ANNUAL REPORT 2025

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1 ABOUT LFL

At Livestock Feed Limited, every action, every decision and every partnership leaves a mark. Like fingerprints, our actions are distinct, traceable and deeply human. Rooted in responsibility and driven by purpose, we work to shape a future where people, planet, process and profit are all imprinted with positive impact. Building sustainable business isn't just about paving a path forward. It's about leaving a mark that matters, footsteps for generations to follow.

LFL AT A GLANCE

	2025	2024
PEOPLE	655 HEADCOUNT	604 HEADCOUNT
PLANET	360,085 tCO2 CARBON EMISSION	340,033 tCO2 CARBON EMISSION
PROCESS	220K Tonnes	200K Tonnes
PROFIT	Rs384M FOR 2025	Rs351M FOR 2024

CHAIRPERSON'S REVIEW

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to share with you the activities of LFL and the audited financial statements of the Company and its subsidiaries for the year ended June 30, 2025.

OVERVIEW

The year under review was marked by both challenges and opportunities. Across our markets, LFL showed resilience, supported by proactive management and an agile business model. Production and sales stayed strong, while our focus on people development and community projects strengthened our role as a responsible business.

Our regional operations in Madagascar, Seychelles, Kenya and Rwanda now contribute an important share of the Group's results. This shows the strength of our regional growth strategy. At the same time, we continued to invest in sustainability actions such as waste reduction, reforestation, and community engagement, ensuring that growth goes hand in hand with responsibility.

The Group closed the year with a turnover of **Rs 6.16 billion** and a profit after tax of **Rs 384 million**. These results highlight the strength of our operations and provide a solid base to continue expanding, improving efficiency, and creating lasting value for our Shareholders.

CHAIRPERSON'S REVIEW

Mauritius

In Mauritius, the first half of the year was challenging, but performance improved strongly in the second half. Overall, production, sales, and financial results remained steady, thanks to the flexibility of our business model and careful risk management. The poultry and table eggs sectors performed well, especially with local farmers. However, the Riche Terre unit faced difficulties due to export constraints.

Madagascar

In Madagascar, we faced some operational issues early in the year, but these were quickly resolved, allowing production to reach full capacity again. Sales remained strong, supported by new investments in production processes, capacity building, and partnerships with local stakeholders. Sustainability and community projects also played a key role, reinforcing reliability and showing our commitment to responsible, long-term growth.

Rwanda

Rwanda continued to grow at a fast pace, with significant increases in production and sales compared to previous years. Investments in team development supported this expansion and prepared the business for further growth. Despite external challenges in the supply of raw materials, Rwanda remains a promising market to the Group's regional success.

Acknowledgments

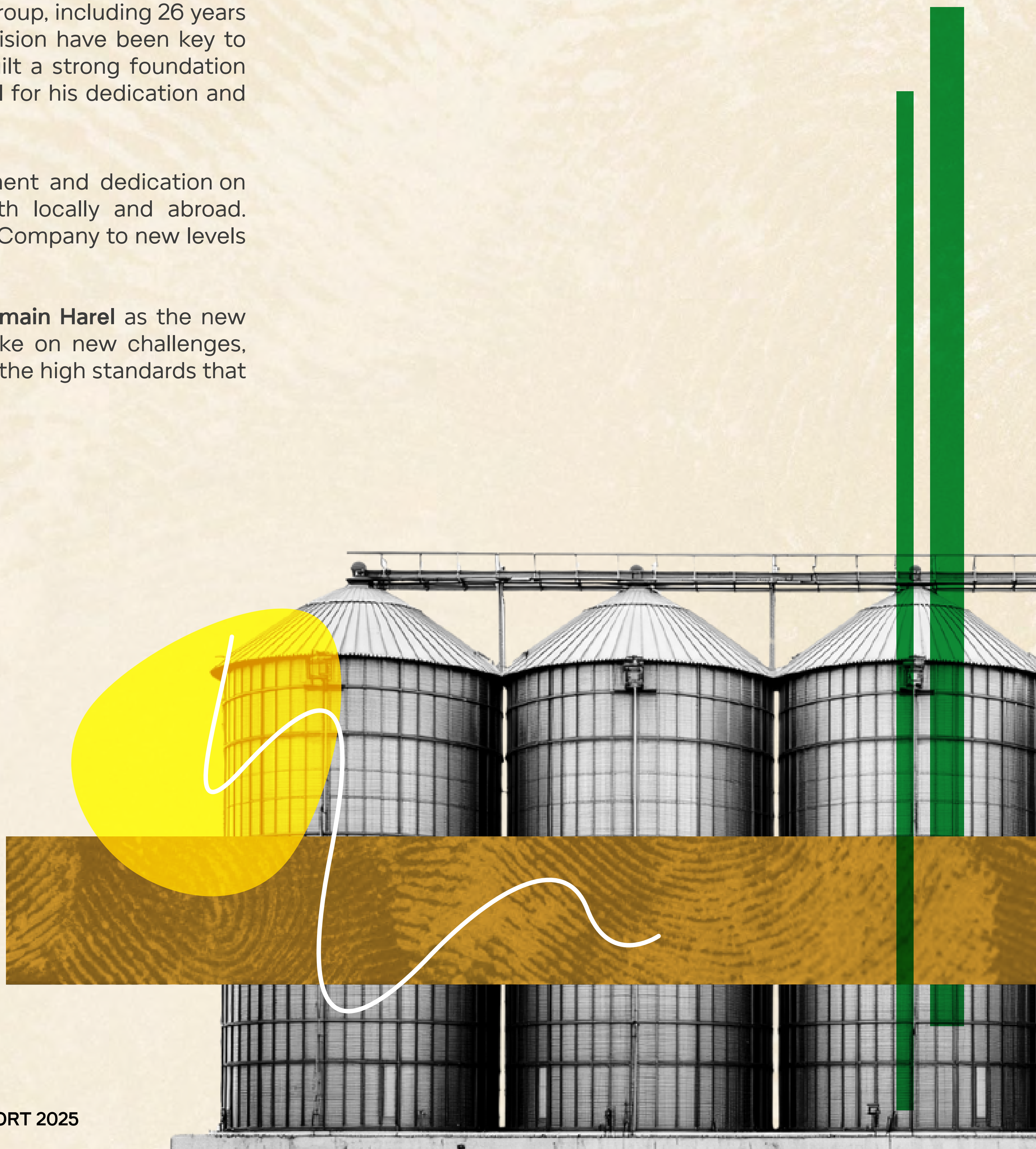
I would like to thank all our stakeholders, both in Mauritius and abroad, for their continued trust and support.

A special mention goes to **Mr Rocky Forget**, who retires after 44 years of service with the Eclosia Group, including 26 years as head of LFL. His leadership and vision have been key to the Company's success and have built a strong foundation for the future. We are deeply grateful for his dedication and contribution.

Thank you Rocky for your commitment and dedication on to the Company's performance both locally and abroad. Your strong acumen has brought the Company to new levels and even more promising future.

With the smooth transition to **Mr Romain Harel** as the new General Manager, LFL is ready to take on new challenges, continue its growth path, and uphold the high standards that define our Group.

Gérard Boullé
CHAIRPERSON



MESSAGE FROM THE GENERAL MANAGER

OVERVIEW

As highlighted by the Chairperson, the financial year 2024/2025 has indeed been a pivotal year for LFL. Beyond the strong financial performance achieved across Mauritius and abroad, what stands out is the resilience, progress, and collective ambition demonstrated by our teams in every territory.

It was a year that reminded us that performance is not only measured in numbers, but also in the strength of our processes, the commitment of our people, our responsibility towards the planet, and the confidence we inspire in our partners and clients. These four dimensions – **Process**, **People**, **Planet**, and **Profit** – form the framework that best reflects our journey.

PROCESS

The supply chain is the foundation of our operations. Securing raw materials at competitive prices remained challenging amid a volatile international environment. Thanks to the vigilant market monitoring by our procurement committee and the effective management of our storage facilities by dedicated teams, we have successfully procured maize and soya bean meal for Mauritius at favourable prices despite fluctuations in the dollar. Furthermore, we have strengthened collaborations with key suppliers to mitigate the risks of shortages.

In Mauritius, sales fell short of targets during the first half of the year; however, from October 2024 through to June 2025, demand surged substantially, enabling LFL Pailles to achieve its objectives. This improvement was facilitated by the integration of Avishop from Avipro within Les Pondeuses Réunies (LPR), allowing for coordinated sales of day-old chicks and feed. Our teams have worked relentlessly to meet this increased demand, although constraints such as manpower shortages and disruptions on our production line presented significant obstacles. Despite freight difficulties and the unavailability of day-old chicks until April 2025 for exports, the region has continued to grow. Thus, the performance of LFL Riche Terre has not met expectations, as the establishment of fish feed sales through the new office in Kenya has required more time to gain traction. While we remain optimistic about the market potential, addressing workforce deficiencies in Mauritius and strengthening our efficiency are imperative to ensure consistent quantity and quality in customer supply.

MESSAGE FROM THE GENERAL MANAGER

In Madagascar, the first half of the year was marked by challenges in importing raw materials, namely blended soya. The matter was resolved only in early 2025, enabling the factory to resume production at full capacity. During this period, the Farmshop marketing team performed admirably to maintain customer loyalty through proactive communication and close engagement. Since February 2025, sales have met expectations and continue to show robust growth. Additionally, the launch of the dual purpose poultry programme, in collaboration with Avitech and the World Poultry Foundation (WPF), marked a significant milestone for LFL Madagascar, underscoring our commitment to entrepreneurship and social development.

LFL has been operating in Rwanda since 2021 with an initial volume of 6,000 tonnes; four years later, we have more than doubled production and sales, reaching 13,000 tonnes. With the factory now operating at full capacity, we are pursuing substantial investments to expand production capabilities and build a strong professional team. The supply of raw materials in Rwanda has also been complex, with drought conditions adversely impacting harvests and driving up prices.

PEOPLE

Women and men are and will continue to be at the heart of our organisation, and LFL's commitment to them is still the same: "faire éclore chaque potentiel". A strong emphasis was brought this year on Health and Safety, driving a shift in culture that places employees' well-being at the forefront.

We are proud to employ 650 people from diverse nationalities across five countries, our *Pépinière Métier* programme continues to play a pivotal role in talent development – through ongoing training, cross-country experience sharing, and partnerships with universities to recruit and shape the professionals of tomorrow. In Mauritius, LFL is addressing labour shortages by exploring the recruitment of Malagasy employees, a solution widely adopted by several industries across the country. In Madagascar, one of the key challenges remains the attraction of skilled professionals, where technical expertise is essential.

Meanwhile, in Rwanda, our efforts have focused on strengthening both the team and operational infrastructure in anticipation of the next phase of our development in this promising and fast-growing market.

PLANET

So many efforts are made by our teams, as Environment – Social – Governance (ESG) is a priority in our long-term development. Our commitment to reducing our carbon footprint is starting to bring results and we can say that there is a culture change in this regard. Other actions to improve the targets are ongoing, such as the CNIS project which has been delayed and is expected to start producing green electricity by July 2026.

Multiple other events have been initiated to raise awareness among our stakeholders in Mauritius, with much focus given to local communities. In Madagascar, in addition to social actions, we have implemented the Varuna Project to help reforestation in the Bongolava area.

We are also involved in improving our sustainability reporting as we are working on the ISSB guidelines for IFRS S1 and S2 standards.

PROFIT

The financial performance of LFL in 2024/2025 has been quite satisfactory thanks to the good results of LFL Pailles and LFL Madagascar mainly. LFL Riche Terre is working to improve its sales through LFL Kenya and the other markets. For its part, LFL Rwanda is pursuing a growth phase with a strategy to penetrate a competitive market. As a result, the sales in this country have been very encouraging despite a financial loss this year, even if we are confident that we are going in the right direction.

ACKNOWLEDGEMENT

I would like once again to join the Chairperson in expressing my appreciation to Mr Rocky Forget, who retired after 26 years in a decision-making role and has left a lasting imprint on the LFL. His dedication and guidance supported me and ensured a swift transition.

To our stakeholders, I extend my gratitude for the confidence you continue to place in us. Above all, my heartfelt thanks go to our employees across Mauritius, Rodrigues, Seychelles, Madagascar, Rwanda and Kenya. Your commitment, energy and engagement have been the driving force behind every milestone we achieved this year. It is through your efforts that we continue to transform challenges into opportunities and to carry LFL forward with ambition and purpose.

Romain Harel
GENERAL MANAGER

MISSION

To contribute actively to the sustainable development of the animal feed sector, by providing effective and optimal solutions to our partners.

VISION

Our ambition is to become the partner of choice in the animal feed sector in the Indian Ocean and East African region, through inclusive development, thus promoting the use of raw materials produced in the region.

VALUES

- Integrity
- Respect
- Listening and Mutual Understanding
- Professionalism, Creativity and Innovation Equity
- Loyalty
- Quality

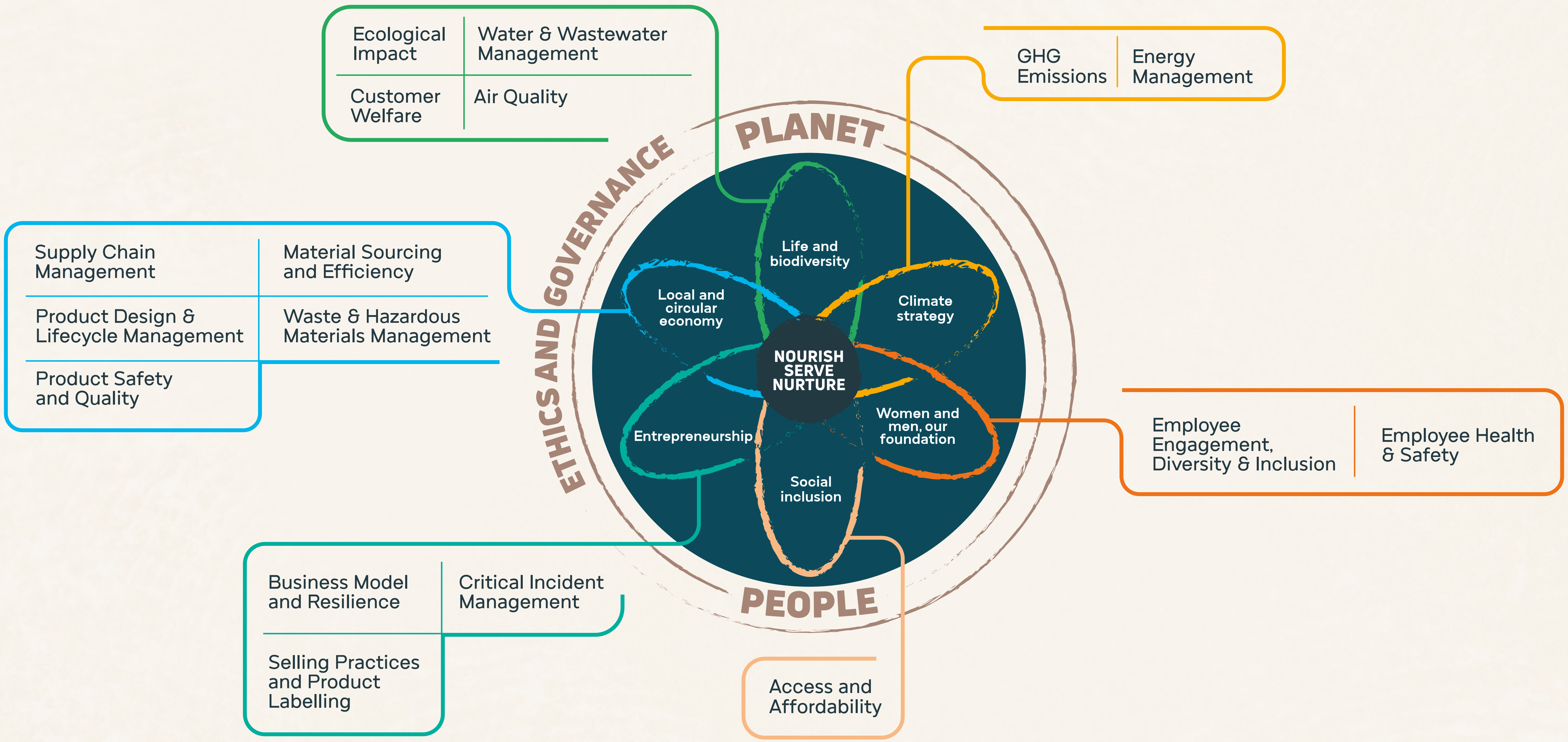
SUSTAINABILITY STRATEGY

At Livestock Feed Limited (LFL), sustainability is embedded at the core of our business strategy and governance. The business model aligned with the Eclosia Way is structured around the 4Ps: People, Planet, Process and Profit. This framework reflects our commitment to creating shared value through responsible growth, with a focus on long-term impact rather than short-term gains.

LFL sustainability strategy is built around six strategic pillars, which are interconnected, mutually reinforcing, and aligned with the group values. These are applied across the value chain, from sourcing to delivery, to reduce our environmental footprint, support social wellbeing, and uphold responsible governance.

Following the Financial Materiality exercise (see next section), the strategic pillars were indexed to the relevant sustainability-related topics of the Sustainability Accounting Standards Board.

Linking the Financially Material Topics with LFL's Sustainability Strategy



Materiality assessments

In FY2024, LFL conducted an Impact Materiality Assessment, identifying environmental, social and governance (ESG) topics that matter most to the internal and external stakeholders of the Company. The results of this assessment served as the foundation for the development of LFL's ESG Policy and ESG Plan, drawing upon both the material issues identified and the strategic orientation of the *Eclosia Way*. In FY2025, this was complemented by a Financial Materiality Exercise, conducted in line with requirements of the IFRS S1. As the "Source of Guidance" LFL applied the relevant sectoral filters of the Sustainability Accounting Standards Board (SASB) to determine the sustainability-related topics which could materially affect LFL's financial performance and resilience in the short, medium and long term.

The financial materiality assessment, conducted with the support of an external consultant, involved 28 internal stakeholders across our operations in Mauritius and Madagascar, supported by 28 man-hours of data collection through a structured questionnaire. Oversight was ensured through a Project Governance Committee (comprising members from LFL Group and Eclosia) and a Project Management Committee.

These two assessments now serve as the backbone of the ESG Plan, guiding the prioritisation of actions and resources, and directly informing the risk management framework, where sustainability reporting has been identified as one of the Top 10 material risks in the Q3 2025 Risk Heat Chart.

ESG Integration across the Value Chain

In 2022, LFL conducted its first carbon footprint assessment following the GHG protocol methodology. To ensure continuity and track progress, LFL conducts this carbon footprint assessment every 2 years in partnership with EcoAct who audits and verifies our results throughout the process to ensure the accuracy and full compliance of emissions factors with international standards. Accordingly, a new carbon assessment was conducted in 2024. The collection of carbon-related data and the development of mitigations strategies are carried out collaboratively with each Head of Department.

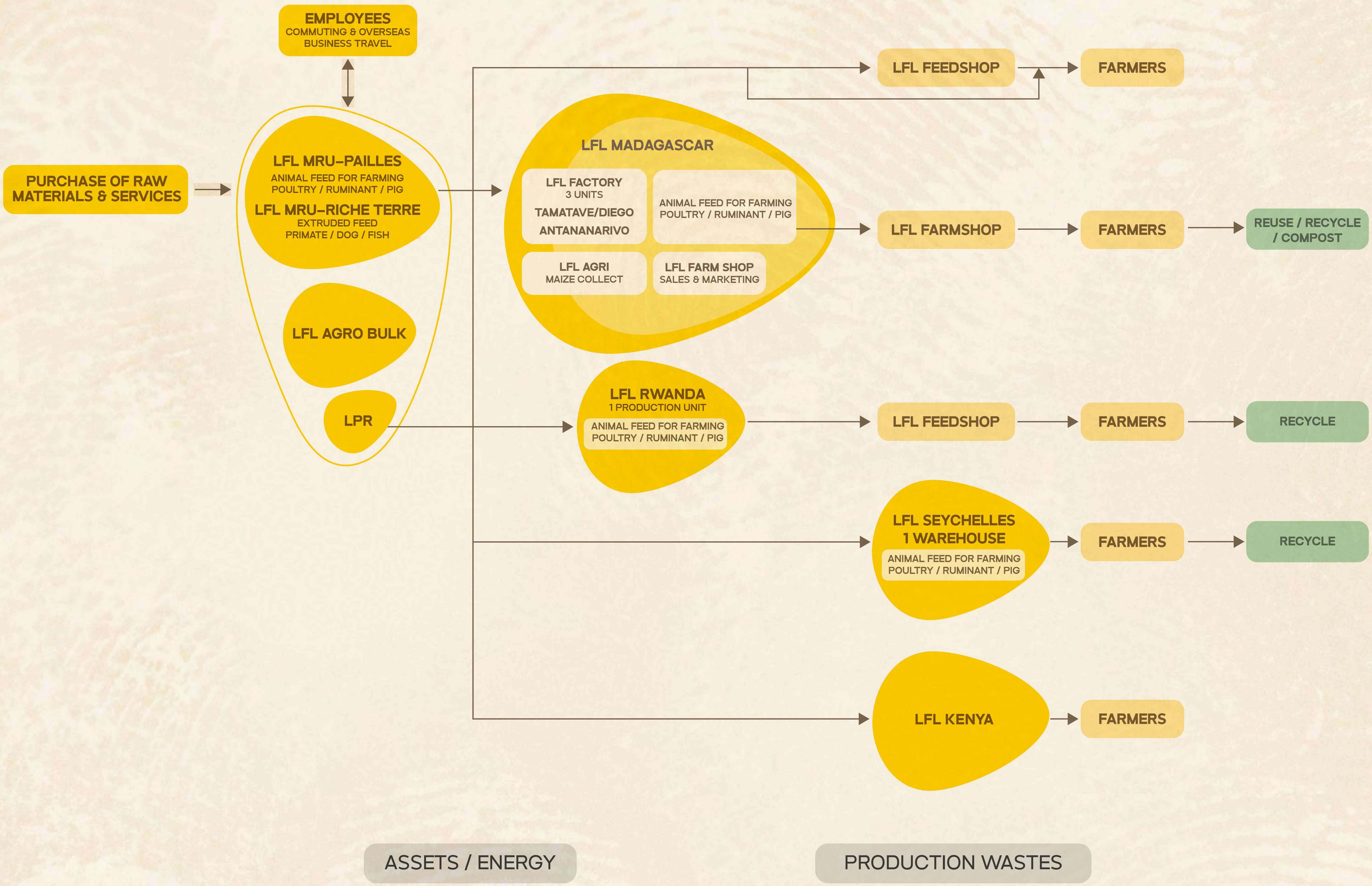
LFL has mapped its value chain as part of its Carbon Accounting exercise, covering both Mauritius and Madagascar. This mapping enables us to better quantify and manage the environmental and social impacts of our operations – from raw material sourcing to final customer delivery.

LFL commitment to sustainability is evident throughout the production process. We aim to:

- Reduce our carbon footprint by improving energy efficiency, increasing the use of renewable energy, optimising logistics and source responsible raw material.
- Minimise waste generation by expanding recycling and reuse programmes to reduce landfill dependence.
- Preserve biodiversity, comply with all relevant environmental legislation, and support conservation projects and NGOs.

SUSTAINABILITY STRATEGY

Flow mapping - LFL



SUSTAINABILITY STRATEGY

Governance and reporting

The implementation of our sustainability strategy is coordinated by the Sustainability Department, which works cross-functionally with all Business Units. The progress of the ESG Plan is reviewed every two months by LFL's leadership team. This ensures that sustainability performance remains a standing item at the highest operational level and allows for regular monitoring, alignment, and course correction where necessary.

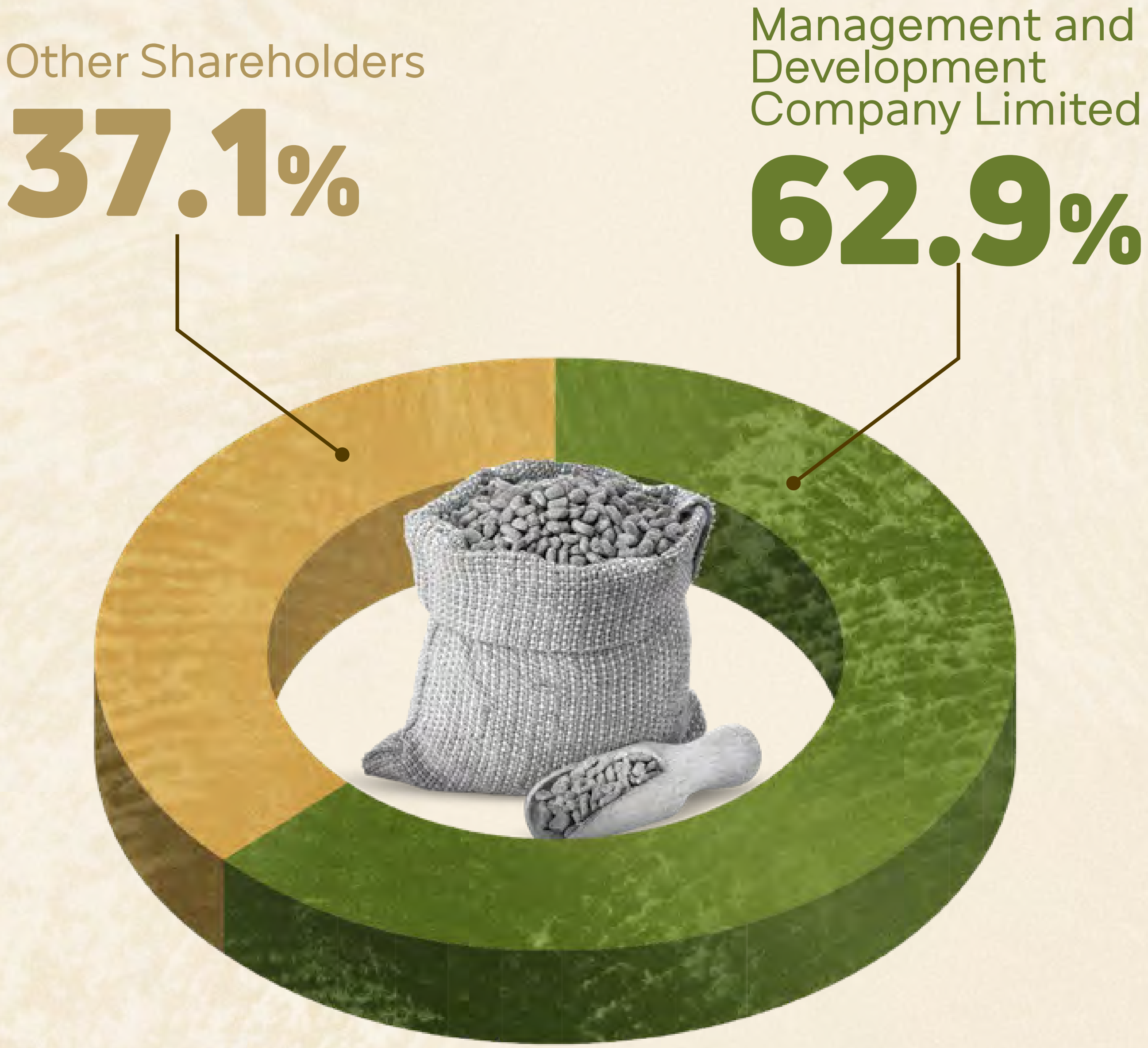
To align with the fast-evolving nature of sustainability-related reporting and the rising expectations of stakeholders, LFL conducted a 3-hour MQA approved capacity building session on the International Sustainability Standards Board IFRS S1 & S2 standard in Q4 of Financial Year 2025.

Based on the outcomes of the 2025 financial materiality exercise, a set of SASB-aligned indicators is being developed to track performance on financially material sustainability issues. In addition, it is planned to disclose a set of Key Performance Indicators (KPIs) aligned with sustainable finance requirements, including climate and impact-related metrics. Furthermore, LFL's investments and decision-making processes, including capital expenditure (CAPEX), are subject to approval based on environmental, social, health & safety, quality, and energy-related criteria.

2 OUR GOVERNANCE

SHAREHOLDING, GROUP AND ORGANISATIONAL STRUCTURES

The shareholding structure at June 30, 2025

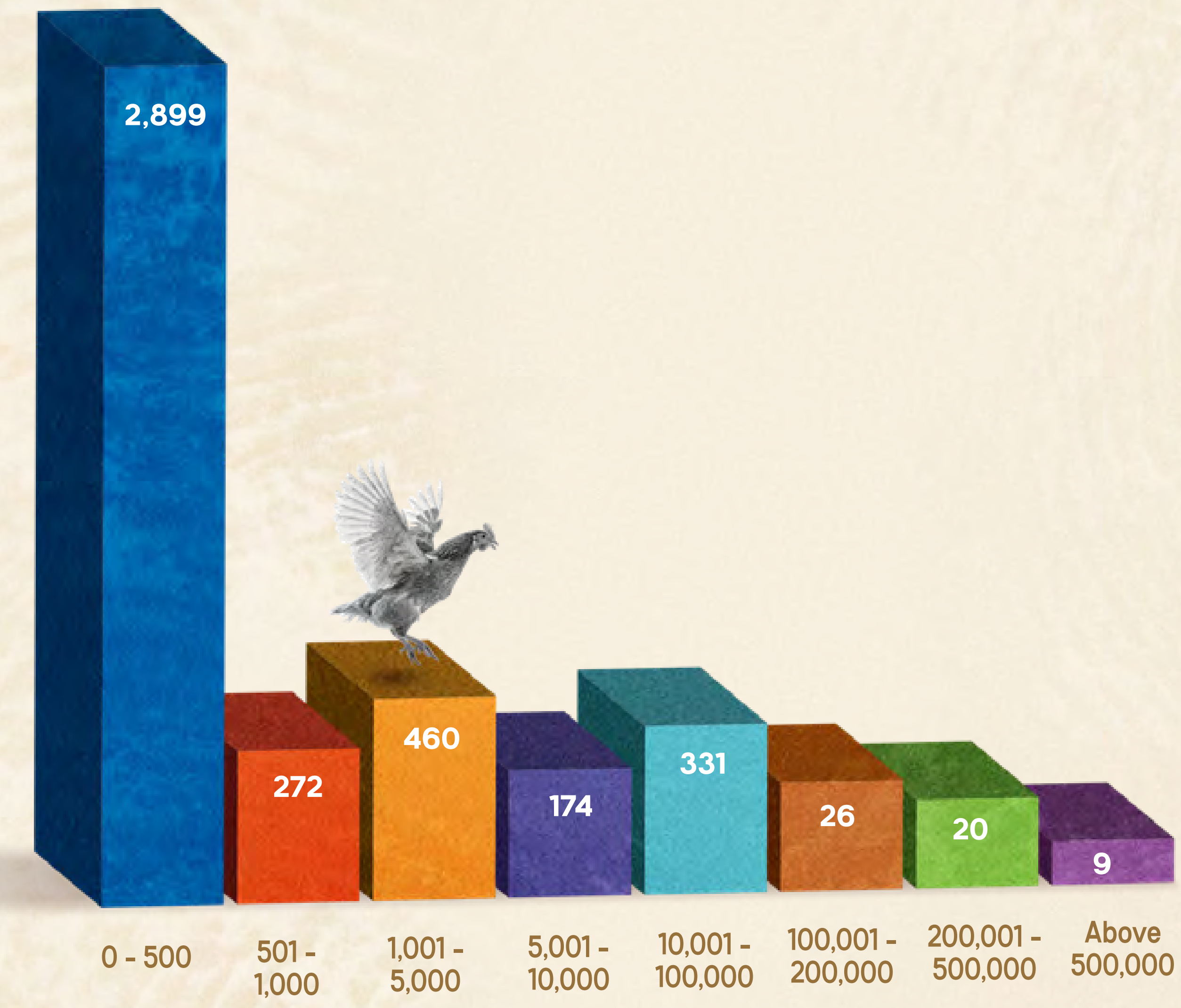


Livestock Feed Limited is a public company listed on the Development Enterprise Market ("DEM) of the Stock Exchange of Mauritius. Its largest shareholder, Management and Development Company Limited ("Madco"), is the only shareholder holding more than 5% of the ordinary share capital. The ultimate beneficial owner of Madco is Mr Pierre Elysée Michel Doger de Spéville.

SHAREHOLDING, GROUP AND ORGANISATIONAL STRUCTURES

The shareholding distribution at June 30, 2025

No. of Shareholders



The Group structure at June 30, 2025

Although the above subsidiaries have their own governance structure and each has its respective board, a status on the operations of the subsidiaries and the issues, if any encountered at their level, are presented and discussed at the board meeting of Livestock Feed Limited.

SHAREHOLDING, GROUP AND ORGANISATIONAL STRUCTURES

The organisational structure at June 30, 2025

- **LFL GROUP** – Rocky Forget – MANAGING DIRECTOR
  - **LFL GROUP** – Romain Harel – DESIGNATE GENERAL MANAGER
  - **LFL MAURITIUS** – Christophe Noël – COUNTRY MANAGER
    - LFL Pailles
    - LFL Riche Terre
    - LPR
  - **LFL MADAGASCAR** – Alexandre Malheiro – GENERAL MANAGER
    - LFL Agri
    - LFL Usine
    - LFL Farmshop
    - LFL Akoufre
  - **REGIONAL DEV.** – Fabrice Zarour – MANAGER
    - LFL Rwanda
    - LFL Seychelles
    - LFL Kenya
  - **FINANCE** – Sébastien Rae – CHIEF FINANCE OFFICER
  - **HR** – Hannah Soobhan – HEAD OF HUMAN RESOURCES
  - **PROCUREMENT** – Alexandre Mazery – HEAD OF PROCUREMENT

THE SENIOR MANAGEMENT

The profiles of the Senior Management of Livestock Feed Limited and its subsidiaries at June 30, 2025 were as follows:

Rocky Forget
MANAGING DIRECTOR

The profile of the Managing Director is given on page 22.

Alexandre Mazery
HEAD OF PROCUREMENT

Alexandre Mazery joined LFL in 2014 as Head of Procurement. Mr Mazery is a member of the Institute of Chartered Secretaries and Administrators of the UK.

Romain Harel
DESIGNATE GENERAL MANAGER

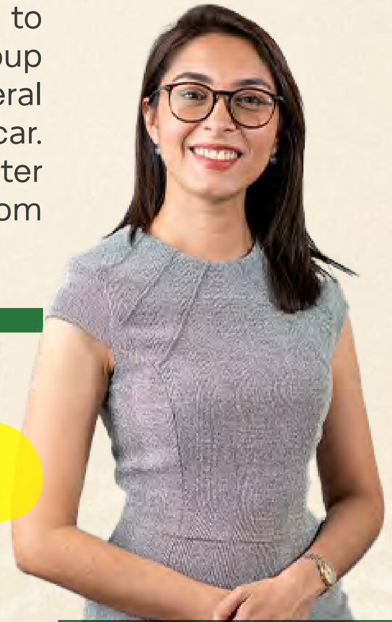
Romain Harel joined Avipro Co Ltd in 2008 after graduating from a Master in Animal Production in France (UM2/CIRAD). After occupying several functions in Mauritius, Romain was, in 2015, named Manager of Avitech in Madagascar where he spent 4 years. He came back to Mauritius in 2020 as the Head of Farming BU of Avipro Co Ltd and obtained an MBA in 2024. Romain was appointed Designate General Manager of LFL in February 2025 and takes over as General Manager after Rocky Forget's departure on July 01, 2025.

Sébastien Rae
CHIEF FINANCE OFFICER

Sébastien Rae joined the Eclosia Group of Companies in 2006 as Group Financial Analyst and was promoted Chief Financial Officer of the Company in 2011. Mr Rae is an FCCA, holds an MBA and followed an executive education programme on Strategy from HEC Paris.

Alexandre Malheiro
GENERAL MANAGER,
LFL MADAGASCAR

Alexandre Malheiro joined the Eclosia Group of Companies in 2009 as Sales Manager at FTL Madagascar and was promoted Country Manager from 2015 to 2022. He, then joined LFL Group of Companies in 2022 as General Manager of LFL Madagascar. Mr Malheiro holds a Master in Commercial Science from ESSCA (Angers-France).



Hannah Soobhan
HEAD OF HUMAN RESOURCES

Hannah Soobhan joined LFL in 2023, and holds a BSc (Hons) in Human Resources from University of Technology, Mauritius. She has 14 years of experience in the Human Resource field having held position as HR in hospitality services and corporate levels.

Christophe Noël
COUNTRY MANAGER,
LFL MAURITIUS

Christophe Noël joined the Company in 2006 as Marketing Manager. He was promoted Manager of operations of LFL Pailles in April 2008 and has also managed operations at LFL Riche Terre since 2014. He holds a BSc in marketing and an MBA from Surrey University.

Fabrice Zarour
MANAGER
REGIONAL DEVELOPMENT

Fabrice Zarour joined LFL in 2012 as Technical Coordinator. He holds a Masters in Aquaculture from the University of Montpellier II and a Degree in Agronomy from Bretagne Occidentale University. In 2014, Mr Zarour moved to LFL Pailles as Technical and Marketing Manager. Since May 2020, he has been leading the regional development initiatives of the LFL Group.

The above Managers and other Senior Officers do not hold shares in the Company nor in its subsidiaries. In addition, no Senior Officer of LFL has been granted any special right to subscribe for equity or debt securities of LFL.

A formal process of succession planning has been put in place through the "Talent Management" programme. Under this programme, an "Organisational and People Review" is carried out yearly whereby Management discusses the development of its key talents, establishes a succession plan for key positions and sets up competency development programmes for the identified talents.

The main issues discussed during the OPR are thereafter submitted to the Corporate Governance Committee of the Company for analysis and discussions.

In addition, the Board, through its Corporate Governance Committee, assumes the responsibilities for succession planning and for the appointment and induction of new Directors at board level.

CONSTITUTION

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

The shares of the Company are traded on the Development Enterprise Market ("DEM") of the Stock Exchange of Mauritius and are free from any restrictions on ownership.

GOVERNANCE STRUCTURE

Board governance

Livestock Feed Limited is a public company that is listed on the Development & Enterprise Market ("DEM"). The Company qualified as a Public Interest entity as defined under the Financial Reporting Act 2004.

The Board of the Company assumes responsibility for leading and controlling the organisation and for meeting all legal and regulatory requirements. In addition, it ensures that the Company adheres to the principles of good governance.

A board charter and a directors' code of ethics have been adopted by the Board to ensure that the core values of the Company also form an integral part of its governance. The board charter and the directors' code of ethics are available for consultation on the Company's website. The said code of ethics provides guidance to the Directors in dealing with and managing ethical issues, conflicts of interest and related party transactions.

A review of the board charter and the directors' code of ethics was conducted during the financial year 2023/2024. The board charter may be reviewed as and when required by the Board.

Statement of accountabilities

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

The Managing Director reports on the operations and management of the Company and its subsidiaries to the Board. The Managing Director is accountable to the Board of the Company.

Moreover, the accountabilities of the Chairperson, Company Secretary and the Board Committees have been set out in their Position Statement and Terms of References respectively. Those documents were reviewed during the financial year 2023/2024.

Statement of remuneration philosophy

Remuneration philosophy

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

In that respect:

[a] The remuneration offered to each category of jobs within the Company has been benchmarked and aligned with the current market rate as per the "Hay Group National Survey" which is carried out yearly;

[b] Directors' fees are also benchmarked on market norms and reviewed on a regular basis by the Board upon recommendation of the Corporate Governance Committee. A benchmark on Directors' fees on the local market was conducted during the financial year 2023/2024 and the Directors' fees paid by LFL were reviewed accordingly during the financial year under review.

