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Velogic Admission Document

a Rogers enterprise

Velogic Holding Company Limited

Prospectus

(Deemed to be an Admission Document)
6 October 2021

ADMISSION DOCUMENT OF VELOGIC HOLDING COMPANY LIMITED

Velogic Holding Company Limited (the **"Company"** or **"Velogic"**) is a public limited liability company incorporated in Mauritius under the Companies Act 2001 on 30 September 2004. It bears business registration number C06052816 and its registered office is situated at No. 5, President John Kennedy Street, Port Louis, Mauritius.

This Admission Document has been issued in accordance with the rules applicable to the Development & Enterprise Market (the **"DEM"**) of The Stock Exchange of Mauritius Ltd. (the **"SEM"**) in the context of the listing of the entire stated capital of the Company, i.e. 93,515,565 ordinary shares of no par value (the **"Shares"**), on the DEM by way of:

- an introduction of 61,935,359 Shares at a price of MUR 25.00 per Share; and
- an offer for sale of up to 31,580,206 Shares at an initial price of MUR 25.00 per Share.

It has also been drawn up in accordance with and serves as prospectus pursuant to the Securities Act 2005 and the Securities (Public Offer) Rules 2007.

This Admission Document has been approved by the Listing Executive Committee (the **"LEC"**) of the SEM on 6 October 2021 and a copy of same has been registered with the Financial Services Commission (the **"FSC"**).

LEC Reference No. LEC/OSA/01/2021
Issued on: 6 October 2021

IMPORTANT NOTICE

Exclusion of responsibility and liability

Neither the Listing Executive Committee of the Stock Exchange of Mauritius Ltd, nor the Stock Exchange of Mauritius Ltd, nor the Financial Services Commission assumes any responsibility for the content of this Admission Document nor makes any representation as to the accuracy or completeness of any of the statements made or opinions expressed herein. They shall not be liable for any loss suffered or prejudice caused as a result of reliance upon the contents of this Admission Document or any part thereof.

Statements of intent and forward-looking statements

Certain parts of this document constitute "statements of intent" or "forward-looking statements". These statements are based on the Directors' current expectations and beliefs relating to future events which may impact the Company and involve known and unknown risks, uncertainties, assumptions and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from any expected future results, performance or achievements expressed in or implied by such statements. The Company therefore cautions that these statements are not, and should not be construed as being guarantees.

The Company strongly recommends prospective investors to read section 5 headed, "Risk Factors" for a more complete understanding of the factors that could affect the Company's future performance and the industry in which it operates.

Subject to its disclosure and reporting obligations under applicable laws, the Company has no obligation to release any revisions or updates to these statements of intent or forward-looking statements to reflect matters, circumstances or unanticipated events occurring after the date of this Admission Document.

Additional caution

The statements and information contained in this Admission Document have been compiled as of 22 September 2021. Neither the delivery of this Admission Document nor any introduction or offer for sale of any Shares shall under any circumstances create an implication or constitute a representation that the information given in this Admission Document is correct as at any time subsequent to the date thereof.

Where information has been sourced from a third party, such information has been accurately reproduced and as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where required, the source(s) of the information has also been provided.

For a full appreciation of this Admission Document, it should be read in its entirety. If you have any doubt about its contents or as to any action which you should take, please consult an independent qualified person (e.g. your banker, stockbroker, legal advisor, accountant or other professional advisor) who may advise you accordingly.

DECLARATION OF DIRECTORS

The directors of the Company as at 23 August 2021 (the **"Directors"**), whose names appear in section 6 of this Admission Document, have, on 23 August 2021, approved the proposed listing of the Company on the DEM. The salient features of such listing are set out on page 9 of this document.

The Directors collectively and individually accept full responsibility for the accuracy and completeness of the information contained in this Admission Document and confirm, after having made all reasonable enquiries that, to the best of their knowledge and belief: (i) the information contained in this Admission Document is in accordance with the facts and the Admission Document makes no omission likely to affect the import of such information; and (ii) the Admission Document complies with the Securities Act 2005, the applicable rules and regulations made thereunder, applicable FSC Rules and the DEM Rules.

The Directors declare, after having made reasonable enquiries, that to the best of their knowledge and belief:

- in relation to the period from 31 March 2021 (the date to which the last audited financial statements of the Company have been prepared) to the date of this Admission Document, the business of the Company has been satisfactorily maintained;
- the historical financial information included in this Admission Document has been extracted from the audited and consolidated annual reports of the Company for the years ended 2018, 2019 and 2020, and interim audited financial statements for the period ended 31 March 2021;
- the financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") and in compliance with the Companies Act 2001 and the Financial Reporting Act 2004; and
- there will be no material change in the nature of the business of the Company following its admission on the DEM.

The Directors further declare that:

i) in their opinion, having made due and careful enquiry, the working capital available to the Company will be sufficient for its present requirements, that is, for at least twelve (12) months from the date of admission of its Shares; and

ii) the forecast, estimates and projections set out in this Admission Document have been made after due and careful enquiry.

APPROVAL OF DIRECTORS

Approved by the Board of Velogic Holding Company Limited (the **"Board"**) on 22 September 2021 and signed on its behalf by:

Philippe Espitalier-Noël
Chairman

Nayendranath (Vishal) Nunkoo
CEO & Executive Director

ADDITIONAL DECLARATION BY DIRECTORS

On 14 September 2021, the Company applied to the FSC to request for the inclusion of an interim audited financial statements for the 9 months ended 31 March 2021 in this prospectus deemed as admission document instead of the audited financial statements for the year ended 30 June 2021, under Rule 4 (b) of the Securities (Public Offer).

Rules

The FSC acceded to the Company's request on 1 October 2021 subject to the following conditions, which the directors collectively confirm:

- the accounting policies used for the June 2021 accounts are the same as those used to prepare the audited March 2021 accounts;
- there were no significant and material events in the three months period from 1 April to 30 June 2021 that impacted the financial year end June 2021 accounts; and
- there was no deterioration in the financial performance noted in the management accounts for the financial year June 2021 compared to the audited nine months period March 2021.

Furthermore, this prospectus includes the management accounts of the Company for the year ended 30 June 2021, as Appendix 11.

Philippe **ESPITALIER-NOËL**

Nayendranath **NUNKOO**

Gilbert **ESPITALIER-NOËL**

Luc **RIGOUZZO**

Kone-Dicoh **KHADY-LIKA**

Naveen **SANGEELEE**

Mehul **BHATT**

Radhakrishna **CHELLAPERMAL**

Vincent **BARBIER**

Contents

GLOSSARY

TERM	DEFINITION
Admission Document / AD	This document prepared pursuant to the DEM Rules for the purpose of the listing of the ordinary shares of the Company. It has also been drawn up in accordance with and serves as prospectus pursuant to the Securities Act 2005 and the Securities (Public Offer) Rules 2007.
Amethis	Amethis Africa Finance Ltd., a company incorporated on 10 August 2012 and holding a GBC 1 licence under the laws of Mauritius, having its registered address at C/O Rogers Capital Corporate Services Limited, 3rd Floor, Rogers House, No. 5 President John Kennedy Street, Port Louis, Mauritius. Amethis is an investment fund manager dedicated to Africa, with EUR 815m assets under management. Amethis invested in Velogic in 2013 through its first fund.
Airway Bill	An Airway Bill (AWB) is an international legal document that accompanies goods shipped by air, to provide detailed information about the shipment and allows it to be tracked. One AWB represents one shipment.
Board	The board of directors of the Company.
CAPEX	Payments for intangible assets and property, plant and equipment, excluding acquisitions and divestments.
CDS	Central Depository & Settlement Co. Ltd.
Company / Velogic	Velogic Holding Company Limited, a public limited liability company incorporated on 30 September 2004 and bearing business registration number C06052816, having its registered address at No. 5, President John Kennedy Street, Port Louis, Mauritius.
DEM	Development & Enterprise Market of the SEM.
DEM Rules	The Rules for DEM companies, issued by the SEM.
Directors	The directors constituting the Board of the Company.
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation.
ESG	Environmental, Social and Governance.
FCL	FCL is Full Container Load. It is a shipping term used to describe container loads, in which the entire cargo relates to a single order.
FSC	Financial Services Commission.
FY	Financial Year.
Gearing Ratio	Net Debt (Total Debt net of cash) divided by total Shareholders' Equity.
IFRS	International Financial Reporting Standards.
LCL	LCL is Less than Container Load. It is a shipping term used to describe container loads, which are filled by multiple orders.
LEC	Listing Executive Committee of the SEM.
MUR	Mauritian Rupee.
NAV	Net Asset Value.
Official List	Official List of the SEM.
Rogers	Rogers and Company Limited, a public limited liability company incorporated on 24 March 1948 and bearing business registration number C06000706, having its registered address at No. 5, President John Kennedy Street, Port Louis, Mauritius.
SEM	The Stock Exchange of Mauritius Ltd.
Securities Act	Securities Act 2005.
TEU	TEU is Twenty-foot Equivalent Unit - standard unit for counting containers and for describing the capacities of container ships or terminals. One 20 Foot container equals to 1 TEU. One 40 Foot container equals to 2 TEUs.
3PL	3PL stands for Third-Party Logistics. It is used in Logistics and supply chain management when an organisation uses third party businesses to outsource its needs for transport, warehousing, distribution and freight forwarding.

SALIENT FEATURES OF THE LISTING

Company	Velogic Holding Company Limited
Listing	The proposed admission to listing of the entire stated capital of the Company on the DEM, that is, 93,515,565 ordinary shares of no par value, through: • an introduction of 61,935,359 ordinary shares of the Company at an initial price of MUR25.00 per share; and • an offer for sale of up to 31,580,206 ordinary shares of the Company at an initial price of MUR25.00 per share. The introduction and offer for sale are not subject to any cancellation provisions linked to subscriptions conditions or targets during the opening and closing periods, and eventually on the listing date. The Company undertakes to meet the DEM's requirements in terms of shareholding within 1 year of the listing date in line with DEM rule 1.2(i).
The Offer	Offer for sale of up to 31,580,206 ordinary shares of the Company of no par value at an initial price of MUR25.00 per share, currently held by Amethis.
Rationale of the Listing	• To provide the Company with access to capital to finance its ambitious growth strategy; • To increase the marketability of the shares of the Company and stimulate their liquidity; • To allow members of the general public and other investors to participate in the future growth of the Company; • To enable the Company to operate in a sophisticated environment thereby enhancing its visibility on the local and international scenes; and • To provide an exit route to existing investors.
Why invest in Velogic	• A proven track record; • Consistent positive financial performance over the years; • Significant future growth potential; • In addition to growth, regular dividend distribution over the past decade; • Strong focus on operational efficiency and rapid adoption of ESG frameworks; • Portfolio diversification opportunity to investors; and • Resilience of the logistics sector.
Description of the shares	• MUR denominated shares; • Rights, privileges and conditions attached to shares are set out in section 6.7 of this document; • The ordinary shares shall be in registered form and the register shall be kept by the registrar and transfer office, MCB Registry and Securities Ltd; and • The ordinary shares shall be in either certificated or dematerialised form.
Opening date for subscription	19 November 2021
Closing date for subscription	03 December 2021
Allotment date	15 December 2021
First day of trading	15 December 2021
Refunds	No interest will be paid on monies received in respect of applications for the shares of Velogic. All refunds relating to unsuccessful applications shall be made by cheque within one (1) month from the date of allotment.


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OUR MISSION
We offer verified logistics expertise

1 OVERVIEW OF THE COMPANY

1.1 About Velogic

Headquartered in Mauritius, Velogic combines over 50 years of experience and in-depth expertise in the logistics business. The Company has a clear and ambitious growth strategy and leverages on its key competitive advantages through its extensive resources, networks and capabilities. It has a proven track record in the industry and has consistently delivered outstanding financial performances over the past years.

Velogic's purpose is to make trade easier for its clients by enabling them to get the best logistics solutions, providing relevant information proactively and helping them grow their business. Velogic simplifies the complexities of international trade and logistics for its customers by integrating the best available solutions. It offers its customers an integrated and comprehensive logistic solution with a wide range of services including freight-forwarding, customs brokerage, haulage, warehousing, express parcel & courier services, container-related services, maritime transport services, ship agency, packaging of special sugars and project cargo handling.

FRANCE: Dunkirk, Roissy, Lille, Lyon, Marseille

KENYA: Mombasa, Nairobi

MADAGASCAR: Antananarivo, Tamatave, Antsirabe, Majunga, Fort Dauphin, Tuléar, Ivato, Mamory Ivato

MAURITIUS: Mer Rouge, Plaisance, Pailles, Riche Terre (3), Rodrigues (2)

REUNION: Sainte Marie, Le Port

INDIA: New Delhi, Mumbai, Chennai, Tirupur, Tuticorin, Bangalore, Ahmedabad, Hyderabad, Kolkata

SINGAPORE: Singapore

Present with 35 offices located strategically in 6 countries, Velogic serves clients worldwide in numerous sectors, from fashion and retail to construction and healthcare. Velogic leverages on the savoir-faire of its employees and the strong expertise of its management team in the logistics field, across all sectors and geographies. It also relies on its comprehensive network of over 300 agents across the world to provide quality services globally.

1.2 Mission and Vision

Velogic is an agile international logistics partner, facilitating global trade sustainably. Through its mission, it strives to:

- Be a partner of choice for supply chain solutions;
- Collaborate closely with partners to facilitate international trade for customers through an effective and efficient service;
- Create and foster a performance-oriented culture and value the contribution of its employees;
- Maximise return on investment for its shareholders;
- Adopt best-in-class sustainability & inclusiveness practices; and
- Maximise the use of technology in order to offer world-class service.

Employs **1,400** employees across various regions

140 lorries, **6** container reach trucks, **175** trailors and **10** side lifters across various regions

More than **20,000**m² of warehousing space in Mauritius and **2,400**m² in Kenya

10,000 tons air shipments traffic annually

A standard container capacity of **3,700** units for container services

12,500 TEUs of containerized ocean freight annually

8.5ha site in the Freeport, adjacent to the Port Terminal and **3.6**ha in Riche Terre in close proximity to the port area

+300 Agents Worldwide

Certification

FY20 Key Figures

Rs 3bn	Rs 105m	Rs 297m
REVS	PAT	EBITDA

1.3 Track Record and Key Milestones

The Group started its activity as a freight forwarder back in 1964 and steadily strengthened its market position through acquisitions, organic growth, setting up of new ventures and activities and an efficient brand recognition strategy.

2021: Listing on the Stock Exchange of Mauritius after 50 years of successful organic and acquisitive growth, establishing Velogic as a leading regional leader

2019: Focusing on core countries and exiting Mozambique

2017: Securing the representation of global courier services leader UPS in the Indian Ocean Region and acquired a dedicated entity in Reunion [Velogic Express Reunion]

2016: Developing activities and acquiring two companies in Kenya in the custom clearance and transport segments

2013: Opening Velogic's capital to PanAfrican Private Equity player Amethis, supporting geographic growth and services diversification, including acquisition of entities in Mauritius on the shipping [Southern Marine] and transport [Haulage and Garage] segments

2011: Developing activities and opening a local office in Reunion

2009: Rebranding its logistics activities under one single brand: Velogic

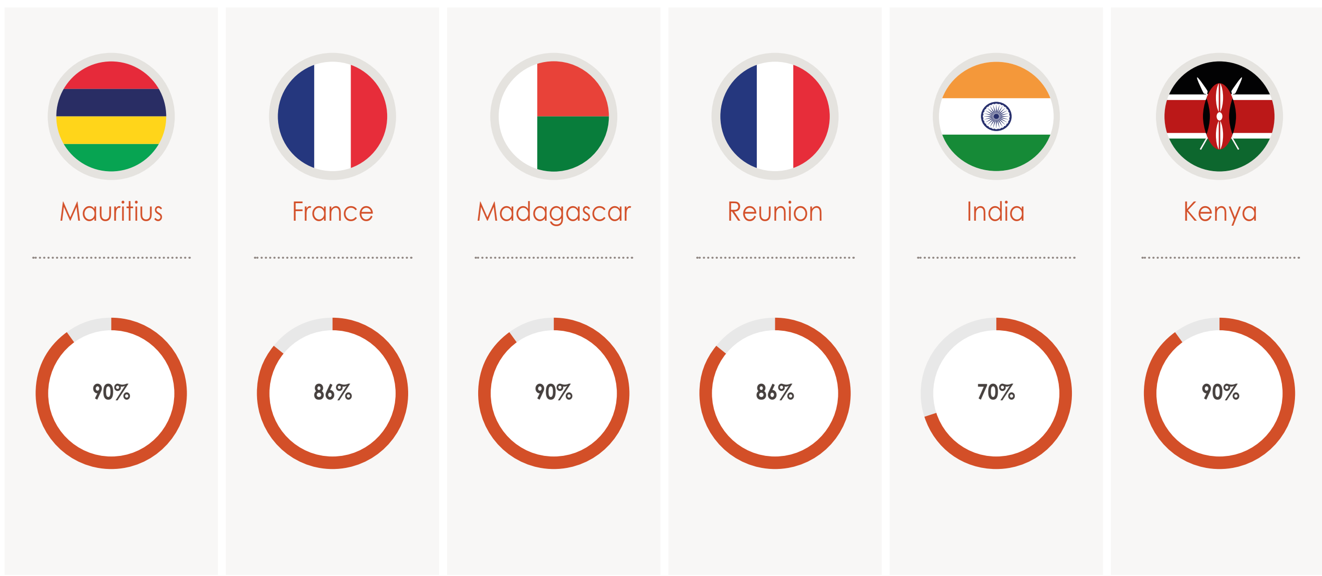
2008: Strengthening regional network and opening an office in India

1993: Opening first international offices in France and Madagascar

1964: Launching freight forwarding activities in Mauritius

Velogic Records High Retention Rates in its Main Markets

Retention Rate (Top 50 customers per country)



Source: Company information

Velogic's expertise is also recognised by multiple professional institutions and networks, some of which are as follows:

FETA Freight Systems International
France, Madagascar and Mauritius

ISO 9001: 2015
Mauritius
Freight Forwarding and Customs Brokerage Services

Global Project Logistics Network
Madagascar

International Federation of Freight Forwarders Associations

3-F Freight Forwarders Family
India

Authorized Economic Operator
France

Independant global freight management and logistics
Mauritius, Madagascar

International Air Transport Association

1.4 Main Activities of the Company

Velogic serves customers in various sectors including consumer goods, retail, fashion, healthcare, technology, industrial and building & construction, providing them with the benefits of an end-to-end supply chain solution.

The services provided by Velogic include the following:

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Division	1 Freight Forwarding	2 Port Services	3 Shipping Services	4 Sugar Packaging
Services	> Velogic's services includes air, sea and road freight forwarding for both inbound and outbound traffic throughout the world, as well as a customs clearance service > **Air freight activities:** • Consolidation and deconsolidation • Cross-trade shipments and/ or transhipments • Full documentation services > **Sea freight activities:** • Full container load (FCL) • Less than container load (LCL) • Consolidation and deconsolidation • Documentation services > **An express courier service:** • Operated through UPS Authorised Service Contractor	> Velogic operates on an 8.5ha site in the **Mauritius Freeport** zone > Velogic offers various **port services:** • Transport of containers and bulk • In-house 'garage' service • Container handling • Container storage • Warehousing activities conducted in top-notch, secure and modern facilities • Container modification in Port Services	> Velogic operates a variety of **shipping services** including: • Shipbroking • Crew change • Ship chandling • Marine insurance	> Sukpak undertakes the packaging of unrefined special sugars for international brands > The company exports primarily to: • The United Kingdom • The United States • Hong Kong

Source: Company information

1.5 Brand Architecture (Services and Brands)

Velogic has a strong reputation and a powerful brand. It has also established a portfolio of strong brands to support its freight forwarding, warehousing, container depot, haulage and special sugars, and has secured major brand representations, including UPS, HÖEGH Autoliners, Evergreen and Kuehne+Nagel. On the courier segment, Velogic was awarded the UPS regional representation in Mauritius, Reunion Island, Madagascar, Seychelles, Comoros and Mayotte.

Owned Brands	
VELOGIC	Main brand of the Rogers Logistics sector
FREEPORT OPERATIONS (MAURITIUS) LTD	Warehousing and Container Freight Station (CFS) in Mauritius since 1997
Rogers Shipping	Rogers Shipping is a shipping agency that offers a full suite of maritime services
GCS / VELOGIC	Kenya-based logistics company acquired in 2016
SUKPAK	Sukpak undertakes the packaging of unrefined special sugars for international brands. The company exports primarily to: the United Kingdom, the United States and Hong Kong

Representation Brands	
UPS Authorised Service Contractor	In 2017, Velogic became the Authorised Service Contractor for UPS in six countries including Mauritius, Reunion Island, Madagascar, Seychelles, Comoros and Mayotte.
HÖEGH AUTOLINERS	Höegh Autoliners is a leading global provider of transportation and logistics services within the Roll-on Roll-off (RoRo) segment
EVERGREEN	Evergreen is a Taiwanese container transportation and shipping company
KUEHNE+NAGEL	In 2020, Velogic became representative of K&N for Mauritius & Madagascar

1.6 The Parent Company, Rogers

Rogers at a Glance

Values

Agility + Leadership + Excellence = Entrepreneurial Spirit

5,000 Employees

+2,800 Shareholders

4 Served Markets

FinTech | Hospitality | Logistics | Property

The Rogers Group, over 122 years of entrepreneurship.

Rogers' longevity rests on the enlightened vision and determination of entrepreneurs who have expressed their faith in the development of Mauritius.

The history of Rogers began in 1899, when Walter Richard Rogers incorporated a private company, whose activities revolved mainly around the import of heavy machinery and equipment for sugar factories and the export of sugar. Walter Richard Rogers, was joined by Louis Goupille in 1906 and René Maingard in 1917. Having survived the two great world wars, Rogers Group positioned itself as a pioneer in aviation in the late 1940s thanks to the Maingard brothers, Sir René and Amédée.

The group has undergone an in-depth transformation since its creation. Since Rogers was listed on the stock exchange in June 1990, growth was particularly strong in the tourism and transportation sector. The company underwent several corporate restructuring and new acquisitions, which culminated into the greater involvement of the parent company of Rogers, ENL Limited.

Under the leadership of Philippe Espitalier-Noël since 2007, Rogers is now focused on the service business, with strong positioning and expertise in Hospitality, FinTech, Logistics and Property. Rogers has also taken the lead in the sustainability sphere.

Over the century, Rogers has built a comprehensive logistics offer around its historic international trade activity, gathered under the Velogic Group umbrella. Over the past 40 years, Velogic has consolidated into a complete logistics platform with an international dimension, with a presence in the Indian Ocean islands, Kenya, India and France.

The hotel adventure of Rogers began with the opening of Veranda Bungalow Village in 1982. Veranda Leisure & Hospitality (VLH) has become a flagship of the Mauritian hotel industry with two benchmark brands, Heritage Resorts (5*) and Veranda Resorts (3&4*). At time of writing, Rogers also owns 22.9% of the country's main hotel brand, Beachcomber Resorts & Hotels.

The group launched into residential real estate in 2008 through Heritage Villas Valriche in Bel Ombre. With the collective effort of the group and the communities, the region has obtained its UNESCO Man & Biosphere label in 2020. The group's strategy is to create a laboratory of sustainable practices with a strong reputation based on its bold ambitions as well as to be an ambassador of the region's strong identity.

Since the creation of Rogers Capital in 2016, it has also positioned itself as a pioneer in Mauritius in the field of FinTech. Rogers also plays a leading role in property through Ascencia, the country's leading listed real estate fund with assets worth over MUR 14 billion.

With total assets of almost MUR39 billion and more than 5,000 employees across 10 territories, Rogers is a 122-year-young successful company looking to the future. The group's 2020-2023 strategic plan, named CAP23, is based on six pillars namely: marketing strategy, digitalisation, operational excellence, internationalisation, sustainable development and inclusive growth, and human resource development.

Its corporate culture revolves around a strong promise, "Co-creating meaningful opportunities", as well as the values of leadership, agility and excellence.

To date, the history of the Rogers group is intimate with that of Mauritius. Each era has its own challenges and solutions.

Rogers holds 66.2% of the stated capital of the Company.

1.7 The Business Partner, Amethis

Amethis is an investment fund manager dedicated to Africa, with EUR 815m assets under management. Amethis was created in 2012 through a partnership between Luc Rigouzzo and Laurent Demey, former managers of the French development bank Proparco, and the private equity platform of the Edmond de Rothschild Group, an independent family-based financial group active globally in both private banking and asset management.

Both Amethis' founders and the Edmond de Rothschild Group share a common conviction, that attractive investments are rooted in the real economy, combining long-term performance and impact. Together, they believe that companies who anticipate the challenges of tomorrow with pragmatic approaches build solid business successes. Amethis and the Edmond de Rothschild Group are attentive to economic, social and technological changes so that all stakeholders benefit from Amethis' portfolio companies. Amethis systematically leads an environmental, social and governance assessment of its portfolio companies and establishes, together with them, an action plan to sustainably improve both financial and non-financial performance.

Amethis focuses its investment on Africa, driven by strong conviction that this frontier market will benefit from a structural growth. This structural growth is led by two pillars: (i) a unique demographic dynamic of a young population, with Africa expected to have the world's largest working population by 2035 and (ii) an increasingly urban population, leading to the emergence of a large middle class of consumers.

Since its inception, Amethis has concluded over 25 transactions across 10 African countries and a variety of sectors, carefully selecting companies active in their country's key growth sectors, aiming to support them as they become regional champions. Amethis has for instance invested in the distribution sector, supporting reliable availability of quality goods to the middle class of African consumers, in the finance sector, increasing financial inclusivity in West and East Africa and supporting the growth of local small and medium enterprises and in the agribusiness sector. It has also helped farmers increase their resilience by improving their water management and helped transform primary goods in valuable finished products. To date, Amethis has invested in 3 Mauritian companies namely: Velogic, Ciel Finance (financial sector) and VLH (hospitality sector).

Amethis has achieved this with its seasoned team of 37 professionals across 5 offices, including 3 in Africa in key geographies namely: Abidjan, Casablanca and Nairobi, all with a strong local footprint, networks of entrepreneurs and partners. Amethis enjoys a large network of partners in Africa and Europe, built throughout the years. This serves its investee companies and Amethis intends to build synergies across its portfolio.

Amethis invested in Velogic in December 2013, a transaction led by Luc Rigouzzo and Khady Kone-Dicoh, who then became Company board members. Amethis' investment was based on the strong conviction that Velogic was well-positioned to benefit from the future growth of the logistics sector and the expanding trade lanes within the Indian Ocean, at the crossroads between Asia, Europe and Africa. Amethis was convinced by Velogic's competitive positioning, with its comprehensive range of transport and logistics activities, with its value-adding services and its experienced and bilingual management team. This gave Amethis reason to believe that it could be part of the East African growth story. Hence, together with Rogers and Velogic, Amethis supported this ambition with a first acquisition in Kenya in 2016.

Today, Amethis is closing down its first fund, following the traditional private equity fund cycle, and is therefore exiting Velogic. The listing of Velogic provides an opportunity for a wider range of investors to benefit from the Company's consistent performance track-record, resilience through economic volatility and attractive growth strategy.


We vow to take good care
of your parcels.

