting policy stated in Note 2e(ii) and 2e(iii) respectively.

(b) Impairment of non financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.



Notes to the Financial Statements

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

4.1 Critical accounting estimates and assumptions (continued)

(c) Expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the PE multiple. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

(e) Retirement benefit obligations

The present value of the pension obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate, future salary increases, mortality rates and future pension increases. Any changes in these assumptions will impact the carrying amount of pension obligations.

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

(f) Revaluation of land and buildings

Land and buildings are measured at revalued amounts with changes in fair value being recognised in 'other comprehensive income'. The Group engage an independent valuation specialists to determine the fair value on a regular basis. These estimates have been based on recent transactions for similar properties the actual amount of the land and buildings could therefore defer significantly from the estimates in the future.

(g) Provision for slow-moving stocks

A provision for slowing moving stock is determined using a combination of factors (quality and ageing of stock) to ensure that inventory is not overstated at year end.

(h) Depreciation and amortisation rates

The Group depreciates or amortises its assets to their residual values over their estimated useful lives. The estimation of useful lives is based on historical performance and expectation about future use and requires significant degree of judgement. The residual value of an asset is the estimated net amount that the Group would currently obtain from disposal of the asset, if the asset were already of the age and in condition expected at the end of its useful life.

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

(i) Useful life of trademarks

As there is no foreseeable limit to the period over which the trademarks are expected to generate net cash inflows for the Group, trademarks have been assessed as having an indefinite useful life.

(j) Estimating variable consideration for returns and target sales rebates

The Group estimates variable considerations to be included in the transaction price for the sale of goods with rights of return and target sales rebates.

The Group has contracts with certain supermarkets and point of sales whereby if certain target turnover is achieved, an end of year rebate is earned by them. Some of those contracts are coterminous with our financial year and some are based on calendar year. For the coterminous contracts, the annual rebate is straight-away and based on actual sales. However, for those contracts based on the calendar year, the estimated rebate is based on actual six-months sales till June plus estimated sales till December based in historical data and current trend.

The Group applied a statistical model for estimating expected rebates for contracts with more than one volume threshold. The model uses the historical purchasing patterns and rebates entitlement of customers to determine the expected rebate. Any significant changes in experience as compared to historical purchasing patterns and rebate entitlements of customers will impact the expected rebate estimated by the Group.

The Group updates its assessment of expected sales rebates half-yearly and the refund liabilities are adjusted accordingly. Estimates of expected rebates are sensitive to changes in circumstances and the Group's past experience regarding sales and rebate entitlements may not be representative of customers' actual sales and rebate entitlements in the future.

As at 30 June 2020, the amount recognised as refund liabilities for the expected sales and turnover rebates was MUR 63.2m (2019: MUR 54.1m).

(k) Expected credit losses of long term receivables

The measurement of impaired losses of financial assets requires judgements, in particular, the estimation of the amount and timing of future cash flows when determining impaired losses and the assessment of a significant increase in credit risk. The estimations are driven by a number of factors, changes in which can result in different levels of allowances. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(l) Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates. The IBR used to estimate the lease liability ranges from 1.8% to 8% for the Group and 7% to 8% for the Company.



Notes to the Financial Statements

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5. PROPERTY, PLANT AND EQUIPMENT

(a) Cost or evaluation

2020 - THE GROUP

	Freehold land and yard MUR '000	Freehold buildings MUR '000	Plant and machinery MUR '000	Motor vehicles MUR '000	Furniture, computer, office and other equipment MUR '000	Containers MUR '000	Total MUR '000
At 1 July 2019	1 161 261	1 042 206	2 716 384	312 561	824 461	328 417	6 385 290
Additions	63 465	50 312	114 654	29 475	117 140	102 510	477 556
Transfer between categories	–	589	16 657	–	(17 246)	–	–
Transfer to intangible assets	–	–	–	–	(634)	–	(634)
Scrapped	–	–	–	–	–	(109 875)	(109 875)
Disposals	(751)	(4 392)	(5 198)	(11 252)	(1 183)	(122)	(22 898)
Exchange differences	5 322	42 254	46 861	83	12 315	–	106 835
At 30 June 2020	1 229 297	1 130 969	2 889 358	330 867	934 853	320 930	6 836 274
DEPRECIATION							
At 1 July 2019	3 849	251 086	1 470 019	159 934	508 262	180 028	2 573 178
Charge for the year	4 178	48 353	110 348	23 080	60 910	63 645	310 514
Scrapped	–	–	–	–	–	(109 875)	(109 875)
Disposals	–	(4 392)	(5 113)	(10 302)	(576)	(122)	(20 505)
Exchange differences	–	27 629	32 140	90	4 039	–	63 898
At 30 June 2020	8 027	322 676	1 607 394	172 802	572 635	133 676	2 817 210
Net book value							
At 30 June 2020	1 221 270	808 293	1 281 964	158 065	362 218	187 254	4 019 064
Capital expenditure in progress	–	5 129	146 875	–	34 943	–	186 947
Total Property, Plant and equipment	1 221 270	813 422	1 428 839	158 065	397 161	187 254	4 206 011

(b) Cost or evaluation

2019 - THE GROUP

	Freehold land and yard MUR '000	Freehold buildings MUR '000	Plant and machinery MUR '000	Motor vehicles MUR '000	Furniture, computer, office and other equipment MUR '000	Containers MUR '000	Total MUR '000
At 1 July 2018	1 149 122	1 005 325	2 631 414	304 014	761 144	291 999	6 143 018
Additions	12 319	43 606	110 309	35 915	77 674	101 375	381 198
Disposals	–	(5 336)	(23 886)	(27 362)	(14 079)	(64 957)	(135 620)
Exchange differences	(180)	(1 389)	(1 453)	(6)	(278)	–	(3 306)
At 30 June 2019	1 161 261	1 042 206	2 716 384	312 561	824 461	328 417	6 385 290
DEPRECIATION							
At 1 July 2018	–	213 123	1 391 109	162 609	466 138	181 447	2 414 426
Charge for the year	3 849	44 142	103 803	23 511	56 179	63 538	295 022
Disposals	–	(5 336)	(23 872)	(26 180)	(13 909)	(64 957)	(134 254)
Exchange differences	–	(843)	(1 021)	(6)	(146)	–	(2 016)
At 30 June 2019	3 849	251 086	1 470 019	159 934	508 262	180 028	2 573 178
Net book value							
At 30 June 2019	1 157 412	791 120	1 246 365	152 627	316 199	148 389	3 812 112
Capital expenditure in progress	23 922	4 383	71 463	–	43 302	5 115	148 185
Total Property, Plant and equipment	1 181 334	795 503	1 317 828	152 627	359 501	153 504	3 960 297

(c) In respect of property of the Company:

Freehold land and buildings were revalued in June 2018 by CDDS land surveyors and property, an independent valuer. The basis of valuation of land was arrived at by comparing the value of other land in the neighbourhood giving due consideration to their respective location, shape, extent, development and potential. The values of buildings were arrived at by taking into consideration their depreciated replacement cost after making allowance for their age, standard and state of repair. The carrying amount was adjusted to the revalued amount at 30 June 2018 and the revaluation surplus was recorded under revaluation reserve.

The Directors have assessed the fair value of the freehold land and buildings at 30 June 2020 and have estimated the fair value to approximate the carrying value as at that date. As part of their assessment, the directors considered whether the global pandemic had an impact on the fair value of the land and buildings and concluded the impact of the pandemic to be nil on the fair value.

In respect of property, plant and equipment of Edena S.A. and SCI Edena:



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5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(c) In respect of property of the Company (continued):

Freehold land and buildings were revalued in March 2016 by Galtier Valuation. The basis of valuation of land and buildings was arrived at using an average of the following: comparing the value of other land and buildings in the neighbourhood giving due consideration to their respective location, shape, extent, development and potential; taking into consideration the depreciated replacement cost of buildings after making allowance for their age, standard and state of repair; and capitalised earnings. The Directors have assessed the fair value of the freehold land and buildings at 30 June 2020 and have estimated the fair value to approximate the carrying value as at that date.