BOARD STRUCTURE

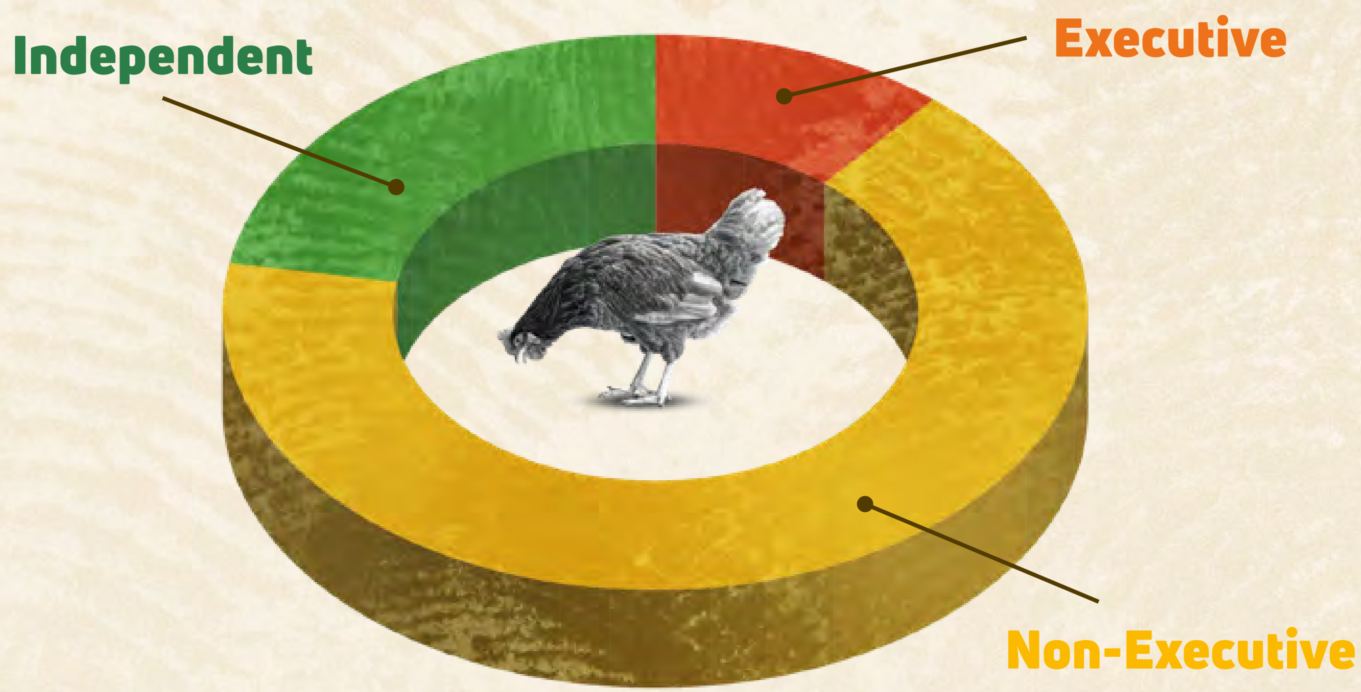
The Board, as the governing body, fully understands its role, responsibility and authority in setting out the strategy and monitoring the performance of the Company and its subsidiaries.

Every 3 years, a strategic review is carried out by the Management. The strategic plan that emanates from this exercise is discussed at board level. Furthermore, a yearly budget is discussed at Board level whereby objectives and KPI are set for the year in terms of processes, human resources, finance, marketing and sustainability. During subsequent board meetings, the performance of the Company against these objectives is revised and corrective decisions are taken.

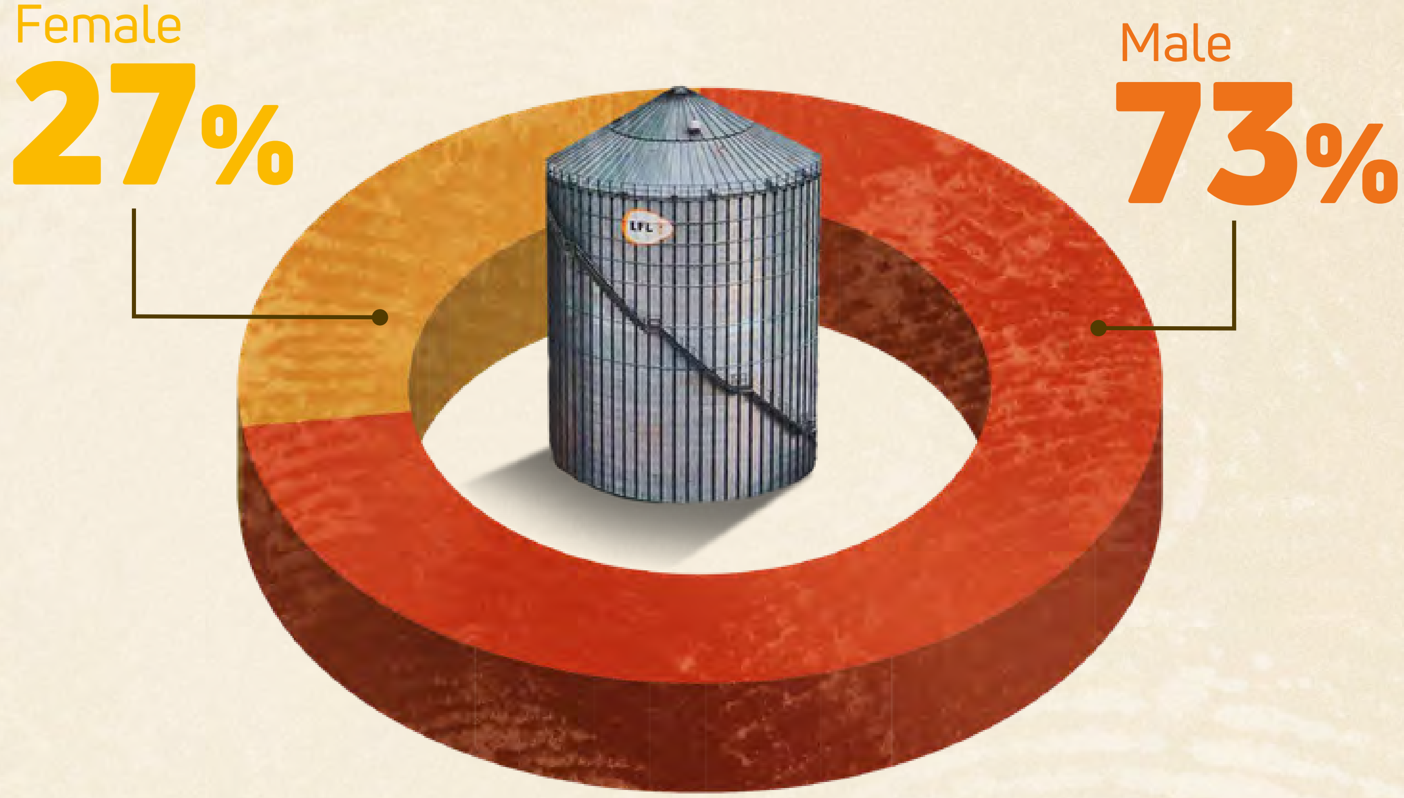
The Company is headed by a unitary Board consisting at June 30, 2025 of eleven members, with its composition being as follows:

BOARD COMPOSITION
The Board is of an appropriate size, taking into account the organisation's turnover, the complexity of its operations and its sector of activity.
The Board is well balanced regarding the skills, experience and knowledge of the oraganisation shown by its members,
Non-Executive Directors are independent from Management and discussions at board level are at a high level and conducted with much independence.
Although there is only one Executive Director on the Board, the attendance of senior executives at the meetings and various sub-committees of the Board fulfils the spirit of Code.

Board Status



Gender Diversity on the Board



BOARD STRUCTURE

An assessment is conducted annually by the Company Secretary to ascertain the independence of Directors, based on the criteria defined in the National Code of Corporate Governance and which was formalised in the Companies Act 2001.

The roles of the Chairperson and the Managing Director are separate. The Chairperson, Mr Gérard Boullé, a Non-Executive, Non-Independent Director and the Managing Director, Mr Rocky Forget have regular meetings to discuss matters concerning the Company and the Board is satisfied that the Chairperson commits sufficient time to carry out his duties and responsibilities effectively.

Although the Chairperson is non-independent, the Board has ensured that its Audit and Risk Committee and Corporate Governance committees are chaired by an Independent Non-Executive Director and that their respective members are Non-Executive Directors to ensure the highest level of independence on Board deliberations.

The role and duties of the Chairperson are set out in a Position Statement which has been adopted by the Board of the Company.

BOARD EVALUATION

The Board of the Company recognises the significance of a board evaluation and resolved that a board evaluation exercise be carried out on a two-yearly basis. The next board evaluation exercise will be conducted during the financial 2025/2026.

THE DIRECTORS

Directors' duties

Upon a Director's appointment, the relevant legislations pertaining to the legal duties of acting as a Director on the Board of the Company are communicated through the induction pack. In addition, a board charter, setting out all the Directors' duties and responsibilities with respect to the board governance, has been adopted by the Board of the Company and is available for consultation on the Company's website.

Directorships and the Directors' profiles

The directorships in the Company and its subsidiaries are as follows:

DIRECTORSHIPS

Livestock Feed Limited	LFL International Ltd	LFL International Madagascar Ltd	LFL Madagascar SA	LFL International Kenya Ltd	LFL Operations (Kenya) Ltd
Gérard Boullé (Chairperson) Richard Arlove Myriam Blin Cédric de Spéville Jean Noël Humbert Rocky Forget Christel Maucet Eric Espitalier-Noël Gilbert Espitalier-Noël Pierre-Yves Pougnet Jacqueline Sauzier	Gérard Boullé Cédric de Spéville Rocky Forget Cédric Poonisami Sébastien Rae	Gérard Boullé Cédric de Spéville Rocky Forget Cédric Poonisami Sébastien Rae	Gérard Boullé (Chairperson) Agrifarms Ltd *represented by Gérard Boullé* Avipro Co Ltd *represented by Denis Claude Pilot* Cédric de Spéville ECS Madagascar *represented by Jerome Poutot* Livestock Feed *represented by Rocky Forget*	Gérard Boullé Cédric de Spéville Rocky Forget Cédric Poonisami Sébastien Rae	Frédéric Bardothier Gérard Boullé Cédric de Spéville Rocky Forget Cédric Poonisami Sébastien Rae
LFL International Rwanda Ltd	**LFL Rwanda Limited**	**LFL International Seychelles Ltd**	**LFL (Seychelles) Ltd**	**Les Pondeuses Réunies Ltée**	**LFL Investment Ltd**
Gérard Boullé Cédric de Spéville Rocky Forget Cédric Poonisami	Gérard Boullé Cédric de Spéville Rocky Forget Denis Claude Pilot Eustache Ngoga	Gérard Boullé Rocky Forget Cédric Poonisami Sébastien Rae	Gérard Boullé Rocky Forget Sébastien Rae	Gérard Boullé Cédric de Spéville Rocky Forget Thierry de Spéville Sébastien Rae	Gérard Boullé Cédric de Spéville Rocky Forget Cédric Poonisami

THE DIRECTORS

Below were the profiles of the Directors of the Company at June 30, 2025:

Gérard Boullé
NON-EXECUTIVE CHAIRPERSON
Resident of Mauritius

Gérard Boullé is holder of a "Maîtrise de Gestion" from the University of Paris IX Dauphine in France and is presently the Chief Operating Officer (C.O.O) of the Eclosia Group of Companies. Mr Boullé is a former President of the Association of Mauritian Manufacturers and is also Member of the Board of several companies of the Eclosia Group.

Directorship in other listed companies:
Les Moulins de la Concorde Ltée and Oceanarium (Mauritius) Ltd.

Cédric de Spéville
NON-EXECUTIVE DIRECTOR
Resident of Mauritius

Cédric de Spéville obtained a "Maîtrise en Économie" from the University of Paris I Panthéon Sorbonne in 2001. He also completed an MSc in Accounting and Finance at the London School of Economics in 2003 and obtained a Master's in Business Administration from Columbia Business School in 2007. He was Consultant for COFINTER in Paris from 2002 to 2003 and joined the Eclosia Group in 2003. In January 2013, Cédric was appointed Group Chief Executive Officer. He is a director of various companies of the Eclosia Group, a former President of the Mauritius Chamber of Commerce and Industry, a former President of Business Mauritius as well as a former Member of the Economic Development Board of Mauritius.

Directorships in other listed companies:
Oceanarium (Mauritius) Ltd, Les Moulins de la Concorde Ltée and Tropical Paradise Co. Ltd.

Rocky Forget
EXECUTIVE DIRECTOR
Resident of Mauritius

Holder of an MBA from Surrey University, UK, Rocky Forget joined the Eclosia Group of Companies in 1980, where he held a position in the farming division. He was appointed in 1991 as Technical and Commercial Manager of Livestock Feed Limited prior to being nominated General Manager in 1999. Rocky Forget was appointed Managing Director of the Company on May 06, 2009. During his 45 years career in the animal production and animal feed industry, Rocky has constantly acquired knowledge to spearhead LFL into being a key regional animal feed player.

Directorship in other listed companies:
None

Eric Espitalier-Noël
NON-EXECUTIVE DIRECTOR
Resident of Mauritius

Holder of a Bachelor's degree in Social Sciences and an MBA, Eric Espitalier-Noël has extensive experience in the commercial and hospitality sectors, being a board member of various companies evolving in those sectors. He was first appointed to the Board of the Company in 1991 and is currently the Chief Executive Officer of ENL Commercial Limited.

Directorships in other listed companies:
Automatic Systems Ltd, Commercial Investment Property Fund Limited, ENL Limited, Rogers and Company Limited, Les Moulins de la Concorde Ltée and Tropical Paradise Co. Ltd.

THE DIRECTORS

Gilbert Espitalier-Noël
NON-EXECUTIVE DIRECTOR
Resident of Mauritius

Holder of an MBA from INSEAD Fontainebleau, France, Gilbert Espitalier-Noël was the CEO of New Mauritius Hotels Ltd until June 30, 2023. He is now the CEO of the ER Group. Gilbert was appointed to the Board of LFL on February 16, 1998.

Directorship in other listed companies: ENL Limited, New Mauritius Hotels Ltd and Rogers and Company Ltd.

Pierre-Yves Pougnet
NON-EXECUTIVE DIRECTOR
Resident of Mauritius

Pierre-Yves Pougnet is an accountant by profession. He started his career with an audit firm. In 1975 he joined the Eclosia Group where he occupied executive functions, amongst which, Managing Director of Panagora Marketing and subsequently Managing Director of Food & Allied Industries Ltd (now Avipro Co Ltd). He was the Vice Chairman of the Eclosia Group when he retired in 2015.

Directorship in listed companies: P.O.L.I.C.Y. Limited, Tropical Paradise Co. Ltd and Les Moulins de la Concorde Ltée.

Jean-Noël Humbert
INDEPENDENT DIRECTOR
Resident of Mauritius

Agriculture and Sugar Technology. He has a vast experience in the field of agro-industry, having managed different companies in the sector and also resulting from his previous capacity as General Secretary of the Mauritius Chamber of Agriculture (1997 - 2005) and Chief Executive Officer of the Mauritius Sugar Syndicate (2005 - 2015). He has also acted as President of the National Productivity and Competitiveness Council and Chairperson of ENL Limited for a number of years. He is currently Chairperson of the Board of Directors of New Maurifoods Ltd.

Jean-Noël was appointed to the Board of the Company on November 13, 2015.

Directorship in other listed companies: ENL Limited and Oceanarium (Mauritius) Ltd.

Myriam Blin
NON-EXECUTIVE DIRECTOR
Resident of Mauritius

Myriam Blin holds a Masters in International Economy from the Univsersity Aix-Marseille II, France, a MA in Development Economics and a Ph.D. in Economics both from the University of Manchester, UK. She has been a lecturer, over the years, for prestigious international universities and is currently Head of the Faculty of Accounting, Finance and Law of the Charles Telfair Education Group and the Head of the Charles Telfair Centre. She also Chairs the Charles Telfair Centre Strategic Committee and the Charles Telfair Centre Editorial Committee.

Myriam is a Fellow of the Higher Education Academy and Member of the International Association for Feminist Economics. She was appointed on the Board of LFL on April 16,2024.

Directorship in other listed companies: None.

THE DIRECTORS

Jacqueline Sauzier
INDEPENDENT DIRECTOR
Resident of Mauritius

Jacqueline Sauzier has a scientific background in aquaculture and marine biology. Formerly Manager of the Mauritius Deer Farming Cooperative Society for more than 20 years, she has also invested her time in major national and regional projects in relation to the protection of the marine environment and biodiversity. She has been General Secretary of the Mauritius Chamber of Agriculture since April 2012 and is the board director of several parastatal bodies.

Jacqueline was honoured with the distinction of Chevalier de l'Ordre du Mérite Agricole by the French Government in July 2018.

Directorship in other listed companies:
None

Richard Arlove
INDEPENDENT DIRECTOR
Resident of Mauritius

Richard Arlove, FCCA, worked in Big Four accounting firms in Mauritius and the UK and as General Manager of companies marketing international brands prior to co-founding ABAX, a financial, corporate and fiduciary services company, in 2001. He was the CEO of ABAX until the company was acquired in 2018 by Ocorian, a global trust and administration firm. He retired from Ocorian in August 2020, after two years as Regional Head of Africa, Middle East and Asia and Group ExCo member. Richard currently runs a business and finance consulting practice.

Richard has been and continues to be a board member of international companies and private equity funds investing in Africa and Asia and of national business and industry institutions.

Richard has been appointed Director of the Company on December 23, 2020 and is the Chairperson of the Audit and Risk Committee.

Directorship in other listed companies:
IBL Ltd, Caudan Development Ltd and Promotion and Development Ltd.

Christel Maucet
INDEPENDENT DIRECTOR
Non-Resident of Mauritius

Mrs Maucet is a seasoned expert specialising in scale-up strategies and organisational growth. Her extensive portfolio covers a range of critical business functions, including Finance, Human Resources, Project Management and Operations, gained over 15 years of leading operations and expanding teams in Mauritius and across Europe, Africa, Asia, and South America. She holds a Masters of Science in Management from EM Lyon Business School.

She was appointed to the Board of the Company on September 05, 2023.

Directorship in other listed companies:
Oceanarium (Mauritius) Ltd

THE DIRECTORS

Common Directors

The table below indicates the Directors common to LFL and its management company, Madco:

No.	Directors	LFL	MADCO
1	Richard Arlove	•	–
2	Gérard Boullé (Chairperson)	•	•
3	Myriam Blin	•	–
4	Cédric de Spéville	•	•
5	Eric Espitalier-Noël	•	•
6	Gilbert Espitalier-Noël	•	•
7	Rocky Forget	•	–
8	Jean-Noël Humbert	•	–
9	Christel Maucet	•	–
10	Pierre-Yves Pougnet	•	•
11	Jacqueline Sauzier	•	–

Directors' interests

At June 30, 2025, the composition of the Board and the interests of the Directors in LFL were as follows:

No.	Directors	Executive	Non-Executive	Independent	Non-Independent	Resident in Mauritius	Gender	Direct Shareholding in Livestock Feed Limited Ord (%)	Direct Shareholding in Livestock Feed Limited Pref (%)	Indirect Shareholding in Livestock Feed Limited Ord (%)	Indirect Shareholding in Livestock Feed Limited Pref (%)	Directorships in other Listed Companies
1	**Richard Arlove**	–	•	•	–	•	M	–	–	–	–	3
2	**Myriam Blin**	–	•	–	•	•	F	–	–	–	–	–
3	**Gérard Boullé**	–	•	–	•	•	M	–	–	–	–	2
4	**Cédric de Spéville**	–	•	–	•	•	M	–	–	0.49	–	3
5	**Eric Espitalier-Noël**	–	•	–	•	•	M	–	–	2.30	–	6
6	**Gilbert Espitalier-Noël**	–	•	–	•	•	M	–	–	1.3	–	3
7	**Rocky Forget**	•	–	–	•	•	M	–	–	–	–	–
8	**Jean-Noël Humbert**	–	•	–	•	•	M	–	–	–	–	2
9	**Christel Maucet**	–	•	•	–	–	F	–	–	–	–	1
10	**Pierre-Yves Pougnet**	–	•	–	•	•	M	0.105	0.034	–	–	3
11	**Jacqueline Sauzier**	–	•	•	–	•	F	–	–	–	–	–

A yearly review of the Board composition is done in March each year to (i) ascertain the independent status of respective Directors and identify (ii) whether the Board composition needs to be reviewed following resignation of Directors or cessation to hold office due to retirement, rotation or other reasons, during the year under review.

None of the Directors of the Company's subsidiaries hold any interest in those subsidiaries, except for Cédric de Spéville who has an indirect interest of 0.49% in each of those subsidiaries.

The Company Secretary maintains an interest register for the Members of the Board. It is, however, the responsibility of each Director to ensure that any interests be recorded in this register. This interest register is available for inspection by the Shareholders upon written request to the Company Secretary.

Directors' dealings in securities

The Directors follow the principles set out in the DEM Rules on restrictions on dealings by the Directors in LFL.

None of the Directors acquired shares of the Company during the year under review.

Directors' attendance to Board and Committee Meetings

The attendance of the Directors and Committee Members of LFL group for the financial year ended June 30, 2025 was as follows:

	Directors	Board Attendance	Audit and Risk Committee Attendance	Corporate Governance Committee Attendance
		5 meetings	4 meetings	3 meetings
Livestock Feed Limited	**Richard Arlove**	5/5	4/4	3/3
	Myriam Blin	5/5	–	–
	Gérard Boullé	5/5	–	3/3
	Cédric de Spéville	5/5	4/4	–
	Eric Espitalier-Noël	4/5	3/4	2/3
	Gilbert Espitalier-Noël	5/5	–	–
	Rocky Forget	5/5	–	–
	Jean Noël Humbert	5/5	–	–
	Christel Maucet	5/5	–	–
	Pierre-Yves Pougnet	5/5	4/4	3/3
	Jacqueline Sauzier	2/5	–	–
		2 meetings	3 meetings	None
LFL Madagascar SA	Gérard Boullé (Chairperson and representing Agrifarms)	2/2	Members of the ARC are not directors of the LFL Madagascar	
	Cédric de Spéville	2/2		
	Denis Claude Pilot (representing Avipro)	2/2		
	Rocky Forget (representing LFL)	2/2		
	Jerome Poutot (representing ECS Madagascar)	2/2		
		2 meetings	None	None
Les Pondeuses Réunies Ltée	**Gérard Boullé**	2/2	–	–
	Cédric de Spéville	2/2		
	Rocky Forget	2/2		
	Thierry de Spéville	2/2		
	Sébastien Rae	2/2		
		1 meeting	None	None
LFL International Rwanda	**Gérard Boullé**	1/1	–	–
	Cédric de Spéville	1/1		
	Rocky Forget	1/1		
	Cédric Poonisami	1/1		
	Sébastien Rae	1/1		

All the other subsidiaries of Livestock Feed Limited being investment holding companies or start-ups, do not hold any board meetings at their level. All discussions and decisions to be taken with respect to those companies are taken at the level of the main board.

THE DIRECTORS

Directors' remuneration

The fees for Members of the Board and Committees of LFL at June 30, 2025 were as follows:

Type of meeting	Chairperson		Directors	
	Annual Retainer Rs	Meeting Fee Rs	Annual Retainer Rs	Meeting Fee Rs
Board meeting	300,000	25,000	150,000	25,000
Audit and Risk	200,000	10,000	140,000	10,000
Corporate Governance	100,000	10,000	50,000	10,000

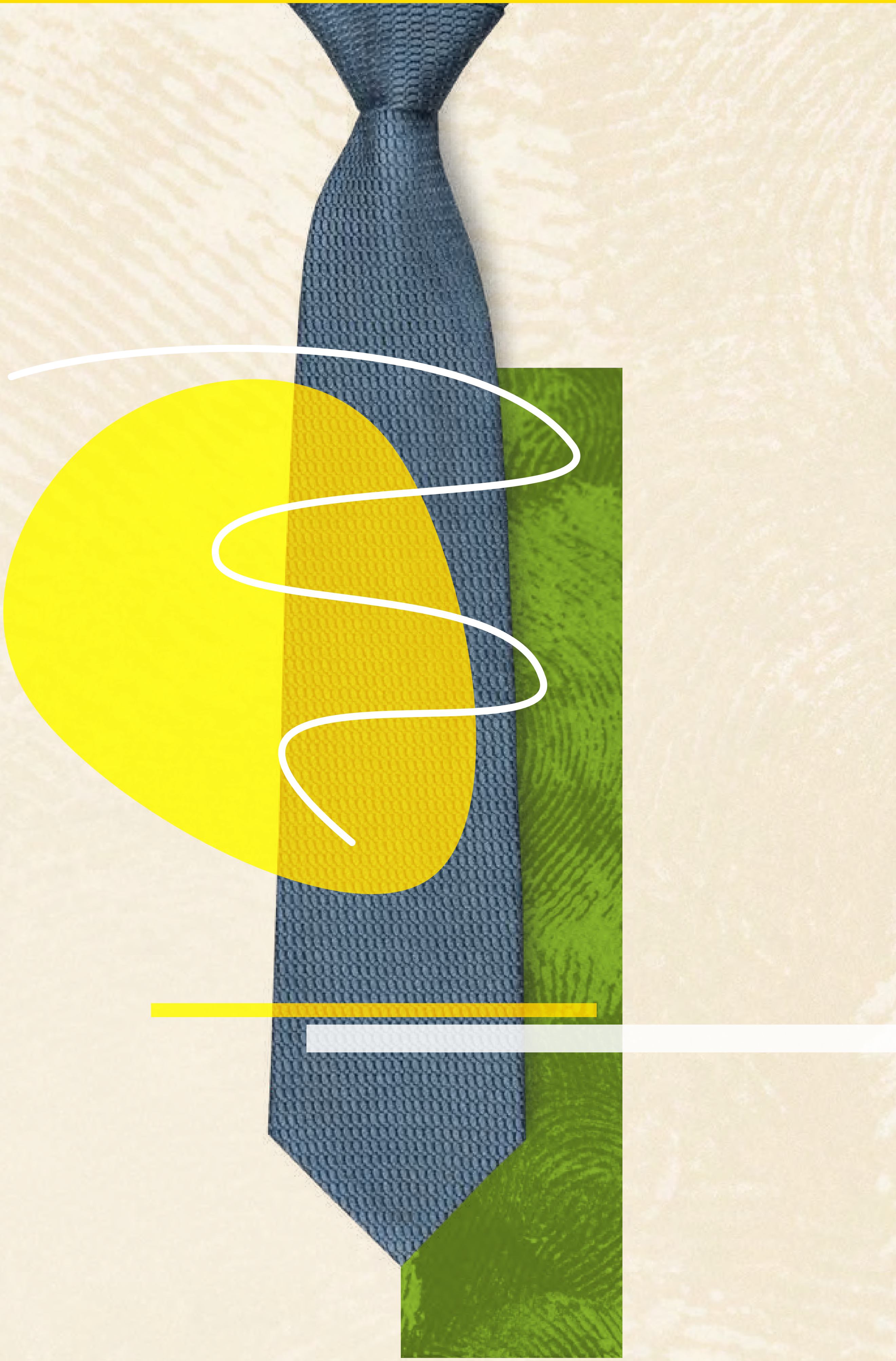
The subsidiaries of LFL do not pay any fees to their respective Directors.

Accordingly, the fees paid to the Directors of the Company for the financial year ended June 30, 2025 were as follows:

No	Directors	Board Fees Rs	Audit and Risk Committee Fees Rs	Corporate Governance Committee Fees Rs	Total Rs
1	Richard Arlove	275 000	240 000	130 000	645 000
2	Myriam Blin	275 000	-	-	275 000
3	Gérard Boullé	425 000	-	80 000	505 000
4	Cédric de Spéville	275 000	140 000	-	415 000
5	Eric Espitalier-Noël	250 000	130 000	70 000	450 000
6	Gilbert Espitalier-Noël	275 000	-	-	275 000
7	Rocky Forget	275 000	-	-	275 000
8	Jean-Noël Humbert	275 000	-	-	275 000
9	Christel Maucet	275 000	-	-	275 000
10	Pierre-Yves Pougnet	275 000	140 000	80 000	495 000
11	Jacqueline Sauzier	200 000	-	-	200 000
	Total	3,075,000	650,000	360,000	4,085,000

Non-Executive Directors have not received any remuneration in the form of share options or bonuses associated with the performance of the Company.

The total remuneration received by the Executive Director during the financial year amounted to Rs 12,907,891 (2024: Rs 10,537,382).



THE DIRECTORS

Directors' appointment procedures and other related matters

One third of Directors retire by rotation and may offer themselves for re-election for a three-year term.

Independent Directors may serve three consecutive three-year terms. retiring by rotation after each term.

Board fills casual vacancies until the next Annual Meeting where election is ratified.

Corporate Governance Committee evaluates candidates prior to appointment based on position requirements and skills.

Once selected, the Corporate Governance Committee recommends the nominee to Shareholders or, in case of casual vacancies, to the Board.

Upon selection, appointed Non-Executive Directors sign a letter of appointment approved by the Board

Induction process

- Induction pack including board directors' code of ethics
- Induction visit of facilities
- Written consent with regards to Data protection

Directors' duties

- Legal duties under the Companies Act
- Interest register
- Legal duties pertaining to declarations of interests under the Securities Act and DEM Rules
- Communication of close periods for the year

Succession planning

A review of the composition of the Board and its committees is carrierd out at least once a year by the Corporate Governance Committee to keep a balance of skills and expertise at the level of the Board.

Professional development

The Company provides the opportunity to its Directors to develop their knowledge and skills through workshops and development programmes.

Compliance to the board charter & directors' code of ethics

A board charter and directors' code of ethics was adopted by the Board and is available for consultation on the website. A review of those documents are done as and when required, or every 5 years. The last review was done in 2023/2024.

Procedures in case of conflict of interests

This procedure is included in the directors' code of ethics:

Whenever there is an actual or potential conflict of interest, the Director concerned is not present at the part of the meeting in which the conflict or potential conflict is discussed and, therefore, does not debate or vote on the matter.

BOARD COMMITTEES

The Audit and Risk Committee of the Company

The roles and responsibilities of the Audit and Risk Committee of the Company are set out in its terms of reference and are in summary:

Board Recommendations
Providing recommendations for External Auditor appointments and remunerations.

Financial Oversight
Ensuring accuracy and compliance in financial reporting

Risk Management
Identifying, monitoring and mitigating business and financial risks

Compliance Monitoring
Monitoring adherence to laws, regulations, Board policies and decisions

Auditors Relations
Maintaining effective communication with Internal and External Auditors, Board Directors and Management.

The Audit and Risk Committee also reviews the Condensed Accounts on a quarterly basis and the yearly financial statements, for onward submission to the Board.

The terms of reference of the Audit and Risk Committee are available for consultation on the Company's website. Those terms of reference are reviewed as and when required and, in any case, at least every five years.

The Audit and Risk Committee is presently composed of one Independent Director, the other Members being Non-Executive, Non-Independent Directors. The Board is satisfied that the skills, knowledge of the organisation and experience of those Non-Executive Directors allow them to discharge their responsibilities towards the Company and its Shareholders effectively. The skills and expertise of the Members of the Audit and Risk Committee are detailed in their profiles which are on page 22 to 24.

The committee met four times during the year under review and confirms that it has discharged its responsibilities for the year in compliance with the above terms of reference.

In those meetings, the committee considered the internal audit reports, the IT Audit report, the Food Safety report, the top 10 risks and the risk management process of Livestock Feed Limited and its subsidiaries. The committee also meets regularly with the Internal Auditors and the CFO to have their insights on the different areas covered in their reports.

All matters discussed during the Audit and Risk Committee meetings are communicated to the Board at the subsequent board meetings and a brief of the deliberations of those meetings is inserted in the board packs.

BOARD COMMITTEES

The Audit and Risk Committee of LFL Madagascar

The Audit and Risk Committee of LFL Madagascar is presently composed of Senior Finance Officers of the Eclosia Group.

The Committee met 3 times during the year and considered, during those meetings, the internal audit reports, the IT Audit report, the Food Safety report and the top 10 risks amongst others. The Committee also meets with the External Auditors to receive their report at the time of finalisation of end-of-year financial statements.

All matters discussed during the Audit and Risk Committee meetings of LFL Madagascar are communicated to its Board at the subsequent board. There is a communication channel between the Chairperson of the Audit and Risk Committee of LFL Madagascar and that of LFL so that all major issues arising at the LFL of Madagascar are escalated to the main board.

The Composition of the Audit and Risk Committees

The composition of the Audit and Risk Committees at June 30, 2025 were as follows:

ARC Members			
	Name	Position	Status
Livestock Feed Limited	**Richard Arlove**	Chairperson	Independent Director
	Cédric de Spéville	Member	Non-Executive Director
	Eric Espitalier-Noël	Member	Non-Executive Director
	Pierre-Yves Pougnet	Member	Non-Executive Director
	Eclosia Secretarial Services Ltd	Secretary	
LFL Madagascar SA	**Frédéric Basset**	Chairperson	Co-opted
	Cyril Wu	Member	Co-opted
	Roshan Meetoo	Member	Co-opted
	Audrey Jouana	Member	Co-opted
	Eclosia Secretarial Services Ltd	Secretary	

BOARD COMMITTEES

The Corporate Governance Committee

The roles and responsibilities of the Corporate Governance Committee are set out in its terms of reference and are in summary:

Governance Recommendations

Ensuring Board effectiveness through guidance on corporate governance principles and practices

Board Evaluation

Addressing issues and improving Board effectiveness

Disclosure Compliance

Ensuring adherence to corporate governance disclosure requirements in accordance with Code of Corporate Governance

Director Nominations

Recommending and managing Directors appointments and remunerations

Board Composition

Maintaining a balanced and diverse Board membership

Performance Review

Evaluating and improving Board performance

The terms of reference of the Corporate Governance Committee are available for consultation on the Company's website. These terms of reference are reviewed as and when required and, in any case, at least every five years. A review of the said terms of reference was conducted during the financial year 2023/2024.

The composition of the Corporate Governance Committee at June 30, 2025 was as follows:

GRC Members			
	Name	Position	Status
Livestock Feed Limited	Richard Arlove	Chairperson	Independent Director
	Gérard Boullé	Member	Non-Executive Director
	Eric Espitalier-Noël	Member	Non-Executive Director
	Pierre-Yves Pougnet	Member	Non-Executive Director
	Eclosia Secretarial Services Ltd	Secretary	

The skills and expertise of the Members of the Corporate Governance Committee are detailed in their profiles which are on pages 22 to 24.

The Corporate Governance Committee met twice during the year under review. During these meetings, the Committee considered the corporate governance report, the Directors retiring by rotation and their proposal for re-election at the next AGM, the Board composition, the Company's compliance with the NCCG scorecard, the succession planning through the OPR process and a review of the Company's corporate governance documents.

All matters discussed during the Corporate Governance Committee are communicated to the Board at the subsequent board meetings and a brief of the deliberations of those meetings is inserted in the board packs.

THE COMPANY SECRETARY

Eclosia Secretarial Services Ltd ("ESS") is the Company Secretary of the Company and is represented by three Company Secretaries namely, the Head of Secretarial Services who is holder of a Bachelor of Laws (LLB Hons) from the University of Manchester, UK, and is a Fellow of the former Institute of Chartered Secretaries, UK (now the Chartered Governance Institute, UK) and two Company Secretaries who Associates/Fellows of the Chartered Governance Institute. They all complete a minimum of twenty hours of training and skill development annually as required by the Chartered Governance Institute.

ESS, the Company Secretary has access to Board Members and has been assigned the task of applying and implementing the principles of the Code by the Board.

The duties of the Company Secretary have been set out in terms of reference which have been adopted by the Board. The said terms of reference are available for consultation on the Company's website. A review of the terms of reference of the Company Secretary was conducted during the financial year 2023/2024.

BOARD INFORMATION

Relevant board information is provided to Board members in a timely manner to enable them to have sufficient time to study the matters that will be discussed at the meetings and make appropriate decisions. As a general rule, board documents are sent to the Directors at least 7 days prior to the board meeting.

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

A Directors' and Officers' Liability cover is in place for Directors and Senior Officers of the Company.

INFORMATION TECHNOLOGY AND INFORMATION SECURITY GOVERNANCE

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

An Information Technology Policies and Procedures ("ITPP") manual has been mandated by the GIT to provide guiding principles applicable to the Management of IT related processes.

Core principles of IT Governance Committee

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

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

An End User IT Security Policy is remitted to all new recruits and must be adhered to by all employees together with the cybersecurity awareness and eLearning programme. Periodic cybersecurity awareness and eLearning programme are conducted for employees to foster a cybersecurity-conscious culture. These initiatives included information security best practices, phishing campaigns, and safe online behaviours.

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

Implemented since 2020, Microsoft D365 Enterprise Resource Planning (ERP) System improves business operations and decision-making process, as well as provides enhanced financial controls. It is managed through strong governance enabling sustained advantages over time and allowing full use of redundancy and back up systems.

Access rights for ERP, business and document management systems are managed centrally enabling restrictions to sensitive and confidential documents.

This robust IT Governance Framework and initiatives proves that Information Management, Information Technology and Information Security is at the heart of LFL's operations and that no efforts will be spared to maintain a reliable and secured IT environment.

ETHICS REPORTING PROTOCOL

A "Ethics Reporting Protocol" has been adopted by the Board with the primary aim of fostering a workplace where integrity, transparency and accountability are upheld. It provides employees, contractors, vendors, and stakeholders with a structured way to report unethical, illegal, or fraudulent practices.

The Protocol ensures that individuals can report concerns directly to the Managing Director or the Eclosia Group HR Manager without fear of retaliation. The process is meant to encourage openness and trust while protecting the whistleblower.

RELATED PARTY TRANSACTIONS

Related party transactions are disclosed in note 34 of the accounts and are in the normal course of business.

MANAGEMENT AGREEMENTS AND CONTRACTS OF SIGNIFICANCE

Shareholders' agreements affecting governance of the Company

There are no Shareholders' agreements that affect the governance of the Company.

Management agreements and contract of significance

LFL has a management contract with Management and Development Company Limited ("Madco") which covers interalia, strategy, human resources, governance, risk and compliance issues monitored at Group level. The scope of the management contract is evaluated on a yearly basis and the Board has ascertained that the management fees charged by Madco are at arms' length.

Furthermore, the following contracts exist between the Company and its sister companies:

- The sale of animal feed to Avipro Co Ltd (wholly-owned subsidiary of Madco) in the normal course of business;
- The provision of secretarial services by Eclosia Secretarial Services Ltd (subsidiary of Madco); and
- The provision of business support services by Eclosia Corporate Services Ltd (wholly-owned subsidiary of Madco).
- The provision of sales and distribution services by Panagora Marketing Company Limited (wholly-owned subsidiary of Madco) for dog food in the normal course of business; and
- The provision of IT Support Services by Eclosia Technology Services Ltd (wholly-owned subsidiary of Madco).

Contract of significance with a Director

Except for Mr Rocky Forget who was in employment with the Company as Managing Director, until June 30, 2025, none of the other Directors have any contract of significance with the Company and the subsidiary companies.

RISK GOVERNANCE

The Board is responsible for the governance of risk and for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. In that respect, it has entrusted to the Audit and Risk Committee the responsibility of ensuring that Management identifies and manages all inherent risks on a regular basis.

The Management of the Company has set up a risk management process to manage risks. A risk register is updated regularly when new elements are observed. Risks are evaluated according to the likelihood of their occurrence and their potential impact on the business activity. The top 10 risks of the Company are monitored on a regular basis through cross-functional action meetings under the supervision of the Chief Financial Officer and are presented at the quarterly meetings of the Audit and Risk Committee to ensure mitigating actions have been taken.

For the year under review, the main risks identified were epizooty, sourcing of raw materials, volatility of commodities prices, supply chain, logistics and freight disturbances, exchange rate fluctuations and shortage of skilled employees and appropriate actions to mitigate these risks were taken.