2 BUSINESS OVERVIEW

2.1 Industry Outlook

About Mauritius

Mauritius is a well-established business destination for investors and presents one of the highest GDP per capita among African countries. The economy currently depends on tourism, textiles and apparel, financial services and sugar but is expanding into fish processing, information and communications technology, education, hospitality and property development.

Government policies seek to stimulate economic growth in 5 areas:

- Serving as a gateway for international investment into Africa;
- Increasing the use of renewable energy;
- Developing smart cities;
- Growing the ocean economy; and
- Upgrading and modernising infrastructure, including public transportation, the port, and the airport.

Mauritius has no exploitable fossil fuel reserves and therefore relies on petroleum products and coal to meet most of its energy requirements. Local and renewable energy sources are biomass, hydro, solar and wind energy.

Government has set up a favourable framework for foreign investors, through the promulgation of a Business Facilitation Act in 2017, to improve competitiveness and long-term growth prospects. In addition, Mauritius' ambitions to become the bridge between Africa and Asia and is counting on foreign investment, inspired by Singaporean Model.

Mauritius has a hybrid legal system derived from British common law and the French civil law. The Constitution of Mauritius established the separation of powers between the legislature, the executive and the judiciary, and guaranteed the protection of the fundamental rights and freedoms of the individual.

As of date, the estimated population of Mauritius is about 1.3 million inhabitants, making it the second most densely populated country in Africa. The adult literacy rate was estimated at 93.2% in 2016.

Mauritius briefly entered the high-income economy club in 2020 and ranks 13th worldwide in the Ease of Doing Business Report 2020 of the World Bank.

About the Logistics Industry

Mauritius is aiming to become a key hub in the Indian Ocean for all the surrounding islands including Reunion, Madagascar, Seychelles and the Comoros and stands as one of the most connected African countries. Thanks to its geographical position between Asia and Africa, it is located on the strategic maritime route between Asia and Africa, which makes the country a strong candidate to become a regional logistics hub.

Around 90% of Africa's trade happens by sea, mainly due to a low level of infrastructure. It therefore makes ports crucial points in logistics networks. However, African countries generally have serious infrastructure deficit, suffer from congestion and are in need of deep-water ports to be able to handle large ships.

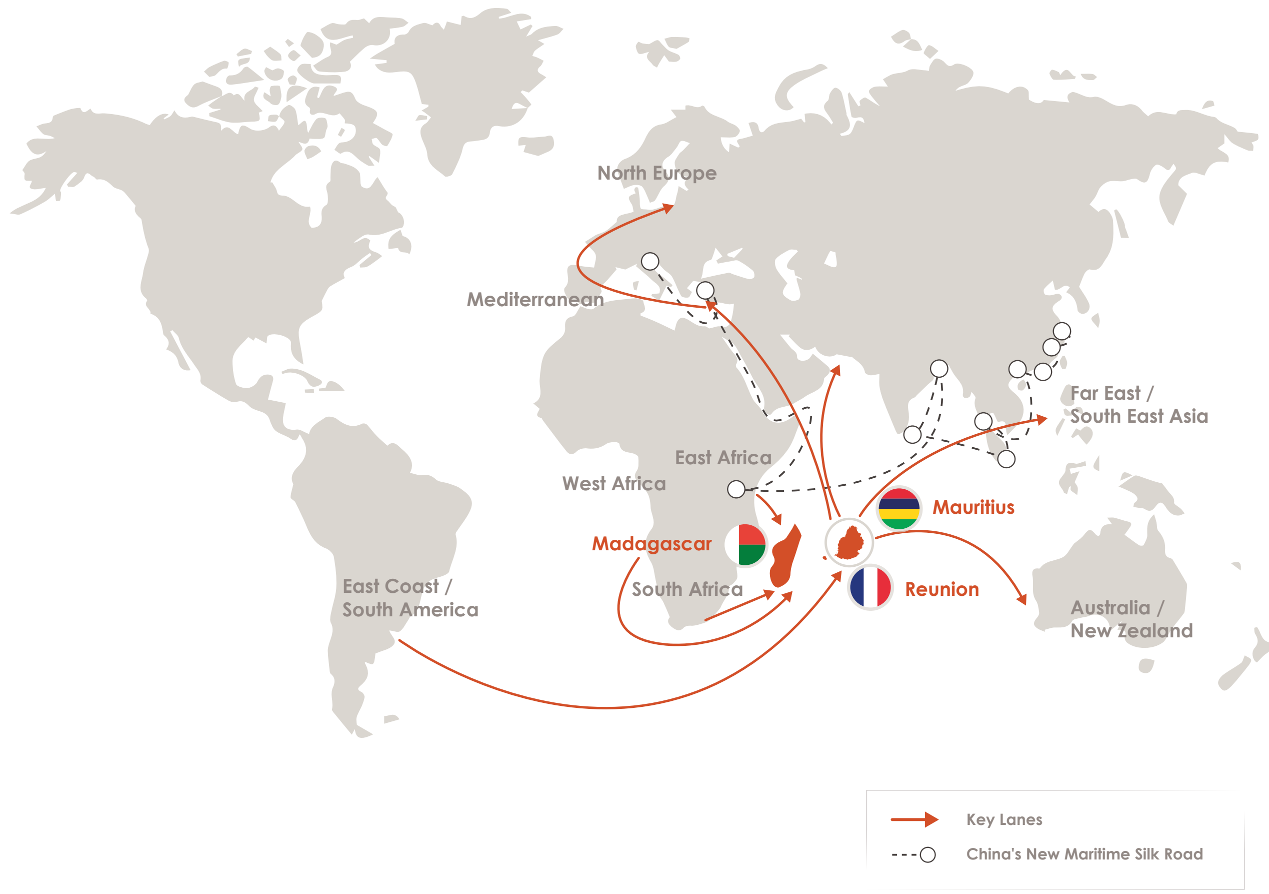
In this context, Mauritius' Port Louis harbour is becoming one of the leading commercial hub ports thanks to the quality of its infrastructure and its recent upgrade and extension in October 2017. The navigational channel was deepened to 16.5 metres, making it the deepest port in the South West Indian Ocean.

The extended quay now enables two large container ships of up to 12,000 TEUs to berth simultaneously, which only a few regional ports can accommodate.

In September 2018, Mauritius signed a full Free Trade Agreement (FTA) with China (Africa's first formal FTA with China) and has expressed an interest in becoming a transhipment and financial hub on China's Maritime trade routes. This came into force on 01 Jan 2021.

Mauritius has already agreed a formal trade agreement with three African trade blocs (Common Market for Eastern and Southern Africa, Southern African Development Community and the East African Community) in 2017, covering much of the continent.

The Comprehensive Economic Cooperation and Partnership Agreement (CECPA) signed between Mauritius and India in April 2021 represents another important milestone in trade and economic relationship between the two countries.



Velogic showing its resilience through the Covid-19 pandemic

Overall, Velogic has been resilient in the face of the COVID-19 pandemic and the lockdowns and confinements it provoked throughout the world.

Some of Velogic's activities have nonetheless been disrupted by the pandemic. Air freight business saw lower volumes following reduced supply and higher freight rates. Warehousing was also adversely impacted in Mauritius on account of lower import volumes. Velogic was able to withstand the crisis due to:

- The diversification of its activities which ensured a good overall performance:
  - The sea freight segment sustained its activity throughout the period;
  - The express courier segment increased its activity due to higher e-commerce volumes, especially in Mauritius & Reunion;
  - The port-related services, including land transportation and container services segments have continued to operate normally during the pandemic; and
  - The ship agency, bulk activities and special project cargo operations have also been very resilient.
- The diversification of its geographical exposure which mitigated the negative impact of Mauritius' lockdown:
  - Overseas freight forwarding operations have performed well; and
  - Trade volumes were higher in Kenya despite a partial lockdown on the back of increased market share in the container business and diversification in the bulk transport business.

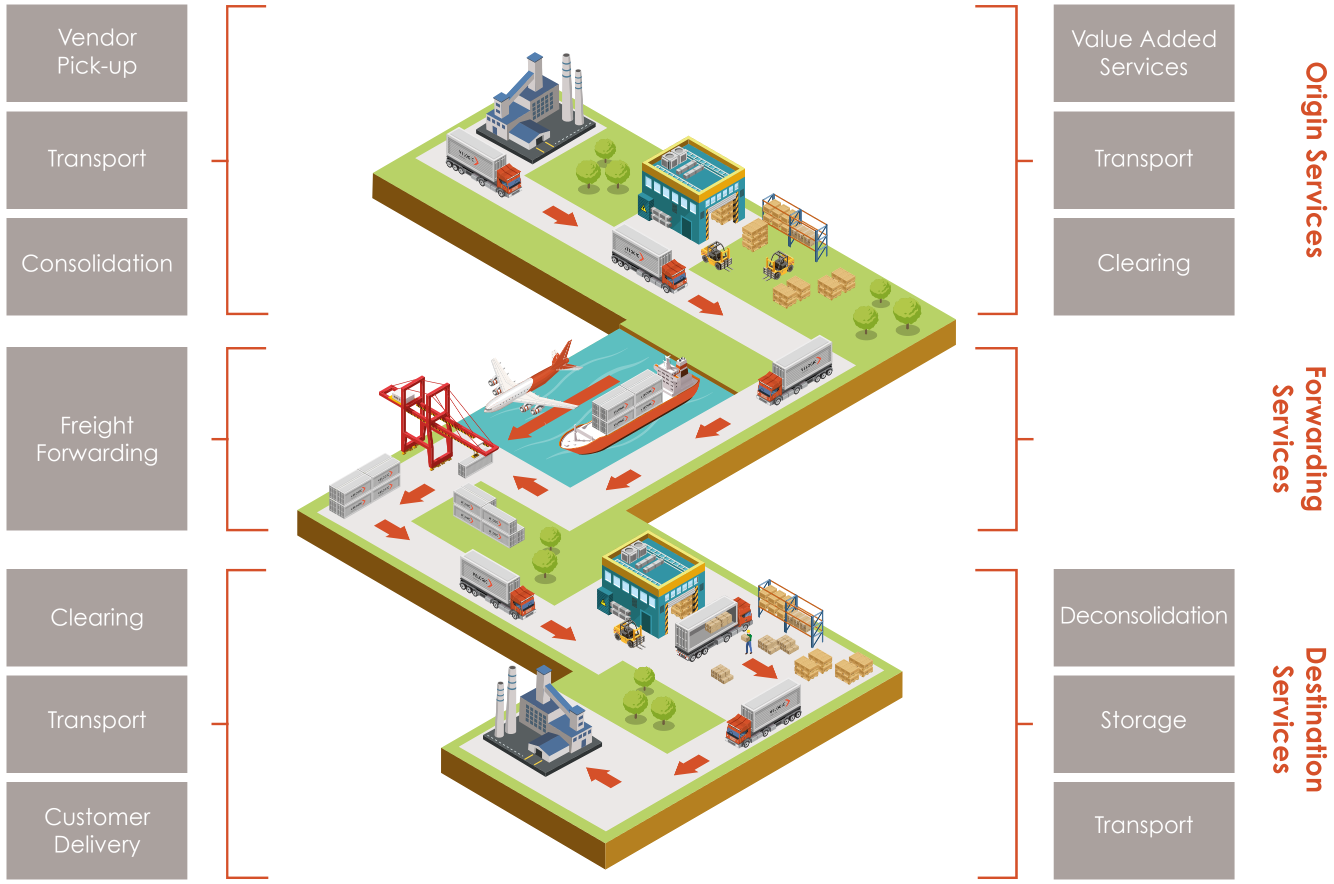
During the early days of COVID-19 pandemic, there was a significant increase in disruptions in the ocean and air freight markets. This, combined with lower global capacity and higher demand for long distance transportation, has benefitted the larger global and regional shipping and logistics players. The role of the logistics industry has consequently been accentuated as an essential service in the global supply chains during the COVID-19 pandemic.

The recent challenges and their consequences have increased the need for and the relevance of a player like Velogic. During the last 18 months, Velogic strengthened its partnership with its clients through its quality of service and its ability to find viable solutions in challenging times.

The COVID-19 pandemic will undoubtedly have an impact on production, trade and consumption patterns globally. Velogic, as an agile logistics player, will continue to adapt to meet the needs of its customers and create value for its stakeholders.

As the activities of Velogic are quite diversified, across several countries and are technology driven, the Company is well placed to navigate these disruptions – especially now that most countries are coping better with the COVID-19's economic impacts.

2.2 Creating Value for Stakeholders



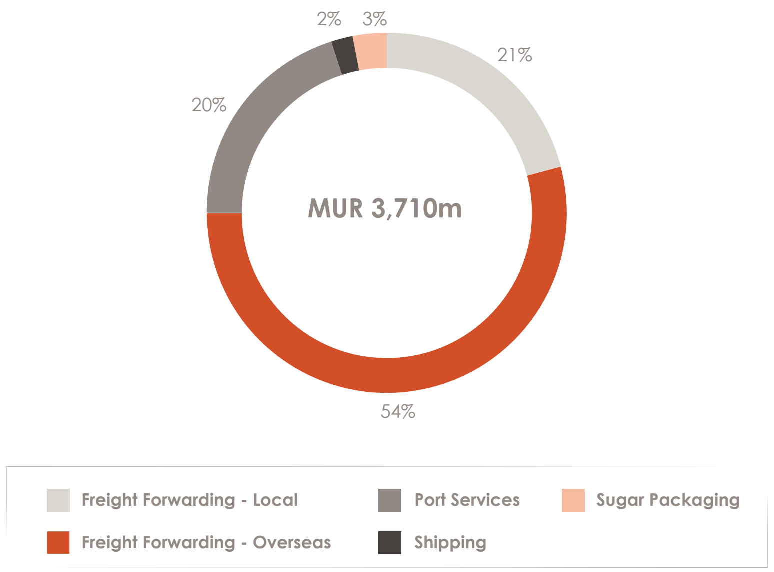
The value proposition of Velogic is based on it being an integrated logistics service provider, ensuring a seamless service along the supply chain to its clients, namely through the following:

- **What we do and how we create value**: Velogic bridges the distance between the needs of its clients with solutions through its comprehensive range of services, transforming the B2B/B2C delivery journey into a timely and seamless experience.
- **Relationships and Brands**: Its extensive network of partners and associates enables the Company to cater for unique requests.
- **Technology**: Its digital ecosystem connects to the world, simplifying the chain between the clients and their needs.
- **Warehousing and distribution**: Velogic cares about delivery and makes it its mission to safely store products until they are ready for their respective journeys.
- **Freight Forwarding**: Ability to leverage on global carrier and agent relationships.
- **Financial capital**: Velogic carefully manages its resources by ensuring a resilient balance sheet and tailor-made insurance covers to protect its assets and that of its clients.
- **Sustainability**: Velogic works closely with partners and collaborators in reducing its carbon footprint through comprehensive planning and efficient energy usage.
- **Customs Clearance**: Compliant with regional laws and in-house expertise of industry practice limits waiting periods.
- **Customer Experience**: The excitement of its clients when receiving their delivery is what drives Velogic to improve its service to clients. Velogic's adaptable model proves successful with high retention rates.

2.3 Analysis of Revenue Streams

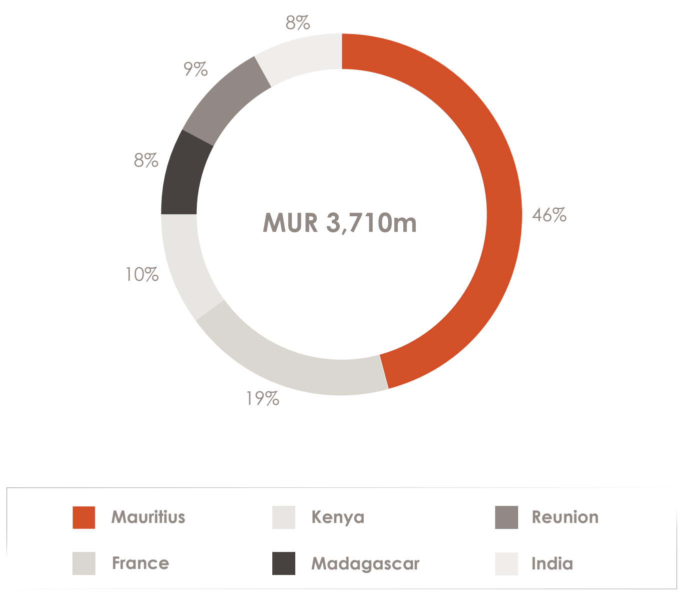
The Company derives its main source of revenues from the freight forwarding activity. The chart below illustrates the estimated split of Revenue of the Company by business activity and country of origin. Velogic is well diversified, with exposure in and outside Mauritius, enabling its overall resilience:

Split of Revenue by activity for FY21 (U) (%)*



*Revenue means Sales of Services

Split of Revenue by country for FY21 (U) (%)*



*Revenue means Sales of Services

2.4 ESG at Velogic

ESG: Velogic views its business model as a component of a broader value-creating ecosystem

Velogic recognises that it is part of an ecosystem of actors and capitals, and that its business must be understood as a part of a broader ecosystem. This is why Velogic adopts an integrated approach to its business, recognising both that the line between financial and non-financial is diminishing, and that it cannot act independently from its extended environment.

Velogic's business model is based on a diversified portfolio of activities that create value for its customers and its internal and external stakeholders. In order to carry out these activities, Velogic relies on different types of capitals that it seeks to leverage:

- Financial capital: Investors and profits provide the Company with the financial resources to run and expand its operations;
- Intellectual capital: With more than 50 years of experience in the transportation and logistics industry, Velogic has developed a strong intellectual capital base on which to grow its business;
- Human capital: Highly skilled employees in Mauritian headquarters and 6 countries of operation;
- Social capital: Velogic's partners are key resources that allow the Company to operate with a high quality of service; and
- Natural capital: Velogic recognizes that its business is a consumer of natural resources. It uses mainly fossil fuels for the transportation of goods and uses space to install its storage sheds.

With the above in mind, Velogic recognizes that its activities have impacts on the different aforementioned types of capital:

- Velogic's financial results allow it to reward its shareholders and reinvest in its business, so that it can continue to improve its offering for its customers;
- Velogic places a high priority on training its employees to increase their skill level and employability, believing that its success will be achieved through the commitment of a team of talented and knowledgeable employees; and
- Velogic serves a growing number of customers, transporting approximately 12,500 TEUs Maritime Shipments and 10,000 Tons Air Shipments per year.

Finally, Velogic is working to progressively reduce the negative impacts of its activity on the environment and the health of all stakeholders. It believes that its main impact is on the release of greenhouse gases into the air. Velogic is addressing this issue in several ways as detailed below:

I. Velogic has developed a governance structure mindful of environmental and social topics

Velogic considers that the environmental and social issues related to its activities require the establishment of a dedicated governance structure to ensure appropriate compliance to set standards and adherence to internal controls.

In order to strengthen transparency and exchanges on environmental and social issues with other economic players, Velogic has:

- Adhered to the SigneNatir charter. SigneNatir is a community initiative led by Business Mauritius to make Mauritius more respectful of people and environment. Velogic produces a Sustainability and Inclusiveness report every year on five pillars (climate, biodiversity, communities, inclusive development and circular economy);
- Committed to the Rogers Group Sustainability & Inclusiveness Charter; and
- Contributed to Rogers Group Integrated Reports since 2016-2017.

II. Velogic has designed and implemented actions around the three pillars of ESG

Velogic's action is articulated around the three pillars of ESG, i.e. the environmental, social and governance dimensions. The Company's main areas of intervention on each dimension include:

a) Environment

- Waste management with a "reduce, reuse, recycle" approach: paper, pallets, batteries, scrap metal, used oil;
- Water: installation of rainwater recovery systems in its new facilities, to reduce the consumption of resources for truck washing;
- Renewable energies: working with the authorities to install solar panels on the roofs of its buildings where possible, to reduce the environmental impact of its energy consumption;
- Truck emissions: driver training to encourage eco-driving, implementation of incentives, and monitoring of fuel consumption to ensure the effectiveness of the Company's action; and
- Commuting emissions: introduction of at least one day of home office per week where possible.

b) Social

- Training and skills development program, focusing on customer service and leadership, AIDS/HIV and drug abuse;
- Existence of a gender equal opportunity policy;
- Well-being at work: a survey commitment every two years, leading to an action plan;
- System of assistance to employees for the purchase of school materials for their children, and a program to monitor their educational level; and
- Beach cleaning initiatives.

Communities are important and Velogic is grateful for the efforts of its employees and their families. The Company also takes social obligations seriously, not only in Mauritius, but also in other geographies where it operates. Velogic tries to have a positive impact on the different communities that it serves.

Velogic's social obligations were highlighted even further during the period right after the COVID-19 related lockdown placed in Mauritius and other economies, where its employees and its businesses continued working to keep the vaccines, medical equipment, food and other trade moving. Velogic never stopped working and the Company did so by ensuring full safety of its employees and their families and hence fulfilling the social obligations placed on it.

c) Governance

Velogic has a private equity participation in its business since 2013, which enhanced its already high governance standards as a subsidiary of the Rogers Group. Governance is managed at multiple levels and is more fully detailed in section 6.

- General governance – alignment with national regulation that is fully applied;
- Corporate governance – having a balanced & mixed Board with executive and non-executive members;
- Ensuring a strong audit and control process within the organisation;
- Transparency – the parent company being listed, the Company ensures the right level of transparency at all times; and
- Talent – attracting the right talent for business operations around the different activities and different countries.

III. Going forward: Velogic views ESG as a journey and aims at continuous improvement

Going forward, Velogic intends to continue its environmental, social and governance efforts. Among the priorities for the coming years, the following can be highlighted:

- the continuation of the actions presented in this document;
- the reinforcement of Velogic's actions to reduce greenhouse gas emissions from its activities; and
- the strengthening of the Company's network of environmental and social champions in all its locations.

This approach is not static, as Velogic remains attentive to the views of all its stakeholders on these issues and is open to potentially adapt its ESG strategy accordingly.


We promise an optimised
operational velocity.

3 FINANCIAL INFORMATION AND ANALYSIS

3.1 Growth Performance 2013-2021

Velogic's management has consistently shown strong capabilities to grow the business organically coupled with proven execution capabilities to deliver on expansion opportunities through acquisitions.

Top-line organic growth:

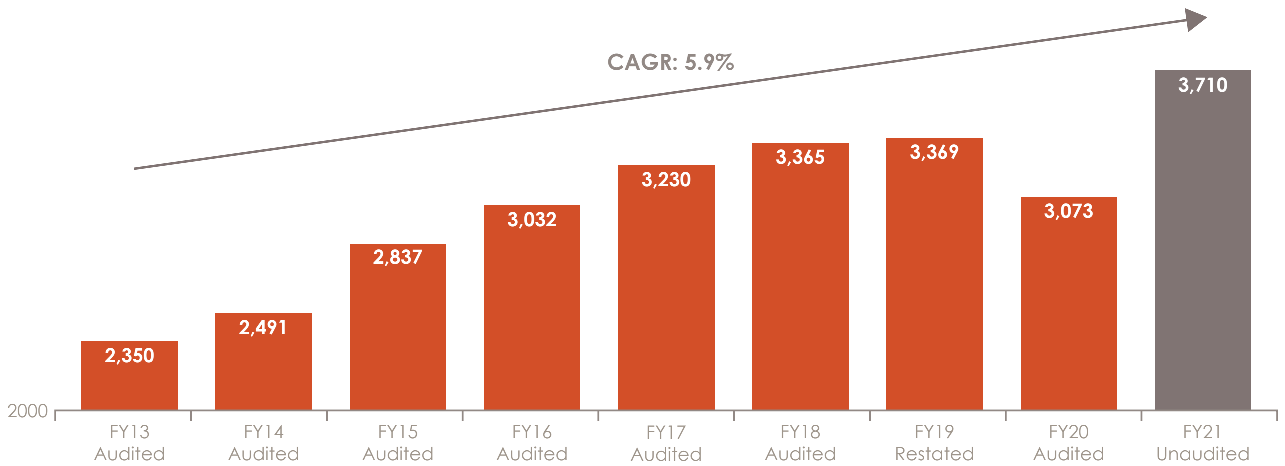
- Velogic's revenue is mostly composed of its asset-light service segments, freight forwarding, courier services and shipping, which contribute around 70% of the Company's revenues. Over the years, Velogic has gradually diversified its volumes, with more contribution coming from its international markets such as Madagascar, India and more recently, Kenya, as well as from a more diversified mix of economic sectors. In the courier services, Velogic is also leveraging on its partnership with one of the leading players globally, UPS, to increase its sales in the Indian Ocean offering last mile delivery services.
- Velogic's asset-based segment, port services, contributes around 25% of the Company's revenues. Revenue growth has been driven by optimizing Velogic's assets, offering its clients a varied set of services, that include warehousing, haulage and container services.
- Velogic's revenue stream also includes sugar packaging which contributes to less than 5% of the Company's revenue and has recently benefitted from the increase in global demand for special sugar.

Topline external growth:

The Company has demonstrated its ability to enhance its top-line performance with key acquisitions, which have been successfully completed by Velogic's management:

- Consolidation of its existing segment presence: Mechanical Transport Limited and ERC Limited in 2013 and 2014 for haulage, Southern Marine Limited in 2015 for shipping, Velogic Express Reunion in 2017 for courier.
- Widening its geographical footprint: strategic acquisition in Kenya in 2016 on both the customs clearance and the transport segments (General Cargo Services Limited and Gencargo (Transport) Limited).