(d) Fair value hierarchy measurement of freehold land and yard are classified as level 2 amounting to MUR 1 221.3m (2019: MUR 1 157.4m) for the Group and building as level 3 amounting to Rs.808.3m (2019: MUR 791.1m) for the Group.

(e) There were no transfers under level 1, 2 and 3 during the year.

(f) Bank borrowings are secured by fixed and floating charges over the assets of the Group, which include property, plant and equipment.

(g) There were no assets held under finance leases in the financial year 2020 (2019: Nil).

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

THE GROUP						
Description	Fair value at 30 June,		Valuation technique	Unobservable inputs	Range of unobservable inputs (probability - weighted average)	Relationship of unobservable inputs to fair value
	2020 MUR '000	2019 MUR '000				
Buildings	808 293	791 120	Replacement cost less depreciation approach	Price per square metre	MUR 3 000 - MUR 39 100 per square metre	The higher the price per square metre, the higher the fair value

(i) Information about fair value measurements using significant unobservable inputs (Level 2)

THE GROUP						
Description	Fair value at 30 June,		Valuation technique	Unobservable inputs	Range of unobservable inputs (probability - weighted average)	Relationship of unobservable inputs to fair value
	2020 MUR '000	2019 MUR '000				
Freehold land and yard	1 221 270	1 157 412	Cost approach / Direct comparison approach	Price per square metre	MUR 1 066 to MUR 7 108	The higher the price per square metre, the higher the fair value

(i) Information about fair value measurements using significant unobservable inputs (Level 2) (continued)

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

Depreciation	THE GROUP	
	2020 MUR '000	2019 MUR '000
Cost of sales	215 854	206 307
Selling and distribution expenses	69 311	63 024
Administrative expenses	25 349	25 691
	310 514	295 022

If freehold land, yard and freehold buildings were stated on the historical cost basis, the amounts would be as follows:

	THE GROUP		
	Freehold land and yard MUR '000	Freehold buildings MUR '000	Total MUR '000
At 30 June 2020			
Cost	351 326	1 026 884	1 378 210
Accumulated depreciation	(30 451)	(458 014)	(488 465)
Net book value	320 875	568 870	889 745
At 30 June 2019			
Cost	282 935	938 620	1 221 555
Accumulated depreciation	(26 548)	(388 366)	(414 914)
Net book value	256 387	550 254	806 641

6. INTANGIBLE ASSETS

(a) Cost

	THE GROUP			
	Trademarks MUR '000	Computer software MUR '000	Goodwill MUR '000	Total MUR '000
At 1 July 2019	193 000	33 349	593 520	819 869
Additions	-	444	-	444
Transfer from property, plant and equipment	-	634	-	634
Exchange differences	-	1 341	66 508	67 849
At 30 June 2020	193 000	35 768	660 028	888 796



Notes to the Financial Statements

for the year ended 30 June 2020

6. INTANGIBLE ASSETS (CONTINUED)

(a) Cost (continued)

	THE GROUP			
	Trademarks MUR '000	Computer software MUR '000	Goodwill MUR '000	Total MUR '000
Amortisation				
At 1 July 2019	–	27 282	–	27 282
Charge for the year	–	2 337	–	2 337
Exchange differences	–	1 158	–	1 158
At 30 June 2020	–	30 777	–	30 777
Net book value				
At 30 June 2020	193 000	4 991	660 028	858 019

(b) Cost

	THE GROUP			
	Trademarks MUR'000	Computer software MUR'000	Goodwill MUR'000	Total MUR'000
At 1 July 2018	193 000	42 207	595 770	830 977
Additions	–	1 256	–	1 256
Disposals	–	(10 054)	–	(10 054)
Exchange differences	–	(60)	(2 250)	(2 310)
At 30 June 2019	193 000	33 349	593 520	819 869
Amortisation				
At 1 July 2018	–	34 806	–	34 806
Charge for the year	–	2 584	–	2 584
Disposal adjustment	–	(10 054)	–	(10 054)
Exchange differences	–	(54)	–	(54)
At 30 June 2019	–	27 282	–	27 282
Net book value				
At 30 June 2019	193 000	6 067	593 520	792 587

The Directors have considered the relevant factors in respect of determining the useful life of trademarks. As there is no foreseeable limit to the period over which the trademarks are expected to generate net cash inflows for the Group, trademarks have been assessed as having an indefinite useful life.

(c) AMORTISATION

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Cost of sales	412	85
Administrative expenses	1 925	2 499
	2 337	2 584

(d) IMPAIRMENT TEST ON GOODWILL

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Trademarks		
Trademarks (note (i))	193 000	193 000
Goodwill		
Edena S.A. and its subsidiaries (note (i))	660 028	593 520

The Group assess trademarks and goodwill annually for impairment, or more frequently if there are indicators that goodwill and trademarks might be impaired. The directors are satisfied that there is no indication of impairment of goodwill of Edena SA and trademarks for the year ended 30 June 2019.

The recoverable amounts of trademarks and goodwill of Edena S.A. and its subsidiaries (Edena Group), have been determined based on their value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a period of five years. Value-in-use was determined by discounting the future cash flows generated from the continuing use of trademarks and the cash generating unit of Edena Group respectively using a pre-tax discount rate. Discount rates used represent the current market assessment of the risk specific to a cash generating unit taking into consideration the time value of money and the weighted average cost of capital (WACC).

The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of trademarks and Edena Group to at least maintain their respective market share. The assumptions used for the value-in-use calculations are as follows:

- cash flows were projected based on actual operating results extrapolated using an annual growth rate of 4% (2019: 4%) for a period of five years;
- cash flows after the five years period were extrapolated using a perpetual growth rate of 1.69% (2019: 2%) in order to calculate the terminal recoverable amount.

The discount rate calculation is based on the specific circumstances of the Group and is derived from its weighted average cost of capital (WACC) of 6.34% - 9.78% (2019: 6.59%-11.95%). The WACC takes into account both debt and equity.

The Directors believe that any reasonably possible change in key assumptions on which recoverable amount is based would not cause the aggregate carrying amount of trademarks and goodwill of Edena Group to exceed their aggregate recoverable amount.

7. INVESTMENTS IN SUBSIDIARIES

(a)

	THE GROUP	
	2020 MUR '000	2019 MUR '000
At 1 July	2 523 737	2 247 713
Increase in fair value	140 529	276 024
At 30 June	2 664 266	2 523 737

Investments in subsidiaries comprise a listed company in SEM, a company quoted on DEM and unquoted companies, which are fair valued at the end of each reporting period in the Company's separate financial statements.

Investments in subsidiaries are classified as financial assets measured at fair value through other comprehensive income. The Company has made an irrevocable election to classify the equity investments at fair value through other comprehensive income rather than through profit or loss because it is considered to be more appropriate for these strategic investments.



Notes to the Financial Statements

for the year ended 30 June 2020

7. INVESTMENTS IN SUBSIDIARIES (CONTIUED)

(a) (continued)

The directors are currently monitoring the potential impairment impact of Covid-19 Pandemic on the Group's assets. They are of the opinion that the virus would have a negative effect on the short term performance of the business, but the exact impact is not readily determinable as at the date of these financial statements. It is also expected that the consequence of the sanitary crisis will be of short term basis and that business conditions of the beverages Industry will be back to normal in the medium to long term period. In this context, when measuring the fair value of Investments, the following adjusting estimates have been taken into considerations:

- Specific risk premium have been increased from 2% to 3% based the uncertain outcomes of Covid-19 on our business.
- Perpetuity Growth rate have been reduced from 2% to 1.69% to align with IMF's Long term inflation rate.
- 10% marketability discount have been applied based on surveys and observations for east Africa which we assumed could be realistic to Reunion Island in the present situation.