The enterprise Risk Management Framework with an integrated risk management system is being developed and will be implemented across all group companies by December 2025.

The key risk categories of the Group are as follows:

RISK GOVERNANCE

a) Strategic risks

The Group carries out a complete risk analysis exercise yearly and during this process, uncertainties and opportunities are identified for each segment in which it operates. Action plans are then put in place in the yearly budget.

b) Financial risks

Risks linked to liquidity, interest rates, foreign currency, due diligence process, costs structures, profitability are covered under this category and management of risks is addressed by the CFO and reported as necessary to Executive meetings, Audit and Risk Committee meetings and Board meetings. Some financial risks are also detailed in note 3 of the financial statements.

c) People risks

The Group's success depends on the commitment and performance of its employees. Procedures have been put in place for the recruitment and development of talents in the Group. The management of Human Resources is an ongoing process that involves careful planning so that the Company is geared to respond to any change in the environment. Policies have been put in place to ensure that all processes are carried out in line with international best practices. Furthermore, employees are strongly encouraged to participate in improvement teams to continuously improve our processes.

d) Legal and compliance risks

The Group minimises legal and compliance risks by consulting in-house and external Legal Counsels, who provide legal advice on relevant files as and when required. The legal and compliance departments also assist Business Units in complying with applicable laws and regulations in force.

e) Information Technology and cyber risks

The Group's management of Information Technology and cyber risks is detailed in page 32 above.

f) Customer and commercial risks

Risk associated with maintaining the quality and reputation of our products and services and innovation in our customer offer are analysed and the HACCP and ISO 21000 certification and regular audits ensures that procedures are strictly adhered to so that the quality of products delivered are constantly up to the set standards.

g) Operational risks

Risks of loss resulting from inadequate or failed internal processes and procedures, human error, system failure or external events. They include all processes from procurement of raw materials, manufacturing process, up to the point of receipt by customers. These items are constantly discussed in weekly operational meetings to ensure that the supply chain is running efficiently and effectively.

h) Business and market risks

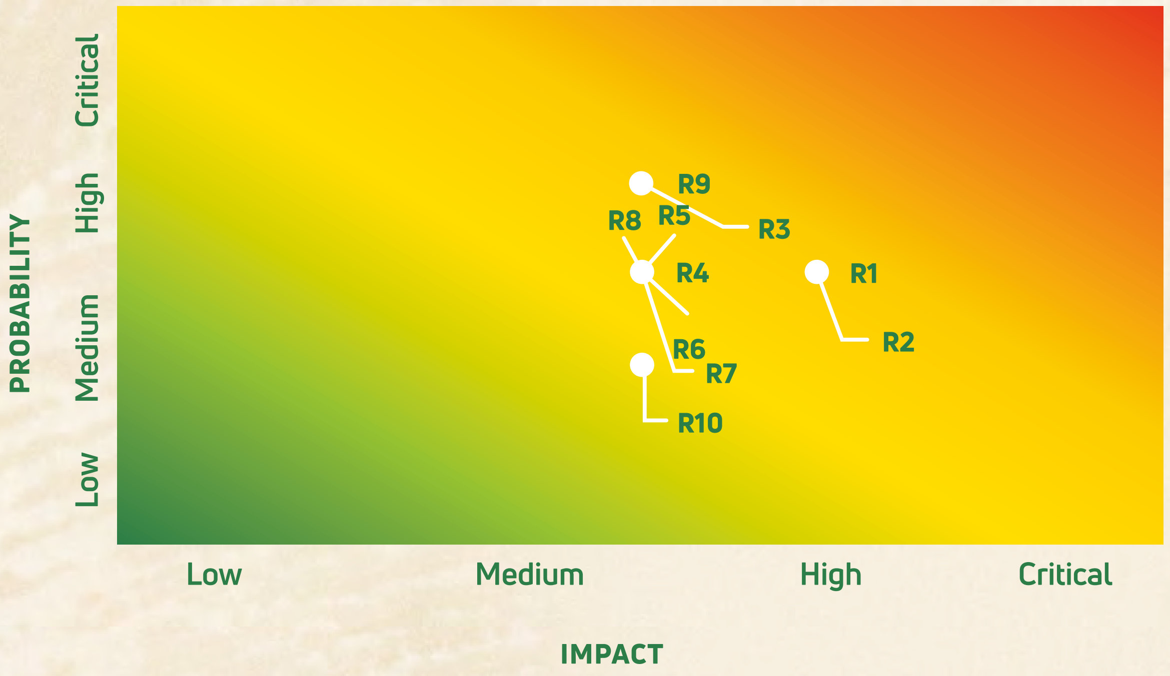
Risks relating to macroeconomics, politics and foreign investments have increased. These risks are discussed at board level.

i) Environmental and sustainability risks

Risks can be related to climatic conditions or related to other environmental factors, social and governance practices and sustainable development processes. The annual sustainability plan aims at mitigating these risks and limited sustainability reporting may constrain the organisation's ability to demonstrate ESG performance, affecting stakeholder engagement and market positioning and this risk has been increased accordingly.

RISK GOVERNANCE

LFL Risk Heat Chart



R1 Bird flu and impact on local and regional clients

R2 Compliance challenges by foreign subsidiaries due to differing and rapidly changing laws and regulations

R3 Concentration of market & overdependence on large clients

R4 No development and reduction in exports sales volumes

R5 Malware and virus compromising IT infrastructure

R6 Supply chain concentration for sourcing of raw materials

R7 Fluctuations in the exchange rate of USD against MUR impacting financial performance

R8 Logistics and freight disturbances due to geopolitical tensions

R9 Shortages of skilled employees

R10 Limited sustainability reporting for ESG disclosures

Risk management

Extensive Insurance policies are maintained in all countries in which the Company operates. These policy covers include fire and allied perils, machinery breakdown, loss of profits resulting from fire and allied perils and machinery breakdown, public and product liabilities, directors' liability, burglary, money in transit, goods' inland transit, marine cover and credit protection facility for non-group local and foreign credit clients. The adequacy of insurance covers is reviewed annually based on the advice of a consultant.

Business continuity

The Company maintains a Business Continuity Plan (BCP) register and BCPs are put in place to ensure the smooth running of the business in case of unexpected circumstances. As part of its business continuity plan, a full IT breakdown drill has been carried out in January 2023. The exercise showed that the protocols and procedures in place are effective.

Internal control

A sound internal control system is in place in the Company. The internal control system ensures that organisational objectives in terms of effectiveness and efficiency are met. It provides assurance that financial statements are prepared in compliance with relevant accounting standards and that the Company complies with laws, regulations and policies.

The internal control process is audited by Internal and External Auditors who report directly to the Audit and Risk Committee on any material weaknesses which come to their attention.

In addition to reviewing the Company's risks, the Board has entrusted the Audit and Risk Committee with the responsibility of reporting on the effectiveness of Internal Control.

Internal controls systems are (i) reviewed at the level of the Audit and Risk Committee annually during the presentation of the auditors' management letter and (ii) discussed during presentation of the internal audit reports at least twice a year.

Data protection

LFL complies with the Data Protection Act and the GDPR. It is committed to protect the privacy of its stakeholders including clients, suppliers, employees. In this context, LFL has outsourced the role of Data Protection Officer to a specialist who has been assisting the Company in the implementation of its Data Protection Framework. There is an annual reporting to the Data Protection Committee (DPC) regarding progress of the Data Protection Initiatives.

The year 2024/2025 was marked by the development of several actions to meet the requirements of the applicable legislations and the main elements are:

1. Implementation of policies and procedures.
2. Alignment of the deployed policies and procedures with quality management procedures.
3. Online employee assessment to assess knowledge of employees with regards to applicable laws and the deployed policies and procedures.
4. Staff awareness training to key employees at LFL.

There was no case of data breach identified or reported during the course of the year. Moreover, LFL has not received any data subject rights request as at date.

RISK GOVERNANCE

AUDIT

Internal audit

Internal audit function:

- Internal audit services are outsourced to Eclosia Corporate Services Ltd ("ECS").

Team composition and expertise:

- ECS's Internal Audit Department comprises 15 qualified professionals with designations including FCCA, CGI, CIA, CFE, CISA, CRISC, CISM, CDPSE and Certified Compliance Professional.
- Their expertise is supported by a robust Enterprise Risk Management and Governance Framework ensuring independence, objectivity, and competence.

Audit methodology and tools

- Adheres to international auditing standards (IIA and ISACA).
- Applies risk-based audit methodologies.
- Utilises automated tools and date analytics for enhanced audit quality.
- Reports are submitted to Audit and Risk Committee.

Scope of Internal Audit coverage:

- Financial and accounting controls.
- Operational processes.
- Data privacy and information technology.
- Legal compliance.
- Factory operations are audited by MiXscience, a major European operator in the animal feed sector.

Independence and access:

- Internal Audit operates with full independence and objectivity.
- Granted unrestricted access to records, systems and physical assets.
- No complaints reported regarding access restrictions during the year under review.

Monitoring and governance:

- The Board, via the Audit and Risk Committee, overseas the effectiveness of internal controls.
- Audit reports are compiled by the Group Head of GRC, who reports findings to the Committee.
- Material issues are escalated to the Board by the Committee Chairperson.
- The purpose, authority, and responsibilities of the Internal Audit function are defined in a charter.

Key audit focus areas include:

- Procurement, inventory management, approval processes.
- Accounts payable/receivable, production workflows.

Findings and follow-up:

- Structured, risk-rated reports presented to Management and the Audit and Risk Committee.
- Included current findings and updates on corrective actions taken.
- Annual follow-up audits ensure continuous improvement.

Additional controls:

- The Company and its subsidiaries employ full-time cost controllers, internal controllers and stock controllers to promptly address any variances.

Confidential engagement:

- The Group Internal Audit Manager meets annually with the Audit and Risk Committee Chairperson without Management's presence, reinforcing independence.

Internal audit objectives:

- Provide assurance on the effectiveness of internal controls.
- Ensure compliance with applicable laws and regulations.
- Evaluate the reliability of financial reporting.

External Audit

External Auditors function:

- Further to the tendering process carried out in 2022 to proceed with the rotation of the External Auditors of the Company, BDO & Co were appointed External Auditors of the LFL Group. Since BDO was previously acting as External Auditor for the LFL Group further to the appointment of PricewaterhouseCoopers in 2019, and due to a mandatory cooling-off period, BDO has ensured that LFL has a different signing partner this time around.

Audit planning and oversight:

- The Audit and Risk Committee (ARC) reviews the external auditor's audit plan and fees annually.
- Management and the ARC engage with the External Auditors to discuss key accounting policies, critical judgements and significant estimates.

Meetings with External Auditors:

- Annual meeting between the ARC and External Auditors to:
  - Review audited Financial Statements.
  - Discuss the management letter and representation letter.
  - Evaluate the effectiveness of the external audit processes.
- External auditors have the opportunity to meet privately with the ARC, without Management presence.

Follow-up on Auditor recommendations:

- Recommendations from the auditor's management letter are reviewed in each subsequent ARC meeting.
- Items are tracked and removed from minutes once resolved and implemented by Management.

Performance evaluation:

- An annual evaluation of the External Auditors is conducted jointly by Management and the ARC, based on the following criteria:
  - Quality of services provided
  - Sufficiency of audit firm and network resources
  - Independence, objectivity and professional scepticism

Audit fees:

- Rs 1,749,750 for the Financial Year 2024/2025.
- No non-audit services were provided by BDO & Co. during the year under review.

RELATIONSHIP WITH STAKEHOLDERS

The stakeholders of the Company are involved in a dialogue on the organisational position, performance and outlook and Management ensures that the Company responds to their reasonable expectations and interests. In that respect, the following steps are taken:

a) Annual General Meetings

The next Annual Meeting of the Company will be held on December 10, 2025. Shareholders are encouraged to attend the Annual Meeting which is a forum where the Chairperson and the Managing Director of the Company give a review of the Group's and the Company's performance for the year and which allows face-to-face interactions between the Members of the Board, Management and Shareholders of the Company.

Shareholders can also receive the annual reports of the Company, the notice of Annual Meeting of Shareholders and the proxy forms, should they wish to be represented at the said Meeting, within 21 days from the date of the meeting, as per the requirements of the Companies Act.

Alternatively, these are available on the Company's Website.

The notice of Annual Meeting details the agenda for the day and all matters which are to be approved by Ordinary and Special resolutions, if any. The standard agenda for the Annual Meetings is:

- To consider the Annual Report of the Company for the year under review;
- To receive the Auditors' Report for the year under review;
- To consider and approve the financial statements of the Company for the year under review;
- To appoint Directors, through individual resolutions, as Directors of the Company in accordance with Section 138 (6) of the Companies Act 2001, if any;
- To appoint new Directors, through individual resolutions, as Directors of the Company, if any;
- To re-appoint, through individual resolutions, Directors who retire by rotation as per the Company's Constitution and who offer themselves for re-election as Directors of the Company;
- To appoint the External Auditor of the Company who will hold office until the next Annual Meeting and to authorise the Directors to fix their remuneration.

b) Suppliers

The Company keeps a register of suppliers for products and services it purchases. The suppliers are evaluated on the quality of product delivered and the service they supply. The evaluation exercise allows the Company to determine its preferred supplier.

The Company favours competitive bidding between the preferred suppliers to ensure that it gets the best product at the most competitive price. However, potential suppliers who are not on the preferred suppliers list are invited to quote and are screened according to a fixed established protocol.

c) Clients

A customer survey exercise is carried out by an independent organisation every two years. The results of the survey done in August 2023 have been analysed and an action plan put in place. Furthermore, there is a procedure to record complaints from clients which are tackled rapidly in line with LFL's quality system management practices.

All reasonable requests from Shareholders and other Stakeholders are attended in a timely manner. Their concerns, expectations and interests (Government institutions, employees, visitors etc.) are dealt by the Management.

d) Public bodies

LFL complies with all legal and normative rules put forth by public bodies. The Company constantly monitors any updates in the relevant legal framework and undertakes appropriate action to ensure compliance with the law at all times.

MAJOR EVENTS

The Chairperson of the Board addresses, in his annual report to the Shareholders, the main issues dealt by the Board in terms of personnel, markets environment performance and other environmental factors.

The main events of the LFL for the financial year under review were as follows:

Corporate Event	Month
Approval of Audited FS & Publication of Abridged FS	September
Annual Meeting	December
Dividend Declaration	May
Dividend Payment	June
Ql Results - 30 Sep	November
Q2 Results - 31 Dec	February
Q3 Results - 31 Mar	May

DONATIONS

Donations by the LFL Group for the year under review were:

	The Group	
	2025 Rs000's	**2024 Rs000's**
Charitable Donations	628	2,674
Political Parties (for general elections)	1,563	Nil

STATEMENT OF COMPLIANCE

Reporting Period: July 01, 2024 to June 30, 2025

We, the Directors of LIVESTOCK FEED LIMITED, confirm that to the best of our knowledge, throughout the financial year ended June 30, 2025, LIVESTOCK FEED LIMITED has applied the principles set out in the Corporate Governance Code for Mauritius except for the following:

a) Composition of the Board

There is only one Executive Director on the Board of Livestock Feed Limited. However, the Board believes that the attendance of senior executives at the meetings and various sub-committees of the Board fulfils the spirit of the Code.

b) Composition of the Audit and Risk Committee

The Audit and Risk Committee is presently composed of one Independent Director, the other Members being Non-Executive, Non-Independent Directors. The Board is satisfied that the skills, knowledge of the organisation and experience of those Non-Executive Directors allow them to discharge their responsibilities towards the Company and its Shareholders effectively.

Gérard Boullé
CHAIRPERSON

Romain Harel
GENERAL MANAGER

September 24, 2025

3 PEOPLE

OUR CREED

Livestock Feed Ltd adheres to and holds at heart the values of our Group in all activities it initiates and undertakes. In our onboarding and induction processes, each new entrant receives an explanation of the Credo and shows their commitment by signing our Credo charter.

We believe that LFL Group's **Culture** is based on strong fundamental values.

Mutual Respect and Recognition are essential elements to our relationships.

Our Professionalism, Creativity and Innovation ensure the sustainability of our actions and our participation to growth.

Being prepared to **Listen to others** is an enriching experience since one learns from someone else's difference.

Integrity is the foundation to these values and represents a rock-solid guarantee for our shareholders, personnel, clients, suppliers and the community at large.

Dignity has no hierarchy and represents each and everyone's most intimate treasure.

Loyalty ensures serene continuity to our relationships.

Equity guarantees social justice and liberty.

The Quality of our services, products and relationships leads to further development and progress.

These **Values** reinforce our convictions and urge us to fulfil our tasks and responsibilities.

WOMEN AND MEN, OUR FOUNDATION

RECRUITMENT

Selection and interview protocol

The right talent right from the start

LFL uses the Competency-Based Interviewing protocol and its own Operatives Interview Questionnaire to ensure appropriate selection of Talent in terms of technical and cultural match with the Company.

Our managers are trained with regards to this methodology to maintain consistency and ensure effectiveness in the recruitment process.

The Company has leveraged its LinkedIn page to attract more qualified applicants and, by extension, gain greater visibility.

Our Company's recruitment practices and channels are designed to ensure a transparent, fair, and diverse selection and hiring process, helping us to find the right talent for the right roles.

Onboarding process (Mauritius, Madagascar & Rwanda)

Our comprehensive onboarding process ensures all new hires, from operatives to management level, are seamlessly integrated and can quickly contribute to the organisation's objectives.

Operatives receive an immediate orientation to their work environment and vital HR, Health & Safety Quality and Sustainability inductions. All new employees are welcomed with a company-wide email announcement and assigned a dedicated buddy for personalised support.

Our 3-week induction plan provides a deep dive into departments, while the monthly company induction covers our vision, values, and key aspects of the business.

Finally, our HRIS, implemented in 2022, streamlines HR tasks and provides employees with easy access to essential information and services from day one. Our HRIS has been deployed in phases across nearly all our operating countries to ensure all employees are on the same platform, with equal access to information and resources.

CAREER

Pépinière métiers

The Company implemented Pépinière Métiers to train, equip, and support its employees, as well as tertiary-level interns and students, in their professional development. This initiative is crucial for building a robust talent pool that directly supports the Company's succession planning needs, ensuring a continuous supply of qualified individuals for future leadership and critical roles within its structure.

Mauritius

1. Traineeship Programme

We have welcomed 7 trainees in H&S, HR, Maintenance, Logistics, and Sustainability, coming from diverse institutions such as Polytechnic Mauritius, Université des Mascareignes, Mauritius Institute of Training and Development (MITD), and Toulouse Business School and we have established a partnership with Mauritius Institute of Training and Development (MITD) and Université des Mascareignes to host maintenance students.

A group of students from African Leadership University (ALU) has visited our premises in May 2025 for an industrial visit.

2. Managerial Plan

Ensures leadership continuity and organisational stability by supporting smooth transitions in key roles, developing internal talent, and sustaining performance. As part of the plan, Financial Year 24 - 25, we completed coaching for 4 managers, 2 seniors managers participated in the Senior Leadership Pinnacle Program by Stellenbosch Business School, and 2 managers went for a cross exposure in France at MiXscience.

3. Exchange Programme

Fosters synergy across entities by encouraging the exchange of knowledge, skills, and work environments, alongside the discovery of diverse customs and cultures. In February 2025, 2 colleagues from the HR and Production teams visited LFL Madagascar to better understand the operational practices.

4. Leadership Continuity

Dale Carnegie partnered with our managers and senior managers to strengthen overall company management, focusing on direction, alignment and commitment in January 2025 during our Mid Term Business Review.

5. Operatives Training Plan

We are developing in-house trainers via Mix Academy, leveraging our internal competency framework to align our operational teams' expertise with job requirements.

Madagascar

1. Traineeship Programme

Partnership was established with École Supérieur des Sciences Agronomiques, Ecole Supérieur Polytechnique d'Antananarivo, Institut Supérieur de Technologie Antananarivo, University de Tombontsoa and Avischool. Through this partnership, 8 interns have been recruited as permanent employees.

2. Exchange Programme

In February 2025, 2 team members from Nutrition Department came to LFL Mauritius and attended an on-site training session led by experts from MiXscience.

3. Foreign Labour

Due to challenges in recruiting Mauritian labour, LFL Madagascar has partnered with LFL Mauritius for the selection of Malagasy employees who will be sent to Mauritius to support its operations.

4. Managerial Plan

A total of 1,872 training hours were delivered to managers and future managers to strengthen their management skills and enhance their leadership capabilities.

5. Technical Training

To maintain its leading position in this industry, employees received technical training in collaboration with MiXscience and Technofeed ensuring they stay up to date with best practices and continuously enhance their individual efficiency.

Rwanda

1. Traineeship Programme

Partnership was made with African Leadership University (ALU) and Rwanda Institute for Conservation Agriculture (RICA).

A cohort from ALU visited our premises in September 2024 for an industrial visit. We have also collaborated in November 2024 on marketing strategies from their perspectives as student which were considered in our budget plans.

A Management Trainee has been welcomed from ALU for 6 months in the Marketing Department.

2. Operative training plan

A total of 197 hours of training were conducted during the financial year 2024-2025, focusing on on-the-job training in Health & Safety and Production areas.

3. Exchange Programme

The Cost Controller of LFL Madagascar visited LFL Rwanda in February 2025 to identify loops hole and share best practices to be implemented at LFL Rwanda.

CAREER

Learning and development

Country	Total hours of training
Mauritius	2,966 hrs
Madagascar	5,768 hrs
Rwanda	197 hrs

Professional development (Mauritius)

As part of our ongoing commitment to talent development and internal mobility, several team members have progressed into new roles during the Financial Year 2024-2025:

- A Logistics Trainee, who successfully completed a one-year internship, has been appointed as Weighbridge Clerk on permanent basis.
- A Sales Support Assistant has seamlessly transitioned since September 2024 as Logistics & Planning Officer implying a completely different role and department.
- A Data Analyst, has been promoted to Assistant Production Manager, marking a significant step in their leadership journey within the production team.
- A Delivery Clerk has been promoted to Delivery Team Leader.
- A Cost Controller, has progressed to the role of Financial Analysis Manager, reinforcing our strategic focus on financial performance and insights.

Professional development (Madagascar)

Details	Status
Internal promotion rate	29%
Number of fixed-term contracts converted to permanent contracts	19
Number of interns hired on permanent contracts	8

Eclosia for Life

During the Financial Year 2024–2025, 7 collaborators retired. A six-month succession planning process was implemented, during which each retiree trained their successor to ensure a smooth transition. Their departure was celebrated collectively with all employees, honouring their contribution and years of service.

CORPORATE LIFE (MAURITIUS)

LFL Times

An internal magazine celebrating successes to boost employee recognition and motivation.

Budget and mid-term review

In July, the Managing Director communicates the overall budget across all entities within the Group. Respective Country Managers then take the lead for their respective scopes to enhance transparency, inspire trust and improve strategic alignment. A mid-term review is then conducted around February to share our midway efforts and boosts motivation for the end of the financial year.

"Atelier Co-développement" (Codev)

LFL has created a learning community in the form of Atelier Codev. We have trained 8 collaborators to be facilitators and ambassadors of the new approach across LFL MRU. This tool was added to our toolbox to improve problem solving techniques, to embark our employees to find solutions to a common problem as cross functional teams. This structured reflective approach has been linked to our 4 "P" indicators that is People, Process, Planet and Profit. This approach has been deployed during the financial year 24-25. To date, we have carried out 7 workshops mainly about Ecofan, Planet, Valeurs, Strengthening inter-Business Unit cooperation, Gen Z and Women in a male-oriented industry. Several solutions have been actioned.

"Atelier Valeurs"

To reinforce our core values, several initiatives were carried out during the Financial Year 2024-2025. These included an "Atelier Valeurs" with all collaborators, during which we collectively worked on our four key values: "Respect", "Écoute", "Integrité", and "Dignité".

Operatives Reward and Recognition Programme (LFL Mauritius & Rwanda)

Aims to acknowledge, appreciate, and reward employees for their exceptional efforts and contributions.

Achieving strong synergy between business units to function as a single, cohesive entity (Madagascar)

Three key elements played a fundamental role:

1. Standardisation of practices are applied across all business units
2. Transparency to demonstrate our commitment
3. Field presence to build trust and foster a positive and collaborative work environment.

Several channels have thus been deployed:

- **Maresak LFL:**
  An internal magazine sharing insight across all the business units
- **WhatsApp Group:**
  Communicate on events and emergencies information
- **Emailing:**
  Cascading Group and Company info
- **LinkedIn Page:**
  Share projects, initiatives, vacancies, and build our employer brand
- **Operations Meetings:**
  Review weekly operating performance and address coming issues
- **Monthly Management and Executive Meetings:**
  Review each department's achievement
- **Weekly Action Brief:**
  Where each department review its KPIs and action plan

Conseil d'entreprise (CE) (Mauritius) & Réunion des délégués du personnel (Madagascar)

Forum that facilitates dialogue between the employee representatives and Management, addressing work environment issues and employee well-being at large, ensuring top-level oversight and decision-making.

Internal communication

At LFL Group, our diverse communication channels are designed to enhance employee awareness, promote our company culture, and ensure transparency. The main channels are "Réunion Élargie", Focus Group and "présentation des vœux" and aim to:

- Create awareness
- Promote our culture
- Ensure transparency
- Support employee well-being
- Encourage participation

WELLNESS

Work environment

Creating a healthy, safe, and supportive work environment for all our employees is our top priority. Below are the measures we have put in place for Mauritius and Madagascar:

- Measurable goals in Performance Appraisal
- ISO 45001 Standards
- OSHA 2022 Standards
- Regular risk assessments
- Daily Safety and Health Inspection
- VST- "Visite Sécurité Terrain"
- Training sessions on safety protocols, emergency procedures, and proper equipment use
- Health surveillance programme to detect potential health issues
- Weekly Health check-ups and screenings by our Health Practitioner
- Internal "Cellule d'écoute"
- Health & Safety Wellness programme in Rwanda

Welfare

We foster a friendly and engaging atmosphere through year-round social and fun activities, both internally and in collaboration with the "Art Culture & Sport" (ACS) Department at Group Level.

At Madagascar, we have also established an internal ACS Committee to strengthen Team Cohesion and Collaboration.

Cultural activities

To promote Inclusivity & Diversity:

We have organised cultural activities to celebrate the diverse backgrounds, customs, and talents within our workforce. By creating an inclusive environment where everyone feels welcome, valued and leverage the richness of our diverse teams.

DIVERSITY, EQUITY, INCLUSION (DEI)

Diversity and Inclusion (Mauritius)

We are dedicated to fostering an inclusive workplace where individuals from all backgrounds feel valued, respected, and included. Our commitment to diversity is evident in our factory, where we have welcomed 5 female employees and 6 casual workers. Furthermore, with 25% of our senior positions held by women, we are actively improving equal opportunities for career advancement, irrespective of gender.

Recognising the diverse needs of our team, we have also enhanced our working conditions by introducing flexible part-time opportunities, specifically designed to support candidates with varying family obligations.

Our recruitment strategy extends beyond typical catchment areas to proactively attract diverse talent and reinforce our commitment to Diversity, Equity, and Inclusion (DEI).

Equity (Mauritius and Madagascar)

At LFL Group, we are fully compliant with the Salary Grid Structure and Job Grading standards, ensuring fairness, equity, and transparency in our remuneration practices.

Our Talent Management Cycle – encompassing Job Grading, Performance Management Systems (PMS), and Leadership Competencies – is designed to ensure fairness, equity, and transparency in all our talent processes.

LFL Madagascar has partnered with "Humanité & Inclusion" to actively integrate vulnerable and disabled individuals into the professional world. In line with this commitment, an Inclusion Committee has been established. These internal ambassadors, supported by "Humanité & Inclusion", will train all staff to effectively welcome and support these new colleagues.

Inclusion (Madagascar)

To promote youth inclusion from the informal sector into the formal workforce, targeted recruitment initiatives have been conducted in the Andakana catchment area. This approach aims to provide professional opportunities to young individuals and support their transition into structured employment.

PERFORMANCE & IMPACT

POLICY

LFL's sustainability initiatives are guided by the ESG policy* established in 2023, and aligned with the strategic development pillars of Fondation Solidarité and the Eclosia Group's sustainability strategy.

ENVIRONMENTAL

Reduce carbon footprint and maximise renewable energy.

Minimise waste generation and promote recycling and reuse programmes.

Comply with all relevant environmental laws and regulations

SOCIAL RESPONSIBILITY

Prioritise health and safety of employees.

Respect and uphold human rights, diversity, and non-discrimination and foster a culture of growth and innovation.

Engage local communities and support social initiatives

GOVERNANCE DEVELOPMENT

Integrate sustainability and social principles into our business strategies and decision-making processes.

Invest in research and development that promote sustainability and human health.

Collaborate with stakeholders to promote sustainable and animal wellbeing.

* This policy was communicated to LFL interested parties via email, posted in our premises, published in the Gazette Verte and discussed in the extended LFL committee.

SOCIAL IMPACT

Economic empowerment and entrepreneurship

[25%] Projects: Les poules pondeuses et Les jardins communautaires.

Social inclusion and education

[42%] Projects: ESA, Arche de Noé, Programme Bienvenu, Solidarity basket initiative, Free sterilisation campaign and donations to the community of Madagascar.

Environmental awareness and sustainability

[25%] Projects: Circuit ZEP, Écoles de Pailles, Environmental awareness for youth, Herb plant donation.

NGO and social partners

Caritas Vacoas, Caritas Montagne Longue, Caritas Solitude, Terre de Paix, Action for Environnement Protection (AEP), Mission verte, Odysseo Oceanarium, Mouvement pour le Progrès de Roche Bois (MPRB), Paws, World Poultry Foundation.

School and educational institutions

Xavier Barbe College, Pailles en Queue, Ti rayon de soleil, BCC school, ADSP school, SSS Pailles school.

Key results Mauritius

200+ children

sensitised on animal welfare and wellbeing (including 35 children with disabilities).

5 & 2 women men

in Pailles has been **formed in sustainable agriculture** and are now generating additional income from their activities.

23 families

trained in laying hen farming, consume their own eggs, and generate additional income. Among them **14 are now fully independent** while the others are still in Phase 2, receiving feed support from LFL.

600+ students

trained in environmental topics and sustainability practices with interactives workshops on topics such as permaculture, aquaponics, waste sorting, sustainability jobs.

40 teenagers

including 20 children with disabilities **educated on body respect** and sexual education.

36 animals

sterilised free of charge in partnership with PAWS.

Key results Madagascar

4 communes

of Antananarivo had **received rice, school supplies, animal feed bags, travel bags, and food basket** (Andakana, Manakambahiny-Mahitsy, Topaza, Masera Mangoraka).

8 regions

with a total of **11 communes were empowered/improved** through official handover of school benches donation, creation of clean drinking water access and schools renovation (Tsiroanomandidy, Miandravizo, Ambatofotsy, Betafo, Vinany, Andrenomena, Port bergé, Tsarasambo, Sahamatevina, Ampasimatera, Mampikony).

751 small scale producers

(avg. 15 birds/household) and 86 partner brooder units (avg. 191 chick/partner) supported under the World Poultry Foundation project, active in Antananarivo, Tamatave and Tsiroanomandidy.

4 PLANET

PERFORMANCE AND IMPACT

ENVIRONMENTAL IMPACT

The environmental plan is aligned with Eclosia's three strategic pillars [1.2.3] and has been implemented at a completion rate of 88% for the FY2024-2025.

1. Reduction of CO_2 emissions and maximisation of renewable energy use.

2. Legal compliance and support for conservation projects.

3. Optimisation of the 5R strategy for zero waste to landfill and creation of raw materials from locally sourced insects.

The remaining 12% gap is due to delays in the following projects:

- Vraco project (waiting for permits).
- Insect meal industrialisation (adding a new milestone to the project).
- Sourcing-deforestation-free maize (not available on the market yet).
- Composting of poultry manure in Mare d'Albert (conception phase).

CLIMATE STRATEGY

Low carbon strategy

LFL's Mauritius carbon footprint

Scope 1 and 2: 7,466 tCO2e.
Scope 3: 97% of the total emissions.
Import of corn and soy: 90%
Maritime and road freight: 5%.

Decrease of 0.4% -> 0.88 tCO2e / TFP*

Catégories	Émissions (tCO2e)	Part (%)
Intrants (achat de biens et services)	229,753	90%
Transport de marchandises amont (Fret)	11,140	5%
Energie (electricite & combustibles)	5,659	2%
Déchets générés	613	0.3%
Déplacements professionnels	78	0.02%

LFL's Madagascar carbon footprint

Scope 1 and 2: 2696 tCO2e.
Scope 3: 97% of the total emissions.

Increase of 24% -> 1.39 tCO2e / TFP*

Catégories	Émissions (tCO2e)	Part (%)
Intrants (achat de biens et services)	90,814	82.5%
Transport (amont & aval)	7,893	7.2%
Énergie (électricité & combustibles fossiles)	385	0.4%
Déchets générés	812	0.7%
Déplacements professionnels	275	0.3%
Autres (investissements, utilisation des produits vendus, etc.)	6,460	5.9%

** Tonnes Finished Products*

CLIMATE STRATEGY

Emission reduction actions with a target of 26% reduction by 2027 – Mauritius and Madagascar

2025

- SELECT VESSELS UNDER 20 YEARS OLD
- COORDINATE BULK DELIVERIES BY GEOGRAPHIC REGION AND OPTIMISE TRUCK CAPACITY UTILISATION.

-5166 tCO2e

- MINIMISE FOSSIL FUEL CONSUMPTION THROUGH OPTIMISATION

-105 tCO2e

- SET UP ECO-DRIVING TRAINING SESSIONS FOR TRUCK DRIVERS

-31 tCO2e

- PROMOTE AGROECOLOGY AMONG CONTRACTED FARMERS THROUGH THE SOURCING OF 25% OF MAIZE FROM NON-DEFORESTED AREAS IN MADAGASCAR.

-0 tCO2e

2026

- ENSURE 5% OF MAIZE AND SOY COME FROM AREAS WITH NO DEFORESTATION FROM 2013 TO 2026
- PROJECT FOR THE VALORISATION OF ORGANIC WASTE FROM MARE D'ALBERT
- CONDUCT ECO-DRIVING WORKSHOPS FOR EMPLOYEES WITH COMPANY CARS AND MONITOR THEIR FUEL EFFICIENCY ON A PER-KILOMETRE BASIS
- SUPPORT CARPOOLING THROUGH BENEFITS ALLOCATED TO EMPLOYEES WHOSE FUEL CONSUMPTION IS BELOW THE AVERAGE
- USE 100% RENEWABLE ENERGY TO SUBSTITUTE CONVENTIONAL ELECTRICITY
- PLAN BAG DELIVERIES BY GEOGRAPHIC REGION AND OPTIMISE TRUCK CAPACITY UTILISATION
- ASSESS ADHERENCE TO THE ENVIRONMENTAL CHARTER AMONG COLLECTORS AND FARMERS. (MADAGASCAR)
- PROCURE SOY AND MAIZE FROM LOCAL SUPPLIERS (MADAGASCAR)

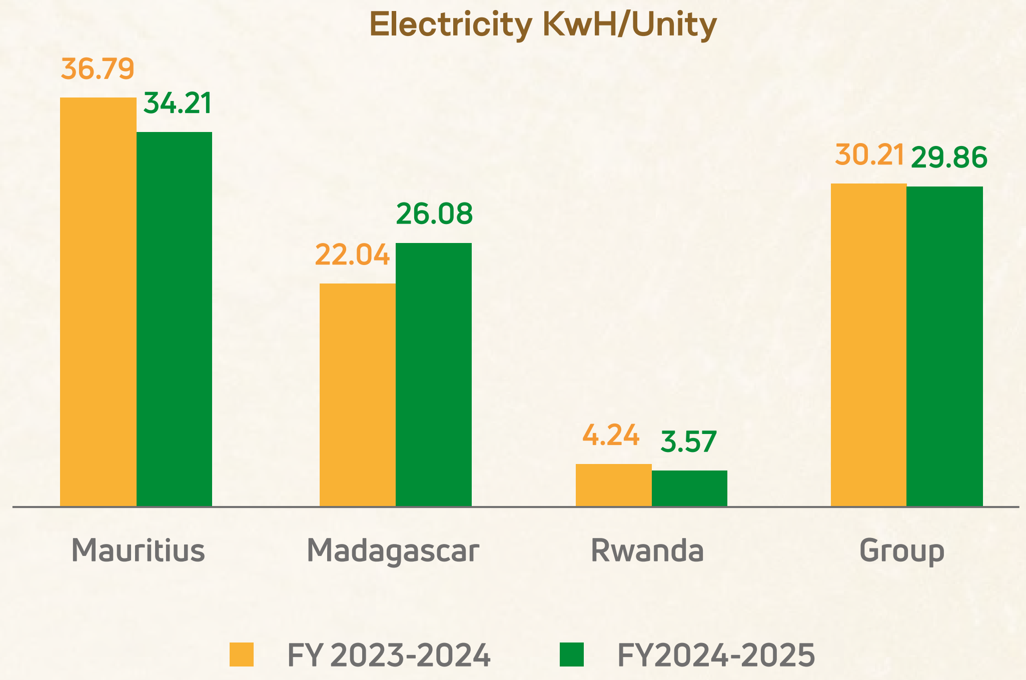
2027

- MEASURE AND IMPROVE ROAD FREIGHT EFFICIENCY TO DECREASE KILOMETRES DRIVEN (MADAGASCAR)

Thanks to these actions, we expect a total estimated CO_2 reduction of approximately 10 887.7 tCO2e by 2027.

Energetic efficiency

Percentage electricity reduction Group LFL:
Increase of 4% and decrease of 1% (KwH/TFP*) between 2023-2024 and 2024-2025.



Main actions Group LFL:

In Mauritius Pailles site is certified ISO50001 since 2019.

1. Installation of timers to switch off factory lighting during non-production hours – **Mauritius**.
2. Electricity coupling and collaboration with municipalities to prevent electricity losses – **Madagascar**.
3. Install a meter on the grinder and the reception elevator to monitor and reduce the equipment of running empty – **Rwanda**

** Tonnes Finished Products*

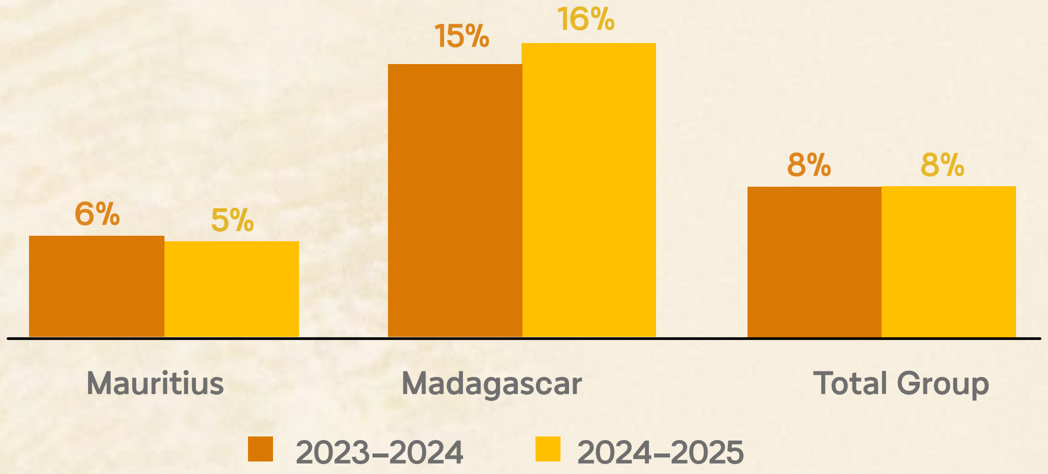
Energy transition

Percentage of renewable energy Group LFL: 8%

*Rwanda does not have solar panels yet.