Revenue* (MUR'm)

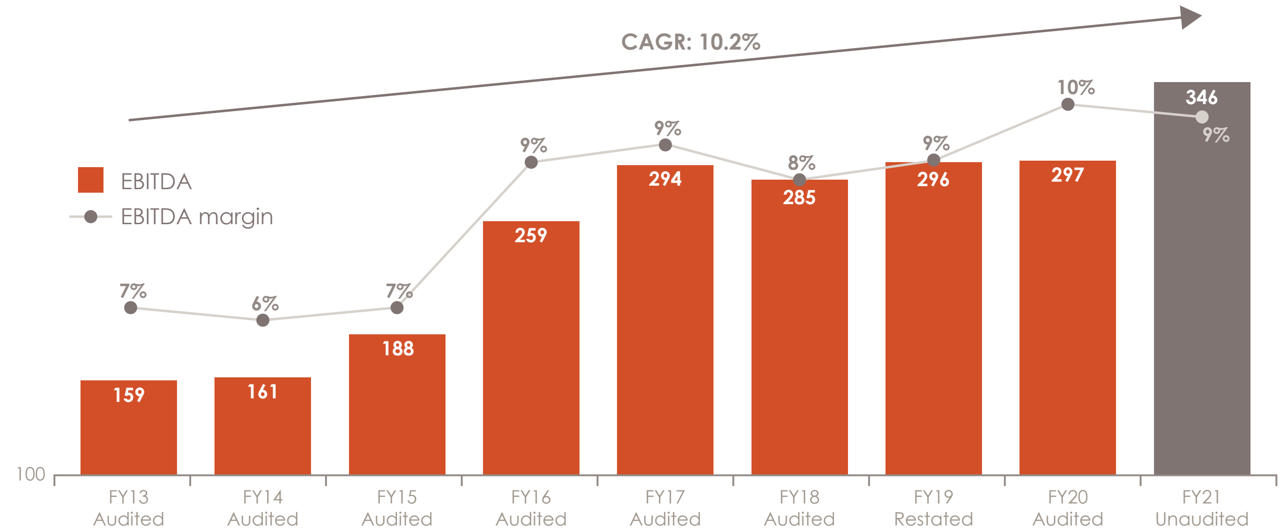


*Revenue means Sales of Services

Improved profitability

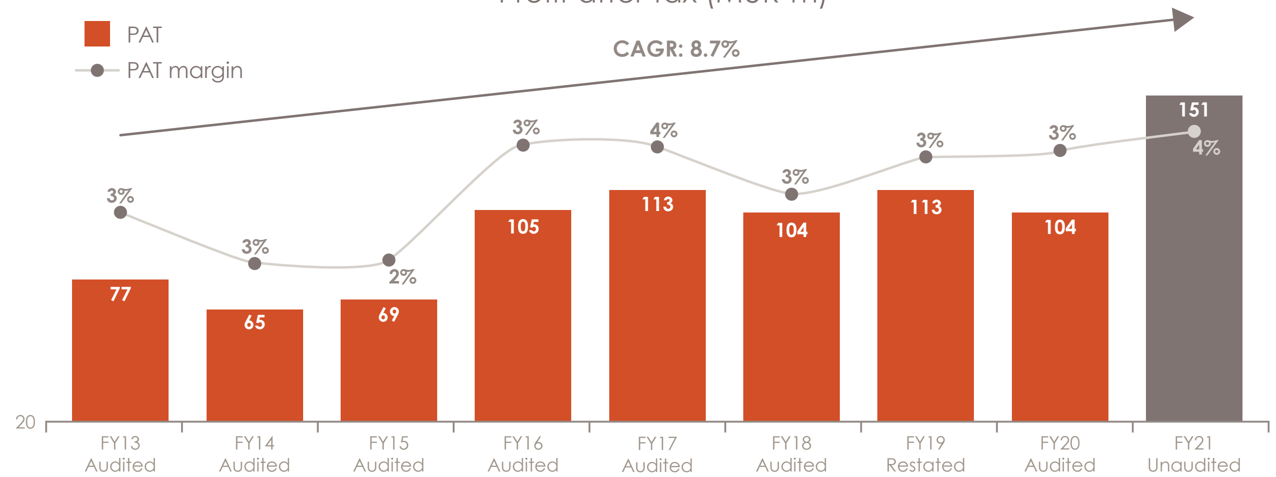
Profitability has increased over the past period, driven by Velogic's revenue mix and consolidation of existing activities. In addition, Velogic's management has demonstrated its ability to control operational expenses effectively and has successfully integrated businesses acquired to derive synergies through the implementation of leaner cost structures. This has enabled the Company to grow its EBITDA and PAT faster than its revenue.

EBITDA* (MUR'm) and EBITDA margin (%)



*Note(*): For comparison with FY18 and FY19 figures, the IFRS16 lease expenses were treated as an operational outflow in the EBITDA computation.

Profit after tax (MUR'm)



Demonstrated resilience

Velogic's diversified revenue base, both geographically and service-wise, has enabled the Company to weather local challenges and continuously improve its global performance over the past decade. The FY19-20 pandemic is a good testimony to this resilience: despite a declining revenue caused by lower volumes in global trade, Velogic was able to maintain its EBITDA with a focus on finding solutions in a complex logistics landscape.

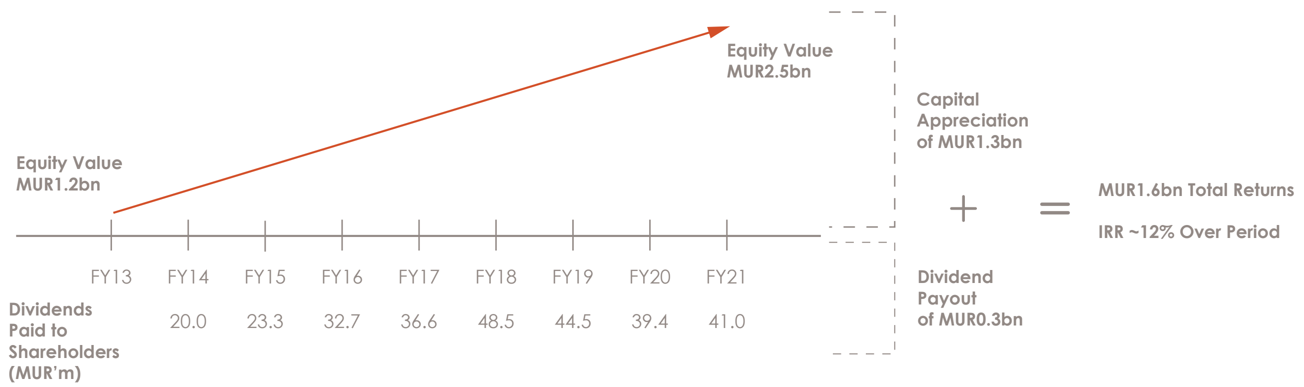
Healthy financial structure

Thanks to its cash-generating business model, Velogic has been able to grow while improving its financial structure, with a declining Net Debt / EBITDA ratio over the period, as shown in Section 3.2 below. This leaves room for future leverage, should Velogic wish to make investments for future organic growth or acquisitions.

Consistent returns for shareholders

In 2013, Velogic's shares were valued at MUR1.2bn. As of 30 June 2021, the shares were independently valued by KPMG at MUR2.5bn (please refer to section 4.2), resulting in an equity value growth of 2.1 times over an 8-year period.

Investors' returns over FY13 to FY21



Velogic's strong topline and improved profitability has enabled the Company to generate sufficient cash to both re-invest in its activities and consistently distribute dividends to shareholders, with an average 3% dividend yield on the period based on Net Asset Value per share (*see detailed information below*).

3.2 Summary of Historical Financial Performance

The condensed audited financial statements for the years ended 30 June 2018, 2019 and 2020 and for the period ended 31 March 2021 are provided below. The unaudited 30 of June 2021 management accounts have also been provided.

Condensed statements of profit or loss					
Amount in MUR'm	FY18 Audited	FY19 Restated	FY20 Audited	9 months period ended Mar 2021 Audited	FY21 Unaudited
Revenue	3,365	3,369	3,073	2,850	3,710
Cost of sales	(2,332)	(2,269)	(1,935)	(1,886)	(2,442)
Gross profit	**1,033**	**1,100**	**1,139**	**964**	**1,268**
Gross profit margin (%)	*31%*	*33%*	*37%*	*34%*	*34%*
Administrative expenses	(748.1)	(804.5)	(755.7)	(616.3)	(830.7)
Depreciation & amortisation	(105.4)	(110.4)	(109.7)	(82.6)	(111.9)
Depreciation - ROUA	0.0	0.0	(80.1)	(61.7)	(82.5)
Profit before interest and tax	**179.6**	**185.5**	**193.2**	**203.4**	**243.0**
Financial charges	(37.1)	(32.6)	(32.9)	(19.8)	(25.6)
Financial charges - ROUA	0.0	0.0	(17.5)	(12.1)	(14.4)
Profit before tax	**142.5**	**152.9**	**142.9**	**171.5**	**203.0**
Taxation	(38.9)	(40.1)	(38.4)	(41.0)	(52.0)
Profit after tax	**104**	**113**	**104**	**131**	**151**
Profit after tax margin (%)	*3%*	*3%*	*3%*	*5%*	*4%*
EBITDA[*]	285	296	297	278	346
EBITDA margin	*8%*	*9%*	*10%*	*10%*	*9%*

Note(*): For comparison with FY18 and FY19 figures, the IFRS16 lease expenses were treated as an operational outflow in the EBITDA computation.

Revenue increased by 21% in FY21 mainly due to increase in buying and selling freight rates and higher volumes from the courier business.

Improvement in EBITDA over the past three years was driven by the increasing gross profit and effective cost containment specially during the Covid-19 period in FY20.

In addition to above increase in operational profitability, the PAT also improved thanks to a reduction in finance charges following reduction of external borrowings.

Condensed statements of financial position					
Amount in MUR'm	FY18 Restated	FY19 Restated	FY20 Audited	31 Mar 2021 Audited	FY21 Unaudited
Non-current assets					
Non-current assets	1,540	1,514	1,611	1,591	1,598
Rights of Use Assets (ROUA)	0	0	303	260	234
Total non-current assets	**1,540**	**1,514**	**1,914**	**1,851**	**1,832**
Working capital					
Accounts receivable[*]	1,090	1,178	1,031	1,118	1,130
Accounts payable	(615)	(678)	(623)	(851)	(892)
Trade working capital	**475**	**500**	**408**	**267**	**238**
Other current assets / (liabilities)	40	22	22	59	48
Working capital	**515**	**522**	**430**	**326**	**286**
Financed by:					
Long term and short-term borrowings	490	456	452	383	236
Bank balances and deposits	74	108	238	401	304
Net debt / (cash)	**416**	**348**	**214**	**(18)**	**(68)**
Net debt / EBITDA[**]	146%	118%	72%	(7%)	(20%)
Other non-current liabilities	144	138	153	146	124
Liabilities associated with ROUA	0	0	316	279	250
Net assets (exc. Non-controlling interests)	**1,495**	**1,550**	**1,662**	**1,770**	**1,812**
Less: Non-controlling interests	134	140	172	197	215
Net assets	**1,361**	**1,410**	**1,489**	**1,573**	**1,597**
Gearing[***]	*28%*	*22%*	*13%*	*(1%)*	*(4%)*

Note (*): Trade receivables, financial assets at amortised costs and prepayment
Note (**): The IFRS16 lease liabilities were excluded from net debt
Note (***): Net debt (debt net of cash) used to calculate gearing ratio

The non-current assets of Velogic are mainly composed of land & buildings and plant & machinery, which consist mainly of trucks and forklifts in Mauritius and Kenya. It should be highlighted that the value of Land included in the Statement of Financial Position does not reflect the fair value of the 8.5 Hectares of leasehold land that it holds in the Freeport in Mauritius. Based on the last valuation as at June 2021, the fair value of the leasehold right that this property could fetch would be MUR518m if the leasehold right was sold, leading to a total Net Asset Value of Rs 2.3bn (including minority interests of Rs 0.2bn). This has not been recorded in the financial statements since properties are valued at cost as per accounting policy.

Trade receivables were well managed during the Covid-19 period, resulting in an improvement in cash balance.

Net debt was also reduced through the repayment of third-party loans.

Condensed statements of cash flows Amount in MUR'm	FY18 Restated	FY19 Restated	FY20 Restated	9 months period ended Mar 2021 Audited	FY21 Unaudited
Net cash generated from operating activities	74	197	386	405	283
Net cash from investing activities	(71)	(66)	(118)	(59)	(76)
Net cash used in financing activities	(89)	(95)	(162)	(190)	(164)
Net (decrease) / increase in cash and cash equivalents	**(86)**	**36**	**107**	**156**	**43**
Opening balance	171	74	108	238	238
Exchange difference on opening balances	(11)	(2)	24	7	23
Closing balance	**74**	**108**	**238**	**401**	**304**

Cash flow improvement was mainly driven by the improvement in profitability, contained leverage profile and effective working capital management. The historical dividend pay-out ratio has been around 40% of PAT.

Key investor ratios Investor KPIs	FY17 - FY21 average
ROE	8.2%
ROA	6.4%
Dividend yield on NAV	2.9%

3.3 Peer Analysis

A once fragmented industry has consolidated rapidly as major players seek to achieve economies of scale through volume. The bargaining power of existing players make up for a high barrier to entry, with companies now having considerable expertise on the rules, customs and business practices of the respective countries they service.

Several key players have also diversified their service offerings through vertical integration; they now also offer other facilities such as warehousing facilities, supply chain financing, marine insurance, and e-commerce to name a few. The e-commerce segment is specifically being given a lot of attention, with the entry of online giants like Amazon and Alibaba in the logistics market.

Since the beginning of 2020 till June 2021, the share price of a selected basket of logistics players on the international scene exhibited an interesting and attractive holding for investors. The industry is riding the wave of recovery as investors remain bullish on equity markets. The results of a comparative analysis of operational performance (EBITDA Margin) and financial performance (Dividend Yield) for publicly traded logistics groups are summarised as follows:

EBITDA Margin	2017	2018	2019	2020
DHL	5.2%	9.2%	10.5%	11.6%
DSV Panalpina	8.5%	8.8%	9.5%	9.5%
FedEx	9.8%	10.6%	10.9%	14.0%
Kuehne + Nagel	5.8%	6.3%	7.1%	7.9%
Logwin	4.5%	4.8%	5.1%	5.3%
UPS	10.7%	4.9%	10.3%	11.1%
XPO Logistics	7.9%	8.0%	8.4%	9.5%
Average	**7.5%**	**7.5%**	**8.8%**	**9.8%**
Velogic Holding Company Limited	9.1%	8.5%	8.8%	9.7%

Dividend Yield	2017	2018	2019	2020
DHL	2.6%	4.8%	3.4%	2.8%
DSV Panalpina	0.4%	0.5%	0.3%	0.3%
FedEx	0.8%	1.5%	1.7%	1.0%
Kuehne + Nagel	3.2%	4.6%	3.7%	2.0%
Logwin	1.7%	n.a.	2.7%	1.5%
UPS	2.8%	3.7%	3.3%	2.4%
XPO Logistics	n.a.	n.a.	n.a.	n.a.
Average	**1.9%**	**3.0%**	**2.5%**	**1.7%**
Velogic Holding Company Limited*	2.6%	3.6%	3.2%	2.6%

** On net asset value*
Source: Rogers Capital Analysis, Morning Star, July 2021 and Capital IQ, September 2021.

3.4 Strategic Objectives and Prospects

As an agile player with solid footprint and expertise, Velogic has the ambition to grow trade sustainably with its partners and clients. This growth is achievable by leveraging on the 3 'I's:

- **Integrated Logistics** – The Company is a unique one-stop shop solutions provider in logistics & supply chain and has the right infrastructure in place in the region to take full advantage of Mauritius' consolidation of its position as a regional logistics hub. It also enhances the customer experience by offering supply chain financing solutions;
- **Ingeniously Agile** – The Company is agile in finding tailored solutions by embracing digitalisation & innovation to make trade easier and improve the customer journey; and
- **International focus** – The Company is expanding geographically, with a focus on emerging markets such as East Africa and India.

Based on the identified opportunities for long-term growth, Velogic has translated its strategic goals into actionable initiatives, detailed below:

Revenue Enhancing Strategies

- **Expanding Velogic's East Africa footprint**

Velogic has developed a solid DNA in East Africa since the acquisition of two companies in Kenya in 2016 and it continues scouting for new acquisition opportunities in the East African market. With a young and growing population, East Africa has significant growth potential, making it a lucrative region for international trade. The increasing middle class and the urban-educated population have pushed the demand for shopping centers and e-commerce in several East African countries.

Management is expanding the existing product and service offering by developing additional business lines such as warehousing, distribution, freight forwarding and technologically-driven logistics solutions. These shall have a positive impact on the financial performance of the Company.

Supply chain financing activities, which consist of the payments for duties & VAT and other charges (shipping & port) for clients, are added benefits offered by Velogic to assist customers and to make trade easier.

- **Consolidating Velogic's Madagascar operations**

Velogic has operated in Madagascar over the past 28 years and developed a solid footprint with a strong portfolio of long-standing customers in Freight Forwarding and recently courier through UPS. Velogic Madagascar has the scope to broaden its activities by offering additional logistics services such as trucking and warehousing, to better serve its customers.

- **Increasing Velogic's geographical reach in India**

Velogic India has grown its network of global agents over the past 5 years and is now part of 3 large networks (3F, WCA & ACAAI), which enables it to have better geographic coverage. Development of strong agents' partnerships in key trading regions with Velogic India is key to the organic growth strategy. The value proposition is to focus on being trustworthy and reliable both in terms of services and information, especially to international clients and agents.

Velogic India is also expanding its coverage by increasing its number of offices from 9 to 12 by 2023 to offer better solutions to its overseas agents and clients.

- **Furthering regional strategic partnerships**

Velogic has developed a strong presence in the Indian Ocean through its wholly-owned offices in Mauritius, Madagascar & Reunion Island.

It currently has regional partnerships with UPS in the 6 Indian Ocean islands. Velogic is also the agent of Kuehne + Nagel and Geodis in Mauritius and Madagascar.

- **Strengthening operations in France through a strategic partnership**

Velogic France has a solid reputation in the textile sector and treats with the large buying houses. In order to maintain its competitive position in a market that depends on aggressive pricing, a strategic partnership is being finalised to derive economies of scale and lower operational costs.

Operational Efficiency Strategies

- **Investing in a digital platform**

The management is presently working on extending its Business Process Outsourcing ("BPO") platform in Mauritius to improve customer service and reduce costs. The platform will interface with existing systems to pull relevant operational & financial information internally and with external stakeholders. The platform shall capture customer queries centrally through the helpdesk and significantly improve operational efficiency and costs. The development of this platform started a couple of years back to mitigate the high operational cost-base of the French operations. The outsourcing model will also be implemented for other high cost platforms.

Digitisation of current processes is currently going through a significant and rapid transformation. Legacy operations that involve phone calls, emails and faxes to create shipment orders lack efficiency and visibility in tracking shipments' progress. Digitisation provides more granular real-time data (in terms of available containers, rates, optimal route, etc.), hence enabling the opportunity to digitise existing logistics processes. Logistics companies are looking more and more like technology companies with more digitised processes across the full value chain.

With emerging technologies such as the Internet of Things, self-driving vehicles and data analytics, this sector will continue to disrupt itself technologically for a long period of time. Velogic takes this trend seriously and has for a long period of time been digitalising its processes. The Company is automating one process after the other and is generating efficiency, consistency, predictability, cost savings and customer satisfaction.

In addition to the digitisation of processes, Velogic is now coming up with digital solutions for its clients that are helping many customers also automate their supply chains. An example of this is the launch of Velogic's own digital last mile logistics solution in Kenya called TrackRight (www.trackright.africa) where the demand was the strongest.

- **Strengthening further Velogic's valuable human resources**

Velogic's organisation consists of highly experienced people in logistics and the talent pool is nurtured through on-the-job and offsite training to ensure the continuity and development of its activities as well as delivery of the highest level of service to stakeholders.

More emphasis is being put on the people development function through:

- The review the performance management process to improve employee performance, identify key competencies as well as talents for succession planning purposes;
- The implementation of structured talent management programs for development and retention of high performers; and
- Diversification of talent base by recruiting candidates with varying skillsets, especially in technology and finance.

- **Implementing Customer Relationship Management tools ("CRM")**

Velogic is expanding the use of a CRM tool to assist sales team in tracking pipeline & accessing customer information more readily.

3.5 Summary of Projected Financial Statements and Projected Key Ratios

Despite the uncertain business environment prevailing in Mauritius and globally, Velogic's performance is expected to be maintained in the upcoming years.

Top-line organic growth:

Top-line increase will be driven by high growth territories such as Kenya, Madagascar and India, as Velogic reaps the benefits of its client and geographic diversification. Velogic will capitalise on its established footprints in these countries to further develop its scope by offering additional logistics services.

In addition, the recent implementation of the Comprehensive Economic Cooperation and Partnership Agreement (CECPA) between Mauritius and India could reinforce the island's strategic position on freight forwarding flows between the Indian sub-continent and Africa, as both regions increase their common trade volumes, especially if Mauritius becomes a strong regional trading hub.

3.5 Summary of Projected Financial Statements and Projected Key Ratios (Cont'd)

A potential strategic partnership for France is being explored with an interested party, to improve cross-selling and economies of scale in the country. Future arrangements have not yet been finalised and therefore not incorporated in the forecasts.

Container depot activity will handle lower volumes compared to previous years, with the move of one of its customers (MSC) to internalise this operation since June 21. The appropriate measures have been initiated to mitigate the impact, with revenue diversification and the reallocation of the container depot operating areas to reduce costs.

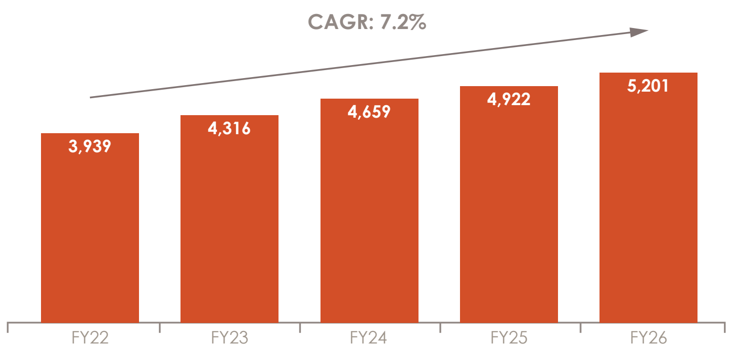
Topline external growth:

Velogic has decided to pursue its East African strategy and has planned a further acquisition at the end of the FY23.

Key Forecast Assumptions

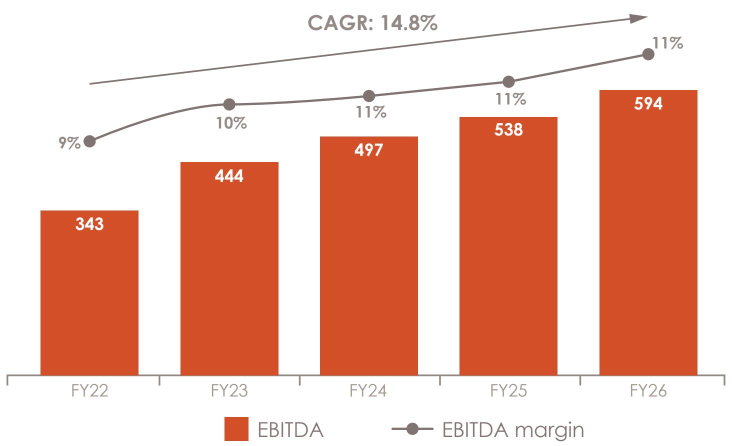
- Investments include:
  - acquisition of minority stake in the Kenya venture in FY22; and
  - new investment in East Africa in FY23.
- The haulage activity will exit its current rental contract in Pailles in January 2022 to occupy newly constructed garage facility in Riche Terre. In addition, the relocation of UPS office from Pailles to newly refurbished premises in Mer Rouge will occur in December 2021. Budgeted capital expenditure for the above will amount to around MUR95million; and
- Costs are subject to country specific inflation rates.

Revenue (MUR'm)



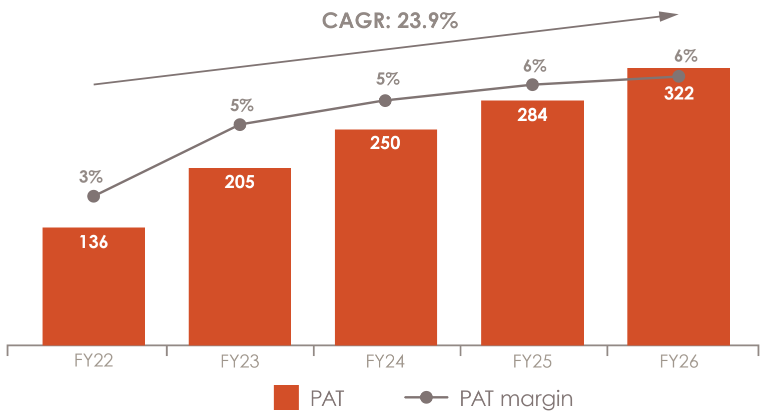
Further improving profitability: Velogic expects to increase its profitability by focusing on diversifying its service offering in its high growth markets such as Kenya and Madagascar and embracing digitalisation to optimize its internal process while improving the customer journey. This focus on margins coupled with a sustained cost control will improve the Company's profitability (2 points increase in EBITDA and PAT margins expected over the forecast period).

EBITDA* (MUR'm) and EBITDA margin (%)



Note(*): For comparison with FY18 and FY19 figures, the IFRS16 lease expenses were treated as an operational outflow in the EBITDA computation.

Profit after tax (MUR'm)



Conservative financial strategy: Velogic intends to use leverage for (i) the acquisition of the stake of its minority partner in Kenya in FY22, and (ii) new investment in East Africa in FY23. As shown further below, gearing level is expected to reach 23% in FY22 and gradually decrease as the debts are serviced.

Attractive dividend prospects: Velogic expects to maintain its dividend pay-out based on historic benchmarks.

Condensed projected statements of Profit or Loss

The financial forecasts from FY22 through FY26 are shown in the tables below:

Condensed projected statements of Profit or Loss					
Amount in MUR'm	FY22	FY23	FY24	FY25	FY26
Revenue	3,939	4,316	4,659	4,922	5,201
Cost of sales	(2,680)	(2,922)	(3,169)	(3,352)	(3,541)
Gross profit	**1,259**	**1,395**	**1,491**	**1,571**	**1,660**
Gross profit margin (%)	*32%*	*32%*	*32%*	*32%*	*32%*
Selling, General and Administrative expenses	(858.6)	(896.8)	(938.8)	(976.5)	(1,010.9)
Depreciation & Amortisation	(119.7)	(124.0)	(126.5)	(132.3)	(137.5)
Depreciation - ROUA	(50.5)	(47.2)	(48.2)	(44.2)	(47.5)
Profit before interest and tax	**230.3**	**326.9**	**377.2**	**417.6**	**464.2**
Financial charges	(31.1)	(33.8)	(29.0)	(20.9)	(20.6)
Financial charges - ROUA	(12.7)	(11.0)	(10.8)	(11.7)	(10.7)
Profit before tax	**186.6**	**282.1**	**337.4**	**385.0**	**432.9**
Taxation	(50.1)	(76.5)	(86.6)	(100.8)	(110.7)
Profit after tax	**136.5**	**205.6**	**250.8**	**284.2**	**322.2**
Profit after tax margin (%)	*3%*	*5%*	*5%*	*6%*	*6%*
EBITDA*	**343**	**444**	**497**	**538**	**594**
EBITDA margin (%)*	*9%*	*10%*	*11%*	*11%*	*11%*

Note(*): For comparison with FY18 and FY19 figures, the IFRS16 lease expenses were treated as an operational outflow in the EBITDA computation.

Profit after tax is expected to grow at a CAGR of 24%, to reach Rs322m in 2026. EBITDA margin is expected to increase from 9% to 11% through the expected gross margin growth and cost containment with year-on-year growth restricted to around 4% growth p.a.

Condensed projected statements of financial position

Condensed projected statements of financial position					
Amount in MUR'm	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**
Non-current assets					
Non-current assets	1,779	1,883	1,859	1,833	1,806
Rights of Use Assets (ROUA)	181	173	188	132	88
Total non-current assets	**1,960**	**2,057**	**2,047**	**1,965**	**1,894**
Working capital					
Accounts receivable*	1,235	1,353	1,460	1,543	1,630
Accounts payable	(831)	(902)	(975)	(1,030)	(1,086)
Trade working capital	**404**	**451**	**485**	**513**	**544**
Other current assets / (liabilities)	(5)	(14)	0	(7)	(18)
Working capital	**400**	**437**	**486**	**507**	**526**
Financed by:					
Long term and short-term borrowings	543	562	413	289	163
Bank balances and deposits	164	182	175	239	292
Net debt / (cash)	**379**	**380**	**238**	**50**	**(129)**
*Net debt / EBITDA***	*111%*	*86%*	*48%*	*9%*	*(22%)*
Other non-current liabilities	138	144	146	150	154
Liabilities associated with ROUA	197	200	216	161	109
Net assets (exc. Non-controlling interests)	**1,646**	**1,769**	**1,933**	**2,111**	**2,285**
Less: Non-controlling interests	73	104	139	178	217
Net assets	**1,573**	**1,665**	**1,794**	**1,933**	**2,068**
*Gearing****	*23%*	*21%*	*12%*	*2%*	*(6%)*

Note (*): Trade receivables, financial assets at amortised costs and prepayment
Note (**): The IFRS16 lease liabilities were excluded from net debt
Note (***): Net debt (debt net of cash) used to calculate gearing ratio

The year-on-year increase in net assets is driven by the growth in bottom line profitability arising from both organic and external expansion.