(b) Details of the Company's subsidiaries are as follows:

Name of company	Country of operation and incorporation	Year ended	Main business	Class of shares held	Share capital (MUR)	Percentage holding and voting power			
						THE COMPANY		OTHER GROUP COMPANIES	
						2020	2019	2020	2019
Phoenix Beverages Limited	Mauritius	June 30	Alternative beverages	Ordinary	164 470 000	17.06%	17.06%	7.038%	7.038%
Phoenix Investment Company Limited	Mauritius	June 30	Investment	Ordinary	56 854 000	22.69%	22.69%	-	-
Phoenix Management Company Ltd	Mauritius	June 30	Provision of management services	Ordinary	25 000	99.92%	99.92%	0.08%	0.08%
Investments held by subsidiaries									
Edena S.A.	Réunion	June 30	Bottling and sale of soft drinks, table water and alternative beverages	Ordinary	138 594 435	-	-	100.00%	100.00%
Espace Solution Réunion S.A.S.	Réunion	June 30	Distributor of beverages and other commodities	Ordinary	54 313 672	-	-	100.00%	100.00%
Helping Hands Foundation	Mauritius	June 30	Charitable institution	Ordinary	10 000	-	-	100.00%	100.00%
MBL Offshore Ltd	Mauritius	June 30	Investment Brewing, bottling and distribution of beer, soft drinks, table water and	Ordinary	27 215 400	-	-	100.00%	100.00%
Phoenix Beverages Overseas Ltd	Mauritius	June 30	Export of beverages	Ordinary	25 000	-	-	99.96%	99.96%

Name of company	Country of operation and incorporation	Year ended	Main business	Class of shares held	Share capital (MUR)	Percentage holding and voting power			
						THE COMPANY		OTHER GROUP COMPANIES	
						2020	2019	2020	2019
Phoenix Camp Minerals Offshore Ltd	Mauritius	June 30	Investment	Ordinary	86	-	-	100.00%	100.00%
Phoenix Distributors Ltd	Mauritius	June 30	Distributor of beverages	Ordinary	206 000	-	-	97.33%	97.33%
Phoenix Foundation	Mauritius	June 30	Charitable Institution	Ordinary	1 000	-	-	100.00%	100.00%
Phoenix Réunion SARL	Réunion	June 30	Distributor of beverages and other commodities	Ordinary	342 640	-	-	100.00%	100.00%
SCI Edena	Réunion	June 30	Property holding	Ordinary	40 250	-	-	100.00%	100.00%
The (Mauritius) Glass Gallery Ltd	Mauritius	June 30	Manufacture and sale of glass related products	Ordinary	5 110 000	-	-	76.00%	76.00%
Green Mill Ltd*	Mauritius	June 30	Restaurants	Ordinary	-	100.00%	-	-	-

The directors are of the opinion that non-controlling interests are not material to the Group. The investments are classified as level 1 and 3. Refer to note 3.2.

(c) Green Mill Ltd

A new subsidiary has been incorporated on 26 February 2020. The activity of the new subsidiary will be the operation of a restaurant with entertainment.

(d) Subsidiaries with material non-controlling interests

Details for subsidiaries that have non-controlling interests that are material to the entity:

Name	Country of operation and incorporation	Proportion of ownership interests and voting rights held by non-controlling interest 2020 and 2019	Profit allocated to non-controlling interests		Accumulated non-controlling interests	
			2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Phoenix Investment Company Ltd	Mauritius	77.31%	48 384	50 897	2 422 206	2 288 572
Phoenix Beverages Limited	Mauritius	75.90%	300 777	443 804	3 463 662	3 425 430

Although the Group has less than 50% of the equity shares and the voting rights in Phoenix Investment Company Limited and Phoenix Beverages Limited, it has control over these entities based on IFRS 10 definition of control. The Group has the power to appoint and remove the majority of the Board of Directors of Phoenix Investment Company Limited and Phoenix Beverages Limited; as such via its board composition, it has the power to direct relevant activities of these entities. Therefore, the directors concluded that the Group has control over Phoenix Investment Company Limited and Phoenix Beverages



Notes to the Financial Statements

for the year ended 30 June 2020

Limited and both companies are consolidated in these financial statements.

7. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(e) Summarised financial information on subsidiaries with material non-controlling interests

Summarised financial information in respect of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	30 June 2020 MUR '000	30 June 2019 MUR '000
Phoenix Investment Company Limited		
Current assets	44 368	7 848
Non-current assets	3 132 097	2 958 659
Current liabilities	(43 356)	(6 768)
Net assets	3 133 109	2 959 739
Carrying amounts of non-controlling interests:		
Equity attributable to owners of the Company	710 903	671 567
Non-controlling interests	2 422 206	2 288 572
	Year ended 30 June 2020 MUR '000	Year ended 30 June 2019 MUR '000
Income	65 295	67 845
Profit for the year	62 585	65 832
Profit attributable to owners of the Company	14 201	14 935
Profit attributable to the non-controlling interests	48 384	50 897
Profit for the year	62 585	65 832
Other comprehensive income attributable to owners of the Company	39 353	(23 149)
Other comprehensive income attributable to non-controlling interests	134 085	(78 874)
Other comprehensive income for the year	173 438	(102 023)
Total comprehensive income attributable to owners of the Company	53 554	(8 214)
Total comprehensive income attributable to the non-controlling interests	182 469	(27 977)
Total comprehensive income for the year	236 023	(36 191)
Dividends paid to non-controlling interests	(48 437)	(50 283)
Net cash outflow from operating activities	(5 578)	(1 917)
Net cash inflow from investing activities	24 485	67 845
Net cash outflow from financing activities	(23 196)	(65 041)
Net cash (outflow)/inflow	(4 289)	887

(e)

Phoenix Beverages Limited

	30 June 2020 MUR '000	30 June 2019 MUR '000
Current assets	1 216 339	1 353 775
Non-current assets	5 374 662	4 882 142
Current liabilities	(826 923)	(830 555)
Non-current liabilities	(1 200 623)	(892 279)
Net assets	4 563 455	4 513 083
Carrying amounts of non-controlling interests:		
Equity attributable to owners of the Company	1 099 793	1 087 653
Non-controlling interests	3 463 662	3 425 430
	Year ended 30 June 2020 MUR '000	Year ended 30 June 2019 MUR '000
Revenue	6 421 814	6 590 658
Profit for the year	396 281	584 722
Profit attributable to owners of the Company	95 504	140 918
Profit attributable to the non-controlling interests	300 777	443 804
Profit for the year	396 281	584 722
Other comprehensive loss attributable to owners of the Company	(30 664)	(28 612)
Other comprehensive loss attributable to non-controlling interests	(96 571)	(90 111)
Other comprehensive loss for the year	(127 235)	(118 723)
Total comprehensive income attributable to owners of the Company	64 840	112 306
Total comprehensive income attributable to the non-controlling interests	204 206	353 693
Total comprehensive income for the year	269 046	465 999
Dividends paid to non-controlling interests	(159 786)	(166 027)
Net cash inflow from operating activities	624 390	655 473
Net cash outflow from investing activities	(421 561)	(384 551)
Net cash outflow from financing activities	(188 975)	(287 834)
Net cash inflow/(outflow)	13 854	(16 912)



Notes to the Financial Statements

for the year ended 30 June 2020

8. INVESTMENT IN ASSOCIATE

	THE GROUP	
	2020 MUR '000	2019 MUR '000
(a) At 1 July	9 621	9 697
Share of results	107	28
Dividends	(4 402)	–
Other movement in reserves	(946)	(104)
At 30 June	4 380	9 621

The Group's interest in the associate is accounted using equity method in the consolidated financial statements.

(b) The associate, which is unlisted, is as follows:

2020 and 2019	Principal place of business and country of incorporation	Year ended	Main business	Class of shares held	% Holding and voting rights held
Name of company					Group companies
Crown Corks Industries Ltd	Mauritius	30 June	Trading of closures	Ordinary	30.36%

The Group's interest in the associate is accounted using equity method in the consolidated financial statements.