A 10 MW photovoltaic solar farm is under development in Amaury at the Group level. Despite delays affecting LFL's target, the project remains a strategic priority and is scheduled for late 2026.

Percentage of electricity sourced from solar panels



LOCAL AND CIRCULAR ECONOMY

Local purchases

Percentage of local purchasing Group LFL: 45%
Percentage vrac purchasing Group LFL: 35.82%

Supplier evaluation criteria:

- food safety
- quality
- sustainability
- social
- price and payment terms
- delivery timelines
- technical support
- communication
- supplier reliability
- responsiveness

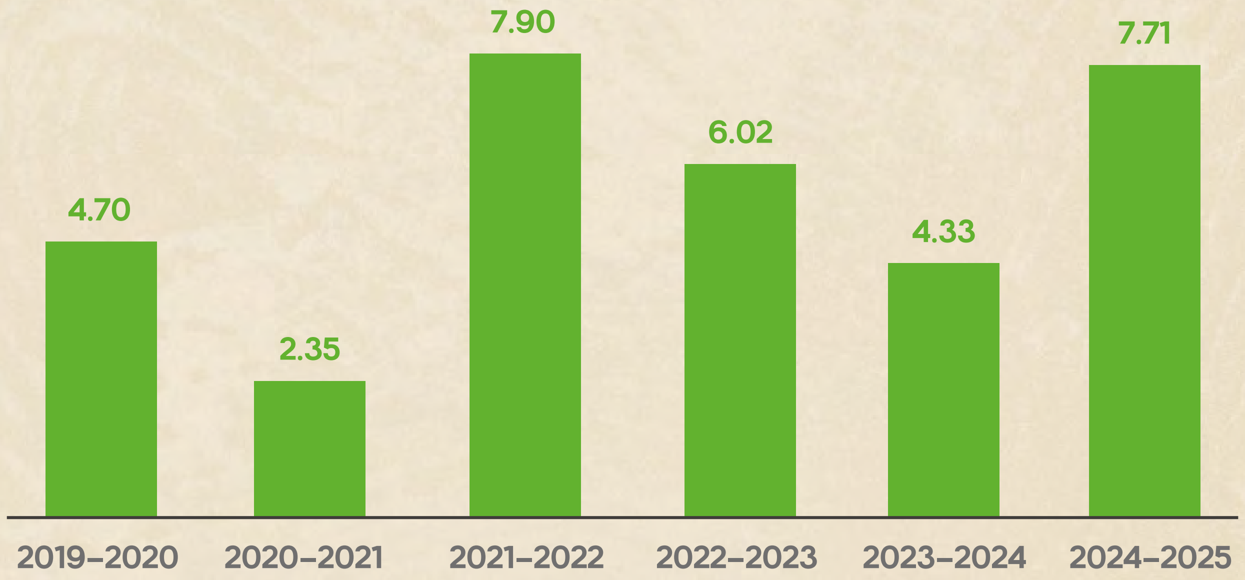
Eco conception

Reduction of plastic in our packaging: 7.71 tonnes in Mauritius (installation of 18 silos)

Percentage of vrac delivery Group LFL: 49.5%

* vrac delivery in operation only in Mauritius

Plastic saved thanks to the installation of new silo during the year (Tonnes)



Objective 0 waste to landfill

Total waste Reduction Group: 3%

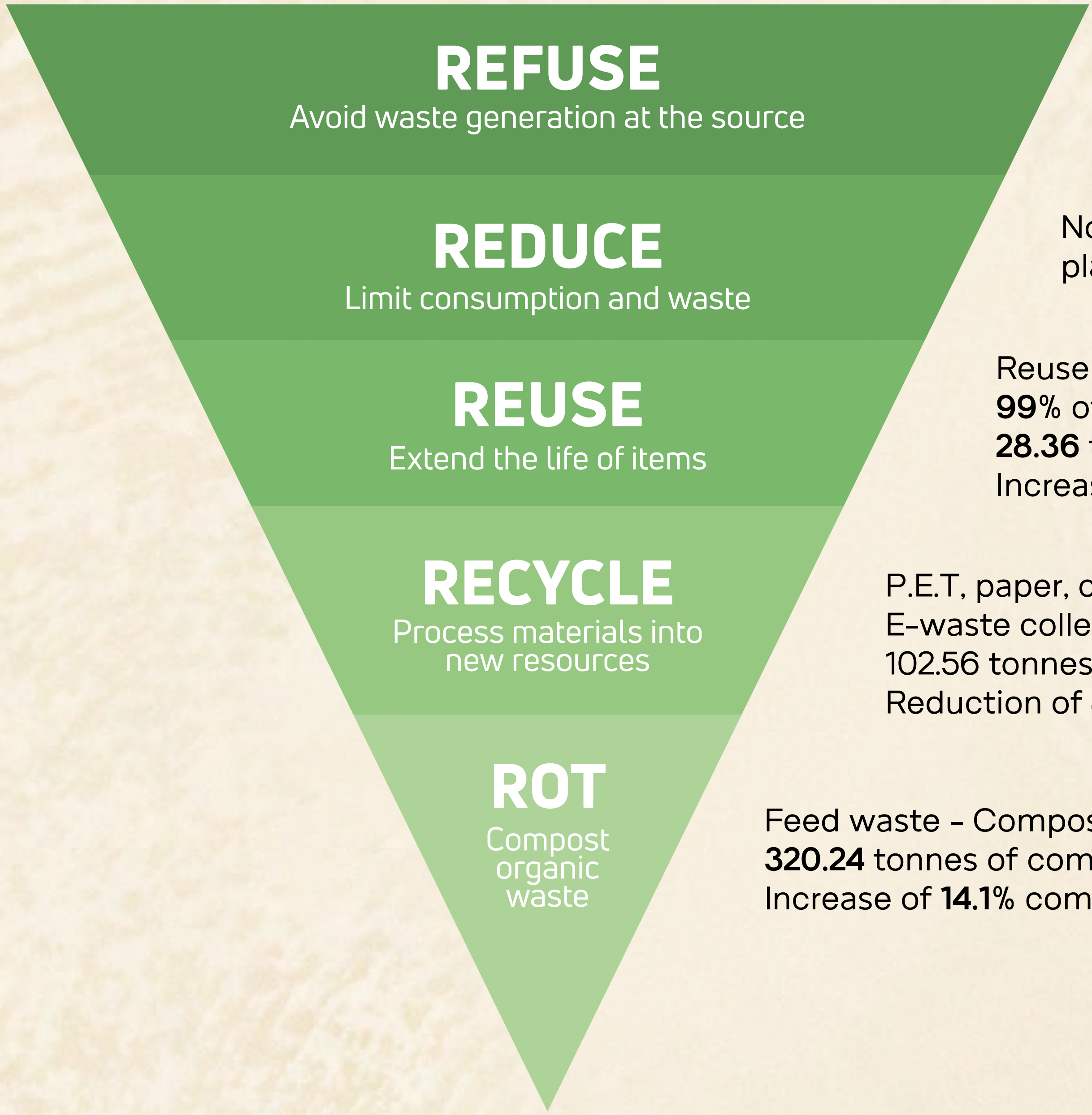
Actions: Strategy of 5R in Mauritius
This year, LFL has been able to divert 67% of its waste from landfill at the Group level compared to 71% last year.

8% Reduction of waste generated/TFP* at Group level

Tonnes Finished Products

LOCAL AND CIRCULAR ECONOMY

Objective 0 waste to landfill



Silo installations at client sites
7.71 tonnes of plastic avoided in 2024-2025

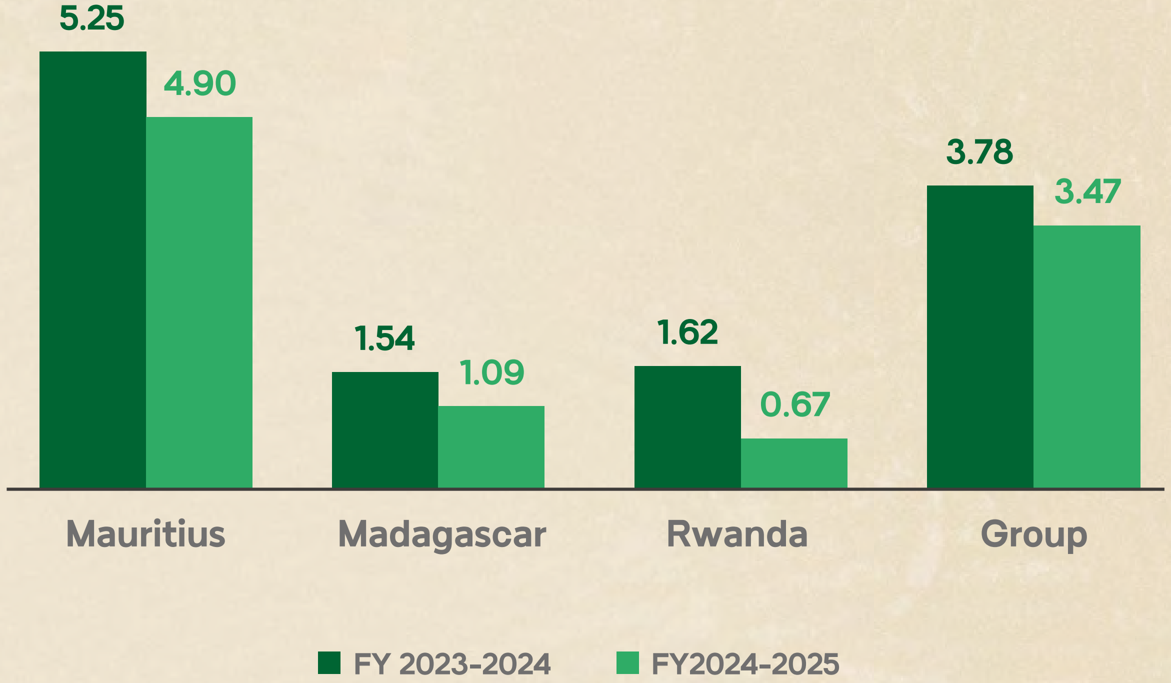
No single-use big bags **9.6** tonnes of plastic avoided in 2024-2025

Reuse of big bags and yellow bags
99% of our bags are reused
28.36 tonnes of reused waste (5%)
Increase of **102.8**% compared to 2024

P.E.T, paper, cardboard, etc.
E-waste collection from employees
102.56 tonnes of recycled waste (17%)
Reduction of **42.3**% compared to 2024

Feed waste - Composting
320.24 tonnes of compared waste (52%)
Increase of **14.1**% compared to 2024

Waste generated / TFP*



** Tonnes Finished Products*

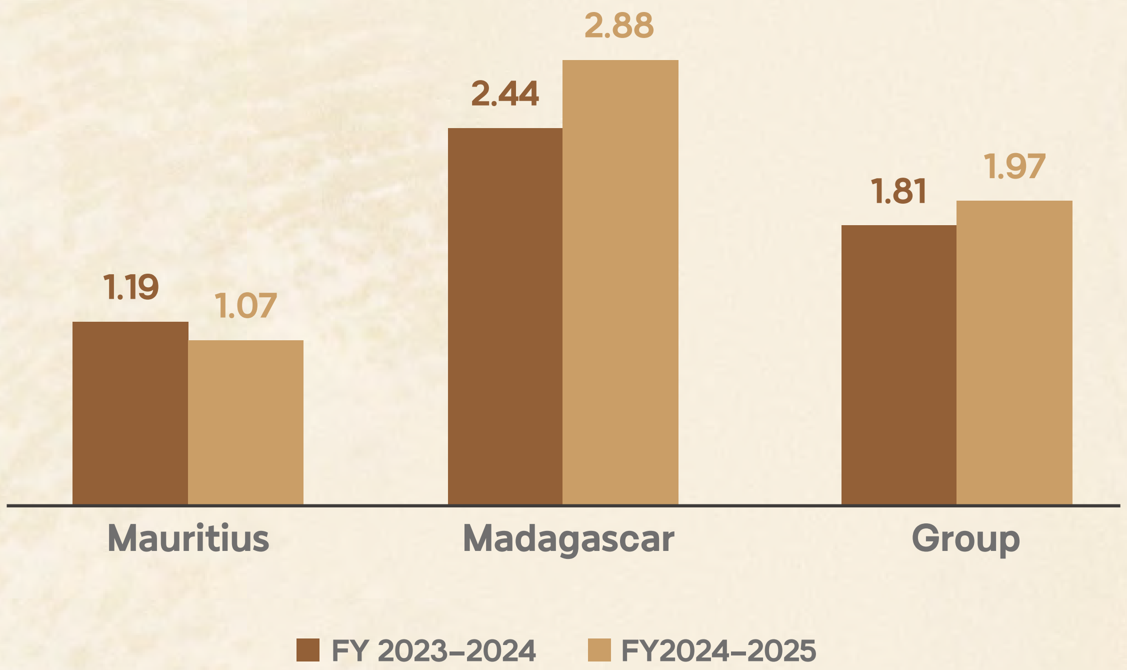
LOCAL AND CIRCULAR ECONOMY

Plastic transition

Plastic / tonne produced at Group level:
1.97 in 2024-2025 V/S 1.81 in 2023-2024. 8.84% increase.

*(*As data is not yet available for Rwanda, the Group level calculation was based solely on data from Mauritius and Madagascar.)*

Plastic / tonne produced at Group level



- **9.93** tonnes of plastic avoided thanks to reused Big Bags in Mauritius (reused up to 5 times).
- **58.5** tonnes of plastic avoided thanks to the use of wheat bran and soybeans blend bags for the maize harvest in Madagascar.
- **50,000** bottles/year saved in FY2024-2025, Madagascar will install a drinking water system to eliminate bottled water purchases for factory staff, targeting a reduction of single-use plastic.
- Reusing bags by LFL and our clients.

Awareness and cleanup

- 99% of employees have been trained in waste sorting.
- One home plastic collection contest was organised for World Clean Up Day – 680 kg collected.
- Visit of plastic Odyssey boat with BCC School and MPRB NGO.
- 180 employees took part in a team-building event at Andrea Lodges focused on circular economy education and the Climate Fresk workshop. A dedicated logo was also created to symbolise and reinforce our collective commitment to environmental responsibility.
- The documentary Plastic Odyssey was shown at LFL – 5 sessions held in the LFL Boardroom.
- Awareness day for LFL staff children: visit to Odysseo, Plastic Odyssey activities and Climate fresk workshop.
- Two months of awareness activities centred around the Plastic Odyssey vessel and World Environment Day (#BeatPlasticPollution).
- Quarterly meetings with residents to co-organise events and co-develop community projects.
- All employees participate in cleaning the village and the area surrounding the factory on the last Saturday of each month – LFL Rwanda.

BIODIVERSITY AND LIVING

Responsible food

Percentage improved recipes: 46%

Main actions:

- Improved Blend Breeder: Better supply of vitamins and trace elements to improve the health of breeding hens.
- Avipro – Male Breeder High-energy. Feed developed to improve rooster fertility and increase the number of healthy chicks per hen housed.
- Sinking Fish FMM (Ferme Marine de Mahebourg) in Trial Mode. This product range respond to a specific demand from the Malagasy market for a non-GMO fish feed.

BIODIVERSITY AND LIVING

Ecosystems and biodiversity

Conservation with Ebony Forest

Partner:
Ebony Forest NGO

Objective:
Support conservation of endemic birds' species and their habitats through feed donations and waste reutilisation.

Actions:
- Feed donations to support pink pigeon conservation project.
- Protein-rich waste from the factory sent to feed insects reared for endemic birds.
- Also nourish endemic insects.
- Donation of egg carton by employees.

Varuna project in Mauritius

Partner:
Foundation Odysseo, Foundation Solidarité Eclosia, ADD and Attitude Foundation.

Objective:
Restoration and preservation of vital blue carbon habitats in Mauritius and promotion of entrepreneurship in The Morne community through mangrove honey production.

Impact:
- 10,000 mangroves.
- 1st seagrass nursery from seeds in the Indian Ocean.
- 5 women entrepreneurs.

Reforestation project in Madagascar

Partner:
Forestry Administration

Objective:
Reforest a 200-hectare plot in Antananarivo and plant 10 hectares annually of productive species.

Results:
35 hectares have been replanted with native species.

BIODIVERSITY AND LIVING

Varuna Project in Madagascar

Partner:
AFD (funding), Expertise France (coordination), local communities.

Objective:
Reforest 50 hectares in the Bongolava Maitso forest corridor, promote environmentally friendly farming practices and strengthen community economic resilience.

Results:
- 23 hectares replanted this season with 23 native species from community-managed nurseries.
- 18,400 young plants ready for the 2025-2026 season.
- 25 demonstration plots established for sustainable farming.
- Savings groups created and market opportunities developed for income generating activities.

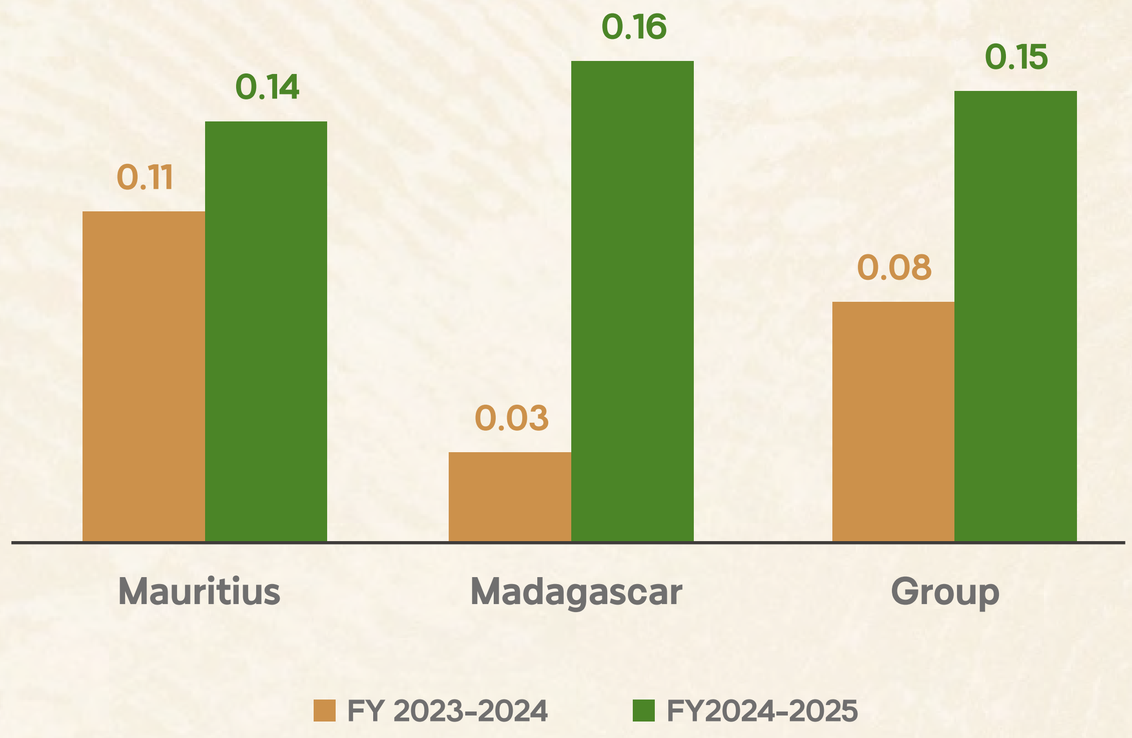
Water

Percentage increase of water consumption: 105%

Main reasons for increase:
- Total water consumption has risen as a result of increased production (production has increased by 11%).
- In Madagascar, the increase is due to water injection during production process.
- In Mauritius, because of the severe drought period, we had to purchase water to sustain the demand of the factory. There is no metering on the water supply externally and therefore the value is not accurate, which could lead to an under/over estimation of actual consumption.

(We do not have data for Rwanda Water consumption for now.)

Water consumption (m³) / TFP



Main actions for water efficiency:
1. Repair of leaks and improvement of insulation in the steam circuit to recover approximately 15 m³ of condensate water monthly – **Mauritius**.
2. Recovery and purification of underground water for reuse in truck washing, irrigation and biosecurity tunnel – **Mauritius**.
3. A meter will be installed to monitor water consumption – **Rwanda**.

** Tonnes Finished Products*

5 PROCESS

PERFORMANCE AND IMPACT

MAURITIUS

In a context of favourable market conditions, and in spite of increased complexity of manpower, port congestion and cost increases, LFL Mauritius has seized opportunities to achieve a remarkable growth in sales in Mauritius and in the region.

Procurement

The normalisation of the world market has provided grounds to dimension Supply Chain and thereby optimise the number of stock days, enabling considerable reduction in cash immobilisation and currency risks.

A new challenge arose with the Suez Canal blockages and lack of containers. Proactive sourcing actions has resulted in zero shortage during this period.

Improvement of storage of raw materials through proper segregation of consignments in bulk and bags has been made possible through the rental of a specific and dedicated warehouses.

A new international surveyor has been appointed to sample and test Soya Bean Meal at reception. Additional to the control at embarkment in Argentina, we thereby secure second level verifications for the quality of the product as per purchasing criteria.

Another critical major raw material, local Wheat Bran, already secured through the ongoing rental of a dedicated warehouse, has been furtherly secured through an inaugural import of 300Mt to eliminate the risk of shortage at peak period.

Activities have been further diversified through storage of 2,000 Mt wheat flour from LMLC and 8,600 Mt of cereals from Meaders Feed. Additionally, the team has disembarked two vessels of Sugar for 84,000 Mt and re-exported a total of 675 containers of blend for LFL Madagascar.

LFL Pailles

This financial year was marked by a strong focus on strengthening operations across three key areas: Safety & Health, Manpower, and Efficiency. Despite various challenges, notable progress was achieved through planned investments, ongoing improvements and effective teamwork.

Safety & Health

A major focus this year was on elevating the Company's safety culture and progressing towards ISO 45001. To support this ambition, a benchmarking on international standards and cross-fertilisation exercises were undertaken. A series of improvements were carried out across the site, including the installation and reinforcement of working platforms at height, procurement of a scissor lift to facilitate safer elevated tasks and the upgrading of safety signages and pedestrian pathways. Several Safety & Health training sessions were also conducted throughout the year to reinforce awareness and safe work practices. These actions reflect the continued commitment to reducing incidents and creating a safer work environment for all.

Manpower

Manpower remained a key challenge throughout the year. High absenteeism and turnover placed considerable pressure on operations. Similarly, recruiting and retaining new generation of operatives continued to be difficult. However, the arrival of foreign labour from Madagascar in the forthcoming financial year is expected to ease these pressures and bring more stability to factory workforce.

Efficiency

On the efficiency front, the year was marked by progress in performance monitoring, energy optimisation, and workforce development. KPI tracking was strengthened through regular analysis with MiXscience experts, supported by a Power BI-enabled dashboard that improved operational visibility. A significant operational gain was the resolution of the chronic underperformance of our automatic bagging line — a challenge dating back to 2022. This intervention not only boosted bagging capacity but also significantly reduced the physical strain on operators. In parallel, energy consumption was optimised through the replacement of outdated motors with more efficient alternatives and improved management of kVA demand. Capacity building remained a priority, with the enrolment of the Production Assistant Manager in the AFMA Feed Milling course, complemented by ongoing training and exchange programmes within the LFL Group and with MiXscience to reinforce technical capabilities and promote continuous learning.

MAURITIUS

Markets

Full-fledged marketing and technical teams have been able to maximise market opportunities resulting from a notable increase in consumers spending capacity and consumption.

The Broiler market benefited from the sustained availability of day-old chicks maximised through the completed integration of Avishop. The additional service allowed operators to thrive by operating near full capacity. A comprehensive approach towards middle-sized operators yielded in farmers development and resulting in increased market share for LFL.

The Layer market witnessed increased egg consumption resulting from favourable local consumption, increase in tourists and national campaign for egg consumption. This increased consumption was serviced through the steady supply of Day Old Chicks from Avishop and Points of Lay from Mare d'Albert farm.

The ruminant market was addressed through enhanced distribution and development of points of sales maximising availability of feed and boosting sales in all regions. A tailored approach to Small Ruminant and Deer farmers with tailored feed, supplementary products and technical training with MiXscience specialist yielded increased market share.

Customer service has remained the hallmark of LFL team and was further strengthened through the integration of Sales Support in the Marketing team to provide a complete one-stop service to customers.

Export and outer island markets have thrived with 25% growth in sales in Rodrigues and near doubled sales in Comoros Islands. Market visits have provided an enhanced proximity with importers and farmers and have partially alleviated the increasing complexity of the Mauritius Port and Shipping Lines revolving concerns.

LFL Riche Terre

The major highlight of the Riche Terre factory was the onboarding of a new operational team in the face of revolving manpower issues and regional market uncertainty.

Structure

The renewed team was regularly exposed to technical training from the Manufacturers who visited LFL during the year. Cimbria and Andritz work on efficiency improvement of our newly installed Extrusion Line equipment. Soonstrong worked on the full revamping of the Pellet Mill Line.

Janodet successfully installed the new main bagging and provided technical support and expertise.

Investments were launched for a complete overhaul of the Motor Control Centre and the Scada system which will provide enhanced security and harmonise equipment steering on all lines in the factory.

The team also benefited from the regular visits of MiXscience and ADM experts.

Markets

Sales have continued to improve locally while the export fish markets have encountered several constraints.

African and regional markets were met with mixed fortunes. LFL Kenya was successfully launched and generated its first series of orders. Several new competitors have proved to be a major challenge and resulted in a sharp decline of sales to existing customers. Growing expertise from LFL Kenya team, the support of local ADM team and projects to secure feed availability show interesting prospects for sales development.

The development of Madagascar market was severely halted in light of the financial difficulties of LFL's main fish customer. LFL Madagascar's Farmshop team has launched several initiatives topped by a seminar in Toamasina region with the collaboration of LFL Riche Terre team, regular sales have been secured and should continue to develop.

This year was the launch of the New Pongo longtime market leader with a modern revamped packaging and consequent national marketing campaign, yielding growth in market presence. Dog Breeders were also attended to with a Sociability Contest for their animal under the mastery of French Breeding expert.

Primate market continued to benefit for the technical expertise of our partners ADM with tailorised product innovations. Customers expansion projects have also been attended with the installation of new silos and the acquisition by LFL of a dedicated bulk lorry.

REGIONAL DEVELOPMENT

MADAGASCAR

In FY 2024–2025, the financial year was marked by:

Raw materials

During the first half of the financial year, from July to December 2024, various national customs blockages affecting the import of Blend Soya led to partial and temporary shortages. As a result, we were forced to limit our sales. By the end of December 2024, our sales volumes were down by 20% compared to our budget.

Thanks to a partial agreement with customs authorities, imports resumed in January 2025. Several commercial initiatives were launched to reassure and win back our customers, supported by a comprehensive sales revitalisation plan. As a result, the second half-year budget was achieved in line with forecasts, and total volumes as of June 2025 stood at -12% versus budget.

Meanwhile, the 2024 maize campaign was overall well managed, notably due to the intervention of L'InterProfession Aviaire, which helped stabilise prices. High maize stock levels led to storage-related risks, which were effectively managed by the Company. This enabled us to enter the 2025 campaign with confidence and a high stock level, ensuring price stability from the outset.

Health and safety

Significant actions were undertaken to improve the health and safety of our employees across company sites. These included hiring a Health and Safety Manager, upgrading Personal Protective Equipment, and enhancing HSE procedures. These actions are part of our goal to achieve ISO 45001 certification, scheduled for 2025–2026.

Quality

ISO 9001:2015 certification was extended to include agricultural activities, thereby expanding the certification scope to cover all of the company's operations.

HACCP was implemented during the year, and the corresponding audit was successfully conducted in June 2025.

Customer management

To ensure service excellence, we synchronised the ticket processing system with the toll-free helpline and virtual technical assistance.

Improvements and innovations

Several major infrastructure upgrades were completed:

- The boiler room was completely renovated, and the burners on both the main and backup boilers were replaced. The boilers will now operate on diesel instead of heavy fuel oil, improving overall efficiency.
- In June 2025, we took delivery of an extension to our raw material storage facility (MP 01), adding 375 m² of additional space for minor raw materials. The facility also allows for truck loading and unloading even during rainy weather.

Key innovations included:

- **Factory automation**
  The automation process was completed, reducing human error and enhancing operational efficiency while ensuring traceability of all movements from raw material intake to final delivery. This also included the deployment of a CMMS (Computerised Maintenance Management System) module aimed at improving preventive maintenance and spare parts tracking.
- **Sales digitalisation**
  - Technical datasheets are now available via downloadable QR codes.
  - Graphic tablets were introduced in our Shops to enhance access to product catalogues.
  - GPS systems were installed on delivery trucks, enabling real-time tracking for both internal teams and customers to improve delivery monitoring.
- **APMI project launch**
  In January 2025, we launched the APMI project aimed at promoting a new "Dual Purpose" poultry breed. With technical and financial support from the World Poultry Foundation, this initiative contributes to women's empowerment, sustainable development, and the improvement of household income and nutrition.

REGIONAL DEVELOPMENT

RWANDA

Context

With the market volatility and rising demand in the Rwanda's farming sector, LFL is entering a critical execution phase, with ambitious operational targets, team expansion, and a growing project portfolio that aligns with the Company's broader mission of agricultural development and food security in Rwanda.

Cash flow management

Strategic purchasing—timing large acquisitions during favourable market windows—remains critical to margin protection and competitive positioning.

Maize

Despite regional droughts and reduced cereal output in 2024, maize availability improved in 2025, though prices rose significantly due to regional import pressures. LFL Rwanda capitalised on the 2025A crop season, with financial support from LFL International, enabling strategic maize procurement to remain competitive until the 2025B season.

Soya bean meal

Faced with declining soybean meal availability from Zambia and Uganda, LFL shifted to direct imports from India, mitigating cost pressures.

Other key raw materials

A major cost-saving breakthrough was achieved with local sourcing of 75% of limestone needs, reducing logistic costs by 50%. Premix and micronutrient logistics were diversified between Mombasa and Dar-es-Salaam.

Production

To meet a 60% surge in demand, the LFL plant expanded to three shifts, supported by reinforced quality controls. An upgrade plan—led by expert Claude Tauveron—targets 2026 production goals, including new equipment (grinder, sifter, bagging systems) and maintenance programmes. The current factory will reach capacity by 2026, prompting construction of a new feedmill.

Quality control

Deployment of Near-Infrared (NIR) technology and alignment with HACCP standards enhances nutritional and safety compliance is to be done in 2025.

Logistics control

Investment in a rental-based truck fleet allows LFL to independently manage raw material collection and finished product delivery.

Retail expansion

Launch of one new LFL Shop in Kayonza to deepen market penetration and enhance accessibility for rural farmers.

Sales and market development

LFL Rwanda successfully launched its brand in 2025, using its signature yellow bags and participating in major agricultural forums. The use of social media, training sessions, and field support drove brand recognition and client growth. Delivery to medium-sized farms and strong after-sales service enhanced customer satisfaction.

Layers

LFL layer sector saw a 54% growth in sales, surpassing 12,000 tonnes which represents 17% of market shares. LFL focused on consistent quality, price stability, and the launch of a Ready-to-Lay programme in partnership with Abusol.

Pigs

Pig sector is transitioning to modern farming. LFL targets both breeders and fatteners with specialised feeds and stable pricing strategies.

Dairy

With growing domestic demand and the launch of Inyange Milk Powder Plant (requiring 750k litres/day), LFL is promoting intensive feeding through safe feed and fodder packages and technical training for feedlot models.

Broilers

As broiler production rises, LFL is positioning itself to supply feed and day-old chicks through a strategic partnership with Avipro Rwanda, supporting smallholder farmers and ensuring long-term competitiveness.

REGIONAL DEVELOPMENT

SEYCHELLES

Context

LFL Seychelles operates in a constrained market where growth potential has been limited by several systemic issues:

- The domestic farming sector was undermined by low-cost frozen meat imports.
- Feed competitors from India and South Africa offered aggressively low prices, putting downward pressure on margins.
- Supply chain reliability have been a concern due to sea freight disruptions, leading to product shortages and quality degradation.
- Day-old-chick exportation from Mauritius have been blocked during most of the year due to limited availability in the country.

Strategic approach

The Company has adopted in 2025 a “strategic readiness” posture, with the following short-term focus:

- Maintain sufficient raw material and finished product stocks to respond to competitor shortages.
- Monitor the political landscape closely and be prepared to propose a comprehensive development plan for the broiler and pig sectors in case of change of politics about being self-sufficient.
- Preserve his current market share by remaining price-competitive and strengthening brand loyalty.
- Manage feed conservation, benchmark pricing, and collect farmer data.

REGIONAL DEVELOPMENT

KENYA

Context

Kenya's aquaculture sector is at an inflection point, with strong growth potential but a challenging operational environment:

- A competitive feed market with both local and international players (notably Egypt and Vietnam).
- Currency depreciation (KES vs USD) is increasing input and import costs.
- High logistical costs continue to erode margins and reduce accessibility in rural markets.
- LFL Kenya operates with a small, specialised team requiring targeted upskilling to meet technical and commercial demands.

Opportunities for growth in Kenya

- The depletion of natural fish stocks in Lake Victoria is accelerating the development of aquaculture.
- High tilapia prices are creating a profitable environment for farmers and feed providers alike.
- LFL benefits from strong brand recognition and trust among large-scale farms and key distributors.
- Improving hatchery performance and survival rates for farmers has become a priority, offering room for product differentiation.

Process

- Create a local entity in Kenya named LFL (operation) Kenya Ltd.
- Invest in capacity building through the recruitment of one Operation Officer and participation of Aquaculture Seminars in Kenya and Uganda.
- Establish LFL feed pricing structure to ensure competitiveness in a price-sensitive market (local feeds and imports from Egypt and Vietnam).
- Develop partnerships with distributors to penetrate the countryside with LFL feed.
- Address logistical constraints by supporting distributors in building local inventory to ensure supply continuity.

6 PROFIT

PERFORMANCE AND IMPACT

At a glance - LFL Group

Rs 6.2bn
Turnover

Rs 3.3bn
Equity

Rs 384m
Profit for the Year

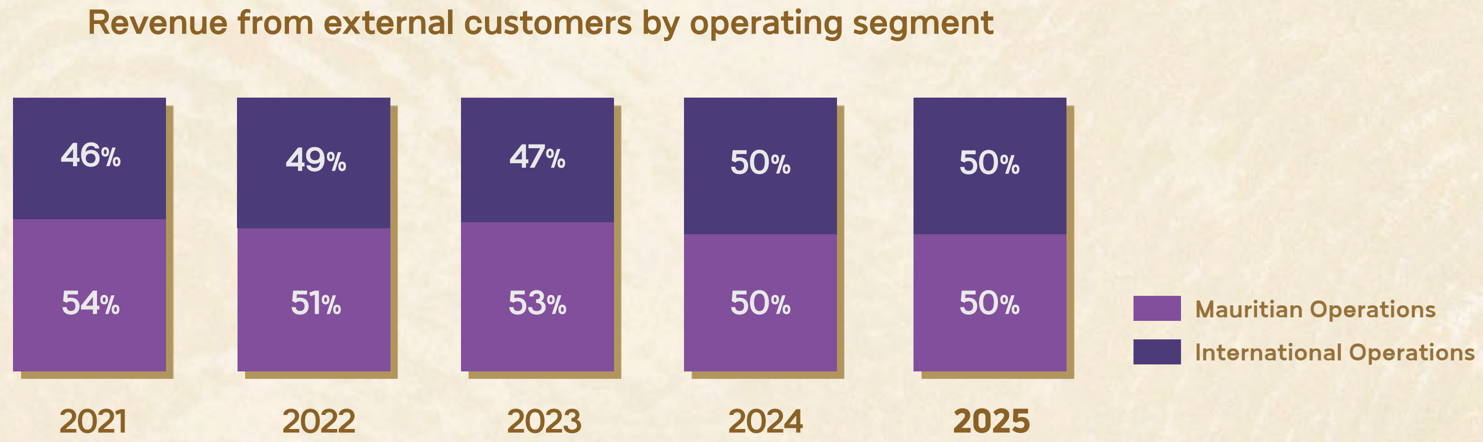
Rs 1.8bn
Market Capitalisation

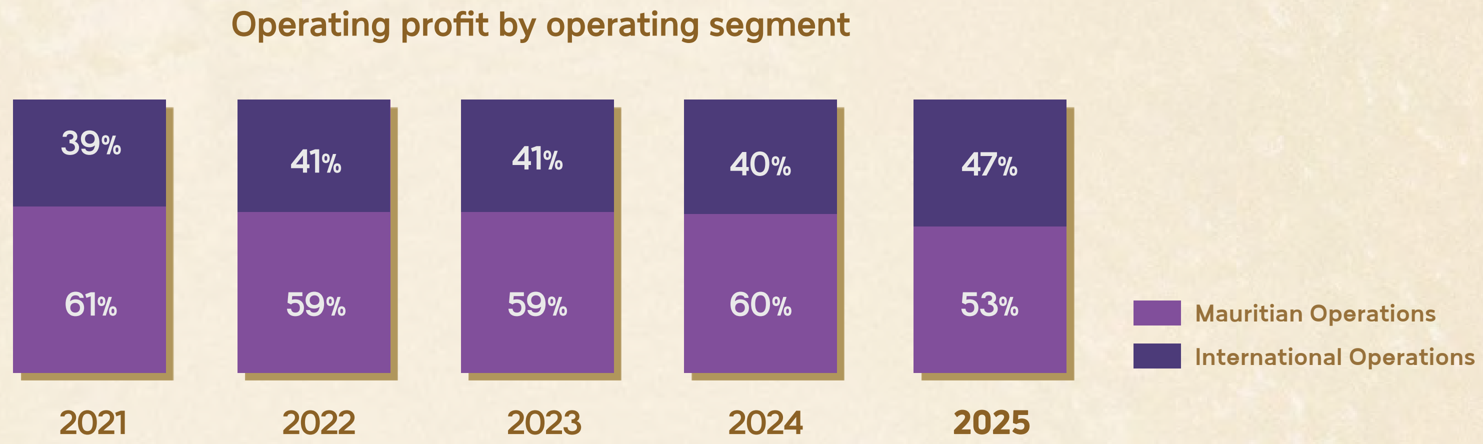
OPERATIONS

Group Turnover grew by 7% to Rs 6.16bn (2024: Rs 5.76bn), reflecting resilient demand across core activities. Profit for the year rose by 9% to Rs 384m (2024: Rs351m), driven by improved operational efficiency. Equity strengthened to Rs 3.28bn, up 7% from prior year, while market capitalisation increased by 13% to Rs 19.80 per share (2024: Rs 17.55), supported by higher profitability and investor confidence.

SEGMENT OVERVIEW

Revenue was evenly balanced between Mauritius (50%) and international operations (50%), unchanged from the prior year and highlighting the Group's consistent geographic diversification. In terms of profitability, international operations increased their share of operating profit to 47% (2024: 40%), reflecting growing contributions from overseas markets. Mauritian operations remain the foundation of the business, contributing 53% of operating profit.