Condensed projected statements of cash flows

Condensed projected statements of cash flows					
Amount in MUR'm	**FY22**	**FY23**	**FY24**	**FY25**	**FY26**
Net cash generated from operating activities	132	331	352	399	436
Net cash from investing activities	(496)	(256)	(107)	(110)	(114)
Net cash used in financing activities	185	(57)	(252)	(225)	(269)
Net increase/(decrease) in cash and cash equivalents	**(180)**	**18**	**(7)**	**64**	**53**
Opening balance	333	164	182	175	239
Exchange difference on opening balances	11	0	0	0	(0)
Closing balance	**164**	**182**	**175**	**239**	**292**

Net cash used in investing activities is higher in FY22 and FY23 compared to the later years with the planned acquisitions of the minority stake in Kenya and the construction of a garage facility for the haulage activity in FY22 to generate rental savings and a planned acquisition in East Africa in FY23.

Key investor ratios	
Investor KPIs	**FY22 - FY26 average**
ROE*	13.4%
ROA	9.4%

Note (*): Based on NAV


We offer versatile solutions
to cross every border.

4 THE LISTING AND THE OFFER

4.1 Rationale of the Listing

The listing of the Company on the DEM is the natural next step in the Company's growth and development journey. The main reasons underpinning the listing are set out below.

- **Access to capital to finance the Company's growth strategy**: As detailed in section 3, Velogic has an ambitious growth and internationalisation strategy. In order to finance the sizeable projects and development plans which comprise this strategy, Velogic will have access to additional capital via this listing.

  Velogic intends to attract capital when required from not only institutional investors but also from the public in general. However, no capital raising is anticipated in the short to medium term.

- **Marketability and liquidity of the shares**: Listing increases the marketability and stimulates the liquidity of shares, giving shareholders the opportunity to trade in Velogic's shares and participate in the future growth of the Company.

- **Exit for existing private equity investors**: Amethis having reached the end of life of its first fund will use the listing to exit from Velogic.

- **Enhanced visibility on domestic and international platforms**: In line with the corporate strategy of Velogic, the Company aims to increase its visibility, both domestically and at international level, and is positioning itself as an integrated logistics solution provider in the region. The listing will allow the Company to benefit from the additional visibility, credibility and trustworthiness.

4.2 Independent Valuation Report

KPMG Advisory Services Ltd carried out an independent valuation of the Company in the context of the listing on the DEM. The value of the equity of the Company on a pro-forma consolidated basis as at 30 June 2021 was **MUR 2.530bn**.

The details of the exercise performed are included in the valuation letter in Appendix 8 of this document.

4.3 Why Invest in Velogic?

Velogic's Strengths	Opportunities	Contribution Through Business	Value Created
Financial • Sound & stable • Sustained track record		**Vision** To be an agile logistics partner growing trads sustainably **Mission** • Become a partner of choice for supply chain solution; • Foster a performance-oriented culture • Maximise ROI for its shareholders; and • Adopt best in class sustainability & inclusiveness practices	Proven track record Attractive future growth potential
Human • Talented & diverse • Balanced skills set & International exposure	Growing People		Portfolio diversification thanks to a varied industry and geographical exposure
Digital • Strong digital solutions to enhance operational efficiency and CRM capabilities	Digitalisation and Operational Efficiency		Resilience of the logistics sector
Services • Fully comprehensive one-stop shop logistics solution	Digitalisation and Operational Efficiency East Africa Projects		Increased operational efficiency
Network • 300 agents worldwide • 10 locations	East Africa Projects		Continuous financial performance and ROI
Environment • ESG driven and focused • Best ESG practices implemented			Focus on sustainability

Agility | *Customer Focus* | *Passion* | *Best in Class Service*

The above depicts the value creation model for the investors. Some key motivating factors for potential investors in Velogic are detailed as follows:

- **Proven track record**

  Velogic has over 50 years' experience in delivering logistics solutions to the satisfaction of its customers and providing a strong financial return to its shareholders. This demands resilience, agility and robust governance standards.

- **Attractive future growth potential**

  As detailed in sections 2 and 3, Velogic has, over the years, demonstrated its ability to grow existing operations and integrate new companies within its structure. Velogic intends to pursue its expansion by leveraging its strengths and scaling operations, be it organically or through acquisitions. A major thrust is the planned consolidation into East Africa where its first investments have been quite successful and where the opportunities for growth are significantly more interesting. Having a presence in the growing markets of Africa and India provides for further growth opportunities. Last but not least, Velogic is ready to take full advantage of the transformation of the Mauritian port into a maritime hub, by being already present in a number of countries in the region that could be serviced from the Mauritian hub.

- **Portfolio diversification thanks to a varied industry and geographical exposure**

  For investors looking to diversify their investments across various industries and geographies, investing in Velogic represents a unique diversification opportunity. In addition, it also operates in an industry which is generally not covered by the mandate of fund managers in Mauritius.

- **Resilience of the logistics sector**

  Unlike many other sectors which have been significantly hit by the impact of the COVID-19 pandemic, the logistics industry, as an essential service, has always remained at the forefront of the movement of goods across the world. Although it has required some adaptation and re-inventing to embrace new consumption models and fluctuating demands, the industry never stopped operating, even at the peak of the pandemic and amidst generalised lock-downs and confinements worldwide.

- **Increased operational efficiency**

  Through sustained investments in its human resources, process re-engineering, and technology, Velogic has been able to improve its operational efficiency consistently. By using Mauritius as business process hub for its overseas offices, Velogic has succeeded in keeping its costs under control whilst maintaining a high customer satisfaction.

- **Continuous financial performance and ROI, driven by regular dividend distribution**

  As detailed in sections 3.1 and 3.2, the Company has consistently delivered strong results over the past years and has developed a solid platform to maintain and enhance shareholders' return. Velogic has consistently distributed dividends biannually over the past years and expects to continue this practice over the next year. Velogic has also demonstrated its ability to grow its equity value through consistent operational performance.

- **Focus on sustainability**

  By investing in Velogic shares, investors will at the same time support and participate in the Company's sustainable way of doing business, including its support to the community, its sustainability and inclusiveness practices and its commitment to greener solutions.

4.4 Introductory Price

As set out in section 4.2, an independent valuation exercise was carried out by an Independent Valuer, KPMG Advisory Services Ltd., to establish the fair value of the Company.

Based on the valuation exercise carried out at 30 June 2021, the Company is valued at MUR 2.53billion, or MUR 27.05 per share (as at June 2021, the Company had 93,515,565 ordinary shares in issue).

The Directors, having considered the above valuation, have recommended a 7.59% discount on the fair value per share which equates to an introductory price of MUR 25.00. The calculation for the introductory price of the ordinary shares of the Company on the DEM at MUR 25.00 per share is detailed below:

Fair value of Velogic as at 30 June 2021 (MUR million)	**2,530**
Less: listing discount assumed at 7.59% (MUR million)	(192)
Market value of Velogic upon listing (post discount) (MUR million)	2,338
Number of ordinary shares of Velogic	**93,515,565**
Introductory price per share (MUR)	**25.00**
Number of shares offered for sale	**31,580,206**
Expected proceeds from Offer for Sale (MUR) to Amethis	**789,505,150**

4.5 Calendar of Events

	2021
Approval of listing by the Board of Velogic	23 August
Pre-registration of the draft Admission Document (which also serves as prospectus) with the FSC	27 August
Application to the LEC for approval of the Application Document and the listing	22 September
Public notice of approval of the LEC	06 October
Start of analysts meetings and roadshows	18 October
Opening of subscription period	19 November
Closing of subscription period	03 December
Communication of outcome of listing	04 December
Transfer of fully paid shares to shareholders	15 December
Sending of cheques in respect of unsuccessful applicants for excess application	15 December
Sending share certificates and crediting CDS accounts	15 December
First day of trading	15 December

4.6 Application and Allotment

Applicants for the Offer for Sale should apply for the ordinary shares by filling in and signing the application form, provided as Appendix 6 in this document. The respective form must be returned with the payment of MUR 25 per ordinary share applied for to MCB Stockbrokers Ltd not later than 3:00 pm on 03 December 2021. Acceptances are irrevocable and may not be withdrawn.

The Board of VHCL will define the allotment criteria and retains the right to allocate the ordinary shares in such a manner as it deems appropriate. In the event of over-subscription, the Board will define the allotment criteria and retains the right to allocate the ordinary shares in such a manner as it deems appropriate.

Applicants will be notified by way of letters and/or electronic communication.

4.7 Methods of Payment

Payment for the ordinary shares which are the subject of the Offer for Sale can be made by bank transfer to the following bank account of Amethis:

Bank Account Name	Amethis Africa Finance Ltd
Bank Name	The Mauritius Commercial Bank Ltd
MUR Account Number	000446386588
SWIFT Code	MCBLMUMU
IBAN	MU30MCBL0944000446386588000EUR

The shareholder ID, as mentioned in the application form (Appendix 6), must be quoted in the bank transfer transaction and bank transfer receipt. A copy of the bank transfer receipt must be enclosed with the application form.

Payment can also made by way of crossed cheque(s), drawn to the order of Amethis Africa Finance Ltd, for the full amount payable and must reach the registrar, calculation, paying and transfer agent, M.C.B Registry & Securities Ltd, 9th Floor, MCB Centre, Sir William Newton Street, Port-Louis, Mauritius, not later than 03 December 2021 at 4:00 pm Mauritian Time, together with the completed and signed application form(s).

Should a cheque forwarded in payment of an application for the shares of Velogic be dishonoured by the drawer's bank or where bank transfers have failed, the application will be rejected. No cash, nor any other form of payment, will be accepted. All payments received will be banked by Amethis as and when received during the offer period.

No interest will be paid on monies received in respect of applications for the shares of Amethis. All refunds relating to unsuccessful applications shall be made by cheque within one (1) month from the date of allotment.

4.8 Details of Estimated Expenses relating to the Listing

	MUR
Reporting accountants	4,300,000
Transaction adviser	1,000,000
Independent valuer	1,200,000
PR and marketing	2,000,000
Legal adviser	500,000
Property valuers	300,000
Application to the SEM and first year fees	450,000
Printing, stationery and postage	330,000
Total estimated expenses	**10,580,000**

The estimated expenses will be borne by the Company and do not affect the net proceeds to be received by Amethis.


We follow a
vectored process.

5 RISK FACTORS

The effective management of risk factors is a core function of the Board and its executive management. The Board certifies that there is an ongoing process for identifying, evaluating and managing various risks faced by the Company. The Company's activities and operating environment expose it to a variety of risks as described below. The risk factors set out could affect the Company's future results and cause them to be materially different from the expected results. They constitute a threat that an investment may be lost in whole or in part or not provide an adequate return. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to mitigate potential adverse effects on the Company's financial performance.

Since the Company's subsidiaries conduct a substantial proportion of the Company's operations and own a major part of the Company assets, the Company's cash flow and its ability to meet its obligations depend on the cash flow of these subsidiaries. Risk factors affecting the subsidiaries of the Company therefore constitute the main risk factors of the Company.

The COVID-19 pandemic

The outbreak of the COVID-19 pandemic has caused Governments, including the Mauritian Government, to impose restrictions, such as quarantines, travel restrictions, sanitary curfews, confinements, and complete lockdowns of non-essential activities on an unprecedented scale. While these effects are expected to be temporary, operations have been impacted. At this point, the impact of the outbreak is both uncertain and difficult to predict, and there is no assurance that the outbreak will not have a material adverse impact on the future results of the Company. The extent of the impact on the Company will depend on future developments, including the success of the on-going vaccination campaigns, any potential repeat outbreaks of the COVID-19 virus and other actions taken to curb the spread of the virus. The results of the Company will also depend on the trade and consumption patterns, locally and worldwide. However, the nature of the Company's operations makes it an essential service provider both to the country and internationally and this has helped counter the negative financial impact of the pandemic.

Logistic Business Risk

With the possible contraction in household consumption that a global economic downturn usually entails, the freight forwarding activity will be potentially challenged in its served geographies. On the local Mauritian scene, it will be dependent on the recovery of the hospitality sector and on the resilience and future development of the textile industry. The performance of land logistics activities will also depend on how the situation pans out for the different sectors that it services. With infrastructure projects resuming and the stimuli granted by the Government to the construction industry, the demand for transport of materials should pick up. In Kenya, with the number of COVID-19 cases still on the high end, potential disruptions should not be excluded, but the growth in scope of Velogic's service portfolio in Kenya should stand the Company in good stead for the future expansion of its venture. In India, the spread of COVID-19 continues to cause uncertainty, however an extension of the geographical coverage driven by the opening of new offices and closer ties forged with new agents through network associations should generate incremental business.

Capital Risk Management

The Company's objective when managing capital is to safeguard the Company's ability to continue its activities, so that it can continue to provide returns for its shareholders and benefits for other stakeholders by pricing products and services in accordance with the existing level of risk.

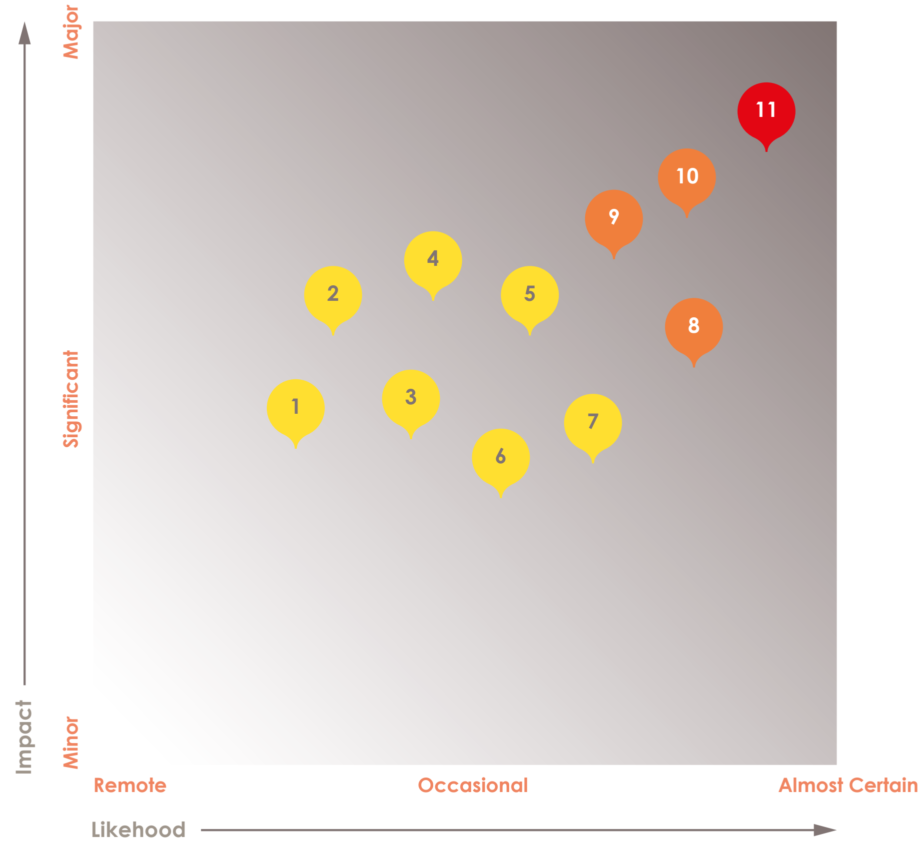
The Company sets the amount of capital in proportion to risk. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust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

Principal Risks

Prior to making an investment decision, prospective investors should carefully consider, along with the information contained in this Admission Document, the following risk factors associated with an investment in Mauritius, the Company and its shares. The risks and uncertainties below are not the only ones the Company and investors face. Additional risks and uncertainties not presently known to the Company, or that the Company currently believes are immaterial, could also impair the Company's business, financial condition or results of operations and, as a result, profitability and returns to shareholders. The Company therefore does not represent that the statements below regarding the risks of investing in the Company are exhaustive.

Investors are strongly recommended to consult an independent financial advisor in case of doubt as to suitability of the investment.

The Risk Heat Map below provides an overview of the principal residual risks identified for the Velogic Group.



1 Climate change
2 Business continuity
3 Information security
4 Talent
5 Stakeholder engagement
6 Foreign exchange
7 Health & safety
8 Credit
9 Financial sustainability
10 Client concentration
11 Economic factors & Market conditions

Risks	Mitigating Action(s) taken by the Company
Strategic	
Economic Factors and Market Conditions Current crisis (due to the COVID-19 pandemic) has the following potential adverse effects: • Further decline of the textiles sector in Mauritius affecting the export activity in freight forwarding. • Lower household consumption and a stricken hospitality sector leading to lower imports. • Increase in freight cost due to reduced capacities and decreases in volume imported impacting demand. • Increase in level of competition in our served geographies.	• Containing costs to mitigate the impact on bottom line. • Continued diversification of the customer base in freight forwarding activities. • Ensure marketing capabilities and review market strategies inclusive of target markets.
Stakeholder Engagement • Lack of engagement of strategic partners may lead to ineffective strategic decisions.	• Managing stakeholders' expectations through regular communications and clear understanding of expectations.
Client Concentration • Certain activities are concentrated and dependent on some major clients.	• Ongoing efforts to diversify the client base and use of assets.
Financial	
Financial Sustainability • Impact of a challenging business and economic environment in France.	• Cost containment measures taken and focusing on potential partnerships.
Credit • Credit risk will increase with the worsening of the economic climate.	• Credit risk constantly monitored, and the Company works on a cash basis for high-risk clients. • Credit protection insurance in place in geographies, where the protection is available.
Foreign Exchange The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Euro, British pound and US Dollar. Fluctuations in foreign currency can impact both costs and revenue, and net assets.	• Natural hedge in the freight forwarding sector. • Hedging instruments utilised to mitigate risks.
Operational	
Talent Engagement • Loss of key personnel and lack of succession plan for key executives and management. • Lack of adequate/missing skills in business and capability gaps in current teams.	• Several ongoing measures such as continuous training, to ensure key personnel are engaged. • Capability gaps are identified and recruitment is done accordingly.
Business Continuity Business disruptions due to the following: • Pandemic waves. • Man-made environmental disasters (e.g. oil spills due to shipwreck). • Fire. • Social unrest: Increasing level of unemployment, unpopular policy measures paving the way to protests, riots and looting. • Supply chain disruptions in clients' businesses leading to decrease in demand for logistic services.	• Business continuity, crisis management plan and adequate insurance is in place.

Risks	Mitigating Action(s) taken by the Company
Operational	
Climate Change • Climate change and its effects impact our business. Increasingly, the interconnected and lasting impacts of climate change are placing pressure on businesses to both minimise the impact, as well as ensure that their future operating model will remain relevant as consumers shift behaviours to minimise their carbon impact.	• On-going engagement to understand needs and concerns. Strategic plan is being devised to ensure our models are sustainable.
Health and Safety • Road transport accidents leading to serious injuries and environmental disaster.	• Action plan in terms of Safety preventive measures is regularly reviewed. • Road transport safety management system is being developed.
Information Technology and Security • Disruptive technologies and evolving cyber threats impacting on businesses.	• Automating processes to derive efficiencies. • Implementation of its Security policy and close monitoring of cyber threats.

- **Market Risk**

  The value of shares may rise or fall based on several factors, including demand for the shares, financial performance of the Company, perception of risk attached to the Company, changes in macroeconomic conditions, the speed of recovery after the pandemic crisis and the health of the industry. Shareholders may therefore face the risk of capital depreciation.

- **Liquidity Risk**

  The risk of being unable to sell investments at a fair price. There is the possibility of having to accept lower prices than the fair value of the investments. On certain occasions, it may not be possible to sell at all.

- **Inclusion of Mauritius on the European Union ('EU') list of High Risk Third Countries**

  The European Commission has included Mauritius on the list of High Risk Third Countries, issued on 07 May 2020. It is understood that the EU listing is a direct consequence of the listing of Mauritius by the Financial Action Task Force ('FATF') on its list of "Jurisdictions under Increased Monitoring". As a consequence of this listing, EU Member States are required to apply Enhanced Due Diligence ('EDD') criteria for all business and financial transactions to and from Mauritius. Another potential consequence is that companies in Mauritius may find it more challenging to receive new funding from entities domiciled in the EU, which may affect the Company's prospects of receiving investments from the EU. It must be highlighted, however, that the Government of Mauritius has reiterated its high-level commitment and is already taking steps to address the deficiencies identified by the FATF by implementing the action plan of the FATF at the earliest to exit the FATF and the EU lists.

  The foregoing list of risk factors does not purport to be a complete explanation of the risks involved in this offering. Potential investors must read the entire prospectus before determining whether to subscribe to the shares of the Company. Potential investors must obtain professional guidance from their advisors in evaluating all of the implications and risks involved in investing in the shares of the Company.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a Rogers enterprise
eco container
bamboo flooring
CMA CGM
eco container
bamboo flooring
2039
VELOGIC
We veer up and down
to meet your target.

6 CORPORATE INFORMATION

Name of the Company	VELOGIC HOLDING COMPANY LIMITED
Date of incorporation	30 September 2004
Place of incorporation and registration	Mauritius
Business Registration Number	C06052816
Registered office	No. 5, President John Kennedy Street, Port- Louis, Mauritius.
Telephone number	(230) 206 1000
Email address	contact@velogic-mu.com
Website	https://www.velogic.net/
Secretary	Ms. Sharon Ah Lin, ACG (ICSA:UK) No.5, President John Kennedy Street, Port-Louis, Mauritius
Registrar and Transfer Office	M.C.B Registry & Securities Ltd. Sir William Newton Street, Port-Louis, Mauritius
Principal banker(s)	Mauritius Commercial Bank Sir William Newton Street, Port-Louis, Mauritius
Auditors (past 3 financial years)	Messrs. BDO & Co (Financial years ended 2018 and 2019) 10, Frère Felix de Valois Street, Port-Louis, Mauritius KPMG (Financial year ended 2020) KPMG Centre, 31 Cybercity, Ebene, Mauritius EY (Period ended 31 March 2021) Nexteracom Tower 1, 9th Floor Cybercity Ebene, Mauritius
Transaction adviser	Rogers Capital Investment Advisors Ltd. No.5, President John Kennedy Street, Port Louis, Mauritius
Independent valuer	KPMG Advisory Services Ltd. KPMG Centre, 31 Cybercity, Ebene, Mauritius
Legal adviser	Ms. Aruna Radhakeesoon Attorney-at-Law, No.5, President John Kennedy Street, Port Louis, Mauritius
Sponsoring Broker	MCB Stockbrokers Ltd Raymond Lamusse Building, Sir William Newton Street, Port Louis, Mauritius

List of significant subsidiaries

The table below summarises the statutory information relating to the significant subsidiaries of the Company and its effective interest held as at 30 June 2021. Significant subsidiary is defined as a company accounting for more than 10 per cent of net turnover of the Company.

Name of Company	Registered Address	Nature of Business	Geography	Effective interest held
Velogic Ltd	No. 5, President John Kennedy Street, Port Louis, Mauritius	Freight Forwarding services	Mauritius	100%
Velogic Haulage Services Ltd ('VHSL')	No. 5, President John Kennedy Street, Port Louis, Mauritius	Transport services	Mauritius	98.97%
Rogers International Distribution Services S.A.S	ZAC de Paris-Nord Deux 383 Rue de la Belle Étoile Parc des Nations 95700 Roissy-en-France	Freight Forwarding	France	100%
General Cargo Services Limited	Plot No. 187, Section XVI, Makaburini Road, P.O Box 86322, Mombasa	Transport and port related services	Kenya	51%

Other subsidiaries accounting for a material proportion of net turnover of the Company are as follows:

Name of Company	Registered Address	Nature of Business	Geography	Effective interest held
Associated Container Services Ltd ('ACSL')	No. 5, President John Kennedy Street, Port Louis, Mauritius	Port Related Services	Mauritius	98.97%
Cargo Express Madagascar S.A.R.L.	Batiment B9-B10, Zone Industrielle FILATEX, Ankadimbahoaka, Antananarivo, Madagascar	Freight Forwarding	Madagascar	100%
Express Logistics Solutions Ltd	No. 5, President John Kennedy Street, Port Louis, Mauritius	Dormant	Mauritius	100%
Freeport Operations (Mauritius) Ltd	No. 5, President John Kennedy Street, Port Louis, Mauritius	Port Related Services	Mauritius	98.94%
Gencargo (Transport) Limited	Portreiz Road Mombasa, Building: L.R. No. Mombasa /Block253/VI	Transport Services	Kenya	51%
Global Air Cargo Services Ltd	No. 5, President John Kennedy Street, Port Louis, Mauritius	Freight Forwarding	Mauritius	50%
Logistics Solutions Ltd	No. 5, President John Kennedy Street, Port Louis, Mauritius	Investment	Mauritius	98.97%
MTL Logistics and Distribution Co Ltd	Royal Road, Pointe aux Sables, Mauritius	Dormant	Mauritius	100%
Papol Holding Limited	No. 5, President John Kennedy Street, Port Louis, Mauritius	Investment	Mauritius	60.01%
Rogers International Distribution Services Madagascar S.A.R.L.U	Batiment B9-B10, Zone Industrielle FILATEX, Ankadimbahoaka, Antananarivo, Madagascar	Freight Forwarding	Madagascar	100%
Rogers Logistics International Ltd ('RLIL')	C/O IQ EQ Corporate Services (Mauritius) Ltd, Les Cascades Building, 33, Edith Cavell Street, Port Louis, Mauritius	Freight Forwarding	Mauritius	100%

List of significant subsidiaries (Cont'd)

Name of Company	Registered Address	Nature of Business	Geography	Effective interest held
Rogers Logistics Services Company Ltd	No. 5, President John Kennedy Street, Port Louis, Mauritius	Freight Forwarding	Mauritius	100%
Rogers Shipping Ltd	No. 5, President John Kennedy Street, Port Louis, Mauritius	Shipping Services	Mauritius	68.64%
Rogers Shipping Pte Ltd	10 Anson Road, #29-07 International Plaza, Singapore 079903	Shipping Services	Singapore	51%
Southern Marine & Co Ltd	No. 5, President John Kennedy Street, Port Louis, Mauritius	Shipping Services	Mauritius	68.64%
Sukpak Ltd	No. 5, President John Kennedy Street, Port Louis, Mauritius	Packing of special sugars	Mauritius	70%
Velogic Garage Services Ltd	No. 5, President John Kennedy Street, Port Louis, Mauritius	Transport Company	Mauritius	98.97%
Velogic India Private Ltd	1st Floor, Plot No 7, in Khasra No 28/3/2, Samalkha Extension, Main Kapashera Bijwasan Road, New Delhi, India	Freight Forwarding	India	99.99%
VSR S.A.S	Zac de Paris-Nord Deux 383 Rue de la Belle Étoile Parc des Nations 95700 Roissy-en-France	Freight Forwarding	Reunion Island	100%
VK Logistics Ltd	4th Floor Ebene Skies, Rue De L'institut, Ebene, Mauritius	Investment	Mauritius	51%

A description of the Company's principal investments for each financial year for the period covered by the historical financial information up to the date of this document is also presented in Appendix 9.