(c) Summarised financial information

Summarised financial information in respect of the associate is set out below:

Name	Current assets MUR'000	Non-current assets MUR'000	Current liabilities MUR'000	Revenue MUR'000	Profit for the year MUR'000	Other comprehensive income for the year MUR'000	Total comprehensive income for the year MUR'000	Dividends received during the year MUR'000
2020								
Crown Corks Industries Ltd	14 212	405	190	727	364	(3 116)	(2 752)	4 402
2019								
Crown Corks Industries Ltd	31 276	482	71	487	93	(341)	(248)	–

(d) Reconciliation of summarised financial information

Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements:

Name	Opening net assets MUR'000	Profit for the year MUR'000	Other comprehensive (loss) /income for the year MUR'000	Dividends for the year	Closing net assets MUR'000	Ownership interest %	Interest in associates MUR'000	Goodwill MUR'000	Carrying value MUR'000
2020									
Crown Corks Industries Ltd	31 691	352	(3 116)	(14 500)	14 427	30.36%	4 380	–	4 380
2019									
Crown Corks Industries Ltd	31 939	93	(341)	–	31 691	30.36%	9 621	–	9 621

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(a) Equity investments at fair value through other comprehensive income

	THE GROUP	
	2020 MUR'000	2019 MUR'000
At July 1	3 119	–
As restated due to the adoption of IFRS 9	–	3 109
Exchange differences	117	10
At 30 June	3 236	3 119

(b) Fair value through other comprehensive income financial assets include the following:

	THE GROUP	THE COMPANY
	2020 MUR'000	2019 MUR'000
Unquoted:		
Equity securities - Mauritius	2 091	2 091
Equity securities - Reunion	1 145	1 028
	3 236	3 119

(c) The fair value of the unquoted securities are based on directors' estimate. As at 30 June 2020, based on their review, they have assess that the fair value of the unquoted securities is not materially different from the cost.

(d) Fair value through other comprehensive income financial assets include the following:



Notes to the Financial Statements

for the year ended 30 June 2020

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued)

	THE GROUP		THE COMPANY	
	2020 MUR'000	2019 MUR'000	2020 MUR'000	2019 MUR'000
Unquoted:				
Eccocentre Limitee	2 091	2 091		
Société Civile de Placement Immobilier	1 145	1 028		
	3 236	3 119		

(e) Equity investments at fair value through other comprehensive income are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2020 MUR'000	2019 MUR'000	2020 MUR'000	2019 MUR'000
Mauritian Rupee	2 091	2 091		
Euro	1 145	1 028		
	3 236	3 119		

10. INVENTORIES

	THE GROUP	
	2020 MUR'000	2019 MUR'000
Raw and packaging materials	454 288	466 870
Spare parts and consumables	124 455	109 263
Finished goods	446 186	393 633
Work in progress	36 200	37 770
Goods in transit	25 908	65 009
	1 087 037	1 072 545

The cost of inventory recognised as an expense includes an amount of MUR 42.1m (2019: MUR 2.4 m) for the Group in respect of write-downs of inventory to net realisable value.

The inventories have been pledged as security for borrowings and are valued on a weighted average cost basis.

11. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2020 MUR'000	2019 MUR'000	2020 MUR'000	2019 MUR'000
Trade receivables (net of provisions)	423 576	562 085	–	–
Other receivables	41 511	94 124	–	–
Prepayment	30 225	36 126	–	–

THE GROUP

	THE GROUP		THE COMPANY	
	2020 MUR'000	2019 MUR'000	2020 MUR'000	2019 MUR'000
Receivables from group companies:				
- Ultimate holding company	–	163	–	–
- Entreprises in which ultimate holding Company has significant interest	49 774	60 066	22 443	–
-Subsidiaries	–	–	–	–
-Fellow subsidiary	701	–	38 928	–
	545 787	752 564	61 371	–

Before accepting any new credit customer, the Group assesses the potential customer's credit worthiness and defines credit limits for the customer. Limits and scoring attributed to customers are reviewed twice a year. Out the trade receivables balance at end of the year MUR 53.4M (2018: MUR 48.5M) is due from the Group's largest customer. There are no other customers who represent more than 8% of the total balance of trade receivables.

The credit period is 30 days end of month for the Group.11. TRADE AND OTHER RECEIVABLES

(a) The carrying amounts of trade receivables are denominated in the following currencies.

	THE GROUP		THE COMPANY	
	2020 MUR'000	2019 MUR'000	2020 MUR'000	2019 MUR'000
Mauritian Rupee	253 987	325 523	61 371	–
US Dollar	1 784	3 768	–	–
Euro	218 280	293 023	–	–
	474 051	622 314	61 371	–

(b) Expected credit loss for trade receivable and amount due to related parties

The Group applies the IFRS 9 simplified approach to measure expected credit losses. It is determined by the Group and the Company using provision matrix which makes use of the roll rate model. It refers to the percentage of customers who become increasingly bad on their accounts.

In order to assess the expected credit losses, the trade receivables have been grouped based on their credit risk characteristics and the days past due. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. Management considers balance more than 120 days to be fully impaired.

Set out below is the information about the credit risk exposure on the Group's trade receivables and amount due to related parties.

	THE GROUP					Total MUR'000
	Current MUR'000	More than 30 days past due MUR'000	More than 60 days past due MUR'000	More than 90 days past due MUR'000	More than 120 days past due MUR'000	
At 30 June 2020						
Expected loss rate	1.57%	1.82%	10.44%	15.09%	82.67%	
Gross carrying amount						
Trade receivables						
- Uninsured debtors	197 808	71 212	15 532	28 010	139 161	451 723
- Insured debtors	67 712	57 806	977	9 440	11 521	147 456
Loss allowance	3 105	1 299	1 621	4 226	115 046	125 297



Notes to the Financial Statements

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11. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) (continued)

	Current MUR '000	More than 30 days past due MUR '000	More than 60 days past due MUR '000	More than 90 days past due MUR '000	More than 120 days past due MUR '000	Total MUR '000
At 30 June 2019						
Expected loss rate	2.33 % - 11.48 %	2.95% - 12.37 %	12.56% - 41.55 %	81.91%	100.00%	
Gross carrying amount						
Trade receivables						
- Uninsured debtors	91 225	60 597	99	134	15 604	167 659
- Insured debtors	17 838	112 560	48 742	51 077	-	230 217
- Others debtors	31 351	15 417	28 017	76 540	5 395	156 720
Loss allowance	2 131	1 790	7 520	60 342	20 999	92 782

Insured debtors - Allowance of ECL on insured debtors is minimal.

Trade receivables and other debtors - ECL is calculated based on the expected loss rate which varies for the Company and the foreign subsidiaries depending on their risk characteristics.

For amount due from related parties, general approach is used. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate

(c) The closing loss allowances for trade receivables as at 30 June 2020 reconcile to the opening loss allowances as follows:

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
At 1 July	92 782	92 073	-	-
Charge for the year	33 819	4 840	-	-
Write off	(10 725)	(4 131)	-	-
Exchange differences	9 421	-	-	-
At 30 June	125 297	92 782	-	-

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

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

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

(e) Bank borrowings are secured by fixed and floating charges over the receivables of the Group and Company.

12. STATED CAPITAL

	2020 and 2019			
	THE GROUP AND THE COMPANY			
	Number of shares	Ordinary shares MUR '000	Share premium MUR '000	Total MUR '000
Issued and fully paid				
At 1 July and at 30 June	1 373 130	13 731	5 618	19 349

The holders of the fully paid ordinary shares are entitled to one voting right per share and carry a right to dividends but no rights to fixed income.

The total number of issued ordinary shares is 1 373 130 (2019: 1 373 130) with a par value of MUR 10 per share (2019: MUR 10 per share). All issued shares are fully paid.

13. OTHER RESERVES

(a) The Group

	Revaluation and other reserves				Total MUR '000
	Revaluation reserve MUR '000	Other reserves MUR '000	Translation reserve MUR '000	Fair value reserve MUR '000	
At 1 July 2019	265 825	2 579	2 306	2 585	273 295
Other comprehensive income:					
Other movements in associate	-	-	-	(228)	(228)
Exchange differences	-	-	16 521	-	16 521
Transfer from retained earnings	-	23	-	-	23
At 30 June 2020	265 825	2 602	18 827	2 357	289 611
At 1 July 2018	265 825	2 474	2 653	2 610	273 562
Other comprehensive income:					
Other movements in associate	-	-	-	(25)	(25)
Exchange differences	-	-	(347)	-	(347)
Transfer from retained earnings	-	105	-	-	105
At 30 JUNE 2019	265 825	2 579	2 306	2 585	273 295

(b) The Company

	Fair value reserve MUR '000	Total MUR '000
At 1 July 2019	2 500 701	2 500 701
Other comprehensive income:		
Increase in fair value	140 529	140 529
At 30 JUNE 2020	2 641 230	2 641 230
At 1 July 2018	2 224 677	2 224 677
Other comprehensive income:		
Increase in fair value	276 024	276 024
At 30 June 2019	2 500 701	2 500 701

Revaluation reserve

Revaluation reserve relates to the revaluation of freehold land, yard and freehold buildings.