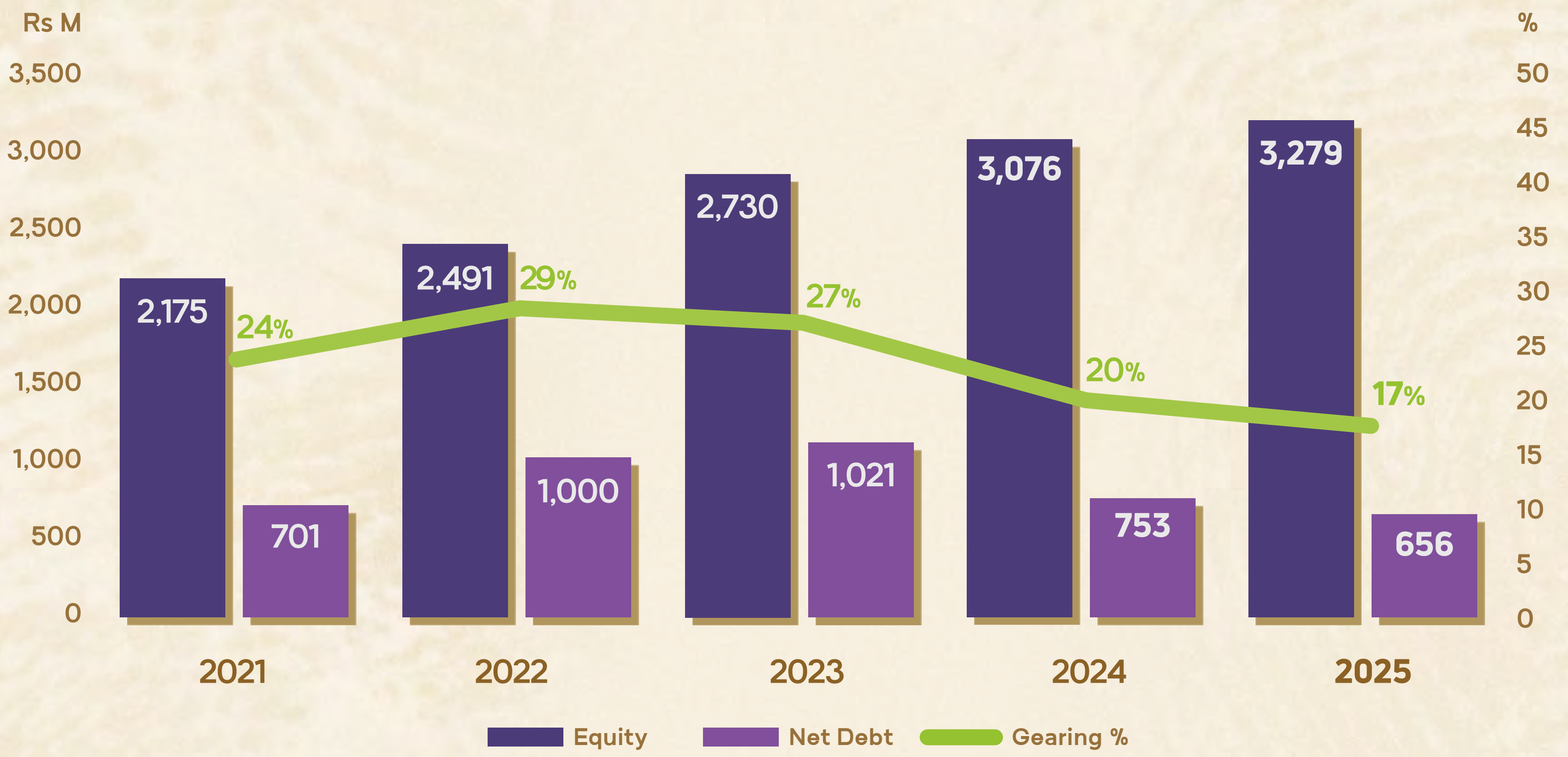




FINANCIAL POSITION AND GEARING

The Group maintained a strong financial position, with equity rising to Rs 3.28bn and net debt reduced to Rs 656m (2024: Rs 753m). As a result, the gearing ratio improved to 17% (2024: 20%). This demonstrates prudent capital management and a reinforced balance sheet, enhancing the Group's capacity to support strategic investments and growth initiatives.

Equity, net debt and gearing ratio



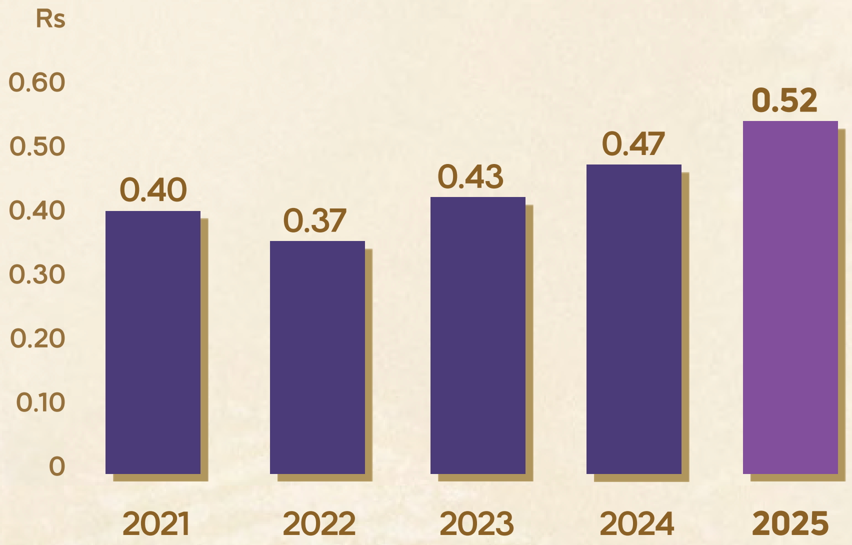
Net asset value per share

Earnings per share

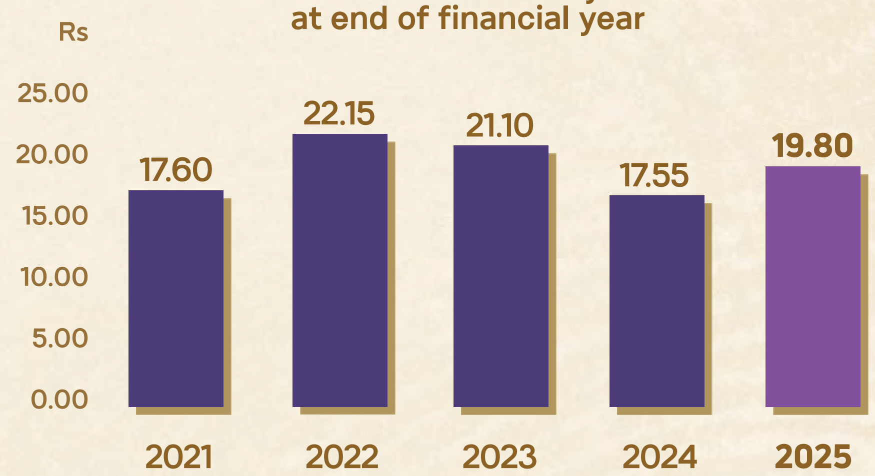
SHAREHOLDERS' INFORMATION

Earnings per share (EPS) grew to Rs 4.13 (2024: Rs 3.78), reflecting stronger earnings performance. The dividend per ordinary share increased to Rs 0.52 (2024: Rs 0.47), with a dividend yield of 2.63%, maintaining an attractive return to Shareholders. The net asset value (NAV) per share strengthen to Rs 35.33 (2024: Rs 33.15), underpinned by profit retention, while the market value per share closed at Rs 19.80.

Dividend per ordinary share

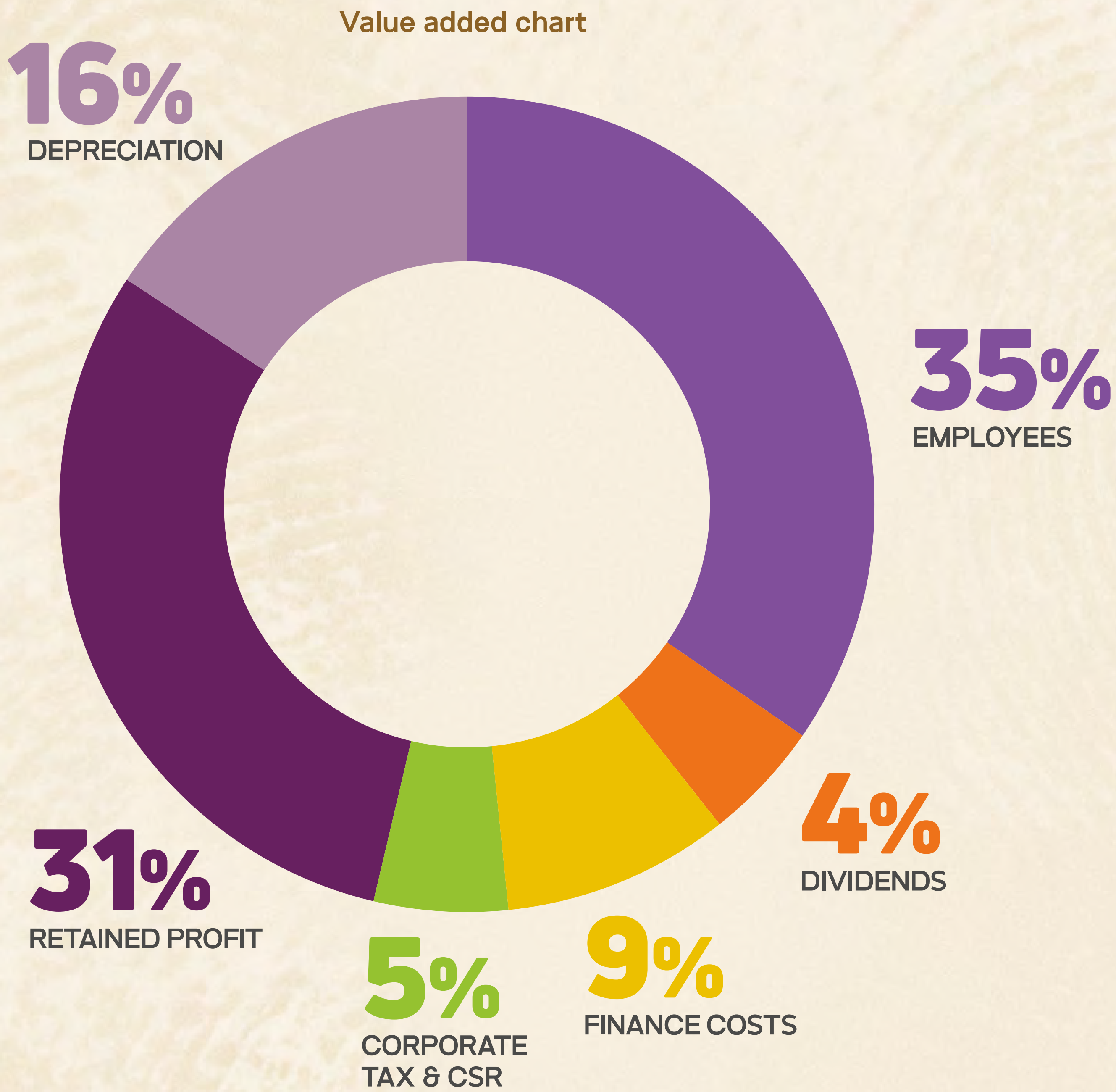


Market value of ordinary shares at end of financial year



VALUE ADDED STATEMENT

Here is how the value created in FY2025 was shared among the Group's stakeholders. This balanced allocation demonstrates the Group's focus on sustainable growth, reinvestment, and fair stakeholder returns.



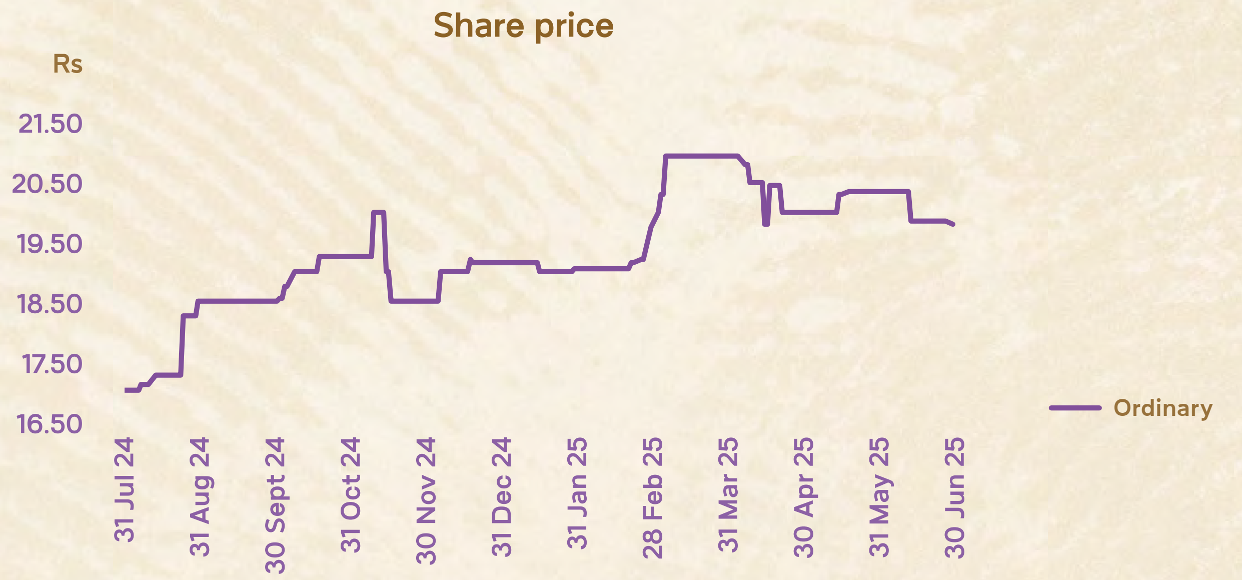
OUTLOOK

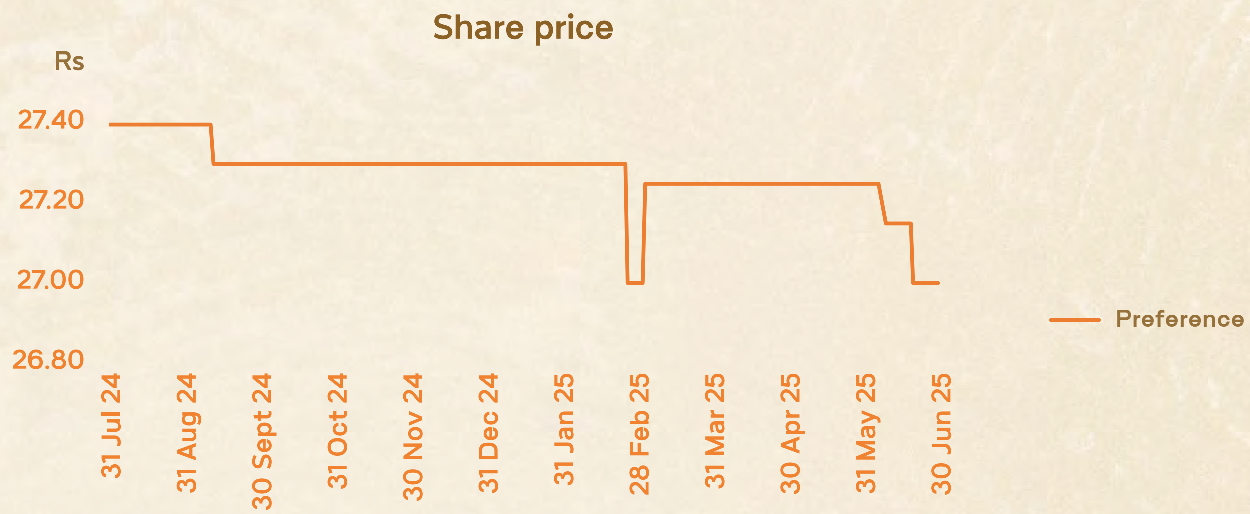
The Group enters FY2026 with a solid platform for growth, underpinned by strong equity, reduced gearing, and an improving international contribution. Management will continue to focus on operational efficiency, while pursuing opportunities in both domestic and international markets.

With a balanced portfolio and strengthened financial resilience, the Group is well positioned to deliver sustainable profitability and long-term shareholder value.

SHARE PRICE INFORMATION

The following graph shows the evolution of the Company's share price on the Stock Market during the year under review up to June 30, 2025:





SHARE OPTION PLAN

The Company does not have a share option plan.

DIVIDEND POLICY

The Company has no defined dividend policy as such and pays dividends based on its current profitability and the liquidity requirements of the Company.

The dividend paid for the financial year under review amounts to Rs 0.52 per ordinary share and Rs 1.20 per preference share.

7

FINANCIAL STATEMENTS

STATEMENT OF DIRECTORS' RESPONSIBILITIES WITH RESPECT TO FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for:

[1] Adequate accounting records and maintenance of effective internal control systems;

[2] The preparation of financial statements which fairly present the state of affairs of the Group and the Company as at the end of the financial year and the results of its operations and cash flows for that period and which comply with IFRS Accounting Standards, International Accounting Standards (IAS) and the Mauritian Companies Act 2001;

[3] The selection of appropriate accounting policies supported by reasonable and prudent judgments. The report of the External Auditors confirming that the financial statements are fairly presented is on page 74 to 76.

The Directors report that:

[1] Adequate accounting records and an effective system of internal controls and risks management have been maintained;

[2] Appropriate accounting policies supported by reasonable and prudent judgments and estimates have been consistently used;

[3] International Financial Reporting standards have been adhered to. Any departure from fair presentation has been disclosed, explained and quantified;

[4] All the principles of the Code of Corporate Governance for Mauritius (2016) have been complied with and explanations provided as to how they have been applied;

[5] They consider that the corporate governance report and accounts, which are published in full on the Company's website, taken as a whole are fair, balanced and understandable and provide the information necessary for Shareholders and other key stakeholders to assess the Company's position, performance and outlook.

INTERNAL CONTROL

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

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

RISK MANAGEMENT

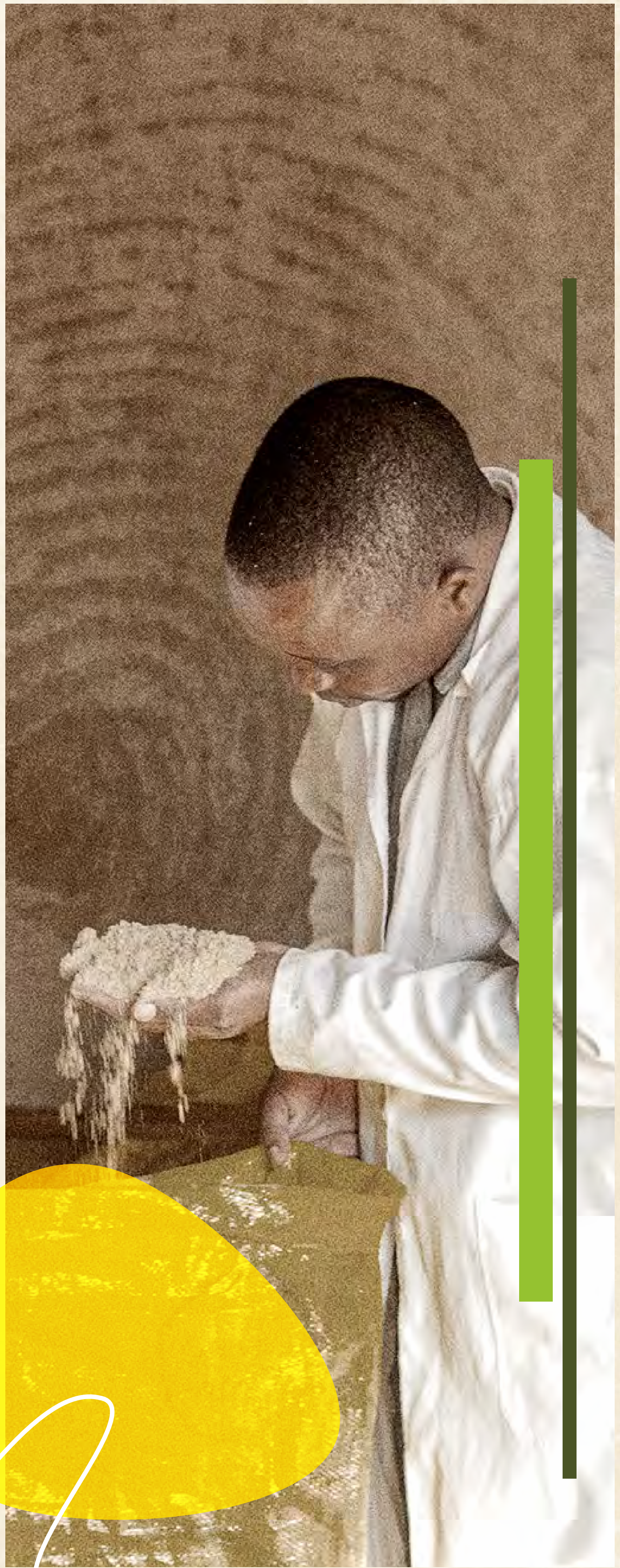
The Directors acknowledge their overall responsibility for maintaining a sound and effective system of internal controls to safeguard the Company's assets and Shareholders' interests.

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

Gérard Boullé
CHAIRPERSON DIRECTOR

Richard Arlove
DIRECTOR

September 24, 2025



STATUTORY DISCLOSURES

YEAR ENDED JUNE 30, 2025

(PURSUANT TO SECTION 221 OF THE MAURITIUS COMPANIES ACT 2001)

1. The Directors have the pleasure to submit herewith their statutory disclosures together with the audited consolidated and separate financial statements for the year ended June 30, 2025.

2. PRINCIPAL ACTIVITIES

The principal activity of Livestock Feed Limited is unchanged from last year and consists of the processing of animal feeds.

The principal activities of the subsidiary companies are as follows:
LFL Madagascar SA: Processing of animal feeds
Les Pondeuses Réunies Ltée: Providing support services to small farmers in the laying sector
LFL Investment Ltd: Investment holding
LFL (Seychelles) Ltd: Sale and distribution of animal feed and chicks
LFL International Rwanda Ltd: Investment holding
LFL Rwanda Ltd: Processing of animal feeds
LFL International Ltd: Investment holding
LFL International Kenya Ltd: Investment holding
LFL Operation (Kenya) Limited: Sale and distribution of animal feed and chicks
LFL International Seychelles Ltd: Investment holding
LFL International Madagascar Ltd: Investment holding

The principal activity of the Associate is as follows:
Les Moulins de la Concorde Ltée: Milling of wheat

The consolidated statements of profit or loss and other comprehensive income for the year ended June 30, 2025 is set out on page 77.

3. DIRECTORATE AT JUNE 30, 2025

Livestock Feed Limited
Gérard Boullé (Chairperson)
Cédric de Spéville
Eric Espitalier-Noël
Gilbert Espitalier-Noël
Rocky Forget
Pierre-Yves Pougnet
Jean Noël Humbert
Jacqueline Sauzier
Richard Arlove
Myriam Blin
Christel Maucet

LFL Madagascar SA
Gérard Boullé (Chairperson)
Cédric de Spéville
Eclosia Corporate Services Madagascar Sarl represented by Jérôme Poutot
Avipro Co. Ltd represented by Denis Claude Pilot
Agrifarms Ltd represented by Gérard Boullé
LFL International Madagascar Ltd represented by Rocky Forget

LFL International Rwanda Ltd
Gérard Boullé
Cédric de Spéville
Rocky Forget
Cédric Poonisami

LFL International Madagascar Ltd
Gérard Boullé
Cédric de Spéville
Rocky Forget
Cédric Poonisami
Sébastien Rae

LFL International Kenya Ltd
Gérard Boullé
Cédric de Spéville
Rocky Forget
Cédric Poonisami
Sébastien Rae

Les Pondeuses Réunies Ltée
Thierry de Spéville (Chairperson)
Gérard Boullé
Cédric de Spéville
Rocky Forget
Sébastien Rae

LFL Investment Ltd
Gérard Boullé (Chairperson)
Cédric de Spéville
Rocky Forget
Cédric Poonisami

LFL (Seychelles) Ltd
Gérard Boullé
Rocky Forget
Sébastien Rae

LFL Rwanda Ltd
Rocky Forget (Chairperson)
Gérard Boullé
Denis Claude Pilot
Cédric Poonisami
Eustache Ngoga

LFL Operation (Kenya) Limited
Frédéric Bardothier
Gérard Boullé
Cédric de Spéville
Rocky Forget
Cédric Poonisami
Sébastien Rae

LFL International Ltd
Gérard Boullé
Cédric de Spéville
Rocky Forget
Cédric Poonisami
Sébastien Rae

4. DIRECTORS' REMUNERATION

Directors' fees (including bonuses and commissions) received and receivable from the Company were Rs 4,085,000 (2024: Rs 3,025,000) by individual Non-Executive Directors.

Refer to page 26 for breakdown of remuneration paid/payable to individual Directors.
No remuneration is paid to the Directors by the subsidiary companies.

5. DIRECTORS' SERVICE CONTRACTS

Except for Mr Rocky Forget who was in employment with the Company as Managing Director, until June 30, 2025, none of the other Directors have any contract of significance with the Company and the subsidiary companies.

STATUTORY DISCLOSURES

YEAR ENDED JUNE 30, 2025

(PURSUANT TO SECTION 221 OF THE MAURITIUS COMPANIES ACT 2001)

6. DONATIONS

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Charitable donations				
Livestock Feed Limited	22	2,118	22	2,118
LFL Madagascar SA	606	556	-	-
	628	2,674	22	2,118
Donations to political parties	1,563	-	1,563	-
	2,191	2,674	1,585	2,118

7. SHAREHOLDER'S INTEREST BY THE COMPANY IN ANOTHER COMPANY

As at June 30, 2025 and 2024, the Company had 29.13% of equity interest in Les Moulins de la Concorde Limitée ("LMLC"), an associate of the Company (Note 8 and Note 15).

8. AUDITOR REMUNERATION

The fees payable to the auditors of the Company and subsidiaries were as follows:

	AUDIT SERVICES		OTHER SERVICES	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
BDO & Co				
Livestock Feed Limited	1,585	1,430	-	-
Les Pondeuses Réunies Ltée	83	83	-	-
LFL Investment Ltd	83	83	-	-
	1,751	1,596	-	-
Aqwin				
LFL Madagascar SA	1,479	1,425	-	-
Sey Auditors & Associates				
LFL (Seychelles) Ltd	464	442	-	-
HLB MN Ltd				
LFL Rwanda Ltd	341	420	-	-
BDO East Africa Kenya				
LFL Operation (Kenya) Limited	349	-	-	-

9. DIVIDENDS

Dividends of Rs 48,259,008 (2024: Rs 43,618,719) on ordinary shares and Rs 424,391 (2024: Rs 424,391) on preference shares have been declared in respect of the current year.

Approved by the Board of Directors on and signed on its behalf by:

Gérard Boullé
CHAIRPERSON

Richard Arlove
DIRECTOR

September 24, 2025

SECRETARY'S CERTIFICATE

YEAR ENDED JUNE 30, 2025

(PURSUANT TO SECTION 166(D) OF THE MAURITIUS COMPANIES ACT 2001)

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

Eclosia Secretarial Services Ltd
COMPANY SECRETARY

September 24, 2025

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF LIVESTOCK FEED LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Livestock Feed Limited (the "Company") and its subsidiaries (together the "Group"), and the Company's separate financial statements set out on pages 77 to 124 which comprise the consolidated and separate statements of financial position as at June 30, 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and of the Company as at June 30, 2025, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and comply with the Mauritian Companies Act 2001.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	AUDIT RESPONSE
Valuation of unquoted investments held at fair value through other comprehensive income (FVTOCI)	
The Group holds unquoted investments held at FVTOCI amounting to Rs 134.3m at June 30, 2025. The Group has made an irrevocable election to classify the equity investments at FVTOCI rather than through profit or loss with changes in fair value recognised in other comprehensive income (OCI) and accumulated in the FVTOCI reserve. Upon disposal any balance within FVTOCI reserve is reclassified directly to retained earnings and is not reclassified to profit or loss. The valuation of unquoted investments is performed internally by management. There is limited external evidence and observable market data available to determine the fair value of unquoted investments. Thus, the valuation involves significant judgements and estimations due to the complexity of the techniques and assumptions used. Due to the significant judgments and estimations applied by management, we considered the determination of the fair value of the unquoted investments to be a key audit matter. Refer to Note 9 (Financial assets at fair value recognised in other comprehensive income), Note 2 (g) (accounting policy), Note 3.1(a)(ii) and 3.2 (Financial Risk Management), and Note 4.1(f) (Key sources of estimation uncertainty) of the accompanying financial statements.	We obtained, read and understood the valuation report prepared by management. We tested the mathematical accuracy of the report and evaluated the appropriateness of the valuation methodology used by management in determining the fair value. For unobservable inputs we obtained the models, assessed the assumptions and data used against market information and industry norms. Our valuation experts performed an independent valuation of the unquoted investments, in order to assess whether management's valuations were within a reasonable range of outcomes in the context of the inherent uncertainties. We also involved our valuation experts to review and assess if the methodologies used in the context of the relevant investments held is appropriate. We evaluated whether disclosures in the financial statements in respect of the unquoted investments were in accordance with the requirements of IFRS Accounting Standards.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF LIVESTOCK FEED LIMITED

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated and separate financial statements and our auditor's report thereon.

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

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

Responsibilities of Directors for the Consolidated and Separate Financial Statements

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

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF LIVESTOCK FEED LIMITED

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

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

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

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

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

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

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

Mauritian Financial Reporting Act 2004

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

Other Matter

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

BDO & CO
CHARTERED ACCOUNTANTS

Didier Dabydin, FCA
LICENSED BY FRC

Port Louis, Mauritius

September 24, 2025

STATEMENTS OF FINANCIAL POSITION

YEAR ENDED JUNE 30, 2025

	Notes	THE GROUP 2025 Rs000	THE GROUP 2024 Rs000	THE COMPANY 2025 Rs000	THE COMPANY 2024 Rs000
ASSETS					
Non-current assets					
Property, plant and equipment	5	1,554,232	1,580,781	997,042	1,013,601
Right-of-use assets	5A	61,728	89,794	16,416	22,248
Intangible assets	6	32,424	45,686	14,945	23,475
Deferred tax assets	20	7,494	7,854	-	-
Investment in subsidiaries	7	-	-	377,320	377,320
Investment in associate	8	695,640	691,565	58,798	58,798
Financial assets at fair value through other comprehensive income	9	153,155	205,262	1	1
		2,504,673	2,620,942	1,464,522	1,495,443
Current assets					
Biological assets	10	8,410	5,710	-	-
Inventories	11	1,416,307	1,170,423	544,575	598,655
Trade receivables	12	466,138	459,490	546,312	410,579
Prepayments and other receivables	12A	209,616	148,500	61,898	79,376
Derivative financial instruments	13	5,133	3,463	5,133	3,463
Current tax receivable	14	33,450	18,358	-	-
Cash and cash equivalents	30(b)	175,439	172,455	32,763	55,704
		2,314,493	1,978,399	1,190,681	1,147,777
Total assets		4,819,166	4,599,341	2,655,203	2,643,220
EQUITY AND LIABILITIES					
Capital and Reserves					
Stated capital	15	928,058	928,058	928,058	928,058
Revaluation and other reserves	16	518,180	651,352	172,047	183,854
Retained earnings		1,832,305	1,496,992	888,977	711,135
Total equity		3,278,543	3,076,402	1,989,082	1,823,047
LIABILITIES					
Non-current liabilities					
Preference shares	17	3,536	3,536	3,536	3,536
Borrowings	18	38,053	69,722	-	-
Lease liabilities	5B	27,686	68,109	12,874	18,747
Deferred tax liabilities	20	132,672	126,972	102,077	96,061
Retirement benefit obligations	19	41,744	31,885	39,563	30,451
		243,691	300,224	158,050	148,795
Current liabilities					
Trade and other payables	21	481,602	395,567	211,800	231,510
Borrowings	18	606,631	679,597	285,780	420,126
Bank overdraft	18A	134,720	96,564	134	10,100
Lease liabilities	5B	24,163	11,567	5,872	5,490
Current tax payable	14	49,816	39,420	4,485	4,152
		1,296,932	1,222,715	508,071	671,378
Total liabilities		1,540,623	1,522,939	666,121	820,173
Total equity and liabilities		4,819,166	4,599,341	2,655,203	2,643,220

These financial statements have been approved for issue by the Board of Directors on September 24, 2025.

Gérard Boullé
CHAIRPERSON

Richard Arlove
DIRECTOR

The notes on pages 79 to 124 form an integral part of these financial statements.
Independent auditor's report on pages 74 to 76.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED JUNE 30, 2025

	Notes	THE GROUP 2025 Rs000	THE GROUP 2024 Rs000	THE COMPANY 2025 Rs000	THE COMPANY 2024 Rs000
Revenue	22	6,162,823	5,762,228	3,965,953	3,652,124
Cost of sales	23	(5,153,014)	(4,852,286)	(3,375,872)	(3,149,306)
Gross profit		1,009,809	909,942	590,081	502,818
Other income	25	23,861	17,482	31,470	25,393
Impairment of receivables	12	(3,426)	(26,912)	(1,163)	(124)
Administrative expenses	23	(496,593)	(452,244)	(314,619)	(261,660)
Operating profit		533,651	448,268	305,769	266,427
Net finance costs	26	(132,827)	(95,971)	(68,133)	(49,931)
Share of profit of associate	8(b)	39,896	51,986	-	-
Profit before income tax	27	440,720	404,283	237,636	216,496
Income tax expense	14	(57,148)	(53,544)	(11,535)	(14,966)
Profit for the year		383,572	350,739	226,101	201,530
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Deferred tax on revaluation surplus of property, plant and equipment	16/20	(2,349)	-	(2,349)	-
Remeasurement of post employment benefit obligations	16/19	(12,526)	(2,259)	(11,945)	(2,259)
Deferred tax on remeasurement of post employment benefit obligations	16/20	3,078	384	3,078	384
Changes in fair value of equity instruments at fair value through other comprehensive income	9(i)	(52,107)	8,016	-	-
Share of other comprehensive income of associates	8(b)/16	(24,023)	24,557	-	-
Items that may be reclassified subsequently to profit or loss					
Cash flow hedges	16	(591)	(2,662)	(591)	(2,662)
Currency translation differences		(44,654)	28,591	-	-
Other comprehensive income for the year – net of tax		(133,172)	56,627	(11,807)	(4,537)
Total comprehensive income for the year		250,400	407,366	214,294	196,993
Profit attributable to:					
Owners of the parent		383,572	350,739	226,101	201,530
Total comprehensive income attributable to:					
Owners of the parent		250,400	407,366	214,294	196,993
Earnings per share	28	4.13	3.78	-	-

The notes on pages 79 to 124 form an integral part of these financial statements.
Independent auditor's report on pages 74 to 76.

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2025

THE GROUP	Notes	Share Capital Rs000	Revaluation and Other Reserves Rs000	Retained Earnings Rs000	Total Equity Rs000
		(Attributable to owners of the parent)			
Balance at July 1, 2024		928,058	651,352	1,496,992	3,076,402
Profit for the year		-	-	383,572	383,572
Other comprehensive income for the year	16	-	(133,172)	-	(133,172)
Total comprehensive income for the year		-	(133,172)	383,572	250,400
Dividends	29	-	-	(48,259)	(48,259)
Balance at June 30, 2025		**928,058**	**518,180**	**1,832,305**	**3,278,543**
Balance at July 1, 2023		945,000	594,725	1,189,872	2,729,597
Profit for the year		-	-	350,739	350,739
Other comprehensive income for the year	16	-	56,627	-	56,627
Total comprehensive income for the year		-	56,627	350,739	407,366
Treasury shares received as distribution in specie	15	(16,942)	-	-	(16,942)
Dividends	29	-	-	(43,619)	(43,619)
Balance at June 30, 2024		**928,058**	**651,352**	**1,496,992**	**3,076,402**

The notes on pages 79 to 124 form an integral part of these financial statements.
Independent auditor's report on pages 74 to 76.

THE COMPANY	Notes	Share Capital Rs000	Revaluation and Other Reserves Rs000	Retained Earnings Rs000	Total Equity Rs000
		(Attributable to owners of the parent)			
Balance at July 01, 2024		928,058	183,854	711,135	1,823,047
Profit for the year		-	-	226,101	226,101
Other comprehensive income for the year	16	-	(11,807)	-	(11,807)
Total comprehensive income for the year		-	(11,807)	226,101	214,294
Dividends	29	-	-	(48,259)	(48,259)
Balance at June 30, 2025		**928,058**	**172,047**	**888,977**	**1,989,082**
Balance at July 01, 2023		945,000	188,391	536,282	1,669,673
Profit for the year		-	-	201,530	201,530
Other comprehensive income for the year	16	-	(4,537)	-	(4,537)
Total comprehensive income for the year		-	(4,537)	201,530	196,993
Treasury shares received as distribution in specie	15	(16,942)	-	16,942	-
Dividends	29	-	-	(43,619)	(43,619)
Balance at June 30, 2024		**928,058**	**183,854**	**711,135**	**1,823,047**

The notes on pages 79 to 124 form an integral part of these financial statements.
Independent auditor's report on pages 74 to 76.

STATEMENTS OF CASH FLOWS

YEAR ENDED JUNE 30, 2025

		THE GROUP		THE COMPANY	
	Notes	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Cash flows from operating activities					
Cash generated from operations	30(a)	**424,488**	620,922	**280,280**	487,075
Interest received	25	**16**	604	**16**	144
Interest paid		**(95,619)**	(91,697)	**(43,899)**	(52,325)
Interest paid on lease		**(6,553)**	(4,490)	**(1,384)**	(1,259)
Tax paid	14(a)	**(38,591)**	(26,547)	**(4,612)**	(3,180)
Tax refunded	14(a)	**155**	642	**155**	285
Net cash generated from operating activities		**283,896**	499,434	**230,556**	430,740
Cash flows from investing activities					
Acquisition of subsidiary	7	**-**	-	**-**	(2)
Purchase of property, plant and equipment	5	**(151,833)**	(126,409)	**(62,573)**	(47,528)
Purchase of intangible assets	6	**(500)**	(463)	**-**	(463)
Proceeds from sale of property, plant and equipment		**18,520**	1,843	**519**	211
Proceeds from sale of equity investments at fair value through other comprehensive income		**-**	1,854	**-**	-
Dividends received		**18,060**	24,259	**30,373**	55,559
Net cash (used in)/generated from investing activities		**(115,753)**	(98,916)	**(31,681)**	7,777
Cash flows from financing activities					
Proceeds from borrowings	30(c)	**15,401,938**	10,611,858	**13,917,367**	9,476,174
Payments of borrowings	30(c)	**(15,477,693)**	(10,857,957)	**(14,047,280)**	(9,789,580)
Proceeds from borrowings from related parties	30(c)	**1,109,273**	1,043,700	**1,134,573**	1,057,100
Payments of borrowings to related parties	30(c)	**(1,118,773)**	(1,082,450)	**(1,118,773)**	(1,082,450)
Principal paid on lease liabilities	30(c)	**(24,135)**	(12,791)	**(5,491)**	(3,680)
Dividends paid to Company's shareholders		**(92,246)**	(40,654)	**(92,246)**	(40,654)
Net cash used in financing activities		**(201,636)**	(338,294)	**(211,850)**	(383,090)
Net (decrease)/increase in cash and cash equivalents		**(33,493)**	62,224	**(12,975)**	55,427
Movement in cash and cash equivalents					
At July 01,		**75,891**	15,356	**45,604**	(9,823)
(Decrease)/increase		**(33,493)**	62,224	**(12,975)**	55,427
Effect of foreign exchange rate changes		**(1,679)**	(1,689)	**-**	-
At June 30,	30(b)	**40,719**	75,891	**32,629**	45,604

The notes on pages 79 to 124 form an integral part of these financial statements.
Independent auditor's report on pages 74 to 76.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

1. GENERAL INFORMATION

Livestock Feed Limited is a public limited company incorporated and domiciled in Mauritius. The address of its registered office is Eclosia Group Headquarters, Gentilly, Moka and its principal place of business is at Claude Delaitre Street, Pailles since 1977.

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

Principal activities

The principal activities of the Company consist of processing animal feeds. Details of the subsidiaries' activities are disclosed in Note 7.

2. ACCOUNTING POLICIES

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

The financial statements of Livestock Feed Limited and its subsidiaries comply with the Mauritius Companies Act 2001 and Mauritian Financial Reporting Act 2004 and have been prepared in accordance with IFRS Accounting Standards as issued by International Accounting Standard Board (IASB) and Mauritian Financial Reporting Act 2004.