6.1 Governance Structure

Velogic is a public company limited by shares and is the integrated international logistics platform of the Rogers group. It is a subsidiary of Rogers and is governed by the provisions of the Companies Act 2001.

Since its incorporation, Velogic has grown significantly in size and has proactively applied the Corporate Governance principles in accordance with The Report on Corporate Governance for Mauritius (2004) and thereafter The National Code of Corporate Governance for Mauritius (2016) within its business operations. Velogic is also a public interest entity.

The Board

As at 25 August 2021 Velogic is headed by a unitary board comprising 9 directors. The Board is made up of two Executive Directors, five Non-Executive Directors and two Independent Non-Executive Directors, under the Chairmanship of Mr. Philippe Espitalier-Noël.

Mr. Luc Rigouzzo and Ms. Khady-Lika Kone-Dicoh have been appointed to the Board by virtue of a Shareholders' Agreement between the current shareholders of the Company, namely Rogers and Amethis.

Upon appointment to the Board of Velogic, each new Director receives an induction pack from the Company Secretary. An induction programme and orientation process is supervised by Senior Executives of the Company.

Directors are further encouraged to attend courses to refresh their knowledge and to keep abreast of latest developments relating to their duties, responsibilities, powers and potential liabilities. There were two training workshops, namely AML/CFT and Changes brought to Workers' Rights Act 2019 organised for the Directors for the financial year ended 30 June 2021.

The profiles of Directors are set out in section 6.5.

Furthermore, as a principle, the Executive and Non-Executive Directors of the Company who are employed by either the Rogers Group or its associates and Amethis are not entitled to any directors' fees. The Independent Non-Executive Directors perceive a fee of:

- Fixed monthly fee of MUR 15,000; and
- Attendance fee of MUR 20,000 per board attendance.

Prior to its admission to the DEM, Velogic was holding quarterly board meetings. Post its listing, it will continue to hold a minimum of three board meetings per financial year.

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

The Committees

Prior to the listing of Velogic, its Board had resolved that its governance matters as well as risk management, internal control and audit matters be overseen by the Corporate Governance Committee ("CGC) and Risk Management and Audit Committee ('RMAC') of Rogers.

The Board of Velogic agreed that such governance structure operates well and there will be no change thereto. It was further resolved that the newly set up Sustainability and Inclusiveness Committee ('SIC') of Rogers assist the directors of the Company in the performance of their duties.

The membership and terms of reference of the said committees are available on https://www.rogers.mu/content/governance.

The CFO of Velogic will be a permanent attendee of the RMAC of Rogers for the Velogic part. The CEO of Velogic will have a standing invitation to attend the meetings of the SIC and CGC of Rogers. The Company Secretaries of Rogers and Velogic will further coordinate to ensure timely flow of information between the CGC, RMAC and SIC of Rogers and the Board of Velogic.

VHCL's policies

VHCL had adopted a number of policies, namely:

- its Data Protection Policy, Data Protection Notice and Data Protection Manual;
- the Code of Ethics of Rogers;
- the Information, the Information Technology and Information Security of Rogers;
- the Equal Opportunities Policy of Rogers;
- the Malpractice Reporting Policy of Rogers; and
- the other main Rogers Board policies.

The policies are available on https://www.rogers.mu/content/policies.

The Secretary of Velogic maintains a conflict of interest register which records all potential conflicts of interests between any duties to the company of the directors and their private interests and or other duties. Any instances where directors of Velogic are conflicted are noted by the Secretary. Furthermore, a director who is interested in a transaction entered into, or to be entered into, by the Company may not vote on any matter relating to the transaction and if he/she does vote, his/her vote shall not count. As at 30 June 2021, there are no conflicts of interests recorded in the said register.

The Secretary of Velogic also maintains an interest register. At the time of approving this Admission Document, there is no director (including the Chief Executive Officer) who holds a direct interest in the Company. The indirect interests of the directors of the Company as at 30 June 2021 are set out below:

Name of Director	Indirect %
Philippe Espitalier-Noël (Chairman)	3.683
Nayendranath (Vishal) Nunkoo (Chief Executive Officer)	Nil
Naveen Sangeelee	Nil
Mehul Bhatt	Nil
Gilbert Espitalier-Noël	3.542
Khady-Lika Kone-Dicoh	0.008
Luc Rigouzzo	0.069
Vincent Barbier*	Nil
Radhakrishna Chellapermal*	Nil

** appointed on 25 August 2021*

The interest register is available for consultation to shareholders, upon written request to the Secretary.

Dealing in the shares

Immediately upon its admission to the DEM and pursuant to the Securities Act 2005, Velogic will be qualified as a reporting issuer. Accordingly, the officers of the Company and those of its subsidiaries will be qualified as officers[1].

Accordingly, the directors of Velogic who are officers of the Company will be required to comply with Appendix 6 - Model Code For Securities Transactions By Directors Of Listed Companies. The said Code provides guidance in respect of the dealing in shares of the Company. The absolute prohibitions are as follows:

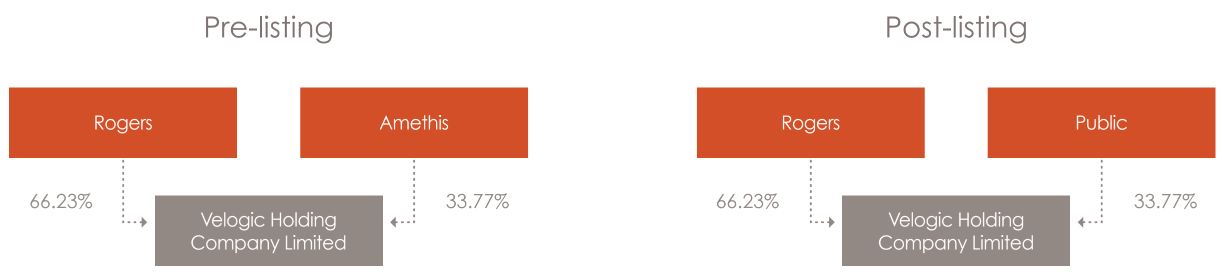
- A director should not deal in any of the securities of the issuer at any time when he is in possession of unpublished price-sensitive information in relation to those securities.
- A director should not deal in the securities of any other listed issuer when by virtue of his position as a director of his own company, he is in possession of unpublished price-sensitive information in relation to those securities.

Any related party transactions arising out of Velogic's ordinary course of business should be tabled before the RMAC of Rogers. In specific circumstances and where the size of such transactions are material, the RMAC together with the independent directors of Company would then meet and consider such transactions. Accordingly, they will table the findings to the Board of Velogic for consideration and/or approval.

[1] *officer means a member of a board of directors, a chief executive, a managing director, a chief financial officer or chief financial controller, an executive, a secretary, a partner, a trustee, or a person holding any similar function with a licensee, a CIS, a reporting issuer or a trust.*

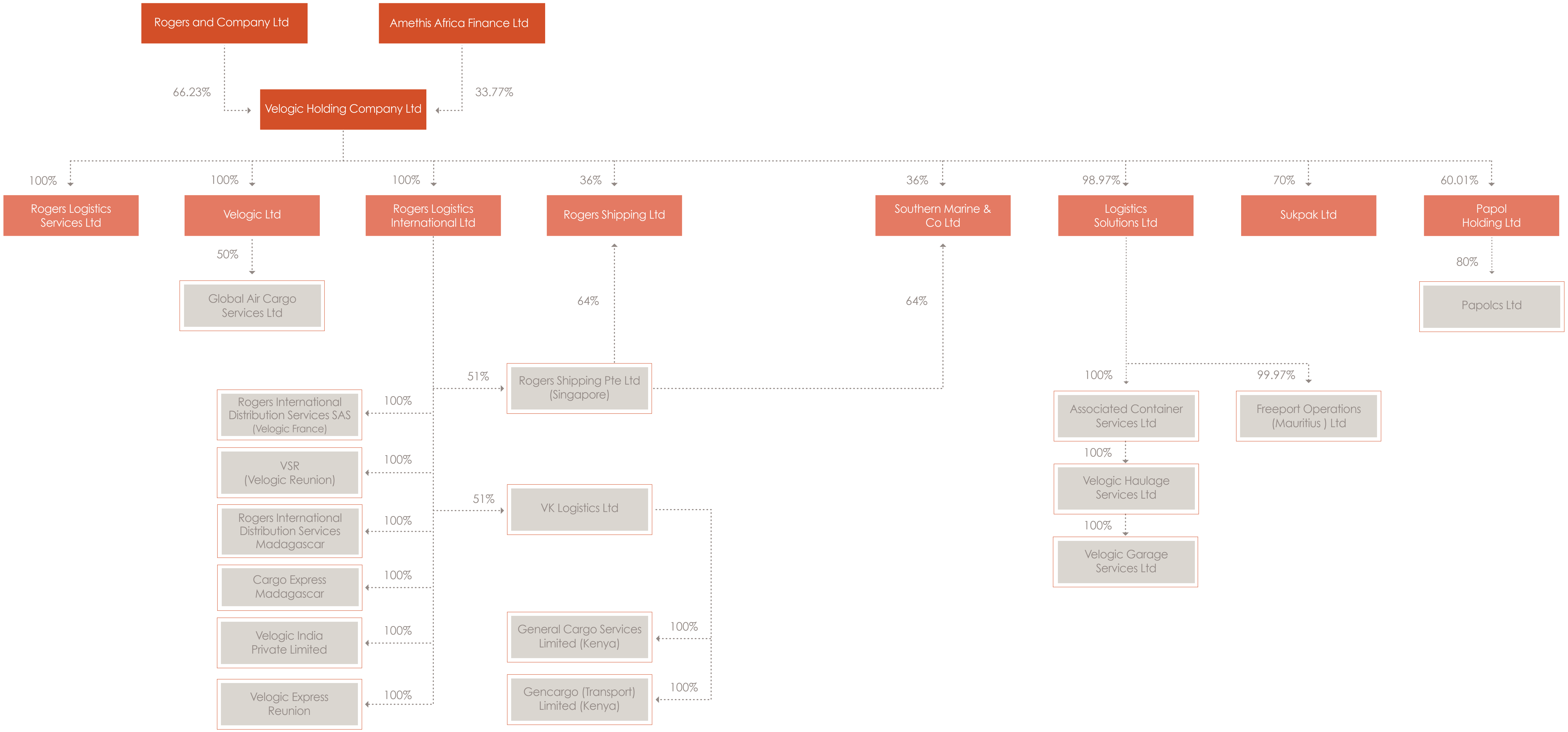
6.2 Shareholding Structure

The pre-listing and post-listing shareholding structure of the Company is set out below:



Details of the share capital of the Company are set out in section 6.9.

6.3 Organisational Structure as at 30 June 2021



6.4 Profile of the Senior Management Team

Velogic is headed by a solid team of experienced professionals who have extensive knowledge in their fields.

Nayendranath (Vishal) Nunkoo – Chief Executive Officer

Vishal is CEO of Velogic since 2011. He previously joined Rogers Group in 1993, where he held various positions within the Service Planning & Development, the Aviation and Logistics and the Enterprise Information Solutions departments. He holds an MBA in Finance and an MSc in Engineering.

Naveen Sangeelee – Chief Finance Officer

Naveen was appointed CFO of Velogic in 2011. He is a Fellow of the Institute of Chartered Accountants in England & Wales and the Association of Chartered Certified Accountants. He also holds an MBA in Finance and a BSc (Hons) in Economics and Computing. Naveen has a rich international experience, having worked for blue chip companies in the U.K. for several years.

Denis Hung Han Yun – Chief Operations Officer

Denis was appointed COO in March 2017. He previously held the Chief Processes & Systems Officer and Country Manager (Mauritius) positions. Prior to joining Rogers Group, he worked as a web developer as well as analyst programmer and systems analyst. Denis holds a Bachelor of Business Science in the special field of Computer Science.

André de Comarmond – Managing Director - Indian Ocean

André was appointed as Managing Director Indian Ocean in March 2017. He has more than 20 years of experience in sales & marketing. He was previously employed by Société du Port, before being appointed as Country Manager of Velogic Mauritius (2010) and then Regional Manager – Indian Ocean (2011).

Mehul Bhatt – Managing Director - East Africa

Mehul joined Velogic in 2015 and is responsible for driving the development and expansion of Velogic in Africa. He has previously worked for Chevron and A.P. Moller Maersk based in USA, Denmark and Africa and India. Mehul also has an MBA from London Business School.

Sylvain Girard – Managing Director - Europe

Sylvain was appointed Regional Manager-Europe in 2015, after acting as Deputy Regional Manager. With more than 25 years of experience in International Transport, he notably served as Country Manager of Velogic Madagascar. Sylvain started his career in the department of project transport at Alcatel Telspace in France and Kenya.

Nawaz Gobindram – Managing Director - Indian sub-continent

Nawaz took over as Regional Manager – Indian Subcontinent in July 2011. He previously gained valuable experience in the logistics sector by serving successively as Deputy Country Manager in Madagascar and Country Manager in India. Nawaz holds a DESS in Management Logistique Ingénierie Transports and a MIAGE degree.

Bertrand Abraham – Chief Human Resources Officer

Bertrand holds an MSc in Human Resources Management and a Diploma in Personnel Management. Bertrand has several years' experience in the field of human resources, having worked in the textile and sugar industries before joining Rogers Group in 2004. He moved to the Logistics sector in 2008 and holds the position of Chief Human Resources Officer of Velogic since July 2011.

Marcel Lagesse – Regional Manager - Shipping

Marcel has over 29 years of experience in road transport and project cargo, having been the manager as well as one of the shareholders of MTL, a transport company which was subsequently acquired by Velogic in October 2012. He therefore initially joined Velogic as Manager Garage, Transport and Project Cargo as from October 2012 and was subsequently appointed Projects Manager responsible for Project Cargo and Shipping business in January 2014. Marcel was then appointed Regional Manager of the Shipping Services in December 2014 where he is now leading the activities of Rogers Shipping and Southern Marine.

Thierry Espitalier-Noël – Manager

Thierry has over 30 years of experience in the manufacturing field, half of which was spent overseas (South Africa and Madagascar). His expertise covers sectors like chemical processing, paper making, optical glasses & sunglasses, ice making and distribution, printing & packaging, baby diapers & sanitary napkins. Thierry holds an Executive MBA (Heriot Watt, Scotland) and a Higher Diploma in Chemical Engineering (SA). He was appointed Operations Manager at Sukpak in March 2020.

6.5 Profile of the Directors

Name	Date of appointment	Position	Age	Nationality	Professional Journey
Mr ESPITALIER-NOËL Marie Hector Philippe	08/10/2004	Chairman and Non-Executive Director	56	Mauritian	QUALIFICATIONS: - BSc in Agricultural Economics (University of Natal, South Africa) - MBA (London Business School) PROFESSIONAL JOURNEY: - Worked for CSC Index in London as Management Consultant from 1994 to 1997 - Joined Rogers in 1997 - Was appointed Chief Executive Officer of the Rogers Group in 2007 SKILLS: - Proven experience of mergers and acquisitions, business turnaround and transformation - Extensive expertise with strategy development and execution - Inspiring leadership with senior management in the Group's four served markets, FinTech, Hospitality, Logistics and Property - Well versed in Corporate Governance DIRECTORSHIP IN LISTED COMPANIES IN MAURITIUS: Rogers and Company Limited, Ascencia Limited, Swan General Ltd and Swan Life Ltd

6.5 Profile of the Directors (Cont'd)

Name	Date of appointment	Position	Age	Nationality	Professional Journey
Mr BHATT Mehul Hiteshkumar	27/02/2020	-	41	Indian	QUALIFICATIONS: - MBA from London Business School (UK) - Bachelor's in Science from BITS, Pilani (India) - Fellow of Institute of Chartered Shipbrokers (UK), and Associate Fellow of Nautical Institute (UK) PROFESSIONAL JOURNEY: - Started career in Merchant Marine at the age of 18 with Chevron, an oil major based out of San Ramon, USA - Worked across US, Denmark, East Africa, UK and India prior to moving to Mauritius in 2019 - Worked with international groups like A. P. Moller-Maersk and Chevron in various strategy, finance, general management, performance management, operations and commercial roles SKILLS: - People and organisational leadership experiences since 2010 - Currently also heads strategy, sustainability and International Development for Rogers Group DIRECTORSHIP IN LISTED COMPANIES IN MAURITIUS: None
Mr ESPITALIER-NOËL Marie Edouard Gilbert	18/07/2011	Non-Executive Director	57	Mauritian	QUALIFICATIONS: - BSc (University of Cape Town, South Africa) - BSc (Hons) (Louisiana State University, USA) - MBA (INSEAD Fontainebleau, France) PROFESSIONAL JOURNEY: - Joined Food and Allied Group in 1990 and was appointed Group Operations Director in 2000 - Joined the ENL Group in February 2007 - Was Chief Executive of ENL Property Ltd - Currently CEO of New Mauritius Hotels Ltd SKILLS: - Detailed knowledge of the Group - Broad experience in the hospitality sector - Past President of various private sector institutions, including MCCI, JEC - Experienced non-executive director in several sectors - Significant M&A experience locally and regionally - Well versed in Corporate Governance DIRECTORSHIP IN LISTED COMPANIES IN MAURITIUS: Rogers and Company Limited, New Mauritius Hotels Ltd, Semaris Ltd, ENL Limited and Livestock Feed Limited.

6.5 Profile of the Directors (Cont'd)

Name	Date of appointment	Position	Age	Nationality	Professional Journey
Mr NUNKOO Nayendranath (Vishal)	21/06/2011	Executive Director	52	Mauritian	QUALIFICATIONS: - MBA majoring in Finance - MSc in Engineering PROFESSIONAL JOURNEY: - Joined Rogers Group in 1993 and worked in various positions, namely in the Service Planning & Development department, the Aviation and Logistics sectors, Enterprise Information Solutions - Corporate Manager – Strategic Planning at the Head Office of Rogers and Company Limited SKILLS: - Significant experience in the logistics and engineering sector both locally, regionally and in the African market - Broad experience in the strategic and business development field - Strong managerial and financial skills DIRECTORSHIP IN LISTED COMPANIES IN MAURITIUS: None
Mr RIGOUZZO Luc Andre Emmanuel	17/12/2013	Non-Executive Director	58	French	QUALIFICATIONS: - Holds degrees in both Agronomy and Finance PROFESSIONAL JOURNEY: - Devoted the first 14 years of his career to project finance in the agribusiness and food sectors of emerging countries at Agence Française de Développement and Proparco field offices and Headquarters - Join the Agribusiness Department of the International Finance Corporation, financing projects in Latin America and Africa - Re-joined the Agence Française de Développement Group in 2000 as deputy director for the Mediterranean department and head of the department of non-sovereign, private and financial sector successively - Appointed as Chief of Staff for the French Ministry for Development - From June 2006 to December 2010, the CEO of Proparco, the French Development Financial Institution specialized in long-term sustainable investments to the private sector in emerging countries; Was also Chairman of the Board of European Development Finance Institutions (EDFI) - Co-founder and Managing Partner of Amethis, a leading private equity fund manager dedicated to Africa, with over 815m€ assets under management - Over 30 years of experience in investing in emerging market companies SKILLS: - Broad experience in the agronomy and hospitality sector - Significant experience in the strategic, sustainable development and business development fields in the emerging market - Strong accounting, risk management, managerial and financial skills - Well versed in Corporate Governance DIRECTORSHIP IN LISTED COMPANIES IN MAURITIUS: None

6.5 Profile of the Directors (Cont'd)

Name	Date of appointment	Position	Age	Nationality	Professional Journey
Mr SANGEELEE Naveen	29/08/2018	Executive Director	53	Mauritian	QUALIFICATIONS: - Fellow of the Institute of Chartered Accountants in England & Wales (FCA) - Fellow of the Association of Chartered Certified Accountants (FCCA) - MBA – Finance - BSc (Hons) in Economics and Computing PROFESSIONAL JOURNEY: - Previously Senior Manager at Warner Bros. Inc & UPS Inc (London) - Appointed Chief Finance Officer at Velogic, effective since May 2011 SKILLS: - Has a rich accounting and finance experience at international level - Strong managerial and financial skills DIRECTORSHIP IN LISTED COMPANIES IN MAURITIUS: None
Mrs KONE-DICOH Khady-Lika	17/12/2013	Non-Executive Director	40	French	QUALIFICATIONS: - MSc in management from EMLYON - Master degree in business & corporate law from University Jean Moulin Lyon III - Accelerated Development Programme from London Business School PROFESSIONAL JOURNEY: - 7 years with Société Générale Bank as Manager in the Mergers & Acquisitions department dedicated to Emerging markets and French Midcaps where she originated and executed various buy-side and sell-side M&A transactions and privatizations in Africa and France - Joined the private equity fund manager Amethis in 2013, where she has led many investments and held board memberships across a diversity of sectors. Appointed Partner in January 2021, in charge of deal sourcing and execution in West and Southern Africa SKILLS: - Strong managerial, accounting, legal and financial skills - Significant experience in the Strategic, business development and commercial field - Well versed in Corporate Governance DIRECTORSHIP IN LISTED COMPANIES IN MAURITIUS: None

6.5 Profile of the Directors (Cont'd)

Name	Date of appointment	Position	Age	Nationality	Professional Journey
Mr. BARBIER Vincent	25/08/2021	Independent Director	55	Slovak and French	QUALIFICATIONS: - General Engineer E.N.S.E.M. (National School of Electricity and Mechanics) Nancy, Electricity and Mechanics, specialised in thermal engineering and fluid mechanics - CEFA-MBA, Reims Management School (CEFA), MBA Degree at the Superior School of Commerce. Specialised in international trade - English Language Programs, Berkeley (California), upgrading the English language in United States PROFESSIONAL JOURNEY: - Founder of KORSO, development and management of projects with a special focus in energy and environment activities - Former CEO of VEOLIA ENERGIE CESKA REPUBLIKA and SLOVAKIA - Former CEO of DALKIA SKILLS: - Strong managerial and leadership skills - Significant experience in the Strategic, business development and commercial field DIRECTORSHIP IN LISTED COMPANIES IN MAURITIUS: None
Mr. CHELLAPERMAL Radhakrishna	25/08/2021	Independent Director	65	Mauritian	QUALIFICATIONS: - Fellow of the Association of Chartered Certified Accountants (FCCA) PROFESSIONAL JOURNEY: - Current chairperson of the Central Electricity Board - Former deputy financial secretary at the Ministry of Finance - Mauritius - 37-year career in the Ministry of Finance - Mauritius SKILLS: - Strong accounting and leadership skills - Significant experience in the strategic development and planning DIRECTORSHIP IN LISTED COMPANIES IN MAURITIUS: None

The Company relies on the skills of its directors to create value and drive performance. The table set out below gives an indication of some of the additional skills each Director brings to the operations and strategy of the Company.

Name	Position	Logistics	Finance	Network	Sales & Marketing	Strategy
Mr ESPITALIER-NOËL Marie Hector Philippe	Chairman		✓	✓		✓
Mr BHATT Mehul Hiteshkumar	NED	✓		✓	✓	✓
Mr ESPITALIER-NOËL Marie Edouard Gilbert	NED		✓	✓		✓
Mr NUNKOO Nayendranath	ED and CEO	✓	✓	✓		✓
Mr SANGEELEE Naveen	ED and CFO	✓	✓	✓		✓
Mr RIGOUZZO Luc Andre Emmanuel	NED		✓	✓	✓	✓
Mrs KONE-DICOH Khady-Lika	NED		✓	✓	✓	✓
Mr BARBIER Vincent	INED		✓	✓		✓
Mr CHELLAPERMAL Radhakrishna	INED		✓	✓		✓

NED: Non- Executive Director
ED: Executive Director
INED: Independent Director

6.6 Constitution

VHCL has not adopted a constitution to date and is currently governed by the provisions of the Companies Act 2001.

6.7 Information concerning the Shares to be offered/admitted to Trading

The Shares to be offered/admitted to trading are ordinary shares, created under the Companies Act 2001 and denominated in MUR. They shall be in registered form and the register shall be kept by the registrar and transfer office, MCB Registry and Securities Ltd. The ordinary shares shall be in either certificated or dematerialised form.

The key rights attached to the Shares are summarised below.

Dividend rights	A Share shall confer the right to an equal share in dividends authorised by the Board. The Company will close its register of shareholders not more than 30 days prior to the payment of dividends. Shares will be traded cum-div and ex-div in line with the Stock Exchange (Conduct of Trading Operations) Rules 2001. There are no restrictions for non-resident holders. Notices of meetings and cheques for payments of dividend are sent to the postal addresses provided by the non-resident holders.
Voting rights	A Share shall confer on the holder the right to one vote on a poll at the meeting of the shareholders of the Company on any resolution. Ordinary resolutions put to vote at a shareholders' meeting may be approved by a simple majority of votes. In case of equality of votes, the chairman of the meeting shall be entitled to a casting vote.
Shareholders' meetings	The Board shall call an annual meeting of Shareholders to be held: a. not more than once in each year; b. not later than 6 months after the balance sheet date of the Company; and c. not later than 15 months after the previous annual meeting. The business to be transacted at an annual meeting shall, unless already dealt with by the Company, include: a. the consideration and adoption of the audited financial statements; b. the receiving of any auditor's report; c. the consideration of the annual report; d. the appointment of any auditor pursuant to section 200 of the Companies Act; and e. such other business as may be determined by the Board. A special meeting of Shareholders entitled to vote on an issue: a. may be called at any time by the Board; or b. shall be called by the Board on the written request of Shareholders holding Shares carrying together not less than 5% of the voting rights entitled to be exercised on the issue.
Pre-emption rights to new issues	Where the Company is issuing new shares, the shares shall be offered to the holders of the existing Shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders.
Conversion	The Shares are not convertible.
Redemption	The Shares are not redeemable.
Rights to share in any surplus in the event of liquidation	A Share shall confer on the holder the right to an equal share in the distributions of the surplus assets of the Company.
Variation of rights	Where the share capital of the Company is divided into different classes of shares, the Company shall not take any action which varies the rights attached to a class of shares unless that variation is approved by a special resolution, or by consent in writing of the holders of 75% of the share of that class.

The Company is not listed on any other exchange and no other listing has been sought for the ordinary shares of the Company.

6.8 Dividend Policy

The Company has no formal dividend policy. Payment is subject to its profitability, its foreseeable investment, capital expenditure and working capital requirements.

6.9 Share Capital

The stated capital of the Company is equal to MUR1,019,294,000, made up of 93,515,565 ordinary shares of no par value. As at the date of publication of this Admission Document, the Company did not have any convertible debt in issue and has not entered into any subscription warrant arrangements or other arrangements which oblige or may oblige the Company to buy back the issued shares.

Share capital	Number of shares	
THE GROUP AND THE COMPANY	2020	2021
Authorised, issued and fully paid – No par Value Shares At July 1, and June 30	93,515,565	93,515,565

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

6.10 Related Party Transactions

The Company does not have a formal related party transactions policy. However, related party transactions are disclosed and recorded in the minutes of proceedings of the Board. The following is an extract from the audited financial statements for the period ended 31 March 2021.