Translation reserve

Translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value reserve

Fair value reserve comprises the cumulative net change in the fair value of subsidiaries and associates that has been recognised in other comprehensive income until the investments are derecognised or impaired.

Other reserves

Other reserves comprise of legal reserve and capital reserve. During the year, there has been a transfer from retained earnings to legal reserve in one of the subsidiaries.



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14. BORROWINGS

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Current				
Bank overdrafts (note 27(b))	41 202	18 803	–	–
Bank loans	103 776	101 173	–	–
Lease liabilities	87 448	–	–	–
	232 426	119 976	–	–
Non-current				
Bank loans	423 592	487 279	–	–
Lease liabilities	257 939	–	–	–
	681 531	487 279	–	–
Total borrowings	913 957	607 255	–	–

(a) The borrowings include secured liabilities (bank overdrafts, bank loans and lease liabilities) amounting to MUR 913.9m (2019: MUR 607.3m) for the Group and MUR Nil (2019: MUR Nil) for the Company. The borrowings are secured by fixed and floating charges over the Group assets and bearing interest at 1.18% - 8.00% per annum (2019: 1.15% - 6.50% per annum).

(b) The maturity of bank loans is as follows:

	THE GROUP	
	2020 MUR '000	2019 MUR '000
After one year and before two years	89 049	93 145
After two years and before three years	82 654	81 948
After three years and before five years	159 934	151 940
After five years	91 955	160 246
	423 592	487 279

(c) The effective interest rates at the end of the reporting period were as follows:

	THE GROUP	
	2020 %	2019 %
Bank overdrafts	1.18 – 6.75	1.15 – 6.75
Bank loans	2.18 – 4.10	2.11 – 5.75
Lease liabilities	1.80 – 8.00	–

(d) The carrying amounts of the borrowings are denominated in the following currencies:

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Mauritian Rupee	418 583	251 414
Euro	495 374	355 841
	913 957	607 255

15. DEFERRED TAX (ASSETS)/LIABILITIES

Deferred tax assets and liabilities are offset when they relate to the same fiscal authority. The following amounts are shown in the statements of financial position:

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Deferred tax assets	(3 882)	(1 273)
Deferred tax liabilities	197 097	295 593
	193 215	294 320

Deferred tax liabilities are calculated on all temporary differences under the liability method at tax rate of 17% (2019: 17%). The movements on the deferred tax account are as follows:

	THE GROUP	
	2020 MUR '000	2019 MUR '000
At 1 July	294 320	318 767
Effect of adoption of IFRS 16 Leases	(2 834)	–
At 1 July (adjusted)	291 486	318 767
(Credit)/charge to profit or loss (note 18 (c))	(38 192)	9 628
Credit to other comprehensive income	(50 683)	(34 075)
At 30 June	202 611	294 320

Deferred tax assets and liabilities, deferred tax charge/(credit) in the statements of profit or loss and other comprehensive income are attributable to the following items:



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for the year ended 30 June 2020

15. DEFERRED TAX (ASSETS)/LIABILITIES (CONTINUED)

(a) The Group

	At 1 July 2019	Effect of adoption of IFRS 16 Leases	At 1 July 2019 (adjusted) MUR '000	(Credit)/charge to profit or loss MUR '000	Credit to other comprehensive income MUR '000	At 30 June 2020 MUR '000
2020						
Deferred tax liabilities						
Accelerated tax depreciation	342 460	–	342 460	(23 961)	–	318 499
Deferred tax assets						
Retirement benefit obligations	(32 593)	–	(32 593)	429	(50 683)	(82 847)
Right of use of assets	–	(2 834)	(2 834)	(1 054)	–	(3 888)
Provision on stock and receivables	(15 547)	–	(15 547)	(13 606)	–	(29 153)
Net deferred tax liabilities	294 320	(2 834)	291 486	(38 192)	(50 683)	202 611

	At 1 July, 2018 MUR '000	Charge to profit or loss MUR '000	Charge to other comprehensive income MUR '000	At 30 June, 2019 MUR '000
2019				
Deferred tax liabilities				
Accelerated tax depreciation		328 202	14 258	342 460
Deferred tax assets				
Retirement benefit obligations		(9 435)	10 917	(32 593)
Provision for stock		–	(15 547)	(15 547)
Net deferred tax liabilities		318 767	9 628	294 320

16. EMPLOYEE BENEFIT OBLIGATIONS

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Amounts recognised in the statements of financial position:		
Pension scheme (note (i))	544 048	192 199
Charge to profit or loss		
– Pension benefits (note (v))	17 112	4 642
(Credit) to other comprehensive income		
– Pension benefits (note (vi))	353 481	201 148

Pension scheme

The assets of the funded plan are held independently in a registered superannuation fund (IBL Pension Fund). Retirement benefit obligations have been provided for based on the report from Swan Life dated 07 August 2020.

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

The unfunded liability relates to employees who are entitled to Retirement Gratuities payable under the Worker's Rights Act (WRA). The latter provides for a lump sum at retirement based on final salary and years of service. For employees who are members of the Defined Contribution plan or Defined Benefit plan, half of any lumpsum and 5 years of pension (relating to Employer's share of contributions only) payable from the pension fund have been offset from the Retirement Gratuities.

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

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Present value of funded obligations	1 003 195	643 494
Fair value of plan assets	(537 542)	(508 606)
	465 653	134 888
Present value of unfunded obligations	78 395	58 111
Liability in the statements of financial position	544 048	192 999

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

	THE GROUP	
	2020 MUR '000	2019 MUR '000
At 1 July	192 999	55 981
Transfer of liabilities from Annuity Fund**	–	320 194
Transfer of assets from Annuity Fund**	–	(325 547)
– Amount recognised in profit or loss	17 112	4 642
– Amount recognised in other comprehensive income	353 481	201 148
Transfer from DC reserve account	–	(7 371)
Contributions paid*	(19 544)	(56 048)
At 30 June	544 048	192 999

* The figures are in respect of residual defined benefit liabilities on top of the defined contributions part of the IBL Pension Fund and exclude cash payments which are treated as defined contributions and amounted to MUR 34.7m (2019: MUR 37.3m) for the Group.

**For the year ended 30 June 2019, one of the plans, IBL Pension Fund ("IBLPF"), contained an Annuity Fund since its inception from which all pensioners were paid. All sponsoring employers accepted, at that time, the pooling of risk and inherent cross subsidies associated with this common Annuity Fund. The governing body of IBLPF, in agreement with the sponsoring employees, decided to allocate the assets and liabilities of the Annuity Fund to each respective employer effective 1 July 2018. Until that date, the Group had accounted for the Annuity Fund as if it were a defined contribution plan. The allocation of assets and liabilities from the Annuity Fund have been recognised during the current year with the excess of liabilities over assets recognised in profit or loss for the year.



Notes to the Financial Statements

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16. EMPLOYEE BENEFIT OBLIGATIONS/(ASSETS) (CONTINUED)

(iii) The movement in the defined benefit obligation over the year is as follows:

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Present value of funded obligation at start of 01 July	643 494	198 659
Present value of unfunded obligation at start of 01 July	58 110	35 857
Transfer of liabilities from Annuity Fund	–	320 194
Transfer from member account*	36 844	–
Current service cost	7 645	8 136
Interest cost	38 765	27 944
Liability loss due to change in financial assumptions	324 297	168 706
Benefit paid	(27 565)	(57 891)
At 30 June,	1 081 590	701 605

* These pertain to transfer of total contributions made by employees under the DC Scheme during their length of services to the annuity fund on their retirement during the year.