The financial statements include the consolidated financial statements of the Company and its subsidiary companies (The "Group") and the separate financial statements of the Livestock Feed Limited (The "Company"). The financial statements are presented in Mauritian Rupee and all values are rounded to the nearest thousand (Rs000), except when otherwise indicated. Where necessary, comparative figures have been amended to conform with changes in current year.

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

(i) land and buildings, core plant and machinery and factory equipment are carried at revalued amounts;

(ii) derivative financial instruments are stated at fair value;

(iii) financial assets for which irrevocable election has been made to be classified as other comprehensive income are stated at fair value;

(iv) liability in respect of defined benefit pension plans are carried at the present value of the defined benefit obligation less the fair value of plan assets; and

(v) consumable biological assets are stated at fair value less costs to sell.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

2. ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation

Standards, amendments to published standards and interpretations effective in the reporting period

IAS 1 Presentation of Financial Statements

Classification of Liabilities as Current or Non-current: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current. The amendments have no impact on the Group's financial statements.

Non-current Liabilities with Covenants: Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current. Disclosures have been made in Note 18(f).

IFRS 16 Leases

Lease Liability in a Sale and Leaseback: The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments have no impact on the Group's financial statements.

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

Supplier Finance Arrangements: The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. The amendments have no impact on the Group's financial statements.

Standards, Amendments to published Standards and Interpretations issued but not yet effective

Certain standards, amendments to published standards and interpretations have been issued that are mandatory for accounting periods beginning on or after January 01, 2025 or later periods, but which the Group has not early adopted.

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

Effective date January 01, 2025

IAS 21 The Effects of Changes in Foreign Exchange Rates

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

Effective date January 01, 2026

IFRS 9 Financial Instruments & IFRS 7 Financial Instruments: Disclosures

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

Contracts Referencing Nature-dependent Electricity: The amendments clarify how IFRS 9 should be applied to power purchase agreements with specific characteristics. The amendments include clarification on the application of the 'own-use' requirements and permitting hedge accounting if these contracts are used as hedging instruments. New disclosure requirements have also been included to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

Effective date January 01, 2027

IFRS 18 Presentation and Disclosure in Financial Statements

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

IFRS 19 Subsidiaries without Public Accountability: Disclosures

Subsidiaries without Public Accountability: Disclosures: IFRS 19 is a non-mandatory standard. It specifies the disclosure requirements that eligible subsidiaries are permitted to apply instead of the disclosure requirements in other IFRS accounting standards. It allows eligible entities to benefit from reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. Subsidiaries are eligible to apply IFRS 19 if they do not have public accountability and their parent, intermediate parent or ultimate parent company produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

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

IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures

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

Where relevant, the Group is still evaluating the effect of the Standards, Amendments to published Standards and Interpretations issued but not yet effective for the current reporting period.

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

2. ACCOUNTING POLICIES (CONT'D)

(b) Property, plant and equipment

Land and buildings, plant and machinery and factory equipment, held for use in the production or supply of goods or for administrative purposes, are stated at their fair value, based on periodic valuations by external independent valuers, less subsequent accumulated depreciation and any accumulated impairment losses for buildings, plant and machinery and factory equipment. At the date of revaluation, the gross carrying amount of buildings, plant and machinery and factory equipment is restated by reference to market data, and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and carrying amount of the asset after taking into account accumulated impairment losses. Valuations are usually carried out every 3 years. All other property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

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

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

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

	Annual rates
Buildings	2% - 33%
Plant and machinery	2% - 20%
Factory equipment	3% - 100%
Furniture, fittings and equipment	2% - 100%
Motor vehicles	20%

Freehold land is not depreciated.

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

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

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. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. On disposal of revalued assets, the amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) Intangible assets

(i) Customer relationship

Customer relationship for which the Group has control over the expected future economic benefits flowing therefrom and which is separable, is classified as a separate category of intangible assets. It is amortised using the straight line method over its estimated useful life (10 years).

(ii) Customer software

Acquired computer software licences are capitalised on the basis of costs incurred to acquire and bring to use the specific software and are amortised using the straight-line method over their estimated useful lives (3-7 years).

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

Computer software development costs recognised as assets are amortised over their estimated useful lives (not exceeding 3 years).

Losses on scrappings of computer software are included in profit or loss.

An intangible asset shall be derecognised:

(a) on disposal; or

(b) when no future economic benefits are expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. It is recognised in profit or loss when the asset is derecognised.

(d) Investment in subsidiaries

Separate financial statements of the Company

In the separate financial statements of the Company, investments in subsidiary are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss.

Consolidated financial statements

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

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

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

2. ACCOUNTING POLICIES (CONT'D)

(d) Investment in subsidiaries (cont'd)

Consolidated financial statements (cont'd)

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interests' proportionate share of the acquiree's net assets.

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

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

Transactions with non-controlling interests

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

Disposal of subsidiaries

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

Changes in ownership interests

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

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

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

(e) Investment in associate

Separate financial statements of the Company

In the separate financial statements of the Company, investment in associated company is carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss.

Consolidated financial statements

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

Investment in associate is accounted for using the equity method, except when classified as held-for-sale. Investment in associate is initially recognised at cost as adjusted by post acquisition changes in the Group's share of the net assets of the associate less any impairment in the value of individual investments. Cross holding/reciprocal interest are eliminated on equity accounting.

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

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

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

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

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

Dilution gains and losses arising on investment in associates are recognised in profit or loss.

(f) Biological assets

Consumable biological assets
- Point of Lay and broilers

Consumable biological assets are measured at fair value less estimated costs to sell, with gains or losses arising from changes in the fair values recognised in profit or loss. The fair values are determined by estimating the expected cash flows as adjusted by the hatchability, mortality and margin rates and the present condition of the asset.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

2. ACCOUNTING POLICIES (CONT'D)

(g) Financial assets

Initial recognition

Financial assets are recognised in the Group's and Company's financial position when the Group and the Company become a party to the contractual provisions of the instruments.

The Group classifies its financial assets as per business model test and contractual cashflows of the financial assets as follows:

(a) Amortised cost

(i) Initial and subsequent measurement

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

(ii) Impairment

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

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

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

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

(iii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

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

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

(iv) Credit-impaired financial assets

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

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

(v) Write-off policy

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

(vi) Derecognition

The Group de-recognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expires; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either: substantially all of the risks and rewards of ownership of the financial asset are transferred; or the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial assets.

On derecognition of a financial asset in its entirety, the difference between:

(a) the carrying amount (measured at the date of derecognition) and

(b) the consideration received is recognised in profit or loss.

(vii) Fair value through other comprehensive income

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

2. ACCOUNTING POLICIES (CONT'D)

(g) Financial assets (cont'd)

(a) Amortised cost (cont'd)

(vii) Fair value through other comprehensive income (cont'd)

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

Purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

(h) Financial liabilities

Initial recognition

Financial liabilities are recognised in the Group and Company's financial position when the Group and the Company become a party to the contractual provisions of the instruments.

The Group's accounting policy for its financial liabilities is as follows:

(i) Preference shares

Preference shares are classified as debt based on its contractual terms. The terms of the preference shares include a mandatory fixed cumulative dividend of 10%, meeting the definition of a liability under the requirements of IAS 32. Dividend on the preference shares is accounted for as finance cost in profit or loss.

(ii) Borrowings

Borrowings are initially recognised at fair value, net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statements of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

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

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

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

On derecogntion of financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

(iii) Trade and other payables

Trade payables represent liabilities for goods and services provided to the Group, prior to the end of the financial year which are unpaid. These amounts are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(i) Hedge accounting

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

- At the inception of the hedge there is formal designation and documentation of the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge;
- The hedge relationship meets all of the hedge effectiveness requirements including that an economic relationship exists between the hedged item and the hedging instrument, the credit risk effect does not dominate the value changes, and the hedge ratio is designated based on actual quantities of the hedged item and the hedging instrument. Where option contracts are used to hedge forecast transactions, the intrinsic and time value of the options are designated as the hedging instrument.

Cash flow hedges

The Group and the Company uses call options in respect of highly probable forecast transactions as hedged instrument to hedge their price risks arising on the purchase of soyas and maize. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

2. ACCOUNTING POLICIES (CONT'D)

(i) Hedge accounting (cont'd)

Cash flow hedges (cont'd)

Option contracts

Where option contracts are used to hedge forecast transactions, the intrinsic and time value of the options are designated as the hedging instrument.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss, as follows:

Where the hedged item subsequently results in the recognition of a non-financial asset (Inventory – Note 11), both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (e.g., through cost of sales) (Note 2(k)(a)).

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

(j) Share capital

(i) Ordinary shares

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

(ii) Treasury shares

Where the Company purchases its equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. When such shares are subsequently reissued, any net consideration received, is included in equity attributable to the Company's equity holders.

(k) Inventories

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

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

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average cost basis. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity), but excludes borrowings costs. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses. Cost of inventories include the transfer from equity of any gains/losses on qualifying cash flow hedges relating to purchases of raw materials. When inventories are sold, the carrying amount of those inventories shall be recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(b) Spare parts

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

(l) Retirement benefit obligations

(i) Defined benefit plans

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

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

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

The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/(asset), taking into account any changes in the net defined liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense/(income) is recognised in profit or loss.

Service costs comprising current service cost, past service cost, as well as gains and losses on curtailments and settlements are recognised immediately in profit or loss.

(ii) Gratuity on retirement

For employees who are not covered (or who are insufficiently covered by the above pension plans), the net present value of gratuity on retirement payable under the Workers' Rights Act 2019 is calculated by a qualified actuary. The Workers' Right Act 2019 stipulates that the gratuity paid on retirement should be based on the remuneration (which is inclusive of payment for extra work, productivity bonus, attendance bonus, commission in return for services and any other regular payments) of the employee instead of earnings. The amount due per year of service is 15 days remuneration based on a month of 26 days. The Group and the Company makes Portable Retirement Gratuity Fund contribution ("PRGF") contribution in line with the Workers' Right Act 2019.

(iii) 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 the possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

2. ACCOUNTING POLICIES (CONT'D)

(l) Retirement benefit obligations (cont'd)

(iv) Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity.

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

(m) Current and deferred income tax

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

Current tax

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

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

(n) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using Mauritian Rupee, the currency of the primary economic environment in which the entity operates ("functional currency"), except for the subsidiaries located in Madagascar, Seychelles, Rwanda and Kenya and whose functional currency is the Madagascar Ariary (MGA), the Seychellois Rupee (SCR), the Rwandan Franc (RWF) and the Kenyan Shillings (KES) respectively. The consolidated financial statements are presented in Mauritian Rupee.

(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 profit or loss, except when deferred in equity as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to the purchase of raw materials are presented in profit or loss within 'cost of sales'. All other foreign exchange gains and losses are presented in profit or loss within 'finance costs'.

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

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

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

(b) income and expenses for each statement representing profit or loss and other comprehensive income are translated at average exchange rates; and

(c) all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to shareholders' equity.

When a foreign operation is sold, such exchange differences are recognised in profit or loss as part of the gain or loss on sale.

(o) Leases

As a lessee

The Group leases land, buildings and plant and machinery.

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

(i) Leases of low value assets; and

(ii) Leases with a duration of 12 months or less.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

2. ACCOUNTING POLICIES (CONT'D)

(o) Leases (cont'd)

As a lessee (cont'd)

The Group accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

(a) There is an identified asset;

(b) The Group obtains substantially all the economic benefits from use of the asset; and

(c) The Group has the right to direct use of the asset.

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

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

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Incremental borrowing rate is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonable certain to assess that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

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

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term. The terms of the leases previously classified as operating lease under IAS 17 are disclosed in note 5B. The lease liability classified as finance lease obligations under IAS 17 is disclosed in note 5B. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Group remeasures the lease liability (and makes a corres-ponding adjustment to the related right-of-use whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using revised discount rate.

- The lease payments change due to changes in an index or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payment using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

- The lease contract is modified and the lease mofification is not accounted for as a separate lease, in which case the lease liability is remeasured on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

2. ACCOUNTING POLICIES (CONT'D)

(o) Leases (cont'd)

As a lessee (cont'd)

For the current year, the Group does not have short term leases or low-value assets.

Right-of-use assets comprise land, buildings and plant and machinery.

(p) Revenue recognition

(i) Revenue from contracts with customers

Performance obligations and timing of revenue recognition

The majority of the revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the 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.

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each product sold. 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 product lines are capable of being, and are, sold separately).

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

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

(q) Dividend distribution

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

(r) Provisions

Provisions are recognised when the Group has 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.

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

(s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the decision makers.

Management monitors the operating results of its business units seperately for the purpose of making decisions about resource allocation and performs assessment.

(t) Basic earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares; and
- by number of ordinary shares adjusted for any bonus issue.

(u) Contingent liabilities

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

(v) Offsetting of financial instruments

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

(w) Impairment of non-financial assets

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The activities of the Group and the Company expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

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

Categories of financial instruments

		THE GROUP		THE COMPANY	
At June 30, 2025	IFRS Classification	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Financial assets					
Financial assets at fair value through					
other comprehensive income (Note 9)	Fair value	**153,155**	205,262	**1**	1
Trade receivables (Note 12)	Amortised cost	**466,138**	459,490	**546,312**	410,579
Other receivables (see note below) (Note 12 A)	Amortised cost	**111,047**	72,297	**19,134**	25,903
Derivative financial instruments (Note 13)	Fair value	**5,133**	3,463	**5,133**	3,463
Cash and cash equivalents (Note 30(b))	Amortised cost	**175,439**	172,455	**32,763**	55,704
Total financial assets		**910,912**	912,967	**603,343**	495,650
Financial liabilities					
Preference shares (Note 17)	Amortised cost	**3,536**	3,536	**3,536**	3,536
Trade and other payables (see note below) (Note 21)	Amortised cost	**356,298**	315,802	**175,657**	205,767
Borrowings (Note 18)	Amortised cost	**644,684**	749,319	**285,780**	420,126
Bank overdraft (Note 18A)	Amortised cost	**134,720**	96,564	**134**	10,100
Lease liabilities (Note 5B)	Amortised cost	**51,849**	79,676	**18,746**	24,237
Total financial liabilities		**1,191,087**	1,244,897	**483,853**	663,766

Note: Prepayments, advances to suppliers, accrued expenses and provisions have been excluded.

(a) Market risk

(i) Currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the Euro, the US dollar, Malagasy Ariary, Seychellois rupee, Rwanda Franc and Kenyan Shillings.

The Group uses forward contracts and call options to hedge its exposure to foreign currency risk when future commercial transactions, recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. External foreign exchange contracts are designated at Group level as hedges of foreign exchange risk on specific assets, liabilities or future transactions.

In order to monitor currency risk, the Board receives a daily forecast, analysed by the major currencies held by the Group, of liabilities due for settlement and expected cash reserves.

Currency profile

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

THE GROUP	MUR Rs000	MGA Rs000	USD Rs000	EUR Rs000	SCR Rs000	Other currencies Rs000	TOTAL Rs000
At June 30, 2025							
Trade receivables (Note 12)	351,953	58,334	6,503	3,343	11,731	34,274	466,138
Other receivables (see note below) (Note 12 A)	8,019	102,208	-	-	758	62	111,047
Derivative financial instruments (Note 13)	-	-	5,133	-	-	-	5,133
Cash and cash equivalents (Note 30(b))	38,491	70,498	24,985	406	19,175	21,884	175,439
Total financial assets	398,463	231,040	36,621	3,749	31,664	56,220	757,757

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

Currency profile (cont'd)

THE GROUP	MUR Rs000	MGA Rs000	USD Rs000	EUR Rs000	SCR Rs000	Other Currencies Rs000	TOTAL Rs000
At June 30, 2025							
Preference shares [Note 17]	3,536	-	-	-	-	-	3,536
Trade and other payables (see note below) [Note 21]	150,055	148,798	19,145	20,446	7,926	9,928	356,298
Borrowings [Note 18]	119,830	435,857	59,919	-	-	29,078	644,684
Bank overdrafts [Note 18A]	134	134,586	-	-	-	-	134,720
Lease liabilities [Note 5B]	18,746	29,675	-	-	-	3,428	51,849
Total financial liabilities	292,301	748,916	79,064	20,446	7,926	42,434	1,191,087

Note: Prepayments, advances to suppliers, accrued expenses and provisions have been excluded.

THE GROUP	MUR Rs000	MGA Rs000	USD Rs000	EUR Rs000	SCR Rs000	Other Currencies Rs000	TOTAL Rs000
At June 30, 2024							
Trade receivables [Note 12]	338,942	74,142	11,294	-	7,923	27,189	459,490
Other receivables (see note below) [Note 12 A]	38,715	32,991	-	-	530	61	72,297
Derivative financial instruments [Note 13]	-	-	3,463	-	-	-	3,463
Cash and cash equivalents [Note 30(b)]	67,666	62,092	7,847	1 ,350	14,055	19,445	172,455
Total financial assets	445,323	169,225	22,604	1,350	22,508	46,695	707,705
Preference shares [Note 17]	3,536	-	-	-	-	-	3,536
Trade and other payables (see note below) [Note 21]	89,463	28,896	154,989	24,239	13,120	5,095	315,802
Borrowings [Note 18]	190,500	334,342	216,227	-	-	8,250	749,319
Bank overdrafts	10,100	86,464	-	-	-	-	96,564
Lease liabilities	24,237	55,439	-	-	-	-	79,676
Total financial liabilities	317,836	505,141	371,216	24,239	13,120	13,345	1,244,897

Note: Prepayments, advances to suppliers, accrued expenses and provisions have been excluded.

THE COMPANY	MUR Rs000	USD Rs000	EUR Rs000	SCR Rs000	Other Currencies Rs000	TOTAL Rs000
At June 30, 2025						
Trade receivables [Note 12]	344,373	169,510	32,429	-	-	546,312
Other receivables (see note below) [Note 12 A]	1,156	17,895	-	83	-	19,134
Derivative financial instruments [Note 13]	-	5,133	-	-	-	5,133
Cash and cash equivalents [Note 30(b)]	22,128	9,661	406	564	4	32,763
Total financial assets	367,657	202,199	32,835	647	4	603,342
Preference shares [Note 17]	3,536	-	-	-	-	3,536
Trade and other payables (see note below) [Note 21]	124,965	24,675	17,850	-	8,167	175,657
Borrowings [Note 18]	154,700	44,765	86,315	-	-	285,780
Bank overdrafts [Note 18A]	134	-	-	-	-	134
Lease liabilities [Note 5B]	18,746	-	-	-	-	18,746
Total financial liabilities	302,081	69,440	104,165	-	8,167	483,853

Note: Prepayments, advances to suppliers, accrued expenses and provisions have been excluded.

THE COMPANY	MUR Rs000	USD Rs000	EUR Rs000	SCR Rs000	Other Currencies Rs000	TOTAL Rs000
At June 30, 2024						
Trade receivables [Note 12]	329,094	81,485	-	-	-	410,579
Other receivables (see note below) [Note 12 A]	7,426	18,339	-	138	-	25,903
Derivative financial instruments [Note 13]	-	3,463	-	-	-	3,463
Cash and cash equivalents [Note 30(b)]	45,990	7,818	1,350	543	3	55,704
Total financial assets	382,510	111,105	1,350	681	3	495,649
At June 30, 2024						
Preference shares [Note 17]	3,536	-	-	-	-	3,536
Trade and other payables (see note below) [Note 21]	173,415	5,897	23,712	-	2,743	205,767
Borrowings [Note 18]	203,900	216,226	-	-	-	420,126
Bank overdrafts [Note 18A]	10,100	-	-	-	-	10,100
Lease liabilities [Note 5B]	24,237	-	-	-	-	24,237
Total financial liabilities	415,188	222,123	23,712	-	2,743	663,766

Note: Prepayments, advances to suppliers, accrued expenses and provisions have been excluded.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

Currency profile (cont'd)

The following significant exchange rates have been applied.

	AVERAGE RATE		YEAR-END SPOT RATE	
	2025 Rs	2024 Rs	2025 Rs	2024 Rs
MGA	**0.011**	0.011	**0.011**	0.011
USD	**46.15**	45.31	**45.04**	47.44
EUR	**50.53**	49.24	**52.78**	51.07
SCR	**3.318**	3.337	**3.270**	3.425
RWF	**0.034**	0.037	**0.031**	0.036

Sensitivity analysis

At June 30, 2025, if the rupee had weakened/strengthened by 5%, based on historical observations against the US dollar/Euro/Malagasy Ariary/Seychellois rupee, with all other variables held constant, post tax profit for the year and equity would have been impacted as follows mainly as a result of measurement of financial instruments denominated in a foreign currency.

THE GROUP	2025 Rs000	2024 Rs000
	+/-5%	+/-5%
MGA	**(25,894)**	(16,796)
	+/-5%	+/-5%
USD	**(2,122)**	(17,431)
	+/-5%	+/-5%
EUR	**(835)**	(1,144)
	+/-5%	+/-5%
SCR	**1,187**	469

THE COMPANY	2025 Rs000	2024 Rs000
	+/-5%	+/-5%
USD	**6,638**	(5,551)
	+/-5%	+/-5%
EUR	**(3,567)**	(1,118)
	+/-5%	+/-5%
SCR	**32**	34

Given that the Group has limited foreign currency exposure to RWF and KES, no sensitivity analysis was carried out.

(ii) Other price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated statements of financial position as financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Sensitivity analysis

The table below summarises the impact of increases/decreases in the fair value of the investments on the Group's equity.

The analysis is based on the assumption that the fair value had increased/decreased by 5% based on historical observations.

	IMPACT ON EQUITY	
Categories of investments	2025 Rs000	2024 Rs000
	+/-5%	+/-5%
Designated at fair value through other comprehensive income	**7,658**	10,263

(b) Credit risk

Credit risk arises from cash and cash equivalents, favourable derivatives instruments and deposits with banks and financial institutions (with credit ratings ranging from baa2 to baa3 for 2025 and 2024), as well as credit exposures to customers, including outstanding trade receivables. The maximum exposure of the Group and the Company to the credit risk is the carrying value of these assets.

Credit risk is managed on a Group basis. For banks and financial institution, only independently rated parties are accepted.

Risk control assesses the credit quality of the customer, taking into account its financial position, past experience, and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The compliance with credit limits by customers is regularly monitored by line management. The receivables are covered by a letter of credit, bank guarantee or credit protection cover (Note 12).

The Group and the Company trade receivables are concentrated amongst its related parties.

The table below shows the trade receivable balance of major counterparties at the end of the reporting period for the Group and the Company:

	2025		2024	
	Overdue Balance Rs000	Balance Rs000	Overdue Balance Rs000	Balance Rs000
THE GROUP				
Major counterparties	**13,617**	**306,095**	38,409	357,456
Others	**42,052**	**160,043**	2,809	102,034
	55,669	**466,138**	41,218	459,490
THE COMPANY				
Major counterparties	**-**	**428,353**	-	316,722
Others	**1,068**	**117,959**	736	93,857
	1,068	**546,312**	736	410,579

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.1 Financial risk factors (cont'd)

(b) Credit risk (cont'd)

Overdue balances relate to balances due above 90 days.

Management does not expect any losses from non-performance by these counterparties.

The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates. The Group mitigates this risk by negotiating with financial institutions to obtain the best rates.

At June 30, 2025, if interest rates on rupee-denominated borrowings had been 50 basis points (based on historical observations), higher/lower with all other variables held constant, post tax profit for the year would have been Rs 2.4m (2024: Rs 2.6m) lower/higher for the Group and Rs 0.5m (2024: Rs 1.2m) lower/higher for the Company, mainly as a result of higher/lower interest expense on floating rate borrowings.

(d) Liquidity risk

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

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities and the availability of funding from an adequate amount of committed credit facilities.

The Group and the Company aim at maintaining flexibility in funding by keeping committed credit lines available. Management monitors rolling forecasts of the liquidity reserve on the basis of expected cash flows.

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

THE GROUP	Less than 1 year Rs000	1 - 2 years Rs000	2 - 5 years Rs000	Total Rs000
At June 30, 2025				
Preference shares (Note 17)	**424**	**424**	**2,688**	**3,536**
Trade and other payables (Note 21)	**481,602**	**-**	**-**	**481,602**
Bank overdraft (Note 18A)	**134,720**	**-**	**-**	**134,720**
Import loan (Note 18)	**461,171**	**-**	**-**	**461,171**
Bank loans (Note 18)	**29,460**	**15,285**	**22,707**	**67,452**
Other loans (Note 18)	**116,000**	**-**	**-**	**116,000**
Lease liabilities (Note 5B)	**27,351**	**15,831**	**23,030**	**66,212**
	1,250,728	**31,540**	**48,425**	**1,330,693**
At June 30, 2024				
Preference shares (Note 17)	424	424	2,688	3,536
Money market lines (Note 18)	65,000	-	-	65,000
Trade and other payables (Note 21)	395,567	-	-	395,567
Bank overdraft (Note 18A)	96,564	-	-	96,564
Import loan (Note 18)	484,062	-	-	484,062
Bank loans (Note 18)	5,035	26,681	43,041	74,757
Other loans (Note 18)	125,500	-	-	125,500
Lease liabilities (Note 5B)	16,367	20,444	65,159	101,970
	1,188,519	47,549	110,888	1,346,956

THE COMPANY	Less than 1 year Rs000	1 - 2 years Rs000	2 - 5 years Rs000	Total Rs000
At June 30, 2025				
Preference shares (Note 17)	**424**	**424**	**2,688**	**3,536**
Trade and other payables (Note 21)	**211,800**	**-**	**-**	**211,800**
Bank overdraft (Note 18A)	**134**	**-**	**-**	**134**
Import loan (Note 18)	**131,080**	**-**	**-**	**131,080**
Other loans (Note 18)	**154,700**	**-**	**-**	**154,700**
Lease liabilities (Note 5B)	**6,875**	**2,875**	**19,250**	**29,000**
	505,013	**3,299**	**21,938**	**530,250**
At June 30, 2024				
Preference shares (Note 17)	424	424	2,688	3,536
Money market lines (Note 18)	65,000	-	-	65,000
Trade and other payables (Note 21)	231,510	-	-	231,510
Bank overdraft (Note 18A)	10,100	-	-	10,100
Import loan (Note 18)	216,226	-	-	216,226
Other loans (Note 18)	138,900	-	-	138,900
Lease liabilities (Note 5B)	6,875	6,875	22,125	35,875
	669,035	7,299	24,813	701,147

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

3. FINANCIAL RISK MANAGEMENT (CONT'D)

3.2 Fair value estimates

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

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

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

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

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

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

Refer to notes 5, 9, 10 and 13 for the inputs, assumptions used in the valuation techniques and the fair value hierarchy of the Group's and the Company's financial and non-financial assets measured at fair value.

Except where otherwise stated, the carrying amounts of financial assets and financial liabilities approximate their fair values.

3.3 Capital risk management

The Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, 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.

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

Consistently with others in the industry, the Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt to adjusted capital. Net debt is calculated as total debt less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e., share capital, retained earnings, revaluation and other reserves), other than amounts recognised in equity relating to cash flow hedges.

During the year June 30, 2025, the Group's strategy, which was unchanged from 2024, was to maintain the debt-to-adjusted capital ratio to a reasonable level in order to secure access to finance at reasonable costs.

The debt-to-adjusted capital ratio at June 30, 2025 and June 30, 2024 were as follows:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Total debt	**831,253**	925,559	**304,660**	454,463
Less: cash and cash equivalents	**(175,439)**	(172,455)	**(32,763)**	(55,704)
Net debt	**655,814**	753,104	**271,897**	398,759
Total equity	**3,278,543**	3,076,402	**1,989,082**	1,823,047
Amounts recognised in equity relating to cash flow hedges (Note 16(a)/(c))	**12,106**	11,515	**12,106**	11,515
Adjusted capital	**3,290,649**	3,087,917	**2,001,188**	1,834,562
Debt-to-adjusted capital ratio	**20%**	24%	**14%**	22%

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

4.1 Key sources of estimation uncertainty

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

(a) Pension benefits

The present value of the pension obligations 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. 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 obligation.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in note 19.

(b) Revaluation of property, plant and equipment

The Group carries land and buildings, core plant and machinery and factory equipment at revalued amounts with changes in fair value being recognised in other comprehensive income. Land and buildings, core plant and machinery and factory equipment have been revalued as at June 30, 2023 by an external valuer. Revaluation includes various inputs which requires judgements and assumptions as disclosed in note 5.

(c) Asset lives and residual values for property, plant and equipment

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

Property, plant and equipment are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Group and the Company would currently obtain from disposal of the asset, if the asset was already of the age and in the 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. Such estimates are disclosed in note 2(b).

(d) Impairment of non- financial assets

Property, plant and equipment, intangible assets and Right-of-Use Assets, investments in subsidiaries and associate are reviewed for impairment whenever there is an indication impairment. An impairment loss is recognised if the carrying amount of the asset exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Refer to notes 5, 5A ,6, 7 and 8.

(e) Leases

In determining the lease term for the buildings being rented, management exercises judgement when considering the broader economics of its arrangement with the lessor, including economic penalties for each of the lessor and if the Group and the Company were to vacate the leased premises. Refer to note 5B.

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

The fair value of securities not quoted in an active market may be determined by the Group using valuation techniques, including third party transaction values, earnings, net asset value or discounted cash flows, whichever is considered to be appropriate. The Group would exercise judgement and estimates on the quantity and quality of pricing sources used. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Further information about the assumptions made in measuring fair values is included in note 9 to the financial statements.

(g) Biological assets

Biological assets consist of point of lay and are carried at fair value less costs to sell. The fair value was determined by using valuation techniques which are based on certain assumptions such as expected costs, mortality rates and margin rate. Valuation techniques used include estimating the expected cash flows. Management also exercises judgement when cost approximates fair value. These are disclosed in note 10.

(h) Impairment of financial assets

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

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

4.1 Key sources of estimation uncertainty (cont'd)

(i) Hedge ineffectiveness

The Group is exposed to price risk on the purchase of raw materials. The Group hedges these exposures by entering into option contracts ("hedging instruments") that will match the terms of the physical commodity contract ("hedged item"). To apply hedge accounting, a condition is that the forecast transaction must be "highly probable". The Group has applied judgement in assessing whether the hedge effectiveness is highly probable as disclosed in note 13.

(j) Asset lives for customer relationship

Customer relationship is amortised using the straight line method over its estimated useful life (10 years). (Note 6)

4.2 Critical accounting judgement

(a) Limitation of sensitivity analysis

Sensitivity analysis, in respect of market risk, demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

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

(b) Assessment from customs

The foreign subsidiary, LFL Madagascar SA, has received a claim from the local customs department in respect of duties payable on imports relating to the years 2021 to 2024. The foreign subsidiary, upon advice from its legal advisors, is objecting this assessment and believes that its arguments are strong as the declarations made by the foreign subsidiary are in line with the Import Rules of Madagascar. The potential outcome of this assessment remains unknown.

5. PROPERTY, PLANT AND EQUIPMENT

	Land & Buildings Rs000	Plant & Machinery Rs000	Factory Equipment Rs000	Furniture, Fittings & Equipment Rs000	Motor Vehicles Rs000	Work-In-Progress Rs000	Total Rs000
(a) THE GROUP							
COST OR VALUATION							
At July 01, 2024	800,179	879,224	524,564	76,975	54,124	53,606	2,388,672
Reclassification	1,038	(37,900)	33,792	565	1	740	(1,764)
Additions	23,945	9,348	46,220	4,155	4,606	63,559	151,833
Transfers from work-in-progress	10,668	16,007	18,725	1,374	118	(46,892)	-
Transfer to intangible assets (Note 6)	-	-	-	-	-	(2,284)	(2,284)
Disposals	-	(12,198)	(6,500)	(2,754)	(2,317)	-	(23,769)
Exchange differences	(9,360)	(8,008)	(19,530)	(1,855)	(1,993)	(982)	(41,728)
Scrap	-	-	(57)	(1,054)	-	-	(1,111)
At June 30, 2025	826,470	846,473	597,214	77,406	54,539	67,747	2,469,849
DEPRECIATION							
At July 01, 2024	45,097	410,697	263,303	56,690	32,104	-	807,891
Reclassification	433	(25,202)	22,910	30	65	-	(1,764)
Charge for the year	39,231	41,429	41,034	4,603	4,918	-	131,215
Disposal adjustments	-	(1,828)	(1,142)	(481)	(2,317)	-	(5,768)
Exchange differences	(1,160)	(3,094)	(8,339)	(1,085)	(1,168)	-	(14,846)
Scrap	-	-	(57)	(1,054)	-	-	(1,111)
At June 30, 2025	83,601	422,002	317,709	58,703	33,602	-	915,617
NET BOOK VALUES							
At June 30, 2025	742,869	424,471	279,505	18,703	20,937	67,747	1,554,232

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

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

	Land & Buildings Rs000	Plant & Machinery Rs000	Factory Equipment Rs000	Furniture, Fittings & Equipment Rs000	Motor Vehicles Rs000	Work-In-Progress Rs000	Total Rs000
(b) THE GROUP							
COST OR VALUATION							
At July 01, 2023	726,827	783,788	461,008	67,896	44,950	144,751	2,229,220
Additions	24,314	9,839	18,853	6,278	5,667	61,458	126,409
Transfers from work-in-progress	41,192	83,684	23,925	1,930	2,851	(153,582)	-
Transfers from Right-of-use assets (Note 5A)	-	-	2,246	-	-	-	2,246
Disposals	-	(2,987)	(411)	(393)	(1,320)	-	(5,111)
Exchange differences	8,847	5,334	19,285	1,584	1,976	979	38,005
Scrap	-	(434)	(342)	(320)	-	-	(1,096)
Adjustment	(1,001)	-	-	-	-	-	(1,001)
At June 30, 2024	**800,179**	**879,224**	**524,564**	**76,975**	**54,124**	**53,606**	**2,388,672**
DEPRECIATION							
At July 01, 2023	8,814	366,091	199,744	49,276	25,768	-	649,693
Reclassification adjustments	-	-	122	(122)	-	-	-
Charge for the year	35,198	45,759	54,721	6,772	6,979	-	149,429
Transfers from Right-of-use assets (Note 5A)	-	-	761	-	-	-	761
Disposal adjustments	-	(1,775)	(240)	(122)	(1,320)	-	(3,457)
Exchange differences	1,092	2,024	8,454	1,205	677	-	13,452
Scrap	-	(246)	(259)	(319)	-	-	(824)
Adjustment	(7)	(1,156)	-	-	-	-	(1,163)
At June 30, 2024	**45,097**	**410,697**	**263,303**	**56,690**	**32,104**	**-**	**807,891**
NET BOOK VALUES							
At June 30, 2024	**755,082**	**468,527**	**261,261**	**20,285**	**22,020**	**53,606**	**1,580,781**

	Land & Buildings Rs000	Plant & Machinery Rs000	Factory Equipment Rs000	Furniture, Fittings & Equipment Rs000	Motor Vehicles Rs000	Work-In-Progress Rs000	Total Rs000
(c) THE COMPANY							
COST OR VALUATION							
At July 01, 2024	568,082	720,527	165,586	41,562	18,386	35,118	1,549,261
Reclassification	1,038	(37,900)	33,792	565	1	740	(1,764)
Additions	-	-	-	-	-	62,573	62,573
Transfers from work-in-progress	10,668	16,007	18,631	1,375	118	(46,799)	-
Transfer to intangible assets (Note 6)	-	-	-	-	-	(2,284)	(2,284)
Disposals	-	-	-	(37)	(2,317)	-	(2,354)
Scrap	-	-	(57)	(1,054)	-	-	(1,111)
At June 30, 2025	**579,788**	**698,634**	**217,952**	**42,411**	**16,188**	**49,348**	**1,604,321**
DEPRECIATION							
At July 01, 2024	23,069	366,826	97,001	36,505	12,259	-	535,660
Reclassification	433	(25,202)	22,910	30	65	-	(1,764)
Charge for the year	19,125	34,276	19,349	2,338	1,760	-	76,848
Disposal adjustments	-	-	-	(37)	(2,317)	-	(2,354)
Scrap	-	-	(57)	(1,054)	-	-	(1,111)
At June 30, 2025	**42,627**	**375,900**	**139,203**	**37,782**	**11,767**	**-**	**607,279**
NET BOOK VALUES							
At June 30, 2025	**537,161**	**322,734**	**78,749**	**4,629**	**4,421**	**49,348**	**997,042**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

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

	Land & Buildings Rs000	Plant & Machinery Rs000	Factory Equipment Rs000	Furniture, Fittings & Equipment Rs000	Motor Vehicles Rs000	Work-In-Progress Rs000	Total Rs000
(d) THE COMPANY							
At July 01, 2023	527,891	637,277	139,090	39,952	16,855	141,889	1,502,954
Additions	-	-	740	-	-	46,788	47,528
Transfers from work-in-progress	41,192	83,684	23,902	1,930	2,851	(153,559)	-
Transfers from Right-of-use assets (Note 5A)	-	-	2,246	-	-	-	2,246
Disposals	-	-	(50)	-	(1,320)	-	(1,370)
Scrap	-	(434)	(342)	(320)	-	-	(1,096)
Adjustment	(1,001)	-	-	-	-	-	(1,001)
At June 30, 2024	**568,082**	**720,527**	**165,586**	**41,562**	**18,386**	**35,118**	**1,549,261**
DEPRECIATION							
At July 01, 2023	4,749	334,812	78,992	34,199	11,802	-	464,554
Charge for the year	18,327	33,416	17,535	2,625	1,777	-	73,680
Transfers from Right-of-use assets (Note 5A)	-	-	761	-	-	-	761
Disposal adjustments	-	-	(28)	-	(1,320)	-	(1,348)
Scrap	-	(246)	(259)	(319)	-	-	(824)
Adjustment	(7)	(1,156)	-	-	-	-	(1,163)
At June 30, 2024	**23,069**	**366,826**	**97,001**	**36,505**	**12,259**	**-**	**535,660**
NET BOOK VALUES							
At June 30, 2024	**545,013**	**353,701**	**68,585**	**5,057**	**6,127**	**35,118**	**1,013,601**

(e) It is the Group policy to revalue the land and buildings, core factory equipment and plant and machinery of the Group every three years. Revaluations are done more frequently if after the review of Directors, there is any indication that the carrying amount differs materially from its fair value. The Group's and the Company's land was revalued using sales comparison approach. Buildings, plant and equipment and factory equipment were revalued on a depreciated replacement cost basis. The Group's and Company's land and buildings revalued amounts are based on revaluation performed as at June 30, 2023 by independent qualified valuers namely Elevante Property Services Ltd except for the properties in Madagascar which were revalued by Cabinet Razafindratandra. The Group's and the Company's plant & machinery and factory equipment revalued amounts are based on revaluation performed as at June 30, 2023 by independent qualified valuer namely Engineering Technical and Management Services Ltd.

The valuation method is the open market value approach. The valuation consideration takes into account two broad valuation methodologies, namely the sales comparison approach and the depreciated replacement cost approach.

The depreciated replacement cost approach is computed as follows for buildings, core factory equipment and plant and machinery:

Buildings: The cost approach used for revaluation of buildings reflects the cost to a market participant to construct assets of comparable utility and age and is adjusted for obsolescence and physical deterioration.

Factory equipment and plant and machinery: The Group's equipment were revalued on the basis of fair market value – installed which involves calculating a replacement cost from recent price references and adjusting for depreciation attributable to the assets as of the date of the valuation.

For land, the sales comparison approach involves comparing sales prices of comparable land in close proximity.

The revaluation surplus/deficit net of deferred income taxes was credited/charged to revaluation reserve in shareholders' equity.