35. RELATED PARTY TRANSACTIONS

(a)		Sale of goods or services Rs'000	Purchases of goods or services Rs'000	Management fees Rs'000	Finance costs Rs'000	Amount owed by related parties Rs'000	Amount owed to related parties Rs'000	Loan payable Rs'000
(i)	March 31, 2021							
	Trading transactions							
	Holding company	-	-	18,870	3,754	-	-	141,004
	Fellow subsidiaries	13,693	22,624	-	-	185	8,900	-
		13,693	22,624	18,870	3,754	185	8,900	141,004
(ii)	June 30, 2020							
	Trading transactions							
	Holding company	-	-	30,183	5,774	-	-	150,379
	Fellow subsidiaries	31,870	-	-	-	2,098	681	-
		31,870	-	30,183	5,774	2,098	681	150,379

(b)	THE COMPANY	Interest income Rs'000	Dividend income Rs'000	Finance costs Rs'000	Amount owed by related parties Rs'000	Amount owed to related parties Rs'000	Loan payable Rs'000
(i)	March 31, 2021						
	Trading transactions						
	Subsidiary companies	-	-	-	52,812	26,880	58,810
		-	-	-	52,812	26,880	58,810
(ii)	June 30, 2020						
	Trading transactions						
	Subsidiary companies	1,086	39,136	866	69,496	26,880	60,493
		1,086	39,136	866	69,496	26,880	60,493

(c) Key management personnel compensation	THE GROUP	
	9 months to March 31, 2021 Rs'000	Year ended June 30, 2020 Rs'000
Salaries and short term employee benefits	76,548	100,603
Post-employment benefits	13,481	15,055
	90,029	115,658

(d) For the period ending March 31, 2021, the Company has not recorded any impairment of receivable relating to amounts owed by related parties (June 30, 2020: Nil).

There are no contracts or arrangements existing at the date of this Admission Document in which a director of the Company is materially interested.

There is a Management Agreement dated 16 May 2018 between Rogers, the Company and Velogic Ltd for financial reporting, human resources, legal and secretarial, communication, risk and audit, strategic and investment services. The Company pays a monthly management fee calculated as follows:

Lower of (A or B)	A: 8.4% of EBITDA + MUR6m	B: 20% Profit before tax

Remuneration of Directors

- Director fees

  Please refer to section 6.1.1 of the document for the fees paid to directors. The directors are not entitled to any benefits from their directorships.

- Service contracts

  As at the date of this document, the Directors have no service contract with the Company.

- Outstanding loans

  As at the date of this document, there was no outstanding loan and/or guarantee that has been provided to the Directors by the Company.

- Payments or benefits in connection with the issue or sale of shares

As at the date of this document, there are no payments or benefits in connection with the issue or sale of shares.


We are vigilant every
step of the way.

7 OTHER INFORMATION

Auditors

BDO acted as auditors of the Company for the financial year 30 June 2018 and 30 June 2019. KPMG were then appointed as auditors for the financial year 30 June 2020. Subsequently, EY was appointed.

Governing Law and Jurisdiction

This Admission Document is governed by and construed in accordance with the laws of Mauritius.

Any dispute, controversy, difference or claim arising out of or relating to the present document may at any time be referred, by consenting parties, to mediation under the mediation rules of the Arbitration and Mediation Center of the Mauritius Chamber of Commerce and Industry (MARC), which rules are deemed to be incorporated by reference into this paragraph.

In the event no mediation is attempted, or if mediation is attempted and no settlement is reached within thirty (30) days of the commencement of the mediation, or such further period as the parties shall agree in writing, the dispute, controversy, difference or claim shall be referred, or referred back as the case may be, to be finally resolved by arbitration under the arbitration rules of the MARC, which rules are deemed to be incorporated by reference into this paragraph.

The language to be used in the mediation and in the arbitration shall be English. In any arbitration commenced pursuant to this paragraph:

- the number of arbitrators shall be one;
- the seat, or legal place, of the arbitration shall be Port-Louis, Republic of Mauritius; and
- the arbitral award shall be binding and not subject to appeal.

Significant Change in the Company's Financial or Trading Position

There has been no significant change in the Company's financial or trading position during the period 31 March 2021 (the date to which the last audited financial statements of the Company have been prepared) and the date of this Admission Document, save and except that the agreement between Associated Container Services Ltd and Mediterranean Shipping Corporation (MSC) in respect of the storage, handling and maintenance of containers was not renewed in July 2021, MSC having decided to internalise this activity. The resulting shortfall in the results of the Company will be partly mitigated as from January 2022 by the rental savings generated by the relocation of the transport business to Velogic's newly built facility on part of the site.

Alteration in the Capital of the Company

There has been no alteration in the capital of the Company within 3 years immediately preceding the issue of this present document. No part of the capital of the Company, nor that of any of its subsidiaries, is under option, nor agreed conditionally or unconditionally to be put under option.

Legal and arbitration proceedings

The major legal and arbitration proceedings involving the Company or its subsidiaries are set out in Appendix 7.

Material contracts

A management fee contract exists between

- Rogers & Co. and the Company and Velogic Ltd, as set out in Section 6.10.
- Velogic Ltd and its affiliates, for the sharing of head office costs.
- There are no other material contracts entered into by the issuer and its subsidiaries within the 2 years immediately preceding the issue of this prospectus.

Pension scheme

The group has a pension scheme under the Private Pension Schemes Act namely Rogers Pension Fund ('RPF') as well as Swan Life pension which have set aside the following amounts in the following years:

FY18 – MUR 72.3m
FY19 – MUR 68.1m
FY20 – MUR 89.9m

Business interruption

During the 12 months preceding the publication of this Admission Document, there was no disruption in the business of the Company except for the effects of the COVID-19 pandemic, which are described in section 2.2.

Trade unions

The active trade unions and their respective compositions are provided as per the following table:

Apr-21	No. of Ees	MTPEU	PEEU	RPCTEU	STEP	Other Union	Grand Total	%
Associated Container Services Ltd	117	6	11	-	-	-	17	15%
ACS Haulage	84	6	8	-	-	-	14	17%
Express Logistics Solutions Ltd	2	-	-	-	-	-	0	0%
Freeport Operations (Mauritius) Ltd	75	8	28	-	-	-	36	48%
Global Air Cargo Services Ltd	0	-	-	-	-	-	0	0%
P.A.P.O.L.C.S. LIMITED	71	-	-	60	-	-	60	85%
Rogers Logistics International	1	-	-	-	-	-	0	0%
Rogers Shipping Ltd	6	-	-	-	-	-	0	0%
Southern Marine Ltd	4	-	-	-	-	-	0	0%
SUKPAK LIMITED	126	-	-	-	86	-	86	68%
Velogic Garage Services Ltd	40	3	6	-	-	-	9	23%
Velogic Haulage	127	-	65	-	-	-	65	51%
Velogic Ltd	164	1	69	-	-	-	70	43%
Velogic Ltd - Mgt	69	-	13	-	-	1	14	20%
	886	**24**	**200**	**60**	**86**	**1**	**371**	**42%**

MTPEU : *Maritime, Transport and Port Employees Union*
PEEU : *Private Enterprise Employees Union*
RPCTEU : *Rodrigues Port and Cargo Transport Employees Union*
STEP : *Syndicat des Travailleurs des Etablissements Privés*

Patents

Below is the register of trademarks for Velogic:

Type of mark	Mark	Name of registered owner	Registration no.	Classes of Goods	Date due for renewal	Logo
Device	VELOGIC	Rogers and Company Limited	08203/2009	39	16-Jun-2029	VELOGIC
Device	VELOGIC	Rogers and Company Limited	09 3 658 227	39	18-Jun-2029	VELOGIC
Device	ROGERS LOGISTICS	Rogers and Company Limited	02963/2007	39	2-Dec-2025	Rogers LOGISTICS
Device	CARGO EXPRESS	Cargo Express Co Ltd	02101/2006	39	15-Sep-2024	Rogers LOGISTICS
Device	ROGERS SHIPPING	Rogers and Company Limited	02773/2006	39, 41	2-Dec-2025	Rogers Shipping
Word	Southern Marine	FTL Shipping Ltd	11610/2011	16, 25 and 39	10-May-2031	SOUTHERN MARINE
Device	Southern Marine	Southern Marine & Co. Ltd	14662/1998 (A43/73)	16 and 25	18-May-2025	SOUTHERN MARINE

List of employees

A detailed list of employees per activity and geography for the years ended June 2018, 2019, 2020 and the period ended 31 March 2021 is provided in Appendix 10.

We are a vanguard fueling your aspirations.

8 DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company, namely 5th floor, Rogers House, No. 5, President John Kennedy Street, Port Louis, Mauritius, from Wednesday 15 December 2021 to Friday 14 January 2022 during normal working hours:

- this Admission Document;
- the independent valuation certificate of KPMG Advisory Services Ltd.;
- the audited financial statements of Velogic Holding Company Limited for the years ended 30 June 2018, 2019 and 2020;
- the audited financial statements of the Company for the 9 months ended 31 March 2021; and
- the assurance report from EY for the forecasts prepared for FY22 to FY26.

We service a plethora of venues.

9 LIST OF LICENSED INVESTMENT DEALERS

SPONSORING BROKER AND INVESTMENT DEALER

MCB Stockbrokers Ltd
Raymond Lamusse Building,
Sir William Newton Street,
Port Louis, Mauritius
Tel: 230 207 6868

INVESTMENT ADVISOR

Rogers Capital Investment Advisors Ltd
2nd Floor, Rogers House
No.5 President John Kennedy Street,
Port Louis, Mauritius
Tel: 230 260 9888

Other licensed investment dealers

Swan Securities Ltd
3rd Floor, Swan Group Centre
10, Intendance Street,
Port-Louis, Mauritius
Tel: 230 208 7010

SBM Securities Ltd
Level 6, State Bank Tower
1, Queen Elizabeth II Avenue
Port-Louis, Mauritius
Tel: 230 202 1111

Capital Market Brokers Ltd
Suite 1004, Ground Floor
Alexander House, 35 Cybercity
Ebene, Mauritius
Tel: 230 467 9655

Associate Brokers Ltd
3rd Floor, Travel House,
Sir William Newton Street
Port-Louis, Mauritius
Tel: 230 212 3038

AXYS Stockbroking Ltd
Brown Square
10, Dr. Ferriere Street
Port-Louis, Mauritius
Tel: 230 213 3475

LCF Securities Ltd
Suite 108, 1st Floor Moka Business Centre
Mont Ory Road
Moka, Mauritius
Tel: 230 406 9626

Redwood Finance Ltd
Ground Floor, Moorgate House
Sir Willia5m Newton Street
Port-Louis, Mauritius
Tel: 230 214 2515


We view our client’s satisfaction
as our greatest victory.

HISTORIC FINANCIAL INFORMATION

CONSENT LETTER FROM BDO

September 22, 2021

The Director
Velogic Holding Company Limited
No.5, President John Kennedy Street
PORT LOUIS

Dear Sir

RE: INITIAL PUBLIC OFFERING OF VELOGIC HOLDING COMPANY LIMITED (the 'Company') ON THE STOCK EXCHANGE OF MAURITIUS

1. We confirm that we were the auditors of the Company for the years ended June 30, 2018 and June 30, 2019, and we consent to our name being stated , referred to, and to our independent auditors' reports dated October 23, 2018 and December 6, 2019 respectively for which we accept responsibility, be included in the form and context in which it appears in the prospectus which will be submitted to the Financial Services Commission and the Stock Exchange of Mauritius ('SEM') for approval.
2. Such consent will not be withdrawn prior to the approval of the prospectus.
3. The validity of our reports is as at the specified dates signed as mentioned above. We are unable to make a statement as to whether there are any matters affecting the validity of the above-mentioned reports since the date of these reports as we have not been the auditors of the Company for the years ended June 30, 2020 and June 30, 2021.
4. We also confirm that we are not shareholders of the Company.
5. This letter is provided solely for the purpose of complying with the Securities Act 2005 and the Securities (Public Offers) Rules 2007 and the Listing Rules of the SEM.

Yours truly,

BDO & CO

Chartered Accountants

Extracts from the Audited Financial Statements

for the year ended 30 June 2018

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Velogic Holding Company Limited and its subsidiaries (the Group), and Velogic Holding Company Limited's separate financial statements (the "Company") on Pages 7 to 72 which comprise the statements of financial position as at June 30, 2018, and the statements of profit or loss, statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on Pages 7 to 72 give a true and fair view of the financial position of the Group and of the Company as at June 30, 2018, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Basis for Opinion

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

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 financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group and the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF VELOGIC HOLDING COMPANY LIMITED

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

We have no relationship with, or interests in, the Company or any of its subsidiaries, other than in our capacity as auditors 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.

Financial Reporting Act 2004

The Directors are responsible for preparing the corporate governance report. Our responsibility is to report the extent of compliance with the Code of Corporate Governance as disclosed in the annual report and on whether the disclosure is consistent with the requirements of the Code.

In our opinion, the disclosure in the annual report is consistent with the requirements of the Code.

Other Matter

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

BDO & CO	**Per Georges Chung Ming Kan, F.C.C.A**
Chartered Accountants	Licensed by FRC

Port Louis,
Mauritius.

Date: 23 OCT 2018

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2018

		THE GROUP		THE COMPANY	
	Notes	2018 Rs'000	2017 Rs'000	2018 Rs'000	2017 Rs'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	893,622	948,095	-	-
Investment property	6	22,542	21,995	-	-
Intangible assets	7	642,539	622,161	-	-
Investment in subsidiaries	8	-	-	857,857	780,008
Available-for-sale financial assets	10	9,288	9,288	-	-
Deferred tax assets	11	11,885	8,799	-	-
		1,579,876	1,610,338	857,857	780,008
Current assets					
Inventories	12	59,859	53,179	-	-
Trade and other receivables	13	1,088,439	1,066,576	267,252	322,993
Current tax assets	14(a)	26,700	12,526	-	-
Cash and cash equivalents	26(c)	207,926	243,915	1,013	961
		1,382,924	1,376,196	268,265	323,954
Non-current assets classified as held for sale	28(d)	6,038	-	-	-
Total assets		2,968,838	2,986,534	1,126,122	1,103,962
FINANCED BY					
Capital and reserves					
Share capital	15	1,019,294	1,019,294	1,019,294	1,019,294
Other reserves	16	184,920	207,785	-	-
Retained earnings		230,437	190,537	29,146	13,303
Owners' interest		1,434,651	1,417,616	1,048,440	1,032,597
Non-controlling interests		138,629	139,131	-	-
Total equity		1,573,280	1,556,747	1,048,440	1,032,597
Non-current liabilities					
Borrowings	17	351,287	377,962	-	-
Deferred tax liabilities	11	56,928	50,842	-	-
Retirement benefits obligations	18	72,277	58,399	-	-
		480,492	487,203	-	-
Current liabilities					
Trade and other payables	19	622,544	707,396	843	344
Current tax liabilities	14(a)	7,722	14,356	146	28
Borrowings	17	263,140	199,185	61,193	52,493
Dividend payable		17,115	21,647	15,500	18,500
		910,521	942,584	77,682	71,365
Liabilities directly associated with non-current assets classified as held-for-sale	28(d)	4,545	-	-	-
Total liabilities		1,395,558	1,429,787	77,682	71,365
Total equity and liabilities		2,968,838	2,986,534	1,126,122	1,103,962

These financial statements have been approved by the Board of Directors on 23 October 2018:

Philippe Espitalier-Noël

Nayendranath Nunkoo

The notes on pages 13 to 72 form an integral part of these financial statements.
Auditor's report on pages 6 to 6(b).

STATEMENTS OF PROFIT OR LOSS

YEAR ENDED JUNE 30, 2018

		THE GROUP		THE COMPANY	
	Notes	2018 Rs'000	2017 Rs'000	2018 Rs'000	2017 Rs'000
Continuing operations					
TOTAL REVENUE	20	3,304,808	3,254,880	65,981	35,644
Sales of services		3,246,237	3,200,805	-	-
Cost of sales	21	(2,218,593)	(2,173,667)	-	-
Gross profit		1,027,644	1,027,138	-	-
Commission and other income		56,209	50,999	-	-
Dividend and interest income		2,362	3,076	65,981	35,644
		1,086,215	1,081,213	65,981	35,644
Employee benefit expense	22	(577,904)	(551,414)	-	-
Depreciation	5(f)	(100,475)	(100,921)	-	-
Amortisation	7	(4,210)	(3,842)	-	-
Other expenses	21	(250,903)	(242,039)	(944)	(331)
		152,723	182,997	65,037	35,313
Finance costs	23	(2,091)	(27,660)	(550)	(18)
		150,632	155,337	64,487	35,295
Taxation	14(b)	(38,437)	(35,920)	(144)	(101)
Profit for the year from continuing operations		112,195	119,417	64,343	35,194
Discontinuing operations					
Loss from discontinuing operations	28(b)	(8,618)	(6,116)	-	-
Profit for the year		103,577	113,301	64,343	35,194
Profit attributable to:					
Owners of the parent		88,400	93,328	64,343	35,194
Non-controlling interests		15,177	19,973	-	-
		103,577	113,301	64,343	35,194

The notes on pages 13 to 72 form an integral part of these financial statements.
Auditor's report on pages 6 to 6(b).

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED JUNE 30, 2018

		THE GROUP		THE COMPANY	
	Notes	2018 Rs'000	2017 Rs'000	2018 Rs'000	2017 Rs'000
Profit for the year		103,577	113,301	64,343	35,194
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Remeasurement of post employment benefit obligations	18	(10,299)	5,261	-	-
Gain on revaluation of buildings	5	-	29,684	-	-
Income tax relating to components of other comprehensive income	11(b)	(1,493)	(3,697)	-	-
Items that may be reclassified subsequently to profit or loss:					
Changes in fair value of available-for-sale financial assets	10	-	(15,853)	-	-
Currency translation differences		(8,143)	(8,306)	-	-
Other comprehensive income for the year, net of tax		(19,935)	7,089	-	-
Total comprehensive income for the year		83,642	120,390	64,343	35,194
Total comprehensive income attributable to:					
Owners of the parent		65,535	113,255	64,343	35,194
Non-controlling interests		18,107	7,135	-	-
		83,642	120,390	64,343	35,194

The notes on pages 13 to 72 form an integral part of these financial statements.
Auditor's report on pages 6 to 6(b).

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2018

(a)

THE GROUP		Attributable to owners of the parent					
	Notes	Share capital Rs'000	Other reserves Rs'000	Retained earnings Rs'000	Total Rs'000	Non-controlling interests Rs'000	Total Rs'000
Balance at July 1, 2017		1,019,294	207,785	190,537	1,417,616	139,131	1,556,747
Profit for the year		-	-	88,400	88,400	15,177	103,577
Other comprehensive income for the year		-	(22,865)	-	(22,865)	2,930	(19,935)
Total comprehensive income for the year		-	(22,865)	88,400	65,535	18,107	83,642
Changes in ownership interest in subsidiaries that do not result in a loss of control	27(a)	-	-	-	-	(14,950)	(14,950)
Dividends	25	-	-	(48,500)	(48,500)	(3,659)	(52,159)
At June 30, 2018		**1,019,294**	**184,920**	**230,437**	**1,434,651**	**138,629**	**1,573,280**
Balance at July 1, 2016		1,019,294	186,868	134,818	1,340,980	137,990	1,478,970
Profit for the year		-	-	93,328	93,328	19,973	113,301
Other comprehensive income for the year		-	20,917	(990)	19,927	(12,838)	7,089
Total comprehensive income for the year		-	20,917	92,338	113,255	7,135	120,390
Dividends	25	-	-	(36,619)	(36,619)	(5,994)	(42,613)
At June 30, 2017		**1,019,294**	**207,785**	**190,537**	**1,417,616**	**139,131**	**1,556,747**

The notes on pages 13 to 72 form an integral part of these financial statements.
Auditor's report on pages 6 to 6(b).

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2018

(b)

THE COMPANY	Notes	Share capital Rs'000	Retained earnings Rs'000	Total Rs'000
Balance at July 1, 2017		1,019,294	13,303	1,032,597
Profit for the year		-	64,343	64,343
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	64,343	64,343
Dividends	25	-	(48,500)	(48,500)
At June 30, 2018		**1,019,294**	**29,146**	**1,048,440**
Balance at July 1, 2016		1,019,294	14,728	1,034,022
Profit for the year		-	35,194	35,194
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	35,194	35,194
Dividends	25	-	(36,619)	(36,619)
At June 30, 2017		**1,019,294**	**13,303**	**1,032,597**

The notes on pages 13 to 72 form an integral part of these financial statements.
Auditor's report on pages 6 to 6(b).

STATEMENTS OF CASH FLOWS

YEAR ENDED JUNE 30, 2018

		THE GROUP		THE COMPANY	
	Notes	**2018 Rs'000**	2017 Rs'000	**2018 Rs'000**	2017 Rs'000
Cash flows from operating activities					
Cash generated from/(absorbed in) operations	26(a)	**165,898**	381,406	**(297)**	(1,038)
Interest paid		**(37,103)**	(39,529)	**(1,170)**	(557)
Interest received		**2,362**	3,076	**1,532**	717
Income tax paid	14(a)	**(57,148)**	(45,437)	**(26)**	(196)
Net cash generated from/(absorbed in) operating activities		**74,009**	299,516	**39**	(1,074)
Cash flows from investing activities					
Additional purchase consideration on acquisition of subsidiary	7(d)	**(14,889)**	-	**-**	-
Acquisition of additional interest in subsidiary	27(a)	**(23,417)**	-	**-**	-
Acquisition of subsidiary, net of cash acquired	27(b)(iii)	**-**	(6,968)	**-**	-
Purchase of property, plant and equipment	26(b)	**(55,379)**	(137,776)	**-**	-
Purchase of intangible assets		**(1,235)**	(6,708)	**-**	-
Proceeds on sale of property, plant and equipment		**24,152**	33,819	**-**	-
Dividends received		**-**	-	**73,419**	30,112
Loans granted to related parties		**-**	-	**(66,606)**	(52,500)
Loan repayments received from related parties		**-**	-	**36,000**	67,000
Net cash (used in)/from investing activities		**(70,768)**	(117,633)	**42,813**	44,612
Cash flows from financing activities					
Loan received from related parties		**-**	-	**67,000**	36,803
Loan repaid to related parties		**(9,179)**	(11,224)	**(58,300)**	(42,300)
Proceeds from borrowings		**266,506**	221,956	**-**	-
Payments of borrowings		**(263,396)**	(181,852)	**-**	(1,429)
Finance lease principal payments		**(26,307)**	(32,477)	**-**	-
Dividends paid to company's shareholders		**(51,500)**	(36,519)	**(51,500)**	(36,519)
Dividends paid to non-controlling interests		**(5,191)**	(20,313)	**-**	-
Net cash used in financing activities		**(89,067)**	(60,429)	**(42,800)**	(43,445)
Net (decrease)/increase in cash and cash equivalents		**(85,826)**	121,454	**52**	93
Movement in cash and cash equivalents					
At July 1,		**170,612**	52,945	**961**	868
(Decrease)/increase		**(85,826)**	121,454	**52**	93
Effect of foreign exchange rate changes		**(10,519)**	(3,787)	**-**	-
At June 30,	26(c)	**74,267**	170,612	**1,013**	961

The notes on pages 13 to 72 form an integral part of these financial statements.
Auditor's report on pages 6 to 6(b).

Extract from the Audited Financial Statements
30 June 2019

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Velogic Holding Company Limited and its subsidiaries (the Group), and Velogic Holding Company Limited's separate financial statements (the "Company") on pages 7 to 73 which comprise the statements of financial position as at June 30, 2019, and the statements of profit or loss, statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements on pages 7 to 73 give a true and fair view of the financial position of the Group and of the Company as at June 30, 2019, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

Basis for Opinion

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

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 financial statements and our auditor's report thereon.

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

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

Corporate Governance Report

Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance 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 public interest entity has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group and the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF VELOGIC HOLDING COMPANY LIMITED

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

We have no relationship with, or interests in, the Company or any of its subsidiaries, other than in our capacity as auditors 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.

Other Matter

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

BDO & CO
Chartered Accountants

Port Louis,
Mauritius.

Date: 06 DEC 2019

Per Georges Chung Ming Kan, F.C.C.A
Licensed by FRC

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2019

		THE GROUP		THE COMPANY	
	Notes	**2019 Rs'000**	2018 Rs'000	**2019 Rs'000**	2018 Rs'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	908,684	893,622	-	-
Investment property	6	-	22,542	-	-
Intangible assets	7	640,271	642,539	-	-
Investment in subsidiaries	8	-	-	1,053,032	857,857
Financial assets at fair value through other comprehensive income	9	5,219	-	-	-
Available-for-sale financial assets	9A	-	9,288	-	-
Deferred tax assets	10	12,533	11,885	-	-
		1,566,707	1,579,876	1,053,032	857,857
Current assets					
Inventories	11	61,330	59,859	-	-
Trade and other receivables	12	993,990	1,088,439	-	267,252
Financial assets at amortised cost	12A	135,450	-	57,508	-
Prepayments		32,359	-	100	-
Current tax assets	13(a)	14,980	26,700	-	-
Cash and cash equivalents	25(c)	207,287	207,926	5,672	1,013
		1,445,396	1,382,924	63,280	268,265
Non-current assets classified as held for sale	27(e)	-	6,038	-	-
Total assets		3,012,103	2,968,838	1,116,312	1,126,122
FINANCED BY					
Capital and reserves					
Share capital	14	1,019,294	1,019,294	1,019,294	1,019,294
Other reserves	15	180,758	184,920	-	-
Retained earnings		272,780	230,437	16,947	29,146
Owners' interest		1,472,832	1,434,651	1,036,241	1,048,440
Non-controlling interests		147,414	138,629	-	-
Total equity		1,620,246	1,573,280	1,036,241	1,048,440
Non-current liabilities					
Borrowings	16	314,095	351,287	-	-
Deferred tax liabilities	10	56,849	56,928	-	-
Retirement benefits obligations	17	68,456	72,277	-	-
		439,400	480,492	-	-
Current liabilities					
Trade and other payables	18	691,666	622,544	451	843
Current tax liabilities	13(a)	10,769	7,722	127	146
Borrowings	16	227,647	263,140	59,493	61,193
Dividend payable		22,375	17,115	20,000	15,500
		952,457	910,521	80,071	77,682
Liabilities directly associated with non-current assets classified as held-for-sale	27(e)	-	4,545	-	-
Total liabilities		1,391,857	1,395,558	80,071	77,682
Total equity and liabilities		3,012,103	2,968,838	1,116,312	1,126,122

These financial statements have been approved by the Board of Directors on 06 December 2019:

Damien Mamet

Nayendranath Nunkoo

The notes on pages 13 to 73 form an integral part of these financial statements.
Auditor's report on pages 6 to 6(b).