(iv) Reconciliation of fair value of plan assets

	THE GROUP	
	2020 MUR '000	2019 MUR '000
At 1 July	508 606	178 535
Transfer of assets from Annuity Fund	–	325 547
Interest income	29 298	31 438
Refund from insurer	582	–
Disability PHI	1 637	–
Employer contributions	17 322	56 048
Benefits paid	(27 565)	(57 891)
Transfer	36 844	7 371
Actuarial loss	(29 182)	(32 442)
At 30 June,	537 542	508 606

(v) The amounts recognised in the statement of profit or loss are as follows:

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Service cost	7 645	8 136
Net interest cost	9 467	(3 494)
Total included in employee benefit expense	17 112	4 642

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

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Remeasurement on the net defined benefit liability:		
Liability experience loss due to change in financial assumptions	29 182	168 706
Actuarial loss	324 298	32 442
Actuarial losses recognised in other comprehensive income	353 480	201 148

(vii) The fair value of the plan assets at the end of the reporting period for each category, are as follows:

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Cash and cash equivalents	43 810	41 451
Equity investments categorised by industry type:		
– Banks & Insurance	89 232	84 429
– Industry	8 493	8 036
– Investment	49 723	47 046
– Leisure & Hotels	28 651	27 109
– Commerce	14 191	13 427
– Others	1 505	1 424
Fixed interest instruments	154 328	146 021
Properties	–	–
– Commercial properties in Mauritius	19 728	18 666
Investment funds	126 537	119 725
Commodities	1 344	1 272
Total market value of assets	537 542	508 606
Actual return on plan assets	116	(1 004)

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets whereas the fair values of properties and derivatives are not based on quoted market prices in active markets.

* Out of the fair value of the planned assets, 25.42% (2019: 34.26%) represent the local equity instruments and 24.90% (2019: 24.57%) the foreign equity instruments.

(viii) The principal actuarial assumptions used for accounting purposes were:

	THE GROUP	
	2020 %	2019 %
Discount rate	2.9/3.1	5.6/5.9
Future long-term salary increase	2.0	4.0
Future expected pension increase	1.0	1.0
Expected return on plan assets	2.9/3.1	5.06/5.9
Future long-term NPS increase	4.0	4.0
Post retirement mortality tables	PA(92)	PA(92)

Retirement is assumed to occur at age 60. No allowance has been made for early retirement on the grounds of ill-health or otherwise.



Notes to the Financial Statements

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16. EMPLOYEE BENEFIT OBLIGATIONS/(ASSETS) (CONTINUED)

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

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Increase in defined benefit obligation due to 1% decrease in discount rate	252 889	165 958
Decrease in defined benefit obligation due to 1% increase in discount rate	202 064	134 154
Increase in defined benefit obligation due to 1% increase in future long-term salary assumption	76 592	57 193
Decrease in defined benefit obligation due to 1% decrease in future long-term salary assumption	68 404	50 448

The sensitivities above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the defined benefit obligation has been calculated using the projected unit credit method.

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

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

Longevity Risk - The liabilities disclosed are based on the mortality tables A 67/70 and PA (92). Should the experience of the pension plans be less favourable than the standard mortality tables, the liabilities will increase.

Interest Rate Risk - If the Bond interest rate decreases, the liabilities would be calculated using a lower discount rate, and would therefore increase.

Investment Risk - The present value of the liabilities of the plan are calculated using a discount rate. Should the returns on the assets of the plan be lower than the discount rate, a deficit will arise.

Salary Risk - If salary increases are higher than assumed in our basis, the liabilities would increase giving rise to actuarial losses.

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

(xii) The Group does not expect to make any contributions to its post-employment benefit plans for the year ending 30 June 2021.

(xiii) The weighted average duration of the defined benefit obligation is 12-21 years at the end of the reporting period (2019: 11-16 years).

17. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Trade payables	328 362	502 551	-	-
Deposits from customers (see note (b))	76 510	84 971	-	-
Amounts due to Group companies: - Enterprises in which ultimate holding Company has significant interest	6 936	4 847	-	-

THE GROUP THE COMPANY

	2020	2019	2020	2019
	MUR '000	MUR '000	MUR '000	MUR '000
End of year discount (note (c))	63 161	54 124	-	-
Dividend payable	60 116	-	60 116	-
Accrued expenses and other payables	540 799	463 116	3 977	6 957
	1 075 884	1 109 609	64 093	6 957

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

(a) The credit period on purchase of goods is 30 days. No interest is charged by trade payables. The Group has policies to ensure that all payables are paid with the credit time frame.

(b) Deposits from customers on containers

	THE GROUP	
	2020 MUR '000	2019 MUR '000
At 1 July	84 971	95 910
Net (decrease) / increase in deposits	(8 461)	(10 939)
At 30 June	76 510	84 971

A deposit is taken from customers for crates, bottles and jars. Based on management best estimate, an amount of MUR 11m (2019: MUR 8m) representing the redemption rate has been recognised as the portion not expected to be recovered as revenue on sale of products.

(c) It relates to discount given to customers based on targeted turnover. The contracts can be either the calendar year or the accounting period. Payment is effected at the end of the contract agreement. Movement on end of year discount is as follows:

	THE GROUP AND THE COMPANY	
	2020 MUR '000	2019 MUR '000
At beginning of the year	54 124	40 915
Movement during the year	9 037	13 209
At end of the year	63 161	54 124

(d) The carrying amounts of trade payables are denominated in the following currencies.

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Mauritian Rupee	98 817	131 898	-	-
US Dollar	48 356	74 701	-	-
Euro	180 717	279 543	-	-
Other	472	16 409	-	-
	328 362	502 551	-	-



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18. Leases

Group as a lessee

The Group has lease contracts for land and motor vehicles used in its operations. Land has a lease term between 20 and 60 years, while motor vehicles generally have lease terms between 5 and 7 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(a)

	Land and building MUR '000	Motor vehicles MUR '000	Total MUR '000
Recognition of right of use assets on initial application of IFRS 16	134 287	195 338	329 625
Additions for the year	–	70 372	70 372
Depreciation charge for the year	(26 206)	(62 857)	(89 063)
Exchange differences	9 482	4 978	14 460
At 30 June 2020	117 563	207 831	325 394

(b) Lease Liabilities

	THE GROUP MUR '000
At 1 July 2019	343 603
New leases	70 372
Interest expense	19 881
Lease payment	(103 386)
Exchange differences	14 917
At 30 June 2020	345 387
Current	87 448
Non current	257 939
	345 387

The maturity analysis of lease liabilities are disclosed in note 3.1(c).

The following are the amounts recognised in profit or loss:

	THE GROUP 2020 MUR '000
Depreciation expense of right-of-use assets	89 063
Interest expense on lease liabilities	19 881
Total amount recognised in profit or loss	108 944

In 2020, total cash outflows for leases amounted to MUR 103.4m for the Group. Non-cash additions to right-of-use assets and lease liabilities amounted to MUR 70.4 for the Group. The future cash outflows relating to leases that have not yet commenced are disclosed in note 33.

The following provides information on the Group's variable lease payments, including the magnitude in relation to fixed payments:

	Fixed payments MUR '000
Interest expense on lease liabilities	103 386
Fixed rent	103 386

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	THE GROUP		
	Within five years MUR '000	More than five years MUR '000	Total MUR '000
Termination options not expected to be exercised	307 412	37 975	345 387

During the year under review, the Group has taken exemption for short-term lease amounting to MUR 6.5M. These leases were taken for a period of 6-12 months.

19. Taxation

(a) Income tax

Income tax is calculated at 15% (2019: 15%) on the profit for the year as adjusted for income tax purposes. Tax rate in Reunion Island is at 28% (2019: 37%).

Corporate Social Responsibility

The Group is required to set up a CSR fund equivalent to 2% of its chargeable income of the preceding year to implement a CSR program in accordance with its own CSR framework. Where the amount paid out of the CSR fund is less than the amount provided under the fund, the difference shall be remitted to the Director-General at the time of submission of the income tax return of the year under review.