Details of the Group's land, buildings, plant & machinery and factory equipment measured at fair value and information about the fair value hierarchy are as follows:

	THE GROUP		THE COMPANY	
	Level 2 Rs000	Level 3 Rs000	Level 2 Rs000	Level 3 Rs000
2025				
Land	**152,875**	**-**	**145,600**	**-**
Buildings	**-**	**589,994**	**-**	**391,561**
Plant and machinery	**-**	**254,683**	**-**	**193,640**
Factory equipment	**-**	**55,901**	**-**	**47,249**
	152,875	**900,578**	**145,600**	**632,450**
2024				
Land	153,188	-	145,600	-
Buildings	-	601,894	-	399,413
Plant and machinery	-	281,119	-	212,221
Factory equipment	-	52,252	-	41,151
	153,188	**935,265**	**145,600**	**652,785**

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

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

Reconciliation of Level 3 fair value hierachy as follows:

	THE GROUP 2025 Rs000	THE GROUP 2024 Rs000	THE COMPANY 2025 Rs000	THE COMPANY 2024 Rs000
At July 01,	**935,265**	867,586	**652,785**	595,080
Additions	**62,815**	130,175	**31,451**	105,744
Reclassification	**(4,837)**	-	**(485)**	1,034
Disposal Adjustments	**(7,295)**	(890)	**(3)**	(176)
Depreciation	**(72,293)**	(73,598)	**(51,298)**	(48,897)
Exchange differences	**(13,077)**	11,992	**-**	-
At June 30,	**900,578**	935,265	**632,450**	652,785

The fair value of land was derived using the sales comparison approach. The most significant input into this valuation approach is price per square metre.

At June 30, 2025, the most significant observable inputs for the valuation of land were as follows:

	THE GROUP Range of Observable Input Rs/m2	THE COMPANY Range of Observable Input Rs/m2
Land		
Price per square metre	573 - 6,434	3,655 - 6,434

At June 30, 2024, the most significant observable inputs for the valuation of land were as follows:

	THE GROUP Range of Observable Input Rs/m2	THE COMPANY Range of Observable Input Rs/m2
Land		
Price per square metre	573 - 6,434	3,655 - 6,434

Significant increase/(decrease) in the above observable input, price per square metre in isolation would result in a significantly higher/(lower) fair value.

At June 30, 2025, the most significant unobservable inputs for the valuation of buildings were as follows:

	THE GROUP Range of Unobservable Input Rs/m2	THE COMPANY Range of Unobservable Input Rs/m2
Buildings		
Price per square metre	7,790 - 35,000	15,000 - 35,000

At June 30, 2024:

	THE GROUP Range of Unobservable Input Rs/m2	THE COMPANY Range of Unobservable Input Rs/m2
Buildings		
Price per square metre	7,790 - 35,000	15,000 - 35,000

Significant increase/(decrease) in the above unobservable input, price per square metre in isolation would result in a significantly higher/(lower) fair value.

The fair value of core plant & machinery and factory equipment was determined using the depreciated replacement cost basis.

Directors have assessed the fair value of core factory equipment, plant and machinery and consider same to be not materially different from its carrying amount.

(f) If the land & buildings, plant & machinery and factory equipment were stated on the historical cost basis, the amounts would be as follows:

	Land & Buildings 2025 Rs000	Land & Buildings 2024 Rs000	Plant and Machinery and Factory Equipment 2025 Rs000	Plant and Machinery and Factory Equipment 2024 Rs000
THE GROUP				
Cost	**634,917**	608,626	**545,685**	578,436
Accumulated depreciation	**(205,687)**	(197,170)	**(289,372)**	(306,740)
Net book value	**429,230**	411,456	**256,313**	271,696
THE COMPANY				
Cost	**387,865**	376,159	**411,485**	433,378
Accumulated depreciation	**(73,328)**	(71,115)	**(260,235)**	(274,081)
Net book value	**314,537**	305,044	**151,250**	159,297

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

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

(g) Depreciation charge is allocated as follows in the statement of profit or loss and other comprehensive income:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Cost of sales	124,684	143,015	71,375	68,246
Administrative expenses	6,531	6,414	5,473	5,434
	131,215	149,429	76,848	73,680

(h) Bank borrowings are secured by floating charges on the assets of the Group, including property, plant and equipment (Note 18).

5A. RIGHT-OF-USE ASSETS

	Land Rs000	Buildings Rs000	Total Rs000
THE GROUP			
At July 01, 2024	23,533	66,261	89,794
Additions	-	13,903	13,903
Derecognition	-	(13,538)	(13,538)
Depreciation	(380)	(24,468)	(24,848)
Variable lease payment adjustments	-	230	230
Exchange differences	(758)	(3,055)	(3,813)
At June 30, 2025	22,395	39,333	61,728

	Land Rs000	Buildings Rs000	Plant & Machinery Rs000	Total Rs000
THE GROUP				
At July 01, 2023	28,217	2,398	1,561	32,176
Additions	-	70,097	-	70,097
Transfer to Property, plant and equipment (Note 5)	-	-	(1,485)	(1,485)
Depreciation	(1,498)	(14,190)	(76)	(15,764)
Exchange differences	(3,186)	7,956	-	4,770
At June 30, 2024	23,533	66,261	-	89,794
THE COMPANY				
At July 01, 2024	9,507	12,741	-	22,248
Depreciation	(382)	(5,450)	-	(5,832)
At June 30, 2025	9,125	7,291	-	16,416
At July 01, 2023	9,887	-	1,560	11,447
Additions	-	16,345	-	16,345
Transfer to Property, plant and equipment (Note 5)	-	-	(1,485)	(1,485)
Depreciation	(380)	(3,604)	(75)	(4,059)
At June 30, 2024	9,507	12,741	-	22,248

5B. LEASE LIABILITIES

	Land Rs000	Buildings Rs000	Plant & Machinery Rs000	Total Rs000
THE GROUP				
At July 01, 2024	11,128	68,548	-	79,676
Additions	-	13,903	-	13,903
Interest expense	674	5,879	-	6,553
Lease payments	(875)	(29,813)	-	(30,688)
Derecognition	-	(13,232)	-	(13,232)
Variable lease payment adjustments	-	(1,191)	-	(1,191)
Exchange differences	-	(3,172)	-	(3,172)
At June 30, 2025	10,927	40,922	-	51,849
Current				24,163
Non current				27,686
				51,849

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

5B. LEASE LIABILITIES (CONT'D)

	Land Rs000	Buildings Rs000	Plant & Machinery Rs000	Total Rs000
THE GROUP				
At July 01, 2023	11,148	7,991	1,044	20,183
Additions	-	70,097	-	70,097
Interest expense	680	3,806	4	4,490
Lease payments	(700)	(16,343)	(238)	(17,281)
Termination	-	-	(856)	(856)
Exchange differences	-	2,997	46	3,043
At June 30, 2024	11,128	68,548	-	79,676
Current				11,567
Non-current				68,109
				79,676
THE COMPANY				
At July 01, 2024	**11,318**	**12,919**	**-**	**24,237**
Interest expense	**674**	**710**	**-**	**1,384**
Lease payments	**(875)**	**(6,000)**	**-**	**(6,875)**
At June 30, 2025	**11,117**	**7,629**	**-**	**18,746**
Current				**5,872**
Non-current				**12,874**
				18,746

	Land Rs000	Buildings Rs000	Plant & Machinery Rs000	Total Rs000
THE COMPANY				
At July 01, 2023	11,338	-	234	11,572
Additions	-	16,345	-	16,345
Interest expense	680	575	4	1,259
Lease payments	(700)	(4,001)	(238)	(4,939)
At June 30, 2024	11,318	12,919	-	24,237
Current				5,490
Non-current				18,747
				24,237

(a) Nature of leasing activities (in the capacity as lessee)

The Group and the Company lease a plot of land, building and plant and machinery for their operations.

(b) Lease payments

The lease payments for the plot of land & buildings and plant and machinery are fixed for the Group.

	LEASE CONTRACT NUMBER	
June 30, 2025	**THE GROUP**	**THE COMPANY**
Land	**2**	**1**
Buildings	**43**	**1**

	LEASE CONTRACT NUMBER	
June 30, 2024	**THE GROUP**	**THE COMPANY**
Land	3	1
Buildings	62	1

(c) Extension and termination options

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

(d) Lease term

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

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

The lease term for land is for a period of 25 to 30 years. The lease terms for buildings varies between 1 to 7 years.

(e) Residual value

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

At the end of each reporting period, the expected residual values are reviewed to reflect actual residual values achieved on comparable assets and expectations about future prices. As at June 30, 2025, the residual value included in the calculation of the lease liabilities is nil (2024: nil).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

5B. LEASE LIABILITIES (CONT'D)

(f) Short term lease or low value assets

The Group and the Company does not have any short term leases or low value assets.

(g) Interest expense and cash outflows

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Interest expense (included in finance cost)	6,553	4,490	1,384	1,259
Total cash outflows	(30,688)	(17,281)	(6,875)	(4,939)

(h) The incremental rate of borrowings used for computation of the present value of the lease obligations were as follows:

	2025 %	2024 %
THE GROUP		
Lease liabilities	6.00-16.00	6.00-7.50
THE COMPANY		
Lease liabilities	6.00-6.75	6.00-6.75

6. INTANGIBLE ASSETS

	Customer Relationship Rs000	Computer Software Rs000	Total Rs000
THE GROUP			
(a) COST			
At July 01, 2024	26,280	79,466	105,746
Additions	-	500	500
Transfer from Property, plant and equipment (Note 5)	-	2,284	2,284
Exchange differences	(3,463)	(373)	(3,836)
At June 30, 2025	22,817	81,877	104,694
AMORTISATION			
At July 01, 2024	5,071	54,989	60,060
Charge for the year	2,462	11,126	13,588
Exchange differences	(1,053)	(325)	(1,378)
At June 30, 2025	6,480	65,790	72,270
NET BOOK VALUES			
At June 30, 2025	16,337	16,087	32,424

	Customer Relationship Rs000	Computer Software Rs000	Total Rs000
THE GROUP			
(b) COST			
At July 01, 2023	27,494	78,698	106,192
Additions	-	463	463
Exchange differences	(1,214)	305	(909)
At June 30, 2024	26,280	79,466	105,746
AMORTISATION			
At July 01, 2023	2,624	43,783	46,407
Charge for the year	2,695	10,930	13,625
Exchange differences	(248)	276	28
At June 30, 2024	5,071	54,989	60,060
NET BOOK VALUES			
At June 30, 2024	21,209	24,477	45,686

Customer relationship

Customer relationship for which the Group has control over the expected future economic benefits flowing therefrom and which is separable, is classified as a separate category of intangible assets. It is amortised using the straight line method over its estimated useful life (10 years).

	COMPUTER SOFTWARE	
	2025 Rs000	2024 Rs000
(c) THE COMPANY		
COST		
At July 01,	72,581	72,118
Transfer from Property, plant and equipment (Note 5)	2,284	-
Additions	-	463
At June 30	74,865	72,581
AMORTISATION		
At July 01,	49,106	38,811
Charge for the year	10,814	10,295
At June 30	59,920	49,106
NET BOOK VALUES		
At June 30	14,945	23,475

(d) Amortisation charge is allocated as follows in the statements of profit or loss and other comprehensive income:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Administrative expenses	13,588	13,625	10,814	10,295

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

7. INVESTMENT IN SUBSIDIARIES

	THE COMPANY	
	2025 Rs000	2024 Rs000
Unquoted		
COST		
At July 01,	**377,320**	377,318
Additions	-	2
At June 30,	**377,320**	377,320

The Directors have reviewed the financial position and performance of the subsidiary companies and there was no indication of impairment in respect of investment in subsidiaries.
Details of the subsidiary companies are as follows:

Name	Stated Capital	Class of Shares Held	2025 Proportion of Ownership Direct	2025 Proportion of Ownership Indirect	2024 Proportionof Ownership Direct	2024 Proportionof Ownership Indirect	Country of Incorporation and Operation	Main Business
Les Pondeuses Reunies Ltee	Rs 87,000,000	Ordinary	**100%**	-	100%	-	Mauritius	Sale and distribution of animal feed and chicks
LFL Investment Ltd	Rs 158,001,000	Ordinary	**100%**	-	100%	-	Mauritius	Investment holding
LFL International Ltd	Rs 1,000	Ordinary	**100%**	-	100%	-	Mauritius	Investment holding
LFL (Seychelles) Ltd	SCR 8,115,000	Ordinary	**100%**	-	100%	-	Seychelles	Sale and distribution of animal feed and chicks
LFL International Madagascar Ltd	Rs 450,000,000	Ordinary	-	**100%**	-	100%	Mauritius	Investment holding
LFL Madagascar SA	MGA 2,744,540,000	Ordinary	-	**100%**	-	100%	Madagascar	Production of animal feed
LFL International Rwanda Ltd	Rs 133,000,000	Ordinary	-	**100%**	-	100%	Mauritius	Investment holding
LFL Rwanda Ltd	RWF 3,455,000,000	Ordinary	-	**100%**	-	100%	Rwanda	Production of animal feed
LFL International Kenya Ltd	Rs 1,000	Ordinary	-	**100%**	-	100%	Mauritius	Investment holding
LFL Operation (Kenya) Limited	KES 4,900,000	Ordinary	-	**100%**	-	100%	Kenya	Sale and distribution of animal feed and chicks
LFL International Seychelles Ltd	Rs 1,000	Ordinary	-	**100%**	-	100%	Mauritius	Investment holding

All the above subsidiaries have coterminous reporting date, that is June 30.

The Directors confirm that there are no significant restrictions on the ability of the Group to access or use assets and settle liabilities.

8. INVESTMENT IN ASSOCIATE

	THE COMPANY	
	2025 Rs000	2024 Rs000
(a) **COST/QUOTED**		
Investment in associate	**58,798**	58,798

	THE GROUP	
(b)	2025 Rs000	2024 Rs000
Investment in associate	**695,640**	691,565

Reconciliation to carrying amounts:	2025 Rs000	2024 Rs000
THE GROUP		
At July 01,	**691,565**	643,762
Share of profit after tax and non-controlling interests	**39,896**	51,986
Dividends	**(11,798)**	(11,798)
Treasury shares received as distribution (Note 15)	**-**	(16,942)
	28,098	23,246
Share of other comprehensive income	**(24,023)**	24,557
At June 30,	**695,640**	**691,565**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

8. INVESTMENT IN ASSOCIATE (CONT'D)

(b) The Group (cont'd)

(i) The summarised financial information of the Group's associate were as follows:

	Year End	Cash & Cash Equivalents Rs000	Other Current Assets Rs000	Non-Current Assets Rs000	Total Assets Rs000	Financial Liabilities (Excluding Trade Payables) Rs000	Other Current Liabilities Rs000	Total Current Liabilities Rs000	Total Non Current Liabilities Rs000	Net Assets Rs000
2025										
Les Moulins de la Concorde Ltée	**June 30,**	**116,640**	**1,215,720**	**1,724,077**	**3,056,437**	**143,725**	**79,137**	**222,862**	**445,627**	**2,387,948**
2024										
Les Moulins de la Concorde Ltée	June 30,	56,241	1,270,223	1,842,157	3,168,621	292,465	86,401	378,866	415,796	2,373,960

	Revenue Rs000	Interest Income Rs000	Depreciation and Amortisation Rs000	Interest Expense Rs000	Income Tax Expense Rs000	Profit for the Year Rs000	Other Comprehensive Income for the Year Rs000	Total Comprehensive Income for the Year Rs000	Dividends Received during the Year Rs000	Proportion of Ownership Interest		Main Business	Country of Incorporation and Operation
										Direct %	Indirect %		
2025													
Les Moulins de la Concorde Ltée	**3,273,547**	**6,850**	**(122,185)**	**(26,344)**	**(28,198)**	**136,953**	**(82,465)**	**56,586**	**2**	**29.13%**	**-**	**Milling of wheat**	**Mauritius**
2024													
Les Moulins de la Concorde Ltée	3,265,301	6,581	(103,262)	(22,787)	(21,592)	178,454	10,027	188,482	14,273	29.13%	-	Milling of wheat	Mauritius

(ii) Reconciliation of summarised financial information to the carrying amount recognised in the financial statements in respect of the associate is set out below:

	Net Assets at July 01, Rs000	Profit for the Year Rs000	Dividends Rs000	Other Comprehensive Income for the Year Rs000	Closing Net Assets at June 30, Rs000	Ownership Interest %	Interest in Associate Rs000	Adjustments Rs000	Goodwill Rs000	Carrying Value Rs000
THE GROUP										
2025										
Les Moulins de la Concorde Ltée	**2,373,960**	**136,953**	**(42,600)**	**(80,365)**	**2,387,948**	**29.13%**	**695,640**	**-**	**n/a**	**695,640**
2024										
Les Moulins de la Concorde Ltée	2,344,820	178,454	(42,600)	10,027	2,373,960	29.13%	691,565	-	n/a	691,565

(i) Les Moulins de la Concorde Ltée is a public limited company incorporated and domiciled in Mauritius. The address of its registered office is Eclosia Group Headquarters, Gentilly, Moka and its principal place of business is at Cargo Peninsula, Quay D, Port Louis. The associate is, to some extent, also a supplier of raw materials to Livestock Feed Limited.

(ii) The above associate is accounted for using the equity method.

(iii) As at June 30, 2025, the fair value of the Group's interest in Les Moulins de la Concorde Ltée which is DEM quoted was **Rs 236.7m** (2024: Rs 233m) based on the quoted market price available, which is a level 1 input in terms of IFRS 13.

(iv) The Directors confirm that there are no restrictions on the ability of the Group to access or use assets and settle liabilities.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
At July 01,	205,262	198,246	1	1
Disposal	-	(1,000)	-	-
Change in fair value recognised in OCI	(52,107)	8,016	-	-
At June 30,	153,155	205,262	1	1

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Quoted:				
Equity securities - Mauritius	18,879	22,796	-	-
Unquoted:				
Equity security - Mauritius	134,275	182,465	-	-
Equity security - Madagascar	1	1	1	1
	153,155	205,262	1	1

(iii) Financial assets measured at fair value through other comprehensive income include the Group's strategic equity investments not held for trading. The Group has made an irrevocable election to classify the equity investments at fair value through other comprehensive income rather than through profit or loss.

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Quoted - Level 1:				
Mauritius Freeport Development Co Ltd	16,112	19,493	-	-
Constance Hotels Ltd	1,573	1,847	-	-
C-Care (Mauritius) Ltd	1,194	1,456	-	-
Unquoted - Level 3:				
Indigo Hotels & Resorts Ltd	50,214	43,558	-	-
Premier Logistics Co Ltd	82,642	137,488	-	-
Ecocentre Ltée	1,003	1,003	-	-
Progos	50	50	-	-
Les Lycées Associées	350	350	-	-
Ferme Laitière de L'Avenir	15	15	-	-
Mer Rouge Trading Ltd	1	1	-	-
Avitech SA	1	1	1	1
	153,155	205,262	1	1

(v) Financial assets at fair value through other comprehensive income are denominated in Mauritian Rupees (Rs).

(vi) **Level 1**

The fair value of quoted securities is based on published market prices.

Level 3

When utilising a multiple-based approach, multiples are applied to the most recent and relevant operating performance metric of the investment as appropriate, including historical and/or forecasted revenue, EBITDA, dividend yield, net income or other relevant operating performance metric (as appropriate).

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D)

The DCF valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.

The significant unobservable inputs used in measuring the fair value of Level 3 securities are as follows:

Description	Fair Value at June 30, 2025 Rs000	Fair Value at June 30, 2024 Rs000	Valuation Technique	Unobservable Inputs
Indigo Hotels & Resorts Ltd	**50,214**	43,558	Net asset value and PE Multiple for underlying investment	PE Multiple of 4.06 (2024: 5.18) Illiquidity Discount of 20% (2024: 20%)
Premier Logistics Co Ltd	**82,642**	137,488	Discounted cash flow (2024: Dividend discount model and PE Multiple)	Discount rates of 12.1% to 18.22% Perpetual growth rate ranging from 1%-6% Growth rate 5% 2024: Dividend Yield ratio 2.43% Price earnings multiple 19.2 Illiquidity Discount 25%

The reduction in value of Premier Logistics Co Ltd is driven by the lower performance of the investee group. Premier Logistics Co Ltd was valued using the Discounted Cash Flow as primary method thereby better reflecting current performance, revised forecasts and underlying risks of the investee group (2024: average of Earnings Multiples and Dividend Growth Model).

The discount rate used represents the current market assessment of the risk specific to the company taking into consideration the time value of money and the weighted average cost of capital ("WACC"). The WACC takes into consideration both debt and equity. The cost of equity is derived from the expected return on investment from the investors. The cost of debt is based on the interest-bearing borrowings that are being serviced. The DCF computation was based on a five-year forecast period, and growth estimates are based on management's best estimates of the company and industry's growth rate.

Net asset value and PE Multiple: The higher the Price earnings multiple and lower discount rate, the higher the fair value of the investment and vice versa. The higher the illiquidity discount, the lower the fair value of the investment and vice versa.

Discounted cash flow: The higher the expected cash flows, the higher the fair value and vice versa. The higher the discount rate, the lower the fair value of the investment and vice versa.

Other remaining investments are not materially sensitive to changes in unobservable inputs and have therefore not been presented in the table above.

A reconciliation of equity investments at fair value through other comprehensive income (Level 3) is as follows:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
At July 01,	**182,466**	167,936	**1**	1
Disposal	**-**	(1,000)	**-**	-
Change in fair value recognised in OCI	**(48,190)**	15,530	**-**	-
At June 30,	**134,276**	182,466	**1**	1

10. BIOLOGICAL ASSETS

	THE GROUP	
	2025 Rs000	2024 Rs000
(a) At July 01,	**5,710**	2,275
Purchase cost of growing and fair value gains	**47,950**	25,687
Disposals and decrease due to depletion	**(45,250)**	(22,252)
At June 30,	**8,410**	5,710
Analysed as follows:		
Current	**8,410**	5,710
	8,410	5,710

(b) The carrying amounts of biological assets are as follows:

	THE GROUP	
	2025 Rs000	2024 Rs000
Consumable biological assets	**8,410**	5,710
	8,410	5,710

(c) The fair value measurements for biological assets have been categorised as Level 3 fair value based on inputs to the valuation techniques used. There have been no transfers of assets to a different level.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

10. BIOLOGICAL ASSETS (CONT'D)

(c) The valuation technique used for consumable biological assets is based on the expected selling price less cost of sale for chicken layers of similar ages and weights, adjusted for mortality rate, which represent significant unobservable inputs. The assumption for mortality rates ranges from 0-4% while a 5% change in each assumption would change the fair value by **Rs 421,000** (2024: Rs 286,000) for the Group.

(d) The Group is exposed to the risk of diseases which may cause mortality rate of live birds to increase. However, the Group has in place processes aimed at monitoring and mitigating this risk, including strict controls over health and safety.

11. INVENTORIES

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Raw materials	**1,171,532**	1,041,594	**483,630**	542,942
Finished goods	**84,221**	73,353	**24,883**	27,176
Packing materials and sundry consumables	**46,882**	38,468	**46,700**	38,364
Goods-in-transit	**135,020**	31,502	**-**	-
Stock provision (Note (a))	**(21,348)**	(14,494)	**(10,638)**	(9,827)
	1,416,307	1,170,423	**544,575**	598,655
Cost of inventories recognised as expense in cost of sales	**4,533,496**	4,310,024	**3,088,661**	2,893,124

The bank borrowings are secured by floating charges on the assets of the Group, including inventory (Note 18).

(a) Stock of raw materials are subject to loss in weight. Therefore, a stock provision is accounted based on 1%-1.5% on year end stock.

12. TRADE RECEIVABLES

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Trade receivables	**535,872**	545,337	**549,320**	412,425
Less: provision for impairment	**(69,734)**	(85,847)	**(3,008)**	(1,846)
Trade receivables - net	**466,138**	459,490	**546,312**	410,579

(i) Impairment of trade receivables

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

The compliance with credit limits by customers is regularly monitored by line management. In determining the expected credit loss, receivables which are covered by a letter of credit, bank guarantee or credit protection cover are excluded from the calculation.

The Group and the Company has a credit protection cover of Rs 127.7m (2024: Rs 143.7m) with a reputable bank (baa2) and amount due from related parties amounts to Rs 392m (2024: Rs 255m). No impairment has been considered on these categories of customers.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before June 30, 2025 or July 1, 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group and the Company identified the real GDP of low income and developing countries and accordingly adjust the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at June 30, 2025 and June 30, 2024 was determined as follows for trade receivables:

	Current Rs000	More than 30 days past due Rs000	More than 60 days past due Rs000	More than 90 days past due Rs000	Total Rs000
THE GROUP					
At June 30, 2025					
Expected loss rate	**0%**	**0%**	**7%**	**77%**	
Gross carrying amount-Trade receivable	**391,370**	**41,686**	**13,574**	**89,242**	**535,872**
Net exposure post credit protection	**270,732**	**34,992**	**13,360**	**89,119**	**408,203**
Loss allowance	**-**	**-**	**983**	**68,751**	**69,734**
THE GROUP					
At July 01, 2024					
Expected loss rate	0%	0%	0%	85%	
Gross carrying amount-Trade receivable	390,596	36,290	17,334	101,117	545,337
Net exposure post credit protection	261,888	27,704	13,166	98,856	401,614
Loss allowance	-	-	-	85,847	85,847

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

12. TRADE RECEIVABLES (CONT'D)

(i) Impairment of trade receivables (cont'd)

	Current Rs000	More than 30 days past due Rs000	More than 60 days past due Rs000	More than 90 days past due Rs000	Total Rs000
THE COMPANY					
At June 30, 2025					
Expected loss rate	**0%**	**0%**	**7%**	**12%**	
Gross carrying amount - Trade receivable	**482,876**	**36,200**	**13,830**	**16,414**	**549,320**
Net exposure post credit protection	**362,238**	**29,506**	**13,616**	**16,291**	**421,651**
Loss allowance	**-**	**-**	**983**	**2,025**	**3,008**
At June 30, 2024					
Expected loss rate	0%	0%	0%	35%	
Gross carrying amount - Trade receivable	390,987	10,815	5,407	5,216	412,425
Net exposure post credit protection	262,279	2,229	1,239	2,955	268,702
Loss allowance	-	-	-	1,846	1,846

The closing loss allowances for trade receivables as at June 30, 2025 reconcile to the opening loss allowances as follows:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
At July 01,	**85,847**	58,345	**1,846**	2,164
Increase in loss allowance	**3,426**	26,912	**1,163**	124
Recoveries	**(15,335)**	(442)	**(1)**	(442)
Exchange differences	**(4,204)**	1,032	**-**	-
At June 30,	**69,734**	85,847	**3,008**	1,846

(ii) The carrying amounts of the trade receivables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Mauritian Rupee	**351,953**	338,942	**344,373**	329,094
Malagasy Ariary	**58,334**	74,142	**-**	-
US Dollar	**6,503**	11,294	**169,510**	81,485
Euro	**3,343**	-	**32,429**	-
Seychelles Rupee	**11,731**	7,923	**-**	-
Rwandan Franc	**34,274**	27,189	**-**	-
	466,138	459,490	**546,312**	410,579

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.

12A. PREPAYMENTS AND OTHER RECEIVABLES

	THE GROUP	
	2025 Rs000 Current	2024 Rs000 Current
Advance to suppliers	**78,666**	37,093
Dividends receivable	**-**	1,341
Advance to employees	**770**	2,181
VAT recoverable	**12,897**	13,486
Prepayment	**7,006**	19,407
Refundable deposits	**105,540**	63,743
Other receivables	**4,737**	11,249
	209,616	148,500

	THE COMPANY	
	2025 Rs000	2024 Rs000
Advance to suppliers	**21,537**	35,694
Advance to related parties	**18,364**	18,940
Dividends receivable	**-**	6,029
Advance to employees	**770**	934
VAT recoverable	**12,897**	13,193
Prepayment	**5,869**	2,209
Other receivables	**2,461**	2,377
	61,898	79,376

Other receivables consist of TDS recoverable and deposits.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

12A. PREPAYMENTS AND OTHER RECEIVABLES (CONT'D)

The carrying amounts of the prepayments and other receivables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Malagasy Ariary	**158,770**	75,933	**-**	-
Mauritian Rupee	**28,286**	50,923	**22,878**	26,998
US Dollar	**7,624**	198	**25,489**	39,474
Other currencies	**14,936**	21,446	**13,531**	12,904
	209,616	148,500	**61,898**	79,376

13. DERIVATIVE FINANCIAL INSTRUMENTS

	Fair Value of Assets	
	2025 Rs000	2024 Rs000
THE GROUP AND THE COMPANY		
Options	**5,133**	3,463
	5,133	3,463

Options:

The Group and the Company use maize and soya bean call options to hedge itself against future increases in the price of maize and soya beans. The options qualify as a cash flow hedge and the gains/losses on the hedging instrument are recognised in equity. The gains/losses are then removed from the cash flow hedge reserve and included directly in the initial cost of inventory.

The effects of the options hedging relationships are as follows at June 30:

	2025 Rs000	2024 Rs000
THE GROUP AND THE COMPANY		
Carrying amount of derivatives	**5,133**	3,463
Change in fair value of designated hedging instruments	**6,009**	5,477
Change in fair value of designated hedged item	**6,009**	5,477
Notional amount	**5,133**	3,463
Maturity date	**December 25 - May 26**	December 24 - March 25
Hedge ratio	**1:1**	1:1

The maximum exposure to credit risk at the end of the reporting period is the fair value of the derivative assets in the statements of financial position.

The carrying amounts of the derivative financial assets are denominated in US Dollar.

There are no forward contracts that have been taken for the purchase of the hedged items.

Hedging

The Company has elected to adopt the hedge accounting requirements of IFRS 9 Financial Instruments. The Group enters into hedge relationships where the critical terms of the hedging instrument and the hedge item match. Therefore, for the prospective assessment of effectiveness, a qualitative assessment is performed.

14. INCOME TAX

In July 2024, the Finance (Miscellaneous Provisions) Act 2024 was promulgated into law and requires the Group to pay a Corporate Climate Responsibility ("CCR") levy equivalent to 2% of its chargeable income. Consequently, the tax rate has increased from 17% to 19%.

		THE GROUP		THE COMPANY	
		2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
(a)	**Statement of financial position**				
	At July 01,	**21,062**	(111)	**4,152**	(5,776)
	Current tax on the adjusted profit for the year at 3%/15%/20%/28%/30% (2024: 3%/15/20%/28%/30%)	**73,145**	54,390	**27,292**	25,525
	Tax paid	**(36,269)**	(23,418)	**-**	(51)
	Tax refund	**155**	-	**155**	-
	CSR refund	**-**	417	**-**	60
	Investment tax credit	**(36,174)**	(25,525)	**(36,174)**	(25,525)
	TDS suffered	**(17)**	(95)	**(17)**	(95)
	Corporate social responsibility paid	**(2,105)**	(2,625)	**(4,395)**	(2,625)
	Provision for corporate social responsibility for the year	**4,670**	4,291	**4,670**	4,291
	CCR provision	**8,882**	-	**8,882**	-
	(Over)/under provision in prior years	**(80)**	12,971	**(80)**	8,348
	Exchange differences	**(16,903)**	767	**-**	-
		16,366	21,062	**4,485**	4,152
	Disclosed as follows:				
	Current tax asset	**(33,450)**	(18,358)	**-**	-
	Current tax liability	**49,816**	39,420	**4,485**	4,152
	Net	**16,366**	21,062	**4,485**	4,152
	Statement of profit or loss				
	Current tax on the adjusted profit for the year at 3%/15%/20%/28%/30% (2024: 3%/15/20%/28%/30%)	**73,145**	54,390	**27,292**	25,525
	Tax suffered on foreign dividend received	**-**	2,437	**-**	2,437
	Withholding tax	**200**	409	**200**	409
	Investment tax credit	**(36,174)**	(25,525)	**(36,174)**	(25,525)
	Tax refund	**-**	(225)	**-**	(225)
	Movement in deferred taxation account (Note 20)	**6,505**	4,796	**6,745**	(294)
	- Effect of increase in tax rate	**10,049**	-	**9,760**	-
	- Movement for the year	**(3,544)**	-	**(3,015)**	-
	CCR provision	**8,882**	-	**8,882**	-
	Provision for CSR	**4,670**	4,291	**4,670**	4,291
	(Over)/under provision in prior years	**(80)**	12,971	**(80)**	8,348
		57,148	53,544	**11,535**	14,966

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

14. INCOME TAX (CONT'D)

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Profit before income tax and share of profit of associate	**400,824**	352,297	**237,636**	216,496
Tax calculated on accounting profit at 3%/19%/17%/20%/28%/30% (2024: 3%/17%/20%/28%/30%)	**76,383**	58,673	**45,151**	36,804
Income not subject to tax	**(2,943)**	(10,483)	**(6,256)**	(10,880)
Expenses not deductible for tax purposes	**19,762**	15,287	**8,694**	3,598
Tax refund	**-**	(225)	**-**	(225)
Tax suffered on foreign income received	**-**	2,437	**-**	2,437
Withholding tax	**200**	409	**200**	409
Investment income tax credit	**(36,174)**	(25,525)	**(36,174)**	(25,525)
(Over)/under provision in prior years	**(80)**	12,971	**(80)**	8,348
Tax charge	**57,148**	53,544	**11,535**	14,966

15. STATED CAPITAL

	THE GROUP AND THE COMPANY			
	Number of Ordinary Shares (Thousands)	Ordinary Shares Rs000	Treasury Shares Rs000	Total Rs000
At July 01, 2023	94,500	945,000	-	945,000
Treasury shares purchased	(1,694)	-	(16,942)	(16,942)
At June 30, 2024	92,806	945,000	(16,942)	928,058
Cancellation	-	(16,942)	16,942	-
At June 30, 2025	**92,806**	**928,058**	**-**	**928,058**

The total issued number of ordinary share is **92,805,785** shares (2024: 94,500,000 shares) with a par value of **Rs 10 per share** (2024: Rs 10 per share).

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

Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

The Board may issue shares at any time and there is no limit on the number of shares to be issued at no par value.

In 2024, the Company acquired 1,694,000 of its own shares following a distribution in specie from Les Moulins de La Concorde Ltee ("LMLC"). LMLC resolved to proceed with a distribution of its shareholding in the Company in the form of a dividend in specie to its ordinary shareholders. The shares were held as "treasury shares". On September 25, 2024, the board has resolved to cancel all the treasury shares and to proceed with a reduction of the ordinary share capital of the Company by equivalent amount.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

16. REVALUATION AND OTHER RESERVES

	Notes	Revaluation Reserve Rs000	Financial Assets at FVOCI Reserve Rs000	Translation of Foreign Operations Rs000	Actuarial Reserve Rs000	Reserve of Associate Rs000	Hedging Reserve Rs000	Total Rs000
THE GROUP								
(a) 2025								
Balance at July 01, 2024		359,605	53,695	(2,157)	(28,158)	279,882	(11,515)	651,352
Items that will not be reclassified to profit or loss								
Remeasurement of post-employment benefit obligations	19	-	-	-	(12,526)	-	-	(12,526)
Deferred tax on remeasurement of post-employment benefit obligations	20	-	-	-	3,078	-	-	3,078
Deferred tax on revaluation surplus of property, plant and equipment	20	(2,349)	-	-	-	-	-	(2,349)
Change in fair value of equity instruments at fair value through other comprehensive income	9(i)	-	(52,107)	-	-	-	-	(52,107)
Share of other comprehensive income of associates	8(a)	-	-	-	-	(24,023)	-	(24,023)
Cash flow hedges		-	-	-	-	-	(591)	(591)
Items that may be reclassified subsequently to profit or loss								
Currency translation differences		-	-	(44,654)	-	-	-	(44,654)
At June 30, 2025		357,256	1,588	(46,811)	(37,606)	255,859	(12,106)	518,180

	Notes	Revaluation Reserve Rs000	Financial Assets at FVOCI Reserve Rs000	Translation of Foreign Operations Rs000	Actuarial Reserve Rs000	Reserve of Associate Rs000	Hedging Reserve Rs000	Total Rs000
THE GROUP								
(b) 2024								
Balance at July 01, 2023		359,605	45,679	(30,748)	(26,283)	255,325	(8,853)	594,725
Items that will not be reclassified to profit or loss								
Remeasurement of post-employment benefit obligations	19	-	-	-	(2,259)	-	-	(2,259)
Deferred tax on remeasurement of post-employment benefit obligations	20	-	-	-	384	-	-	384
Change in fair value of equity instruments at fair value through other comprehensive income	9(i)	-	8,016	-	-	-	-	8,016
Share of other comprehensive income of associates	8(a)	-	-	-	-	24,557	-	24,557
Cash flow hedges		-	-	-	-	-	(2,662)	(2,662)
Items that may be reclassified subsequently to profit or loss								
Currency translation differences		-	-	28,591	-	-	-	28,591
At June 30, 2024		359,605	53,695	(2,157)	(28,158)	279,882	(11,515)	651,352

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

16. REVALUATION AND OTHER RESERVES (CONT'D)

	THE COMPANY	Notes	Revaluation Reserve Rs000	Actuarial Reserve Rs000	Hedging Reserve Rs000	Total Rs000
(c)	**2025**					
	At July 01, 2024		**228,910**	**(33,541)**	**(11,515)**	**183,854**
	Items that will not be reclassified to profit or loss					
	Remeasurement of post-employment benefit obligations	19	**-**	**(11,945)**	**-**	**(11,945)**
	Deferred tax on remeasurement of post-employment benefit obligations	20	**-**	**3,078**	**-**	**3,078**
	Deferred tax on revaluation surplus of property, plant and equipment	20	**(2,349)**	**-**	**-**	**(2,349)**
	Cash flow hedges		**-**	**-**	**(591)**	**(591)**
	At June 30, 2025		**226,561**	**(42,408)**	**(12,106)**	**172,047**
(d)	**2024**					
	At July 01, 2023		228,910	(31,666)	(8,853)	188,391
	Items that will not be reclassified to profit or loss					
	Remeasurement of post-employment benefit obligations	19	-	(2,259)	-	(2,259)
	Deferred tax on remeasurement of post-employment benefit obligations	20	-	384	-	384
	Cash flow hedges		-	-	(2,662)	(2,662)
	At June 30, 2024		228,910	(33,541)	(11,515)	183,854

Revaluation reserve

The revaluation reserve relates to the revaluation of land and buildings, plant & machinery and factory equipment.

Financial assets at FVOCI reserve

Financial assets at FVOCI reserve comprises the cumulative net change in financial assets at fair value through other comprehensive income that has been recognised in other comprehensive income until the investments are derecognised or impaired.

Actuarial losses

The actuarial losses represent the cumulative remeasurement of post employment benefit obligations recognised.

Translation of foreign operations

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

Hedging reserve

This reserve comprises of gains/losses arising on the effective portion of hedging instruments carried at fair value in a qualifying cash flow hedge.

THE GROUP AND THE COMPANY	Hedging Reserve 2025 Rs000	Hedging Reserve 2024 Rs000
Items that will not be reclassified to profit or loss		
Losses recognised on hedging instruments	**(19,548)**	(22,243)
Transferred to initial carrying amount of inventory	**7,442**	10,728
	(12,106)	(11,515)

Associate

Associate reserves comprise the cumulative change in other comprehensive income of associate arising mainly on fair value changes in investment in financial assets and revaluation on property, plant and equipment.

17. PREFERENCE SHARES

THE GROUP AND THE COMPANY	Number of Preference Shares (Thousands)	Preference Shares Rs000
At June 30, 2025	**354**	3,536
At June 30, 2024	**354**	3,536

The preference share is of a par value of Rs 10 issued by the Company.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

17. PREFERENCE SHARES (CONT'D)

The terms of the preference shares included a mandatory fixed cumulative dividend of 10%, meeting the definition of a liability under the requirements of IAS 32. The present value of the mandatory cash flows has been computed after applying a discount rate representing the effective interest rate applicable at the time of issue. Dividend on the preference shares is accounted for as finance cost in the statements of profit or loss and other comprehensive income [refer to Note 26].