STATEMENTS OF PROFIT OR LOSS

YEAR ENDED JUNE 30, 2019

	Notes	THE GROUP 2019 Rs'000	THE GROUP 2018 Rs'000	THE COMPANY 2019 Rs'000	THE COMPANY 2018 Rs'000
Continuing operations					
TOTAL REVENUE	19	**3,415,225**	3,402,299	**33,871**	65,981
Sales of services		**3,369,471**	3,343,728	-	-
Cost of sales	20	**(2,269,206)**	(2,316,084)	-	-
Gross profit		**1,100,265**	1,027,644	-	-
Commission and other income		**43,100**	56,209	-	-
Dividend and interest income		**2,654**	2,362	**33,871**	65,981
		1,146,019	1,086,215	**33,871**	65,981
Employee benefit expense	21	**(621,626)**	(577,904)	-	-
Depreciation	5(f)	**(96,977)**	(100,475)	-	-
Amortisation	7	**(3,661)**	(4,210)	-	-
Other expenses	20	**(255,653)**	(250,903)	**(652)**	(944)
		168,102	152,723	**33,219**	65,037
Finance costs	22	**(13,398)**	(2,091)	**(702)**	(550)
		154,704	150,632	**32,517**	64,487
Taxation	13(b)	**(38,575)**	(38,437)	**(216)**	(144)
Profit for the year from continuing operations		**116,129**	112,195	**32,301**	64,343
Discontinued operations					
Profit/(loss) from discontinued operations	27	**4,274**	(8,618)	-	-
Profit for the year		**120,403**	103,577	**32,301**	64,343
Profit attributable to:					
Owners of the parent		**106,126**	88,400	**32,301**	64,343
Non-controlling interests		**14,277**	15,177	-	-
		120,403	103,577	**32,301**	64,343

The notes on pages 13 to 73 form an integral part of these financial statements.
Auditor's report on pages 6 to 6(b).

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED JUNE 30, 2019

	Notes	THE GROUP 2019 Rs'000	THE GROUP 2018 Rs'000	THE COMPANY 2019 Rs'000	THE COMPANY 2018 Rs'000
Profit for the year		**120,403**	103,577	**32,301**	64,343
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Remeasurement of post employment benefit obligations	17	**(2,066)**	(10,299)	-	-
Income tax relating to components of other comprehensive income	10(b)	**150**	(1,493)	-	-
Items that may be reclassified subsequently to profit or loss:					
Currency translation differences		**(2,810)**	(8,143)	-	-
Other comprehensive income for the year, net of tax		**(4,726)**	(19,935)	-	-
Total comprehensive income for the year		**115,677**	83,642	**32,301**	64,343
Total comprehensive income attributable to:					
Owners of the parent		**101,964**	65,535	**32,301**	64,343
Non-controlling interests		**13,713**	18,107	-	-
		115,677	83,642	**32,301**	64,343

The notes on pages 13 to 73 form an integral part of these financial statements.
Auditor's report on pages 6 to 6(b).

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2019

(a) **THE GROUP**

	Notes	Attributable to owners of the parent: Share capital Rs'000	Other reserves Rs'000	Retained earnings Rs'000	Total Rs'000	Non-controlling interests Rs'000	Total Rs'000
Balance at July 1, 2018							
- as previously reported		1,019,294	184,920	230,437	1,434,651	138,629	1,573,280
- effect of changes in accounting policies	30(a)	-	-	(19,283)	(19,283)	(180)	(19,463)
- as restated		1,019,294	184,920	211,154	1,415,368	138,449	1,553,817
Profit for the year		-	-	106,126	106,126	14,277	120,403
Other comprehensive income for the year		-	(4,162)	-	(4,162)	(564)	(4,726)
Total comprehensive income for the year		-	(4,162)	106,126	101,964	13,713	115,677
Dividends	24	-	-	(44,500)	(44,500)	(4,748)	(49,248)
At June 30, 2019		**1,019,294**	**180,758**	**272,780**	**1,472,832**	**147,414**	**1,620,246**
Balance at July 1, 2017		1,019,294	207,785	190,537	1,417,616	139,131	1,556,747
Profit for the year		-	-	88,400	88,400	15,177	103,577
Other comprehensive income for the year		-	(22,865)	-	(22,865)	2,930	(19,935)
Total comprehensive income for the year		-	(22,865)	88,400	65,535	18,107	83,642
Changes in ownership interest in subsidiaries that do not result in a loss of control	26	-	-	-	-	(14,950)	(14,950)
Dividends	24	-	-	(48,500)	(48,500)	(3,659)	(52,159)
At June 30, 2018		**1,019,294**	**184,920**	**230,437**	**1,434,651**	**138,629**	**1,573,280**

The notes on pages 13 to 73 form an integral part of these financial statements.
Auditor's report on pages 6 to 6(b).

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2019

(b) **THE COMPANY**

	Notes	Share capital Rs'000	Retained earnings Rs'000	Total Rs'000
Balance at July 1, 2018		1,019,294	29,146	1,048,440
Profit for the year		-	32,301	32,301
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	32,301	32,301
Dividends	24	-	(44,500)	(44,500)
At June 30, 2019		**1,019,294**	**16,947**	**1,036,241**
Balance at July 1, 2017		1,019,294	13,303	1,032,597
Profit for the year		-	64,343	64,343
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	64,343	64,343
Dividends	24	-	(48,500)	(48,500)
At June 30, 2018		**1,019,294**	**29,146**	**1,048,440**

The notes on pages 13 to 73 form an integral part of these financial statements.
Auditor's report on pages 6 to 6(b).

STATEMENTS OF CASH FLOWS

YEAR ENDED JUNE 30, 2019

		THE GROUP		THE COMPANY	
		2019	2018	2019	2018
	Notes	Rs'000	Rs'000	Rs'000	Rs'000
Cash flows from operating activities					
Cash generated from/(absorbed in) operations	25(a)	250,158	165,898	3,575	(297)
Interest paid		(32,550)	(37,103)	(745)	(1,170)
Interest received		2,654	2,362	1,121	1,532
Income tax paid	13(a)	(24,312)	(57,148)	(235)	(26)
Net cash generated from operating activities		195,950	74,009	3,716	39
Cash flows from investing activities					
Additional purchase consideration on acquisition of subsidiary	7(d)	-	(14,889)	-	-
Acquisition of additional interest in subsidiary	26	-	(23,417)	-	-
Purchase of property, plant and equipment	25(b)	(82,522)	(55,379)	-	-
Purchase of intangible assets		(1,443)	(1,235)	-	-
Proceeds on sale of property, plant and equipment		12,243	24,152	-	-
Proceeds on disposal of equity investments		5,251	-	-	-
Proceeds from capital reduction of investee company		511	-	-	-
Proceed on disposal of subsidiary	27(a)	1,972	-	-	-
Dividends received		-	-	24,343	73,419
Loans granted to related parties		-	-	(10,500)	(66,606)
Loan repayments received from related parties		-	-	28,800	36,000
Net cash (used in)/from investing activities		(63,988)	(70,768)	42,643	42,813
Cash flows from financing activities					
Loan received from related parties		-	-	42,000	67,000
Loan repaid to related parties		(9,375)	(9,179)	(43,700)	(58,300)
Proceeds from borrowings		196,005	266,506	-	-
Payments of borrowings		(216,215)	(263,396)	-	-
Finance lease principal payments		(21,883)	(26,307)	-	-
Dividends paid to company's shareholders		(40,000)	(51,500)	(40,000)	(51,500)
Dividends paid to non-controlling interests		(3,988)	(5,191)	-	-
Net cash used in financing activities		(95,456)	(89,067)	(41,700)	(42,800)
Net increase/(decrease) in cash and cash equivalents		36,506	(85,826)	4,659	52
Movement in cash and cash equivalents					
At July 1,		74,267	170,612	1,013	961
Increase/(decrease)		36,506	(85,826)	4,659	52
Effect of foreign exchange rate changes		(3,167)	(10,519)	-	-
At June 30,	25(c)	107,606	74,267	5,672	1,013

The notes on pages 13 to 73 form an integral part of these financial statements.
Auditor's report on pages 6 to 6(b).

Appendix 2
Consent letter and audited accounts by KPMG

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

KPMG

KPMG
KPMG Centre
31, Cybercity
Ebène
Mauritius
Telephone +230 406 9999
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BRN No. F07000189
Website www.kpmg.mu

The Directors
VELOGIC HOLDING COMPANY LIMITED
No.5 President John Kennedy Street
Port-Louis
Mauritius

Our ref: AAA/SHU/ct/2418

13 August 2021

Dear Sirs

Subject: VELOGIC HOLDING COMPANY LIMITED ("VHCL") - Initial Public Offering

- We confirm that we were the auditors of VHCL for the year ended 30 June 2020 and we consent to our name being stated and referred to, and to our independent auditor's report dated 09 April 2021 for which we accept responsibility, to be included in the form and context in which it appears in the prospectus which will be submitted to the Financial Services Commission and the Stock Exchange of Mauritius (SEM) Ltd for approval.
- We confirm that since our audit report dated 09 April 2021, we are not aware of any matters which could affect the validity of our report.
- We will not withdraw our consent prior to the approval of the prospectus.
- We also confirm that we are not the shareholders of VHCL nor do we have the right to subscribe for securities in VHCL.
- This letter is provided solely for the purpose of complying with Securities Act 2005 and the Securities (Public Offers) Rules 2007 and the Listing Rules of the SEM.

Yours faithfully

KPMG

KPMG
Ebène, Mauritius

Imtiaz Ajeda
Licensed by FRC

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of VELOGIC HOLDING COMPANY LIMITED (the Group and Company), which comprise the consolidated and separate statements of financial position at 30 June 2020 and the consolidated and separate statements of profit or loss, 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 the notes to the financial statements, including a summary of significant accounting policies, as set out on pages 11 to 108.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of VELOGIC HOLDING COMPANY LIMITED at 30 June 2020, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act and Financial Reporting Act.

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 *Auditors' responsibilities for the audit of the consolidated and separate financial statements* section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - comparative information

We draw attention to Note 34 to the consolidated and separate financial statements which indicates that the comparative information presented at and for the years ended 30 June 2019 and 30 June 2018 have been restated. Our opinion is not modified in respect of this matter.

KPMG, a Mauritian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Other matter relating to comparative information

The consolidated and separate financial statements of the Group and Company at and for the years then ended 30 June 2019 and 30 June 2018 (from which the statements of financial position at the beginning of the preceding period, 1 July 2019 have been derived), excluding the retrospective adjustments described in Note 34 to the consolidated and separate financial statements, were audited by another firm of auditors who expressed an unmodified opinion on those financial statements on 6 December 2019.

As part of our audit of the consolidated and separate financial statements at and for the year then ended 30 June 2020, we also audited the retrospective adjustments described in Note 34 to the consolidated and separate financial statements that were applied to restate the comparative information presented at 30 June 2019 and the statement of financial position as at 1 July 2019.

We were not engaged to audit, review, or apply any procedures to the consolidated and separate financial statements for the years ended 30 June 2019 and 30 June 2018 (not presented therein) or to the statements of financial statements of financial position at the beginning of the preceding period 01 July 2019, other than with respect to the retrospective adjustments described in Note 34 to the consolidated and separate financial statements.

Accordingly, we do not express an opinion or any other form of assurance on comparative information. However, in our opinion, the retrospective adjustments described in Note 34 to the consolidated and separate financial statements are appropriate and have been properly applied.

Other information

The directors are responsible for the other information. The other information comprises the Statutory disclosures, Profiles of directors, Statement of compliance, Corporate governance report, Statement of directors' responsibilities and Secretary's certificate, but does not include the consolidated and separate financial statements and our auditors' report thereon.

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

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

Responsibilities of directors for the consolidated and separate financial statements

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

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Responsibilities of directors for the consolidated and separate financial statements (Cont'd)

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group and/or 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; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Use of our report

This report is made solely to the Company's shareholders as a body, in accordance with Section 205 of the Mauritius Companies Act. Our audit work has been undertaken so that we might state to the Company's shareholders as a body, those matters that we are required to state to them in an auditors' 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Mauritius Companies Act

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

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

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

Financial Reporting Act

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

KPMG
Ebène, Mauritius

Imtiaz Ajeda
Licensed by FRC

Date: 09 April 2021

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2020

		THE GROUP			THE COMPANY		
ASSETS	Notes	**2020** **Rs'000**	Restated* 2019 Rs'000	Restated* At July 1, 2018 Rs'000	**2020** **Rs'000**	Restated* 2019 Rs'000	Restated* At July 1, 2018 Rs'000
Non-current assets							
Property, plant and equipment*	5	**1,013,142**	920,832	905,144	**-**	-	-
Right-of-use assets	6	**303,258**	-	-	**-**	-	-
Investment property	7	**-**	-	22,542	**-**	-	-
Intangible assets*	8	**595,141**	591,920	602,515	**-**	-	-
Investment in subsidiaries	9	**-**	-	-	**1,099,211**	857,857	857,857
Financial assets at fair value through							
other comprehensive income	10	**2,715**	1,544	9,288	**-**	-	-
Financial assets at amortised cost	14	**-**	-	-	**-**	195,175	211,075
Deferred tax assets	11	**28,176**	12,533	11,885	**-**	-	-
		1,942,432	1,526,829	1,551,374	**1,099,211**	1,053,032	1,068,932
Current assets							
Inventories*	12	**34,850**	39,708	38,253	**-**	-	-
Trade receivables	13	**859,298**	993,990	867,445	**-**	-	-
Financial assets at amortised cost*	14	**134,456**	151,724	181,073	**69,515**	84,388	83,057
Prepayment		**37,511**	32,359	38,744	**522**	100	-
Current tax assets	15	**23,184**	14,980	26,700	**-**	-	-
Cash and cash equivalents	27(c)	**329,639**	207,287	207,926	**5,790**	5,672	1,013
		1,418,938	1,440,048	1,360,141	**75,827**	90,160	84,070
Non-current assets classified							
as held for sale	29(d)	**-**	-	6,038	**-**	-	-
Total assets		**3,361,370**	2,966,877	2,917,553	**1,175,038**	1,143,192	1,153,002
FINANCED BY							
Capital and reserves							
Share capital	16	**1,019,294**	1,019,294	1,019,294	**1,019,294**	1,019,294	1,019,294
Other reserves	17	**225,715**	178,884	184,920	**-**	-	-
Retained earnings*		**244,088**	211,836	156,364	**15,277**	16,947	29,146
Owners' interest		**1,489,097**	1,410,014	1,360,578	**1,034,571**	1,036,241	1,048,440
Non-controlling interests*		**172,487**	140,076	134,347	**-**	-	-
Total equity		**1,661,584**	1,550,090	1,494,925	**1,034,571**	1,036,241	1,048,440
Non-current liabilities							
Borrowings	18	**468,550**	314,095	351,287	**-**	-	-
Deferred tax liabilities*	11	**92,107**	81,779	83,998	**-**	-	-
Retirement benefits obligations	19	**89,460**	68,456	72,277	**-**	-	-
		650,117	464,330	507,562	**-**	-	-
Current liabilities							
Trade and other payables*	20	**623,244**	677,693	610,492	**27,930**	27,331	27,723
Current tax liabilities	15	**20,350**	10,769	7,722	**33**	127	146
Borrowings*	18	**390,850**	241,620	275,192	**97,504**	59,493	61,193
Dividend payable		**15,225**	22,375	17,115	**15,000**	20,000	15,500
		1,049,669	952,457	910,521	**140,467**	106,951	104,562
Liabilities directly associated							
with non-current assets classified							
as held-for-sale	29(d)	**-**	-	4,545	**-**	-	-
Total liabilities		**1,699,786**	1,416,787	1,422,628	**140,467**	106,951	104,562
Total equity and liabilities		**3,361,370**	2,966,877	2,917,553	**1,175,038**	1,143,192	1,153,002

These financial statements have been approved by the Board of Directors on 07 April 2021 and signed on its behalf by:

Nayendranath Nunkoo **Naveen Sangalee**

* See note 34.

The notes on pages 18 to 108 form an integral part of these financial statements.

Auditor's report on pages 7 to 10.

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS

YEAR ENDED JUNE 30, 2020

		THE GROUP		THE COMPANY	
	Notes	**2020** **Rs'000**	Restated* 2019 Rs'000	**2020** **Rs'000**	2019 Rs'000
Continuing operations					
TOTAL REVENUE	21	**3,122,730**	3,415,225	**40,222**	33,871
Sales of services		**3,073,424**	3,369,471	**-**	-
Direct costs	22	**(1,934,576)**	(2,269,206)	**-**	-
		1,138,848	1,100,265	**-**	-
Commission and other income		**45,558**	43,100	**-**	-
Dividend and interest income		**3,748**	2,654	**40,222**	33,871
		1,188,154	1,146,019	**40,222**	33,871
Employee benefit expense*	23	**(644,541)**	(661,072)	**-**	-
Depreciation of:					
- property, plant and equipment*	5	**(99,557)**	(98,379)	**-**	-
- right-of-use assets	6	**(80,136)**	-	**-**	-
Amortisation of intangible assets*	8	**(10,183)**	(11,988)	**-**	-
Net impairment loss on financial assets*	13(a)	**(27,907)**	(5,661)	**-**	-
Other expenses*	22	**(164,018)**	(206,888)	**(942)**	(652)
Operating profit		**161,812**	162,031	**39,280**	33,219
Finance income	24(a)	**31,408**	19,152	**188**	43
Finance costs	24(b)	**(50,350)**	(32,550)	**(1,824)**	(745)
Profit before tax	25	**142,870**	148,633	**37,644**	32,517
Income tax expense*	15	**(38,380)**	(40,093)	**36**	(216)
Profit for the year from					
continuing operations		**104,490**	108,540	**37,680**	32,301
Discontinued operations					
Profit from discontinued operations	29	**-**	4,274	**-**	-
Profit for the year		**104,490**	112,814	**37,680**	32,301
Profit attributable to:					
Owners of the Company		**74,090**	99,972	**37,680**	32,301
Non-controlling interests		**30,400**	12,842	**-**	-
		104,490	112,814	**37,680**	32,301

* See note 34.

The notes on pages 18 to 108 form an integral part of these financial statements.

Auditor's report on pages 7 to 10.

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED JUNE 30, 2020

	Notes	THE GROUP 2020 Rs'000	THE GROUP Restated* 2019 Rs'000	THE COMPANY 2020 Rs'000	THE COMPANY 2019 Rs'000
Profit for the year		**104,490**	112,814	**37,680**	32,301
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Gain on revaluation of land and buildings	5	**79,464**	-	-	-
Change in fair value of equity					
instruments at fair value through OCI*	10(a)	**1,518**	(3,675)	-	-
Remeasurement of post employment					
benefit obligations	19	**(16,735)**	(2,066)	-	-
Related tax	11(b)	**(8,211)**	150	-	-
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences		**6,010**	(2,810)	-	-
Other comprehensive income for the year,					
net of tax		**62,046**	(8,401)	-	-
Total comprehensive income for the year		**166,536**	104,413	**37,680**	32,301
Total comprehensive income attributable to:					
Owners of the Company		**119,647**	93,936	**37,680**	32,301
Non-controlling interests		**46,889**	10,477	-	-
		166,536	104,413	**37,680**	32,301

* See note 34.

The notes on pages 18 to 108 form an integral part of these financial statements.
Auditor's report on pages 7 to 10.

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2020

(a) **THE GROUP**

		Notes	Attributable to owners of the Company: Share capital Rs'000	Other reserves* Rs'000	Retained earnings* Rs'000	Total Rs'000	Non-controlling interests (NCI)* Rs'000	Total Rs'000
(i)	2019							
	Balance at July 1, 2018							
	- as previously reported		1,019,294	184,920	211,154	1,415,368	138,449	1,553,817
	- prior period adjustments	34	-	-	(54,790)	(54,790)	(4,102)	(58,892)
	- as restated*		1,019,294	184,920	156,364	1,360,578	134,347	1,494,925
	Profit for the year		-	-	99,972	99,972	12,842	112,814
	Other comprehensive income for the year		-	(6,036)	-	(6,036)	(2,365)	(8,401)
	Total comprehensive income for the year		-	(6,036)	99,972	93,936	10,477	104,413
	Transactions with owners of the Company							
	Dividends	26	-	-	(44,500)	(44,500)	(4,748)	(49,248)
	Balance at June 30, 2019		1,019,294	178,884	211,836	1,410,014	140,076	1,550,090

* See note 34.

The notes on pages 18 to 108 form an integral part of these financial statements.
Auditor's report on pages 7 to 10.

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2020

(a) **THE GROUP**

	Notes	Attributable to owners of the Company Share capital Rs'000	Other reserves* Rs'000	Retained earnings* Rs'000	Total Rs'000	Non-controlling interests (NCI)* Rs'000	Total Rs'000
(ii) 2020							
Balance at July 1, 2019							
- as previously reported		1,019,294	180,758	272,780	1,472,832	147,414	1,620,246
- prior period adjustments	34	-	(1,874)	(60,944)	(62,818)	(7,338)	(70,156)
- as restated*		1,019,294	178,884	211,836	1,410,014	140,076	1,550,090
Profit for the year		-	-	74,090	74,090	30,400	104,490
Other comprehensive income for the year		-	45,557	-	45,557	16,489	62,046
Total comprehensive income for the year		-	45,557	74,090	119,647	46,889	166,536
Changes in ownership interests							
Acquisition of subsidiary with NCI	28(a)(ii)	-	-	-	-	(880)	(880)
Acquisition of NCI without a change in control	28(b)	-	-	(3,253)	(3,253)	(8,397)	(11,650)
Change in ownership interest in subsidiary	28(c)	-	1,274	765	2,039	(2,039)	-
Total changes in ownership interests		-	1,274	(2,488)	(1,214)	(11,316)	(12,530)
Transactions with owners of the Company							
Dividends	26	-	-	(39,350)	(39,350)	(3,162)	(42,512)
Balance at June 30, 2020		**1,019,294**	**225,715**	**244,088**	**1,489,097**	**172,487**	**1,661,584**

* See note 34.

The notes on pages 18 to 108 form an integral part of these financial statements.
Auditor's report on pages 7 to 10.

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED JUNE 30, 2020

(b) **THE COMPANY**

	Notes	Share capital Rs'000	Retained earnings Rs'000	Total Rs'000
Balance at July 1, 2019		1,019,294	16,947	1,036,241
Profit for the year		-	37,680	37,680
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	37,680	37,680
Dividends	26	-	(39,350)	(39,350)
At June 30, 2020		**1,019,294**	**15,277**	**1,034,571**
Balance at July 1, 2018		1,019,294	29,146	1,048,440
Profit for the year		-	32,301	32,301
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	32,301	32,301
Dividends	26	-	(44,500)	(44,500)
At June 30, 2019		**1,019,294**	**16,947**	**1,036,241**

The notes on pages 18 to 108 form an integral part of these financial statements.
Auditor's report on pages 7 to 10.

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

YEAR ENDED JUNE 30, 2020

		THE GROUP		THE COMPANY	
	Notes	2020 Rs'000	Restated* 2019 Rs'000	2020 Rs'000	Restated* 2019 Rs'000
Cash flows from operating activities					
Cash generated from/(absorbed in) operations*	27(a)	478,937	253,156	(596)	3,575
Interest paid		(46,472)	(30,629)	(1,824)	(745)
Interest received	21	3,748	2,654	1,086	1,121
Income tax paid*	15(a)	(50,202)	(27,970)	(58)	(235)
Net cash generated from/ (absorbed in) operating activities		386,011	197,211	(1,392)	3,716
Cash flows from investing activities					
Acquisition of subsidiary, net of cash acquired	28(a)(iii)	(263)	-	-	-
Investment in subsidiaries	28(b)/ 9(a)	(11,650)	-	(67,940)	-
Purchase of property, plant and equipment*	27(b)	(100,160)	(84,550)	-	-
Purchase of intangible assets	8	(13,608)	(1,443)	-	-
Proceeds on sale of property, plant and equipment		8,140	12,243	-	-
Proceeds on disposal of equity investments		-	5,251	-	-
Proceeds from capital reduction of investee company		-	511	-	-
Proceed on disposal of subsidiary	29(a)	-	1,972	-	-
Dividends received		-	-	44,608	24,343
Loans granted to related parties		-	-	(819)	(10,500)
Loan repayments from related parties		-	-	32,000	28,800
Net cash (used in)/from investing activities		(117,541)	(66,016)	7,849	42,643
Cash flows from financing activities					
Proceeds from borrowings	27(d)	188,106	196,005	24,231	-
Payments of borrowings	27(d)	(310,867)	(216,215)	(1,730)	-
Loan received from related parties	27(d)	126,250	-	19,000	42,000
Loan repaid to related parties	27(d)	(13,371)	(9,375)	(18,000)	(43,700)
Principal paid on lease liabilities	27(d)	(68,498)	-	-	-
Interest paid on lease liabilities	27(d)	(17,485)	-	-	-
Payments of borrowings with other financial institutions	27(d)	(16,146)	(21,883)	-	-
Dividends paid to company's shareholders		(44,350)	(40,000)	(44,350)	(40,000)
Dividends paid to non-controlling interests		(5,312)	(3,988)	-	-
Net cash used in financing activities		(161,673)	(95,456)	(20,849)	(41,700)
Net increase/(decrease) in cash and cash equivalents		106,797	35,739	(14,392)	4,659
Movement in cash and cash equivalents					
At July 1,		107,606	74,267	5,672	1,013
Increase/(decrease)		106,797	35,739	(14,392)	4,659
Effect of foreign exchange rate changes		23,601	(2,400)	2,484	-
At June 30,	27(c)	238,004	107,606	(6,236)	5,672

* See note 34.

The notes on pages 18 to 108 form an integral part of these financial statements.
Auditor's report on pages 7 to 10.

Appendix 3
Consent Letter and audited accounts by EY

for the nine-month period ended 31 March 2021

LAD/TL/nr/br/257/22

22 September 2021

The Board of Directors
Velogic Holding Company Limited
Freeport Zone 7 MU,
Port Louis,
Mauritius

Dear Sirs,

Re: **Velogic Holding Company Limited Initial Public Offering**

1. With specific regards to the initial public offering, we, Ernst & Young confirm that we are auditors of the issuer for the period ended 31 March 2021 and we consent to our name being stated in, and references thereto, and to our auditors report dated 22 September 2021 for which we accept responsibility be included in the form and context in which it appears in the offering document which will be submitted to the Financial Services Commission and Stock Exchange of Mauritius ("SEM") for approval.

2. Such consent will not be withdrawn prior to the approval of the offering document.

3. We also confirm that since our audit report dated 22 September 2021, we are not aware of any matters which could affect the validity of our audit report.

4. We also confirm that we are not shareholders of the issuer nor do we have the rights to subscribe to the securities of the issuer.

5. The letter is provided solely for the purposes of complying with the securities Act 2005 and the Securities (Public Offer) Rules 2007 and the Listing Rules of the SEM.

Yours faithfully,

For and on behalf of

Ernst & Young

ERNST & YOUNG

Registered Auditors

Per: Thierry Leung Hing Wah

Partner

Extracts from the Audited Financial Statements
31 March 2021

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the Consolidated and separate financial statements of Velogic Holding Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 7 to 96 which comprise the consolidated and separate statements of financial position as at 31 March 2021, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the period then ended, and notes to the consolidated and separate financial statements, including significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Group and Company as at 31 March 2021, and of its consolidated and separate financial performance and consolidated and separate cash flows for the period then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001 and the Financial Reporting Act 2004.