(b) Current tax liabilities and assets are offset when they relate to the same fiscal authority. The following amounts are shown in the statements of financial position:

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Current tax assets	(18 162)	(13 850)	–	–
Current tax liabilities	20 156	52 920	–	–
	1 994	39 070	–	–



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19. Taxation

(b) (continued)

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Tax liability/(asset)				
At July 1,	39 070	(12 563)	-	-
Income tax expense	94 688	104 006	-	-
Corporate social responsibility	13 444	7 630	-	-
Under/(over) provision in previous year	8 360	(262)	-	-
Tax deducted at source	(76)	(59)	-	-
Tax and CSR paid	(151 898)	(59 732)	-	-
Exchange difference	(1 594)	50	-	-
At June 30,	1 994	39 070	-	-

(c) Tax expense

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Income tax provision at applicable rate	94 688	104 006	-	-
CSR contribution	13 444	7 630	-	-
Under/(over) provision in previous year	8 360	(262)	-	-
	116 492	111 374	-	-
Deferred tax charge to profit or loss (note 15)	(38 192)	9 628	-	-
Tax expense	78 300	121 002	-	-

(d) The tax on the Group's and Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Group and the Company as follows:

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Profit before taxation	556 120	814 670	90 333	105 758
Tax calculated at the rate of the Group 17% (2019: 17%); the Company 15% (2019: 15%)	94 540	138 494	13 550	15 864
Tax effect of:				
Income not subject to tax	(14 872)	(14 069)	(13 889)	(16 166)
Expenses not deductible for tax purposes	7 434	13 092	339	302
CSR adjustment	1 774	(4 699)	-	-
Differential in tax rate	(1 459)	2 645	-	-
Under/(over) provision in previous year	8 360	(262)	-	-
Depreciation of non-qualifying assets	682	682	-	-
Effect of tax on associates	(18)	(5)	-	-
Deferred tax on provision for stock	-	(15 547)	-	-

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Overprovision of deferred tax in previous years	(20 262)	-	-	-
Deferred tax asset on tax losses not recognised	6 311	671	-	-
Deferred tax on provision for receivables	(4 190)	-	-	-
Tax charge	78 300	121 002	-	-

20. DEFERRED REVENUE

	THE GROUP	
	2020 MUR '000	2019 MUR '000
At 01 July,		
Income recognised	45 184	54 089
Exchange difference	(8 918)	(8 633)
	4 371	(272)
At 30 June,	40 637	45 184
Maturity analysis:		
Current	9 687	8 697
Non current	30 950	36 487
	40 637	45 184

The deferred revenue arises as a result of the capital grants received by one of the subsidiary of the Group following their capital expenditure incurred on building improvements and some plant and machinery. This deferred revenue will be released and offset against the depreciation charge over the useful life of the underlying asset.

21. DIVIDENDS

	THE COMPANY	
	2020 MUR '000	2019 MUR '000
Dividends declared		
2020: MUR 65.78 per share (2019: MUR 76.76 per share)	90 324	105 401



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22. REVENUE

22.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

THE GROUP	2020 Total MUR '000	2019 Total MUR '000
Type of goods or service		
Non-alcoholic beverage	3 635 488	3 837 641
Alcoholic beverage	4 241 789	4 220 315
Discount/trade deals	(338 408)	(292 808)
	7 538 869	7 765 148
Recycled glass and related products	7 032	11 569
Total revenue from contracts with customers	7 545 901	7 776 717
Geographical markets		
Local	6 423 401	6 451 728
Overseas	1 122 500	1 324 989
Total revenue from contracts with customers	7 545 901	7 776 717
Timing of revenue recognition		
Goods transferred at a point in time	7 545 901	7 776 717

22.2 Trade receivables

	30 JUNE 2020		30 JUNE 2019	
	THE GROUP MUR '000	THE COMPANY MUR '000	THE GROUP MUR '000	THE COMPANY MUR '000
Trade receivables (Note 11)	423 576		562 085	–

Trade receivables are non-interest bearing and are generally on terms of 30 days. In 2020, MUR 125.2m (2019: MUR 92.7m) for the group was recognised as provision for expected credit losses on trade receivables.

23. EXPENSES BY NATURE

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Depreciation (note 5)	310 514	295 022	–	–
Depreciation on right of use assets (note 18)	89 063	–	–	–
Amortisation (note 6)	2 337	2 584	–	–
Deferred revenue released (note 20)	(4 547)	(8 905)	–	–
Employee benefit expense (note 24)	1 026 644	879 324	–	–
Changes in inventories of finished goods and work in progress	(50 983)	(37 432)	–	–

THE GROUP

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Purchases of finished goods, raw materials and consumables used	2 389 700	2 218 810	–	–
Excise and other specific duties	2 269 562	2 298 492	–	–
Other marketing and selling expenses	470 459	536 381	–	–
Other expenses	471 656	793 010	2 257	2 015
Total cost of sales, warehousing, selling and marketing and administrative expenses	6 974 405	6 977 286	2 257	2 015

24. EMPLOYEE BENEFIT EXPENSE

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Wages and salaries and other employee's benefits	888 605	815 118
Social security costs	86 177	77 945
Pension costs - defined benefit plans (note 16(a)(v))	17 112	4 642
Transfer from DC reserve and annuity *	–	(55 724)
Pension costs - defined contribution plans	34 750	37 343
	1 026 644	879 324

* refer to Note 16 (ii) for explanation

25. OTHER INCOME

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Profit on disposal of plant and equipment	734	5 800
Sundry income	10 497	9 990
Net foreign exchange gains	21 271	28 289
	32 502	44 079



Notes to the Financial Statements

for the year ended 30 June 2020

26. PROFIT BEFORE FINANCE COSTS

	THE GROUP	
	2020 MUR '000	2019 MUR '000
<i>Profit before finance costs is arrived at after:</i>		
crediting:		
Profit on disposal of plant and equipment	734	5 800
Government grants release (note 20)	4 547	8 905
and charging:		
Cost of inventories expenses	4 939 306	5 117 751
Depreciation on property, plant and equipment	310 514	295 022
Depreciation on right of use assets (note 18)	89 063	–
Amortisation of intangible assets (note 6)	2 337	2 584
Employee benefit expense (note 24)	1 026 644	879 324
Impairment loss recognised on trade receivables (note 11(c))	33 819	4 840

27. FINANCE COSTS

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Bank overdrafts	1 196	3 266
Bank and other loans	22 889	28 026
Leases	19 881	–
Net foreign exchange losses	5 150	–
	49 116	31 292

27 A. FINANCE INCOME

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Dividend income	57	90	92 590	107 773
Interest income	1 074	2 334	–	–
	1 131	2 424	92 590	107 773

28. EARNINGS PER SHARE

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Profit attributable to owners of the Company (MUR '000)	143 069	216 024
Number of ordinary shares in issue	1 373 130	1 373 130
Basic and diluted earnings per share (MUR.cs) - Basic	104.19	157.32

29. NOTES TO THE STATEMENTS OF CASH FLOWS

(a) Cash generated from operations

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Profit before taxation	556 120	814 670	90 333	105 758
<i>Adjustments for:</i>				
Depreciation (note 5)	310 514	295 022	–	–
Depreciation on right of use assets (note 18)	89 063	–	–	–
Amortisation of intangible assets (note 6)	2 337	2 584	–	–
Amortisation of government grant (note 20)	(4 547)	(8 905)	–	–
Profit on disposal of plant and equipment (note 25)	(734)	(5 800)	–	–
Impairment loss recognised on trade receivables	33 819	4 840	–	–
Impairment loss recognised on inventory (note 10)	42 166	2 461	–	–
Exchange differences	(21 197)	(8 117)	–	–
Investment income (note 27A)	(57)	(90)	(92 590)	(107 773)
Interest income (note 27A)	(1 074)	(2 334)	–	–
Increase in pension provision	17 112	(8 082)	–	–
Interest expense	43 966	31 292	–	–
Share of results of associates	(107)	(28)	–	–
	1 067 381	1 117 513	(2 257)	(2 015)
<i>Changes in working capital:</i>				
– Trade and other receivables	174 262	(22 949)	–	212
– Inventories	(55 808)	(189 812)	–	–
– Trade and other payables	(193 257)	54 311	(2 979)	277
Cash generated from/(used in) operations	992 578	959 063	(5 236)	(1 526)

(b) Cash and cash equivalents

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Bank and cash balances	165 812	130 837	4 011	8 237
Bank overdrafts (note 14)	(41 202)	(18 803)	–	–
Cash and cash equivalents	124 610	112 034	4 011	8 237



Notes to the Financial Statements

for the year ended 30 June 2020

29. NOTES TO THE STATEMENTS OF CASH FLOWS (CONTINUED)

(c) The carrying amounts of cash and cash equivalents are denominated in the following currencies.