The holders of the preference shares are entitled to a fixed cumulative dividend of 10% per annum in preference to the holders of ordinary shares which is considered as a finance cost. Any amount paid over and above the 10% is considered as dividend.

The 10% cumulative preference shares meets the definition of a liability under the requirements of IAS 32, because the instrument includes a contractual obligation to deliver cash to the holder.

Any balance the Board decides to distribute by way of dividends shall be distributed "pari-passu" per share amongst the ordinary and preference shareholders, the latter being entitled to a maximum dividend of 10%.

The preference shares carry a right to repayment of capital in winding up in priority to the ordinary shares but no other rights in respect of dividends, capital and voting.

18. BORROWINGS

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Non-current				
Bank loans [Note 18(b)]	38,053	69,722	-	-
	38,053	69,722	-	-
Current				
Bank loans	29,460	5,035	-	-
Money market lines	-	65,000	-	65,000
Import loan	461,171	484,062	131,080	216,226
Related party loan [Note 34]	116,000	125,500	154,700	138,900
	606,631	679,597	285,780	420,126
Total borrowings	644,684	749,319	285,780	420,126

(a) The bank borrowings (loans, money market lines and import loans) are secured by floating charges on the assets of the Group and the Company, including inventories, property, plant and equipment. The bank borrowing for LFL Rwanda Ltd is secured by fixed and floating charges on its assets, including equipment and land respectively. The related party loan is unsecured.

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
After 1 year and before 2 years	15,346	26,681		
After 2 years and before 5 years	22,707	43,041	-	-
	38,053	69,722	-	-

(c) The effective interest rates ranges in the relevant financial years were as follows:

	2025			2024	
	Rs %	MGA %	RWF %	Rs %	MGA %
THE GROUP					
Bank loans	-	8.25-9.50	7.00	7.00	8.50-11.50
Money market lines	4.50-5.50	-	-	4.75-5.60	-
Import loan	4.642-7.596	10.50	-	7.559-7.8750	10.50
Related party loan	3.75-4.25	-	-	4.00	-

	2025	2024
	Rs %	Rs %
THE COMPANY		
Money market lines	4.50 - 5.50	4.75-5.60
Import loan	4.642 - 6.8250	7.559-7.8750
Related party loan	3.75 - 4.25	4.00

The exposure of borrowings to interest rate changes, except preference shares, and the contractual repricing dates are as follows:

	One Year	1 to 5 Years	Total
THE GROUP			
At 30 June 2025	606,631	38,053	644,684
At 30 June 2024	679,597	69,722	749,319

	One Year	1 to 5 Years	Total
THE COMPANY			
At 30 June 2025	285,780	-	285,780
At 30 June 2024	420,126	-	420,126

(d) The carrying amounts of the Group's and the Company's borrowings are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Mauritian Rupee	116,010	190,500	154,700	203,900
Malagasy Ariary	391,092	334,342	-	-
US Dollar	44,815	216,227	44,765	216,226
Rwandan Franc	6,452	8,250	-	-
Euro	86,315	-	86,315	-
	644,684	749,319	285,780	420,126

(e) The carrying amounts of current and non-current borrowings are not materially different from the fair values.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

18. BORROWINGS (CONT'D)

(f) Loan covenants

The non-current borrowings include an amount of Rs 34.7m owed by one of the subsidiaries to a bank. As at year end, the subsidiary complied with the covenants, in respect of the gearing ratio and interest cover ratio, that were required to be met.

18A. BANK OVERDRAFTS

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Current				
Bank overdrafts	134,720	96,564	134	10,100

(a) The bank overdrafts are secured by floating charges on the assets of the Group and the Company, including inventories, property, plant and equipment.

(b) The exposure of the Company's bank overdrafts to interest rate changes and contractual repricing dates are as follows:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Bank overdrafts - Variable rates	134,720	96,564	134	10,100

	One Year Rs000	Total Rs000
THE GROUP		
At 30 June 2025	134,720	134,720
At 30 June 2024	96,564	96,564

	One Year Rs000	Total Rs000
THE COMPANY		
At 30 June 2025	134	134
At 30 June 2024	10,100	10,100

(c) The carrying amounts of the Group's and the Company's bank overdrafts approximate fair value and are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Mauritian Rupee	134	10,100	134	10,100
Malagasy Ariary	134,586	86,464	-	-
	134,720	96,564	134	10,100

(d) The effective interest rates ranges in the relevant financial years were as follows:

	2025		2024		
	Rs %	MGA %	Rs %	MGA %	SCR %
THE GROUP					
Bank overdrafts	5.65-7.05	9.00-12.40	6.75	9.00-12.40	10.00

	2025 %	2024 %
THE COMPANY		
Bank overdrafts	5.65-7.05	6.75

19. RETIREMENT BENEFIT OBLIGATIONS

The following amounts are shown on the statements of financial position:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Retirement benefit obligations	41,744	31,885	39,563	30,451
Amounts recognised in the statement of financial position:				
Defined pension benefits (Note 19(a)(ii))	12,985	13,549	12,985	13,549
Other post retirement benefits (Note 19(b)(i))	28,759	18,336	26,578	16,902
	41,744	31,885	39,563	30,451
Amounts charged to profit or loss:				
- Defined pension benefits (Note 19(a)(v))	1,428	1,524	1,428	1,524
- Other post retirement benefits (Note 19(b)(ii))	4,365	(597)	4,121	(597)
	5,793	927	5,549	927
Amounts charged to other comprehensive income:				
- Defined pension benefits (Note 19(a)(vi))	2,263	(1,888)	2,263	(1,888)
- Other post retirement benefits (Note 19(b)(iii))	10,263	4,147	9,682	4,147
	12,526	2,259	11,945	2,259

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

19. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined pension benefits

(i) The Group operates a defined benefit pension scheme. The plan is a final salary plan, which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The assets of the plan are independently administered by Swan Life.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligations were carried out at June 30, 2025 by Swan Life. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Present value of funded obligations	**31,439**	26,748	**31,439**	26,748
Fair value of plan assets [Note 19(a)(iv)]	**(18,454)**	(13,199)	**(18,454)**	(13,199)
Deficit of funded plans	**12,985**	13,549	**12,985**	13,549

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
At July 01,	**13,549**	15,641	**13,549**	15,641
Charged to profit or loss	**1,428**	1,524	**1,428**	1,524
Charged/(credited) to other comprehensive income	**2,263**	(1,888)	**2,263**	(1,888)
Transfer from fellow subsidiary	**-**	3,425	**-**	3,425
Contributions paid	**(4,255)**	(5,153)	**(4,255)**	(5,153)
At June 30,	**12,985**	13,549	**12,985**	13,549

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
At July 01,	**26,748**	19,666	**26,748**	19,666
Current service cost	**826**	798	**826**	798
Interest expense	**1,385**	1,083	**1,385**	1,083
Actuarial loss/(gain)	**2,349**	(1,636)	**2,349**	(1,636)
Employees' contribution	**131**	84	**131**	84
Transfer from fellow subsidiary	**-**	6,753	**-**	6,753
At June 30,	**31,439**	26,748	**31,439**	26,748

(iv) The movement in the fair value of plan assets of the year is as follows:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
At July 01,	**(13,199)**	(4,025)	**(13,199)**	(4,025)
Transfer from fellow subsidiary	**-**	(3,328)	**-**	(3,328)
Interest Income	**(783)**	(357)	**(783)**	(357)
Actuarial loss	**(86)**	(252)	**(86)**	(252)
Employer's contribution	**(4,255)**	(5,153)	**(4,255)**	(5,153)
Employees' contribution	**(131)**	(84)	**(131)**	(84)
At June 30,	**(18,454)**	(13,199)	**(18,454)**	(13,199)

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Current service cost	**826**	798	**826**	798
Cost of insuring risk benefits	**-**	-	**-**	-
Interest expense	**602**	726	**602**	726
Total included in employee benefit expense	**1,428**	1,524	**1,428**	1,524
Actual return on plan assets	**869**	609	**869**	609

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Remeasurement on the net defined benefit liability:				
Gains on pension scheme assets	**(86)**	(252)	**(86)**	(252)
Experience gains/(losses) on the liabilities	**277**	(2,206)	**277**	(2,206)
Change in assumption underlying the present value of the scheme	**2,072**	570	**2,072**	570
Actuarial loss/(gain) recognised in other comprehensive income	**2,263**	(1,888)	**2,263**	(1,888)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

19. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(a) Defined pension benefits (cont'd)

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Local equity	2,952	1,962	2,952	1,962
Foreign equity	4,429	3,219	4,429	3,219
Fixed income	7,012	6,322	7,012	6,322
Cash	4,061	1,696	4,061	1,696
Total market value of assets	18,454	13,199	18,454	13,199

The Company's ordinary shares are not included in the pension plan assets.

(viii) The principal actuarial assumptions used for the purposes of the actuarial valuation were:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
Discount rate	5.60%	5.1%	5.60%	5.1%
Future salary growth rate	3.50%	2.0%	3.50%	2.0%
Expected return on plan assets	5.60%	5.10%	5.60%	5.10%

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

	THE GROUP		THE COMPANY	
	Increase Rs000	Decrease Rs000	Increase Rs000	Decrease Rs000
2025				
Discount rate (1% movement)	2,180	1,980	2,180	1,980
Future salary growth rate (1% movement)	2,208	2,041	2,208	2,041

	THE GROUP		THE COMPANY	
	Increase Rs000	Decrease Rs000	Increase Rs000	Decrease Rs000
2024				
Discount rate (1% movement)	2,087	1,884	2,087	1,884
Future salary growth rate (1% movement)	2,120	1,944	2,120	1,944

The sensitivity above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. An increase/decrease of 1% in other principal actuarial assumptions would not have a material impact on defined benefit obligations at the end of the reporting period.

The sensitivity 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) Risks associated with the plans

The defined benefit pension plan exposes the Group to actuarial risks such as longevity risk, interest rate risk, market (investment) risk and salary risk, as described below:

- 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.
- Longevity Risk: Pensions are bought out with an insurance company at retirement. Once bought out, the risk is therefore shifted to the insurance company. However, there is the risk that the cost of annuities increases before buying out.

(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 is expected to contribute Rs 6.01m to the pension scheme for the year ending June 30, 2026.

(xiii) The weighted average duration of the defined benefit obligation under the funded plan are 7 years at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

19. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(b) Other post-retirement benefits

Other post-retirement benefits comprise mainly gratuity on retirement payable under the Workers Rights Act 2019 and other benefits. The risks associated with the other post-retirement benefits is disclosed under note 19(a)(x).

Movement in gratuity on retirement:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
At July 01,	**18,336**	15,873	**16,902**	14,660
Liabilities of employees leaving company before financial year end	**262**	10	**262**	10
Total expense/(income) charged to profit or loss	**4,365**	(597)	**4,121**	(597)
Charged to other comprehensive income	**10,263**	4,147	**9,682**	4,147
Contributions and direct benefits paid	**(4,399)**	(1,250)	**(4,389)**	(1,250)
Fair value of plan assets	**-**	(68)	**-**	(68)
Exchange difference	**(68)**	221	**-**	-
	28,759	18,336	**26,578**	16,902

For pension scheme members - 5 times the annual pension, relating to employer's share of contributions, is offset from the retirement gratuity and this residual liability is recognised in the Company's accounts for IAS 19 purposes.

(i) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Current service cost	**1,051**	579	**814**	579
Interest expense	**767**	784	**767**	784
Past service cost	**2,547**	(1,960)	**2,540**	(1,960)
Total included in employee benefit expense	**4,365**	(597)	**4,121**	(597)

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Remeasurement on the net defined benefit liability:				
Changes in assumptions underlying the present value of the scheme	**2,715**	211	**2,715**	211
Experience losses on the liabilities	**7,548**	3,936	**6,967**	3,936
Actuarial losses recognised in other comprehensive income	**10,263**	4,147	**9,682**	4,147

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

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
At July 01,	**17,096**	14,721	**16,970**	14,721
Current service cost	**822**	704	**815**	579
Interest expense	**824**	785	**768**	785
Actuarial loss	**10,263**	4,147	**9,681**	4,147
Liabilities of employees leaving company before financial year end	**262**	10	**262**	10
Past service cost	**2,758**	(1,960)	**2,758**	(1,960)
Benefit paid	**(4,546)**	(1,312)	**(4,546)**	(1,312)
At June 30,	**27,479**	17,095	**26,708**	16,970

(iv) Changes in the fair value of the planned assets

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
At July 01,	**68**	61	**68**	61
Contribution to plan assets	**362**	79	**352**	79
Benefit paid out of plan assets	**(290)**	(72)	**(290)**	(72)
Total included in employee benefit expense	**140**	68	**130**	68

(v) The principal actuarial assumptions used for the purposes of the actuarial valuation were:

	THE GROUP		THE COMPANY	
	2025	2024	2025	2024
Discount rate	**5.65%-6%**	5%-6%	**5.72%-6%**	5%-6%
Future salary growth rate	**3.5%**	2%	**3.5%**	2%

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

19. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

(b) Other post-retirement benefits (cont'd)

(vi) Sensitivity analysis on other post-retirement benefits at end of the reporting period:

	THE GROUP		THE COMPANY	
	Increase Rs000	Decrease Rs000	Increase Rs000	Decrease Rs000
2025				
Discount rate (1% movement)	**6,465**	**5,150**	**6,367**	**5,008**
Future salary growth rate (1% movement)	**6,190**	**4,854**	**6,072**	**4,777**

	THE GROUP		THE COMPANY	
	Increase Rs000	Decrease Rs000	Increase Rs000	Decrease Rs000
2024				
Discount rate (1% movement)	3,874	3,369	3,874	3,369
Future salary growth rate (1% movement)	3,616	3,148	3,616	3,148

The weighted average term of liabilities is 9-18 years.

The sensitivity analysis above has been determined based on sensibly possible changes of the discount rate occurring at the end of the reporting period if all other assumptions remained unchanged.

20. DEFERRED TAXES

Deferred taxes are calculated on all temporary differences under the liability method at 19% (2024: 17%). The effect of change in tax rate has been shown in Note 20(b) and (c).

(a) There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets and liabilities when the deferred taxes relate to the same fiscal authority. The following amounts are shown in the statements of financial position:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Deferred tax assets	**(7,494)**	(7,854)	**-**	-
Deferred tax liabilities	**132,672**	126,972	**102,077**	96,061
	125,178	119,118	**102,077**	96,061

The movement on the deferred taxes account is as follows:-

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
At July 01,	**119,118**	113,000	**96,061**	96,739
Charged/(credited) to profit or loss (Note 14(a))	**6,505**	4,796	**6,745**	(294)
Credited to equity (Note 20(c))	**(729)**	(384)	**(729)**	(384)
Exchange differences	**284**	1,706	**-**	-
At June 30,	**125,178**	119,118	**102,077**	96,061

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

20. DEFERRED TAXES (CONT'D)

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

(b) THE GROUP	At July 01 Rs000	Charged/(Credited) to Profit or Loss: Effect of Increase in Tax Rate Rs000	Charged/(Credited) to Profit or Loss: Movement for the Year Rs000	(Credited)/Charged to Equity: Effect of Increase in Tax Rate Rs000	(Credited)/Charged to Equity: Movement for the Year Rs000	Exchange Differences Rs000	At June 30 Rs000
2025							
Deferred tax assets							
Retirement benefit obligations	(10,636)	199	2,074	(808)	(2,270)	85	(11,356)
Tax losses carried forward	(5,104)	-	(1,478)	-	-	569	(6,013)
Unrealised exchange loss	(252)	-	211	-	-	18	(23)
Others	2,544	(37)	(1,887)	-	-	117	737
	(13,448)	162	(1,080)	(808)	(2,270)	789	(16,655)
Deferred tax liabilities							
Property, plant and equipment	132,668	9,638	(2,552)	2,349	-	(377)	141,726
Excess capital allowance over depreciation	513	-	123	-	-	-	636
Others	(615)	(40)	254	-	-	(128)	(529)
	132,566	9,598	(2,175)	2,349	-	(505)	141,833
Net deferred tax liabilities	119,118	9,760	(3,255)	1,541	(2,270)	284	125,178

	At July 01 Rs000	(Credited)/ Charged to Profit or Loss Rs000	(Credited)/ Charged to Equity Rs000	Exchange Differences Rs000	At June 30 Rs000
2024					
Deferred tax assets					
Retirement benefit obligations	(11,086)	834	(384)	-	(10,636)
Tax losses carried forward	(5,241)	(92)	-	229	(5,104)
Unrealised exchange loss	(776)	502	-	22	(252)
Others	(1,293)	3,879	-	(42)	2,544
	(18,396)	5,123	(384)	209	(13,448)
Deferred tax liabilities					
Property, plant and equipment	130,555	577	-	1,536	132,668
Excess capital allowance over depreciation	1,207	(655)	-	(39)	513
Others	(366)	(249)	-	-	(615)
	131,396	(327)	-	1,497	132,566
Net deferred tax liabilities	113,000	4,796	(384)	1,706	119,118

(c) THE COMPANY	At July 01 Rs000	Charged/(Credited) to Profit or Loss: Effect of Increase in Tax Rate Rs000	Charged/(Credited) to Profit or Loss: Movement for the Year Rs000	(Credited)/Charged to Equity: Effect of Increase in Tax Rate Rs000	(Credited)/Charged to Equity: Movement for the Year Rs000	At June 30 Rs000
2025						
Deferred tax assets						
Retirement benefit obligations	(5,177)	199	538	(808)	(2,270)	(7,518)
Others	(314)	(37)	(221)	-	-	(572)
	(5,491)	162	317	(808)	(2,270)	(8,090)
Deferred tax liabilities						
Property, plant and equipment	101,891	9,638	(3,267)	2,349	-	110,611
Others	(339)	(40)	(65)	-	-	(444)
	101,552	9,598	(3,332)	2,349	-	110,167
Net deferred tax liabilities	96,061	9,760	(3,015)	1,541	(2,270)	102,077

	At July 01 Rs000	(Credited)/ Charged to Profit or Loss Rs000	(Credited)/ Charged to Equity Rs000	At June 30 Rs000
2024				
Deferred tax assets				
Retirement benefit obligations	(5,627)	834	(384)	(5,177)
Others	203	(517)	-	(314)
	(5,424)	317	(384)	(5,491)
Deferred tax liabilities				
Property, plant and equipment	102,253	(362)	-	101,891
Others	(90)	(249)	-	(339)
	102,163	(611)	-	101,552
Net deferred tax liabilities	96,739	(294)	(384)	96,061

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

21. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Trade payables	**279,102**	166,816	**110,462**	66,035
Dividend payable	**1,966**	45,953	**1,966**	45,953
Accrued expenses	**75,230**	103,033	**63,229**	93,779
Provision for employees benefits	**32,932**	23,504	**31,160**	22,872
Other payables	**92,372**	56,261	**4,983**	2,871
	481,602	395,567	**211,800**	231,510

The carrying amount of trade and other payables approximate their fair value.

The carrying amount of the trade and other payables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Malagasy Ariary	**217,314**	26,024	**-**	-
Mauritian Rupee	**159,374**	185,704	**163,990**	200,512
US Dollar	**59,833**	154,989	**24,675**	4,543
Euro	**17,563**	24,239	**14,968**	23,712
Other currencies	**27,518**	4,611	**8,167**	2,743
	481,602	395,567	**211,800**	231,510

22. REVENUE

The following is an analysis of the Group's and the Company's revenue for the year:

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Revenue from the sale of goods	**6,162,823**	5,762,228	**3,965,953**	3,652,124

(a) Disaggregation of revenue from contracts with customers is as follows:

	Primary Geographic Markets		
	Mauritius Rs000	International Markets Rs000	Total Rs000
THE GROUP			
2025			
Timing of revenue recognition			
At a point in time	**2,948,137**	**3,214,686**	**6,162,823**
2024			
Timing of revenue recognition			
At a point in time	2,883,837	2,878,391	5,762,228

	Primary Geographic Markets		
	Mauritius Rs000	International Markets Rs000	Total Rs000
THE COMPANY			
2025			
Timing of revenue recognition			
At a point in time	**2,872,565**	**1,093,388**	**3,965,953**
2024			
Timing of revenue recognition			
At a point in time	2,711,835	940,289	3,652,124

The Group has single performance obligations to deliver goods or services and revenue is recognised when the performance obligation is satisfied.

23. EXPENSES BY NATURE

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
(a) Cost of sales	**5,153,014**	4,852,286	**3,375,872**	3,149,306
Administrative expenses	**496,593**	452,244	**314,619**	261,660
	5,649,607	5,304,530	**3,690,491**	3,410,966

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Depreciation [Note 5(a)/5(c)]	**131,215**	149,429	**76,848**	73,680
Amortisation [Note 6(a)/6(c)]	**13,588**	13,625	**10,814**	10,295
Depreciation on right-of-use assets [Note 5A]	**24,848**	15,764	**5,832**	4,059
Employee benefit expense [Note 24]	**375,827**	279,514	**230,855**	177,072
Cost of inventories recognised as expense [Note 11]	**4,533,496**	4,310,024	**3,088,661**	2,893,124
Utilities and other consumables	**104,170**	108,907	**56,004**	57,921
Transportation	**22,504**	9,697	**9,595**	6,936
Repairs and maintenance	**47,265**	42,101	**39,612**	36,609
Professional fees	**30,874**	68,000	**21,089**	19,754
Management fees	**63,261**	27,532	**27,449**	25,912
Advertising and marketing expenses	**14,839**	13,254	**9,964**	9,502
General administrative expenses	**99,771**	115,266	**16,607**	15,265
Other expenses	**187,949**	151,417	**97,161**	80,837
Total cost of sales and administrative expenses [Note 23(a)]	**5,649,607**	5,304,530	**3,690,491**	3,410,966

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

24. EMPLOYEE BENEFIT EXPENSE

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Wages and salaries, including termination benefits	**336,008**	253,361	**203,128**	158,206
Social security costs	**23,462**	16,922	**12,377**	10,198
Pension cost - defined pension benefits	**1,428**	1,524	**1,428**	1,524
Pension cost - other post retirement benefits	**4,406**	(597)	**4,121**	(597)
Pension cost - defined contribution plan	**10,523**	8,304	**9,801**	7,741
	375,827	279,514	**230,855**	177,072

25. OTHER INCOME

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Interest income	**16**	604	**16**	144
Dividend income:				
- DEM quoted	**967**	797	**11,798**	11,798
- Unquoted	**3,954**	4,600	**-**	-
- Subsidiaries	**-**	-	**12,546**	6,000
Gain on disposal of property, plant and equipment	**519**	189	**519**	189
Gain on disposal of equity investments at fair value through other comprehensive income	**-**	854	**-**	-
Others	**18,405**	10,438	**6,591**	7,262
	23,861	17,482	**31,470**	25,393

26. NET FINANCE COSTS

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Net foreign exchange (losses)/gains	**(30,655)**	216	**(22,850)**	3,653
Interest expense:				
- Bank overdrafts	**(22,091)**	(42,854)	**(8,390)**	(3,587)
- Bank loans and money market lines	**(46,371)**	(22,144)	**(6,990)**	(13,080)
- Dividends on preference shares	**(424)**	(424)	**(424)**	(424)
- Import loan	**(14,535)**	(19,038)	**(14,535)**	(19,038)
- Lease liabilities	**(6,553)**	(4,490)	**(1,384)**	(1,259)
- Swap cost	**(5,166)**	(7,237)	**(5,166)**	(7,237)
- Group loan	**(7,032)**	-	**(8,394)**	(8,959)
	(102,172)	(96,187)	**(45,283)**	(53,584)
	(132,827)	(95,971)	**(68,133)**	(49,931)

27. PROFIT BEFORE INCOME TAX

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Profit before income tax is arrived at after:				
Crediting:				
Dividends from equity investments held at FVOCI				
- Related to investments held at the end of the reporting period	**967**	797	**11,798**	11,798
Dividends from subsidiaries	**-**	-	**12,546**	6,000
Gain on disposal of property, plant and equipment (Note 25)	**519**	189	**519**	189
and (charging):				
Depreciation on:				
- owned assets (Note 5(a)/5(c))	**131,215**	149,429	**76,848**	73,680
- right-of-use assets (Note 5A)	**24,848**	15,764	**5,832**	4,059
Amortisation of intangible assets (Note 6(a)/6(c))	**13,588**	13,625	**10,814**	10,295
Employee benefit expense (Note 24)	**375,827**	279,514	**230,855**	177,072

28. EARNINGS PER SHARE

	THE GROUP	
	2025 Rs000	2024 Rs000
Profit attributable to equityholders of the Company	**383,572**	350,739
	383,572	350,739

	2025 Rs000	2024 Rs000
Number of ordinary shares in issue	**92,806**	92,806
Earnings per share (Rs)	4.13	3.78

29. DIVIDENDS

	THE GROUP AND THE COMPANY	
	2025 Rs000	2024 Rs000
Amounts recognised as distributions to equity holders in the year: Final dividend for the year ended June 30, 2025 of Rs 0.52 per share (2024: Rs 0.47 per share)	**48,259**	43,619

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

30. NOTES TO THE STATEMENT OF CASH FLOWS

	THE GROUP 2025 Rs000	THE GROUP 2024 Rs000	THE COMPANY 2025 Rs000	THE COMPANY 2024 Rs000
(a) Cash generated from operations				
Profit before income tax	**440,720**	404,283	**237,636**	216,496
Adjustments for:				
Depreciation on property, plant and equipment (Note 5(a)/5(c))	**131,215**	149,429	**76,848**	73,680
Depreciation of right-of-use assets (Note 5A)	**24,848**	15,764	**5,832**	4,059
Amortisation of intangible assets (Note 6(a)/6(c))	**13,588**	13,625	**10,814**	10,295
Loss/(gain) on lease derecognition	**306**	(856)	**-**	-
Adjustment on lease	**(1,421)**	-	**-**	-
Profit on sale of property, plant and equipment (Note 25)	**(519)**	(189)	**(519)**	(189)
Loss on scrappings/impairment of property, plant and equipment	**-**	272	**-**	272
Adjustment on property, plant and equipment	**-**	(162)	**-**	(162)
Gain on disposal of equity investments at fair value through other comprehensive income	**-**	(854)	**-**	-
Retirement benefit obligations (Note 19)	**(2,667)**	(1,888)	**(2,833)**	(2,109)
Dividend income (Note 25)	**(4,921)**	(5,397)	**(24,344)**	(17,798)
Interest expense (Note 27)	**102,172**	96,187	**45,283**	53,584
Interest income (Note 25)	**(16)**	(604)	**(16)**	(144)
Share of results of associates	**(39,896)**	(51,986)	**-**	-
Foreign exchange differences	**(39,455)**	17,116	**(20,233)**	-
Increase in loss allowance (Note 12)	**3,426**	26,912	**1,163**	124
Fair value gain on derivative financial instruments	**(2,261)**	(978)	**(2,261)**	(978)
Changes in working capital				
- inventories	**(245,884)**	(128,559)	**54,080**	85,019
- consumable biological assets	**(2,700)**	(3,435)	**-**	-
- trade and other receivables	**(10,074)**	5,351	**(136,896)**	80,666
- prepayment and other receivables	**(62,457)**	80,683	**11,449**	(1,211)
- trade and other payables	**120,484**	6,208	**24,277**	(14,529)
Cash generated from operations	**424,488**	620,922	**280,280**	487,075

(b) Cash and cash equivalents

	THE GROUP 2025 Rs000	THE GROUP 2024 Rs000	THE COMPANY 2025 Rs000	THE COMPANY 2024 Rs000
Cash in hand and at bank	**175,439**	172,455	**32,763**	55,704
Bank overdrafts (Note 18A)	**(134,720)**	(96,564)	**(134)**	(10,100)
	40,719	75,891	**32,629**	45,604

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(c) Reconciliation of liabilities arising from financing activities

THE GROUP

	At July 01, 2024 Rs000	Cash Flows: Repayment Rs000	Cash Flows: Additions Rs000	Non-Cash Transactions Rs000	At June 30, 2025 Rs000
2025					
Bank loans	74,757	(24,514)	-	17,270	67,513
Money market line	65,000	(12,817,500)	12,752,500	-	-
Import loans	484,062	(2,635,679)	2,649,438	(36,650)	461,171
Lease liabilities (Note 5A)	79,676	(24,135)	-	(3,692)	51,849
Related party loans	125,500	(1,118,773)	1,109,273	-	116,000
Total liabilities from financing activities	828,995	(16,620,601)	16,511,211	(23,072)	696,533

THE GROUP

	At July 01, 2023 Rs000	Cash Flows: Repayment Rs000	Cash Flows: Additions Rs000	Non-Cash Transactions Rs000	At June 30, 2024 Rs000
2024					
Bank loans	71,028	(44,865)	45,190	3,404	74,757
Money market line	118,000	(8,082,000)	8,029,000	-	65,000
Import loans	663,007	(2,731,092)	2,537,668	14,479	484,062
Lease liabilities (Note 5A)	20,183	(12,791)	-	72,284	79,676
Related party loans	164,250	(1,082,450)	1,043,700	-	125,500
Total liabilities from financing activities	1,036,468	(11,953,198)	11,655,558	90,167	828,995

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

30. NOTES TO THE STATEMENT OF CASH FLOWS (CONT'D)

(c) Reconciliation of liabilities arising from financing activities (cont'd)

THE COMPANY

	At July 01, 2024 Rs000	Cash Flows Repayment Rs000	Cash Flows Additions Rs000	Non-Cash Transactions Rs000	At June 30, 2025 Rs000
2025					
Money market line	65,000	(12,817,500)	12,752,500	-	-
Import loans	216,226	(1,229,780)	1,164,867	(20,233)	131,080
Lease liabilities (Note 5A)	24,237	(5,491)	-	-	18,746
Related party loans	138,900	(1,118,773)	1,134,573	-	154,700
Total liabilities from financing activities	444,363	(15,171,544)	15,051,940	(20,233)	304,526

THE COMPANY

	At July 01, 2023 Rs000	Cash Flows Repayment Rs000	Cash Flows Additions Rs000	Non-Cash Transactions Rs000	At June 30, 2024 Rs000
2024					
Money market line	118,000	(8,082,000)	8,029,000	-	65,000
Import loans	476,632	(1,707,580)	1,447,174	-	216,226
Lease liabilities (Note 5A)	11,572	(3,680)	-	16,345	24,237
Related party loans	164,250	(1,082,450)	1,057,100	-	138,900
Total liabilities from financing activities	770,454	(10,875,710)	10,533,274	16,345	444,363

(d) Non cash transaction

In 2025 and 2024, the principal non-cash transactions related mainly to acquisition of Right-of-use assets, effect of foreign exchange differences on bank loans and import loans. Furthermore, in 2024, the principal non-cash transactions related to treasury shares received as distribution in specie.

31. ULTIMATE HOLDING COMPANY

The Directors regard Management and Development Company Limited (MADCO), a limited liability company incorporated in Mauritius, as its holding company. The ultimate control of the Company remains with Société Beauvoir Holdings, a société civile.

32. COMMITMENTS

Capital expenditure authorised for at end of the reporting period but not recognised in the financial statements is as follows:

	THE GROUP 2025 Rs000	THE GROUP 2024 Rs000	THE COMPANY 2025 Rs000	THE COMPANY 2024 Rs000
Authorised but not contracted for	211,925	151,665	129,350	127,668
Authorised and contracted for	144,800	158,394	138,500	148,848
	356,725	310,059	267,850	276,516

33. CONTINGENT LIABILITIES

(i) Bank guarantees

At June 30, 2025, the Group and the Company had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities would arise. The Mauritius Commercial Bank Limited has provided bank guarantees to Ministry of Agro-Industry and Food Security and Cargo Handling Corporation Ltd on behalf of Livestock Feed Limited. The maturity dates are 9 September 2025 and 9 July 2026.

	THE GROUP 2025 Rs000	THE GROUP 2024 Rs000	THE COMPANY 2025 Rs000	THE COMPANY 2024 Rs000
Bank guarantees to third parties	732	1,068	732	1,068

(ii) The foreign subsidiary, LFL Madagascar SA, has an ongoing assessment with the local customs department, to which it has objected. The potential outcome of this assessment remains unknown. See also note 4.2 (b).

34. RELATED PARTY TRANSACTIONS

	Purchase of Goods or Services Rs000	Sales of Goods or Services Rs000	Trade Payables to Related Parties Rs000	Loan Due to Related Parties Rs000	Amount Owed by Related Parties Rs000
THE GROUP					
2025					
Holding company	29,673	-	238	-	-
Fellow subsidiary companies	755,552	1,346,977	51,130	103,000	257,668
Enterprise with common directors	102	2,479	-	-	132
Associated companies	201,165	4,082	33,373	13,000	-
	986,492	1,353,538	84,741	116,000	257,800
2024					
Holding company	30,247	-	559	20,000	-
Fellow subsidiary companies	562,459	1,367,517	48,331	84,000	232,210
Enterprise with common directors	-	2,448	-	-	631
Associated companies	189,967	1,240	31,527	21,500	29
	782,673	1,371,205	80,417	125,500	232,870

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

34. RELATED PARTY TRANSACTIONS (CONT'D)

	Purchase of Goods or Services Rs000	Sales of Goods or Services Rs000	Trade Payables to Related Parties Rs000	Loan Due to Related Parties Rs000	Amount Owed by Related Parties Rs000
THE COMPANY					
2025					
Holding company	29,673	-	238	-	-
Subsidiary companies (Note (a))	13,970	983,635	-	38,700	220,787
Fellow subsidiary companies	229,900	1,131,497	17,109	103,000	189,328
Enterprise with common directors	-	2,479	-	-	132
Associated companies	198,890	4,082	32,235	13,000	-
	472,433	**2,121,693**	**49,582**	**154,700**	**410,247**
2024					
Holding company	30,247	-	559	20,000	-
Subsidiary companies (Note (a))	13,290	828,039	1,201	13,400	93,008
Fellow subsidiary companies	210,497	1,161,838	12,544	84,000	186,751
Enterprise with common directors	-	2,448	-	-	631
Associated companies	189,967	1,240	31,527	21,500	29
	444,001	1,993,565	45,831	138,900	280,419

The above transactions have been made on normal commercial terms and in the normal course of business.

Outstanding balances at the year-end are unsecured, interest free, except for loans due, and settlement occurs in cash.

(a) The Company transacted with the following subsidiaries during the year:

- LFL Madagascar SA
- LFL Seychelles Ltd
- LFL Operations (Kenya) Ltd
- Les Pondeuses Reunies
- LFL Rwanda Ltd
- LFL Investment Ltd
- LFL International Madagascar Ltd
- LFL International Ltd
- LFL International Seychelles Ltd
- LFL International Kenya Ltd

(b) There has been no guarantees provided or received for any related party receivables or payables and outstanding balances at year end are unsecured. For the year ended June 30, 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2024: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(c) Key management personnel compensation

	THE GROUP		THE COMPANY	
	2025 Rs000	2024 Rs000	2025 Rs000	2024 Rs000
Salaries and short term benefits	**62,718**	40,624	**51,031**	33,496
Pension and other benefits	**4,046**	3,124	**3,620**	2,843
	66,764	43,748	**54,651**	36,339

35. SEGMENT INFORMATION

	2025				2024			
	Mauritian Operations Rs000	International Operations Rs000	Group Transactions Rs000	Total Rs000	Mauritian Operations Rs000	International Operations Rs000	Group Transactions Rs000	Total Rs000
Sales to MADCO Group	**2,129,408**	**205,434**	**(18,705)**	**2,316,137**	2,000,912	203,126	11,509	2,215,547
Sales to external customers	**1,893,412**	**2,920,263**	**-**	**4,813,675**	1,714,740	2,675,265	-	4,390,005
Gross	**4,022,820**	**3,125,697**	**(18,705)**	**7,129,812**	3,715,652	2,878,391	11,509	6,605,552
Inter segment sales	**(966,989)**	**-**	**-**	**(966,989)**	(843,324)	-	-	(843,324)
	3,055,831	**3,125,697**	**(18,705)**	**6,162,823**	2,872,328	2,878,391	11,509	5,762,228
Other income	**88,426**	**47,155**	**(111,720)**	**23,861**	59,112	12,386	(54,016)	17,482
Expenses	**(2,780,183)**	**(2,872,850)**	**-**	**(5,653,033)**	(2,633,670)	(2,697,772)	-	(5,331,442)
Operating profit	**364,074**	**300,002**	**(130,425)**	**533,651**	297,770	193,005	(42,507)	448,268
Share of results of associates	**39,896**	**-**	**-**	**39,896**	51,986	-	-	51,986
Segment results	**403,970**	**300,002**	**(130,425)**	**573,547**	349,756	193,005	(42,507)	500,254
Net Finance cost				**(132,827)**				(95,971)
Profit before tax				**440,720**				404,283
Tax expense				**(57,148)**				(53,544)
Profit for the year				**383,572**				350,739

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

35. SEGMENT INFORMATION (CONT'D)

	2025			2024		
	Mauritian Operations Rs000	International Operations Rs000	Total Rs000	Mauritian Operations Rs000	International Operations Rs000	Total Rs000
Property, plant and equipment	1,079,796	474,436	1,554,232	1,100,937	479,844	1,580,781
Right-of-use assets	16,416	45,312	61,728	22,248	67,546	89,794
Intangible assets	16,520	15,904	32,424	23,475	22,211	45,686
Other assets	1,146,903	1,328,239	2,475,142	1,294,995	896,520	2,191,515
Associate			695,640			691,565
			4,819,166			4,599,341
Segment liabilities	441,826	1,098,797	1,540,623	726,606	796,333	1,522,939
Interest expense (Note 26)	43,918	58,254	102,172	53,584	42,603	96,187
Cost of sales	3,434,495	1,718,519	5,153,014	3,188,667	1,663,619	4,852,286
Additions to Property, plant and equipment	62,710	89,123	151,833	47,638	78,771	126,409
Additions to Right-of-use assets	-	13,903	13,903	16,345	53,752	70,097
Additions to Intangible assets	-	500	500	463	-	463
Depreciation (Note 5)	81,564	49,651	131,215	78,896	70,533	149,429
Amortisation (Note 6)	10,812	2,776	13,588	10,295	3,330	13,625

The Group transactions represent elimination of intra group transactions which are entered into under the normal commercial terms and conditions that would be available to unrelated third parties. Segment assets consist of property, plant and equipment, intangible assets, inventories and receivables, investments, investment properties and cash and cash equivalents and exclude associate. Segment liabilities comprise operating liabilities. Capital expenditure comprises additions to property, plant and equipment, right-of-use assets and intangible assets.

The Group's main activity is that of processing animal feeds and the reportable segments are identified in terms of geographical areas.

36. SUBSEQUENT EVENTS

Amendments to the Income Tax Act

On August 09, 2025, subsequent to the reporting period, the Finance Act 2025 was promulgated into law and introduced significant amendments to the tax legislation, including but not limited to:

Fair Share Contribution for Companies

A Fair Share Contribution ranging from 2% to 5% has been introduced under the Value Added Tax Act (VAT) and is applicable to companies with annual supplies exceeding MUR 24 million or those required to be VAT registered and having annual chargeable income exceeding MUR 24 million. This contribution is payable on a quarterly basis under a system similar to the Advance Payment System under corporate tax and is not deductible against other tax credits. The contribution will be applicable to income derived as from July 01, 2025 and will be imposed for 3 consecutive years, i.e., up to June 30, 2028.

Payment of Tax in Foreign Currency

Effective October 01, 2025, companies deriving more than 50% of their annual gross income in specified foreign currencies (e.g., USD; EUR; GBP) are required to pay income tax in that currency.

These changes were enacted after the reporting period ended June 30, 2025 and therefore represent non-adjusting events in accordance with IAS 10.22(h). As such, the financial effects of these changes have not been reflected in the financial statements for the year ended June 30, 2025.

The Company is currently evaluating the potential impact of these legislative changes on its future financial performance and tax obligations.

There are no other material events after reporting date which require disclosure or adjustment to the financial statements for the year ended June 30, 2025.

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