	THE GROUP		THE COMPANY	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Mauritian Rupee	100 480	59 635	4 011	8 237
US Dollar	10 498	1 373	–	–
Euro	13 611	50 540	–	–
Other currencies	21	486	–	–
	124 610	112 034	4 011	8 237

(d) Reconciliation of liabilities arising from financing activities

THE GROUP	Non-cash changes				2020 MUR '000
	2019 MUR '000	Cash flows MUR '000	Additions MUR '000	Foreign exchange movement MUR '000	
Bank loans	588 452	(85 810)	–	33 730	536 372
Lease liabilities	–	(83 505)	433 856	14 917	365 268

30. SEGMENTAL INFORMATION

THE GROUP

(a) Segment information

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

Products and services from which reportable segments derive their revenues

The information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is more specifically focussed on the geographical location of operations and type of products. The principal products from which segments derive revenue are beverages and glass recycled product.

Information regarding the Group's reportable segments is presented below.

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment:

The Group is organised into the following main geographical segments:

Segment revenues and segment results

	Segment Revenue		Segment Result	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Local	6 429 359	6 602 227	559 424	789 021
Overseas	1 769 267	1 812 014	79 550	61 753
Total	8 198 626	8 414 241	638 974	850 774
Intersegment revenue	(652 725)	(637 524)	–	–
	7 545 901	7 776 717	638 974	850 774
Share of results of associate			107	28
Credit loss expenses on financial assets			(33 845)	(4 840)
Finance costs			(49 116)	(31 292)
Profit before taxation			556 120	814 670
Tax expense			(78 300)	(121 002)
Profit for the year			477 820	693 668

Overseas revenue represents sales made through subsidiaries to the Indian Ocean Islands, Australia, Africa and Europe and China.

Revenue reported above represents revenue generated from external customers and amounted to MUR 7.6 billion (2019: MUR 7.1 billion).

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2(s). Segment profit represents the profit earned by each segment without allocation of share of results of associates, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

	Assets		Liabilities	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Local	5 894 820	5 705 784	2 091 607	1 767 357
Overseas	1 322 437	1 029 636	653 635	536 203
Consolidated assets/liabilities	7 217 257	6 735 420	2 745 242	2 303 560



Notes to the Financial Statements

for the year ended 30 June 2020

30. SEGMENTAL INFORMATION (CONTINUED)

THE GROUP (CONTINUED)

(a) Segment information (Continued)

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments.
- trade and other payables are allocated to reportable segments.

Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	2020 MUR '000	2019 MUR '000	2020 MUR '000	2019 MUR '000
Local	256 282	244 963	389 160	306 340
Overseas	56 569	52 643	88 840	76 114
	312 851	297 606	478 000	382 454

The Group's revenue from continuing operations from its major products and services were as follows

Revenue from major products and services:

	2020 MUR '000	2019 MUR '000
Beverages	7 538 356	7 765 148
Recycled glass and related products	7 545	11 569
	7 545 901	7 776 717

Information about major customers

The Group has a diverse portfolio of domestic and foreign customers and no individual customer exceeds 10% of total revenue.

Segment assets consist primarily of property, plant and equipment, motor vehicles, intangible assets, inventories, receivables and exclude investments in associates. Segment liabilities comprise operating liabilities. Capital expenditure comprises additions to property, plant and equipment, motor vehicles, office equipment and intangible assets.

31. RELATED PARTY TRANSACTIONS

	THE GROUP	
	2020 MUR '000	2019 MUR '000
(i) Sales of goods or services		
Enterprises with which ultimate holding company has significant interest	407 081	437 504
(ii) Purchases of goods or services		
Enterprises in which ultimate holding company has significant interest	101 375	77 239
(iii) Management fees/interest received		
Enterprises in which ultimate holding Company has significant interest	210	743
(iv) Management fees/interest paid		
Ultimate holding company	11 368	1 378
(v) Outstanding balances		
Receivables from related parties		
Ultimate holding company	-	163
Enterprises in which ultimate holding Company has significant interest	49 774	60 066
Payables to related parties		
Enterprises in which ultimate holding Company has significant interest	1 127	4 847
(vi) Key Management Personnel		
Salaries and short-term employee benefit	67 704	55 935
Post employment benefit	5 682	5 137

Sales of goods or services to related parties were made at the Group's usual list prices. Purchases were made at market price.

The amounts outstanding are unsecured, interest free and will be settled in cash. No guarantee has been given or received. No other expense has been recognised for bad or doubtful debts in respect of the amounts owed by related parties.

Compensation to Key Management Personnel is borne by a subsidiary.

32. CAPITAL COMMITMENTS

	THE GROUP	
	2020 MUR '000	2019 MUR '000
Capital commitments contracted for and not provided in the financial statements:		
Property, plant and equipment	81 736	198 956



Notes to the Financial Statements

for the year ended 30 June 2020

33. OPERATING LEASE ARRANGEMENTS

Operating lease commitments - where the Group is the lessee

Operating lease relates to land and motor vehicles with renewal options for the land only. The Group does not have an option to purchase the leased assets. The lease periods end in the financial year June 2021 for motor vehicles, for the Group.

The payment recognised as an expense under operating leases are as follows:

	THE GROUP
	2019
	MUR '000
Payment recognised as an expense	50 547

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	THE GROUP
	2019
	MUR '000
Not later than one year	59 412
Later than one year and not later than five years	166 342
	225 754

34. CONTINGENT LIABILITIES

At 30 June 2020, the Group had contingent liabilities in respect of bank guarantees of MUR 76.4m (2019: MUR 74.5m) arising in the ordinary course of business. The Group have not made any provision for this liability as directors consider the probability of the liability to be remote.



Proxy Form

I/We,

of

being a member/members of **Camp Investment Company Limited**, do hereby appoint:

.....
of

or failing him/her,

of

or failing him/her the Chairman of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the **Annual Meeting of** the Company to be held at, 1st Floor, IBL House, Caudan Waterfront, Port Louis on **Tuesday 15 December 2020** at **11.30 hours** and at any adjournment thereof.

I/We desire my/our vote(s) to be cast on the Ordinary Resolutions as follows:

	For	Against	Abstain
1. To consider the Annual Report 2020 of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To receive the report of Ernst and Young, the auditors of the Company for the year ended 30 June 2020.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To consider and adopt the Group's and Company's audited financial statements for the year ended 30 June 2020.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To elect as Director, Mrs. Christine Marot, who has been nominated by the Board and offers herself for election.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5-11 To re-elect as Directors of the Company, to hold office until the next Annual Meeting, the following persons who offer themselves for re-election (as separate resolutions):			
5. Mr. Arnaud Lagesse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Mr. Jan Boullé	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Mr. François Dalais	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Mr. Guillaume Hugnin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Mr. Roger Espitalier Noël	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Mr. Hugues Lagesse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Mr. Thierry Lagesse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. To fix the remuneration of the directors for the year to 30 June 2021 and to ratify the emoluments paid to the directors for the year ended 30 June 2020.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. To reappoint Ernst & Young as auditors for the ensuing year and to authorise the Board of Directors to fix their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. To ratify the emoluments paid to Ernst & Young for the financial year ended 30 June 2020.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signed this day of 2020.

.....
Signature(s)

Notes:

- A member of the Company entitled to attend and vote at this meeting may appoint a proxy of his/her own choice to attend and vote on his/her behalf. A proxy need not be a member of the Company.
- Please mark in the appropriate box how you wish to vote. If no specific direction as to voting is given, the proxy will be entitled to vote or abstain from voting as he/she thinks fit.
- The instrument appointing a proxy or any general power of attorney, duly signed, shall be deposited at the Share Registry and Transfer Office of the Company, Ocorian Corporate Administrators Limited, 6th Floor, Tower A, 1 Cybercity, Ebene, by **Monday 14 December 2020** at **11.30 hours** and in default, the instrument of proxy shall not be treated as valid.