Basis for Opinion

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

Key Audit Matters

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

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

The Key Audit Matters applies equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
Impairment of goodwill and investments in subsidiaries The carrying amount of goodwill recognised at Group level amounted to Rs 458.8m as at 31 March 2021 and investments in subsidiaries in the separate financial statements of the Company amounted to Rs 1,099m as at the same date. Disclosures around the impairment assessment of goodwill and subsidiaries and cash generating units are set out in notes 7 and 8 of the financial statements respectively. A cash generating unit ("CGU") to which goodwill has been allocated must be tested for impairment at least annually in accordance with IAS 36 Impairment of Assets, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the unit. The determination of the recoverable amount, being the higher of value-in-use and fair value less costs to sell, requires judgement on the part of management in both identifying and then valuing the relevant CGUs. There is the risk that management may influence the significant judgements and estimations in respect of business valuations in order to meet market expectations of the overall Net Asset Value of the Company. The risk has increased in the current year due to the timing and uncertainty of the COVID – 19 pandemic and the consequent impact on valuations. A similar process applies to the impairment of investments in subsidiaries held at Company level. Variations in the estimates and assumptions may result in significant impact on the reported results and relevant assets. Due to the significant judgments that need to be applied we have considered the impairment of goodwill and investments in subsidiaries as a key audit matter.	We evaluated the operation of the management's controls over the impairment assessment process. Our audit procedures included challenging management on the appropriateness of the impairment model and reasonableness of the assumptions used through performing the following: • We reviewed management determination of CGUs for impairment assessment purpose. • We obtained management's impairment assessment and tested the arithmetical accuracy of the computations. • With the involvement of our valuation specialists, we appraised the method used in calculating the value in use, the discount factor used, the forecasts used, and the assumptions adopted therein. • We verified the forecasts used by management with reference to historical data and market developments, challenging growth rates. • We performed a sensitivity analysis on the significant inputs to assess the range of acceptable valuations in each CGU. • We reviewed the allocation of impairment to the underlying related assets • We assessed the adequacy of the disclosures made in the financial statements • We have also considered the impact of COVID – 19 throughout the procedures performed on the valuation by challenging whether the valuation methodologies and assumptions used remained appropriate.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matter	How the matter was addressed in the audit

Expected credit loss under IFRS 9
 	
IFRS 9 Financial Instruments requires an entity to incorporate reasonable and supportable information about past events, current conditions and forecasted future economic conditions into the assessment of expected credit losses ("ECL") for trade and other receivable, including amounts receivable from related parties. Such an assessment should be based on information at the reporting date and adjusted for subsequent available information where applicable. ECL is a probability weighted amount that is determined by evaluating a range of possible outcomes.
 	
ECL provisions on trade and other receivable as at 31 March 2021 amounted to Rs 120.7m (June 30, 2020: Rs 111m) as per note 12. ECLs are calculated both for individually significant receivables and collectively on a portfolio basis which require the use of statistical models incorporating loss data and assumptions on the recoverability of customers' outstanding balances.
 	
The Covid-19 pandemic has given rise to uncertainty in the economic conditions and IFRS 9 requires management to incorporate forecasts of future economic conditions on a probability weighted basis. The Group has refined its model to take into account the severity and potential impact of the pandemic on the expected losses of financial assets.
 	
The calculation of ECLs is complex and involves several judgmental assumptions. As a result, ECL calculation been identified as a key audit matter.
 	
Refer to notes 2.13 and 12 to the consolidated financial statements for the accounting policies and the relevant disclosures.
	Procedures performed in respect of expected credit losses:
	
	• We verified whether the ECL methodology developed by management for trade and other receivables and amounts receivable from related parties are consistent with the requirements of IFRS 9.
	
	• We tested management's key assumptions and judgments used in the models to determine the expected credit loss such as the loss rate by comparing these to historical data. We also ensured the completeness and internal consistency of data used and its mathematical accuracy by performing the following procedures:
	
	  ◦ testing the age buckets of the balances due for the relevant periods
	
	  ◦ agreeing the balances at year end to source data such as the general ledger
	
	  ◦ verifying that the formulae were properly applied throughout to obtain the expected credit loss
	
	  ◦ testing the classification of insured debtors against relevant insurance contracts, verifying whether the Group's clients are within relevant insurance thresholds.
	
	• We involved our IFRS 9 modelling specialists to validate the methodology used by management as well as major assumptions used (e.g. forward-looking information used by management).
	
	• Our IFRS 9 modelling specialists have evaluated the reasonability of assumptions and judgements applied in Management's qualitative and quantitative assessment of external events in light of recent economic events and circumstances (Covid-19).

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

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

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Use of our report

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

Other matter

The financial statements of Velogic Holding Company Limited (the "Company") and its subsidiaries (the "Group") for the year ended 30 June 2020 were audited by another auditor who expressed an unmodified opinion on those statements on 09 April 2021.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VELOGIC HOLDING COMPANY LIMITED

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

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

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

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

Ernst & Young

ERNST & YOUNG
Ebène, Mauritius

THIERRY LEUNG HING WAH, F.C.C.A.
Licensed by FRC

Date: 22 September 2021

STATEMENTS OF FINANCIAL POSITION

MARCH 31, 2021

		THE GROUP		THE COMPANY	
	Notes	**March 31, 2021**	June 30, 2020	**March 31, 2021**	June 30, 2020
ASSETS		**Rs'000**	Rs'000	**Rs'000**	Rs'000
Non-current assets					
Property, plant and equipment	5	**998,174**	1,013,142	**-**	-
Right-of-use assets	6	**260,353**	303,258	**-**	-
Intangible assets	7	**589,121**	595,141	**-**	-
Investment in subsidiaries	8	**-**	-	**1,099,260**	1,099,211
Financial assets at fair value through other comprehensive income	9	**3,210**	2,715	**-**	-
Deferred tax assets	10	**24,891**	28,176	**-**	-
		1,875,749	1,942,432	**1,099,260**	1,099,211
Current assets					
Inventories	11	**32,263**	34,850	**-**	-
Trade receivables	12	**947,648**	859,757	**-**	-
Contract assets*	13	**63,400**	38,600	**-**	
Financial assets at amortised cost*	14	**126,604**	107,589	**53,614**	54,745
Other assets	15	**43,704**	37,511	**3**	15,292
Current tax assets	16	**16,601**	23,184	**-**	-
Cash and cash equivalents	30(c)	**416,636**	329,639	**7,436**	5,790
		1,646,856	1,431,130	**61,053**	75,827
Total assets		**3,522,605**	3,373,562	**1,160,313**	1,175,038
FINANCED BY					
Capital and reserves					
Share capital	17	**1,019,294**	1,019,294	**1,019,294**	1,019,294
Other reserves	18	**228,868**	225,715	**-**	-
Retained earnings		**325,102**	244,088	**25,515**	15,277
Equity attributable to equity holders of the parent		**1,573,264**	1,489,097	**1,044,809**	1,034,571
Non-controlling interests		**196,956**	172,487	**-**	-
Total equity		**1,770,220**	1,661,584	**1,044,809**	1,034,571
Non-current liabilities					
Borrowings	19	**216,149**	224,195	**47,363**	-
Lease liabilities**	6(b)	**213,449**	244,355	**-**	-
Deferred tax liabilities	10	**87,838**	92,107	**-**	-
Retirement benefits obligations	20	**82,939**	89,460	**-**	-
		600,375	650,117	**47,363**	-
Current liabilities					
Trade and other payables*	21	**851,445**	615,397	**32,399**	27,930
Contract liabilities*	22	**30,548**	20,039	**-**	-
Current tax liabilities	16	**22,497**	20,350	**-**	33
Borrowings	19	**182,378**	319,611	**35,742**	97,504
Lease liabilities**	6(b)	**65,074**	71,239	**-**	-
Dividend payable	23	**68**	15,225	**-**	15,000
		1,152,010	1,061,861	**68,141**	140,467
Total liabilities		**1,752,385**	1,711,978	**115,504**	140,467
Total equity and liabilities		**3,522,605**	3,373,562	**1,160,313**	1,175,038

* Contract assets (note 13) and contract liabilities (note 22) are now presented separately on the Statement of Financial Position in accordance with IFRS 15 presentation requirements. These items were presented previously in financial assets at amortised cost (note 14) and trade and other payables (note 21).

** Lease liabilities (note 6(b)) are now presented separately on the Statement of Financial Position in accordance with IFRS 16 presentation requirements. These items were presented previously in borrowings (note 19).

These financial statements have been approved by the Board of Directors on 22 September 2021 and signed on its behalf by:

Mr. Nayendranath Nunkoo
Director

Mr. Naveen Sangeelee
Director

The notes on pages 10 to 96 form an integral part of these financial statements.10
Auditor's report on pages 1 to 6.

STATEMENTS OF PROFIT OR LOSS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

		THE GROUP		THE COMPANY	
	Notes	**9 months to March 31, 2021**	Year ended June 30, 2020	9 months to March 31, **2021**	Year ended June 30, 2020
		Rs'000	Rs'000	**Rs'000**	Rs'000
TOTAL INCOME	24	**2,882,308**	3,122,730	**39,272**	40,222
Revenue from sale of services	24	**2,850,101**	3,073,424	**-**	-
Direct costs	25	**(1,886,123)**	(1,934,576)	**-**	-
		963,978	1,138,848	**-**	-
Commission and other income		**28,995**	45,558	**-**	-
Dividend and interest income		**3,212**	3,748	**39,272**	40,222
		996,185	1,188,154	**39,272**	40,222
Employee benefit expense	26	**(517,397)**	(644,541)	**-**	-
Depreciation of:					
- property, plant and equipment	5	**(75,179)**	(99,557)	**-**	-
- right-of-use assets	6	**(61,666)**	(80,136)	**-**	-
Amortisation of intangible assets	7	**(7,379)**	(10,183)	**-**	-
Net impairment loss on financial assets	12(a)	**(11,745)**	(27,907)	**-**	-
Other expenses	25	**(128,763)**	(164,018)	**(4,288)**	(942)
Operating profit		**194,056**	161,812	**34,984**	39,280
Finance income	27(a)	**9,372**	31,408	**(1,276)**	188
Finance costs	27(b)	**(31,963)**	(50,350)	**(1,470)**	(1,824)
Profit before tax	28	**171,465**	142,870	**32,238**	37,644
Taxation	16(b)	**(40,954)**	(38,380)	**-**	36
Profit for the period/year		**130,511**	104,490	**32,238**	37,680
Profit attributable to:					
Equity holders of the parent		**103,014**	74,090	**32,238**	37,680
Non-controlling interests		**27,497**	30,400	**-**	-
		130,511	104,490	**32,238**	37,680
Earnings per share (Rs.)	29	**1.10**	0.79		

The notes on pages 10 to 96 form an integral part of these financial statements.10
Auditor's report on pages 1 to 6.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

	Notes	THE GROUP 9 months to March 31, 2021 Rs'000	THE GROUP Year ended June 30, 2020 Rs'000	THE COMPANY 9 months to March 31, 2021 Rs'000	THE COMPANY Year ended June 30, 2020 Rs'000
Profit for the period/year		**130,511**	104,490	**32,238**	37,680
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Gain on revaluation of land and buildings	5	-	79,464	-	-
Change in fair value of equity instruments at fair value through OCI	9(a)	-	1,518	-	-
Remeasurement of post employment benefit obligations	20	**8,660**	(16,735)	-	-
Related tax	10(b)	**(855)**	(8,211)	-	-
Items that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences		**(4,355)**	6,010	-	-
Other comprehensive income for the period, net of tax		**3,450**	62,046	-	-
Total comprehensive income for the period		**133,961**	166,536	**32,238**	37,680
Total comprehensive income attributable to:					
Equity holders of the parent		**106,167**	119,647	**32,238**	37,680
Non-controlling interests		**27,794**	46,889	-	-
		133,961	166,536	**32,238**	37,680

The notes on pages 10 to 96 form an integral part of these financial statements.10
Auditor's report on pages 1 to 6.

STATEMENTS OF CHANGES IN EQUITY

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

(a) **THE GROUP**

	Notes	Attributable to the equity holders of the parent: Share capital Rs'000	Other reserves Rs'000	Retained earnings Rs'000	Total Rs'000	Non-controlling interests (NCI) Rs'000	Total Rs'000
(i) June 30, 2020							
Balance at July 1, 2019		1,019,294	178,884	211,836	1,410,014	140,076	1,550,090
Profit for the year		-	-	74,090	74,090	30,400	104,490
Other comprehensive income for the year		-	45,557	-	45,557	16,489	62,046
Total comprehensive income for the period		-	45,557	74,090	119,647	46,889	166,536
Changes in ownership interests							
Acquisition of subsidiary with NCI	32(a)(ii)	-	-	-	-	(880)	(880)
Acquisition of non-controlling interests	32(b)	-	-	(3,253)	(3,253)	(8,397)	(11,650)
Change in ownership interest in subsidiary	32(c)	-	1,274	765	2,039	(2,039)	-
Total changes in ownership interests		-	1,274	(2,488)	(1,214)	(11,316)	(12,530)
Transactions with owners of the Company							
Dividends	23	-	-	(39,350)	(39,350)	(3,162)	(42,512)
Balance at June 30, 2020		**1,019,294**	**225,715**	**244,088**	**1,489,097**	**172,487**	**1,661,584**

The notes on pages 10 to 96 form an integral part of these financial statements.10
Auditor's report on pages 1 to 6.

STATEMENTS OF CHANGES IN EQUITY

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

(a)

THE GROUP	Notes	Attributable to the equity holders of the parent				Non-controlling interests (NCI)	Total
		Share capital	Other reserves	Retained earnings	Total		
		Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
(ii) March 31, 2021							
Balance at July 1, 2020		1,019,294	225,715	244,088	1,489,097	172,487	1,661,584
Profit for the period		-	-	103,014	103,014	27,497	130,511
Other comprehensive income for the period		-	3,153	-	3,153	297	3,450
Total comprehensive income for the period		-	3,153	103,014	106,167	27,794	133,961
Transactions with owners of the Company							
Dividends	23	-	-	(22,000)	(22,000)	(3,325)	(25,325)
Balance at March 31, 2021		**1,019,294**	**228,868**	**325,102**	**1,573,264**	**196,956**	**1,770,220**

The notes on pages 10 to 96 form an integral part of these financial statements.10
Auditor's report on pages 1 to 6.

STATEMENTS OF CHANGES IN EQUITY

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

(b)

THE COMPANY	Notes	Share capital Rs'000	Retained earnings Rs'000	Total Rs'000
(i) June 30, 2020				
Balance at July 1, 2019		1,019,294	16,947	1,036,241
Profit for the period		-	37,680	37,680
Other comprehensive income for the period		-	-	-
Total comprehensive income for the period		-	37,680	37,680
Dividends	23	-	(39,350)	(39,350)
At June 30, 2020		**1,019,294**	**15,277**	**1,034,571**
(ii) March 31, 2021				
Balance at July 1, 2020		1,019,294	15,277	1,034,571
Profit for the period		-	32,238	32,238
Other comprehensive income for the period		-	-	-
Total comprehensive income for the period		-	32,238	32,238
Dividends	23	-	(22,000)	(22,000)
At March 31, 2021		**1,019,294**	**25,515**	**1,044,809**

The notes on pages 10 to 96 form an integral part of these financial statements.10
Auditor's report on pages 1 to 6.

STATEMENTS OF CASH FLOWS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

		THE GROUP		THE COMPANY	
	Notes	9 months to March 31, 2021 Rs'000	Year ended June 30, 2020 Rs'000	9 months to March 31, 2021 Rs'000	Year ended June 30, 2020 Rs'000
Cash flows from operating activities					
Cash generated from/(absorbed in) operations	30(a)	455,439	478,937	(1,359)	(596)
Interest paid		(19,824)	(46,472)	(1,470)	(1,824)
Interest received	24	3,212	3,748	942	1,086
Income tax paid	16(a)	(36,064)	(50,202)	(33)	(58)
Income tax refunded	16(a)	2,357	-	-	-
Net cash generated from/ (absorbed in) operating activities		405,120	386,011	(1,920)	(1,392)
Cash flows from investing activities					
Acquisition of subsidiary, net of cash acquired	32(a)(iii)	-	(263)	-	-
Investment in subsidiaries	32(b)/8(a)	-	(11,650)	(49)	(67,940)
Purchase of property, plant and equipment	30(b)	(61,482)	(100,160)	-	-
Purchase of intangible assets	7	(1,509)	(13,608)	-	-
Proceeds on sale of property, plant and equipment		4,124	8,140	-	-
Dividends received		-	-	53,100	44,608
Loans granted to related parties		-	-	(698)	(819)
Loan repayments received from related parties		-	-	2,612	32,000
Net cash (used in)/from investing activities		(58,867)	(117,541)	54,965	7,849
Cash flows from financing activities					
Proceeds from borrowings	30(d)	7,560	188,106	-	24,231
Payments of borrowings	30(d)	(67,772)	(310,867)	(2,050)	(1,730)
Loan received from related parties	30(d)	-	126,250	27,117	19,000
Loan repaid to related parties	30(d)	(9,375)	(13,371)	(28,800)	(18,000)
Principal paid on lease liabilities	30(d)	(55,864)	(68,498)	-	-
Interest paid on lease liabilities	30(d)	(12,139)	(17,485)	-	-
Payments of borrowings with other financial institutions	30(d)	(12,363)	(16,146)	-	-
Dividends paid to company's shareholders	23	(37,000)	(44,350)	(37,000)	(44,350)
Dividends paid to non-controlling interests	23	(3,482)	(5,312)	-	-
Net cash used in financing activities		(190,435)	(161,673)	(40,733)	(20,849)
Net increase/(decrease) in cash and cash equivalents		155,818	106,797	12,312	(14,392)
Movement in cash and cash equivalents					
At July 1,		238,004	107,606	(6,236)	5,672
Increase/(decrease)		155,818	106,797	12,312	(14,392)
Effect of foreign exchange rate changes		7,074	23,601	(2,689)	2,484
At March 31, 2021/At June 30, 2020	30(c)	400,896	238,004	3,387	(6,236)

The notes on pages 10 to 96 form an integral part of these financial statements.10
Auditor's report on pages 1 to 6.

The list of significant accounting policies have been included below: Extract from Audited Financial Statement for the period ending 31 March 2021

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The financial statements of Velogic Holding Company Limited comply with the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and have been prepared in accordance with International Financial Reporting Standards (IFRS) under the going concern basis.

The financial statements include the consolidated financial statements of the parent company and its subsidiaries (The Group) and the separate financial statements of the parent company (The Company).

The financial statements are presented in Mauritian Rupees and all values are rounded to the nearest thousand (Rs'000), except when otherwise indicated.

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

(i) land and building are carried at revalued amounts;

(ii) retirement benefit obligations; and

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

The accounting policies apply to both the Group and the Company unless otherwise stated.

Amendments to published Standards effective in the reporting period

Definition of a Business (Amendments to IFRS 3) clarifies the definition of a business to help determine whether a transaction should be accounted for as a business combination or an asset acquisition and permits, in certain circumstances, a simplified assessment that an acquired set of activities and assets is not a business. The amendments have no impact on the Group's financial statements.

Definition of Material (Amendments to IAS 1 and IAS 8) clarifies the definition of material and aligns the definitions used across IFRSs and other IASB publications. The amendments have no impact on the Group's financial statements.

Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7) provides relief from certain hedge accounting requirements in order to avoid unnecessary discontinuation of existing hedge relationships during the period before the replacement of an existing interest rate benchmark with an alternative interest rate. The amendments have no impact on the Group's financial statements.

Amendments to References to the Conceptual Framework in IFRS Standards relate to minor amendments to various standards to reflect the revised Conceptual Framework for Financial Reporting. The amendments have no impact on the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

Amendments to published Standards effective in the reporting period (cont'd)

Covid-19-Related Rent Concessions (Amendment to IFRS 16)

The Group's has elected to utilise the practical expedient for all rent concessions that meet the criteria. The practical expedient has been applied retrospectively, meaning it has been applied to all rent concessions that satisfy the criteria during the period ended March 31, 2021.

Accounting for the rent concessions as lease modifications would have resulted in the Group's remeasuring the lease liability to reflect the revised consideration using a revised discount rate, with the effect of the change in the lease liability recorded against the right-of-use asset. By applying the practical expedient, the Group's is not required to determine a revised discount rate and the effect of the change in the lease liability is reflected in profit or loss in the period in which the event or condition that triggers the rent concession occurs. The effect of applying the practical expedient is disclosed in note 6.

Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) extends the temporary exemption to accounting periods beginning before January 1, 2023. 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 1, 2021 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:

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

Standards, Amendments to published Standards and Interpretations issued but not yet effective (cont'd)

Annual Improvements 2018-2020

- IFRS 1 - permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. An entity applies the amendment for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted.
- IFRS 9 - clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. An entity applies the amendment for annual reporting periods beginning on or after January 1, 2022. Earlier application is permitted.
- IAS 41 - removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41. An entity applies the amendment to fair value measurements on or after the beginning of the first annual reporting period beginning on or after January 1, 2022. Earlier application is permitted.

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

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

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

Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after January 1, 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

Reference to the Conceptual Framework (Amendments to IFRS 3)

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

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately. At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

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

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of preparation (cont'd)

Standards, Amendments to published Standards and Interpretations issued but not yet effective (cont'd)

Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

On 27 August 2020, the IASB published Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. With publication of the phase two amendments, the IASB has completed its work in response to IBOR reform.

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments are effective for annual reporting periods beginning on or after January 1, 2021. The Group will apply these amendments at the beginning of the annual reporting period in which it first applies the amendments.

Covid-19-related rent concessions beyond 30 June 2021

In March 2021, the Board amended IFRS 16 to extend the availability of the practical expedient by one year (2021 amendment). The practical expedient in the 2021 amendment applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

Where relevant, the Group is still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

2.2 Property, plant and equipment

Land and buildings, held for use in the production or supply of goods or for administrative purposes, are stated at its fair value based on periodic, but at least triennial valuations, by external independent valuers, less subsequent depreciation for buildings. At the date of revaluation, the net amount is restated to the revalued amount of the asset. All other property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairments. 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.

A revaluation surplus is recorded in other comprehensive income (OCI) and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

Depreciation is calculated on the straight-line method to write off the cost of the assets to their residual values over their estimated useful lives. It is applied at the following rates:

Freehold buildings and buildings and yards on leasehold land	7 - 50 years
Plant and equipment	5 - 12 years
Motor vehicles	4 - 5 years
Furniture, fixtures and equipment	4 - 6.67 years

Freehold land is not depreciated.

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

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

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss. On disposal of revalued assets, the amounts included in revaluation surplus are transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Contract liabilities/contract assets

(i) A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

(ii) A contract asset is initially recognised for revenue earned from services because the receipt of consideration is conditional on successful completion of the services. Upon completion of the services and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section 2.13.

2.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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

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

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

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

(a) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note 2.5) less accumulated impairment losses, if any.

Goodwill is tested annually for impairment.

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

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

(b) Computer software

Acquired computer software licenses 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 (3-5 years).

(c) Concession rights

Concession rights acquired by the Group are initially recorded at cost and amortised over their estimated useful lives (7-60 years).

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Intangible assets (cont'd)

(d) Customer related intangibles

Customer related intangibles acquired by the Group are initially measured at fair value at the date of acquisition and amortised cost over their estimated useful lives (7-10 years).

2.5 Investment in subsidiaries

Separate financial statements of the Company

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

Consolidated financial statements

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Investment in subsidiaries (cont'd)

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.6 Financial instruments

(i) Recognition and initial measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Financial instruments (cont'd)

Business combinations (cont'd)

(ii) *Classification and subsequent measurement*

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost and fair value through other comprehensive income (FVOCI) - equity investment.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis.

Financial assets - Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice.

These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets:

- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Financial instruments (cont'd)

(ii) *Classification and subsequent measurement (cont'd)*

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets - Subsequent measurement and gains and losses

Trade receivables, contract assets and financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Financial instruments (cont'd)

(iii) *Derecognition*

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(iv) *Borrowings*

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

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

(v) *Trade and other payables*

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

2.7 Leases

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

Group as a lessee

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

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Leases (cont'd)

(i) *Right-of-use assets*

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

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.13 Impairment of non-financial assets.

(ii) *Lease liabilities*

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

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

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

The Group's lease liabilities are disclosed in note 6(b).

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

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

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Current and deferred income tax expense

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met as per below:

(i) the Group has a legal right to offset; and

(ii) the Group intends to settle on a net basis.

An entity will normally have a legally enforceable right to set off a current tax asset against a current tax liability when they relate to income taxes levied by the same taxation authority and the taxation authority permits the entity to make or receive a single net payment.

Corporate Social responsibility (CSR)

In line with the definition within the Income Tax 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax recognised in the profit or loss and the income tax liability on the statement of financial position.

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

COVID-19 Levy

A levy has been imposed by the Mauritian government on companies that have benefited from the wage assistance subsidy programme (GWAS) to assist companies to pay the salaries of their full-time or part-time employees as follows:

For the first year of tax assessment the levy is payable on the lower of:

1. the amount received under the Wage Assistance Scheme; and

2. 15% of the tax adjusted profit for the year before deducting any tax loss brought forward.

Whereas for the second applicable year of assessment, the amount received under the Wage Assistance Scheme is more than the first payment of COVID-19 Levy or no payment has been made, the COVID-19 Levy is payable on the lower of:

1. the amount received under the Wage Assistance Scheme less the COVID-19 Levy paid for the first year of assessment; and

2. 15% of the tax adjusted profit for the year before deducting any tax loss brought forward.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Current and deferred income tax expense

COVID-19 Levy

The Group has accounted for the COVID-19 Levy under income tax expense and current tax liabilities.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authorities on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

2.10 Share capital

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

2.11 Retirement benefit obligations

(a) *Defined contribution plans*

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

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

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Defined benefit plans

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

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

(c) Unfunded pensioners

For pensioners (former employees) who are not covered under any pension plan, the net present value of pension payable as per the terms of the contractual agreement is calculated by a qualified actuary and provided for.

(d) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

(e) Gratuity on retirement

The Company is required under the Employment Rights Act 2008 (the "the ERA") to make a statutory gratuity payment to employees retiring after continuous employment with the Company for a period of 12 moths or more. The employee need to have reached retirement age as prescribed by the ERA to be eligible for the gratuity payment.

The Company calculates its net obligations in respect of defined benefit pension plans arising from the ERA for employees by estimating the amount of future benefit that its employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine the present value. The discount rate is the yield at the end of the reporting period.

The net present value of gratuity on retirement payable under the ERA is calculated by a qualified actuary (AON Hewitt) using the projected unit credit method on a yearly basis.

The company is eligible to deduct employer's share of contributions from the above defined contribution plans maintained by the Company to the extent as prescribed by the ERA, which may or may not leave residual liability to be provided for in the financial statements. The obligations arising under this item are not funded.

In accordance with the Employment Rights Act, the amounts deductible are:

- half the lump sum payable from the defined contribution scheme, based on employer's contribution;
- five times the amount of any annual pension payable at the retirement age due from the defined contribution, based on employer's contribution
- any other gratuity granted at the retirement age; and
- ten times the amount of any annual pension granted at the retirement age.

(f) State plan

Contributions to the National Pension Scheme are expensed to the profit or loss in the year in which they fall due.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Retirement benefit obligations (cont'd)

(g) Short-term employee benefits

Short-term employee benefits are those expected to be settled wholly before twelve months after the end of the annual reporting period during which employee services are rendered, but do not include termination benefits. Examples include wages, salaries, profit-sharing and bonuses and non-monetary benefits paid to current employees.

The undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in an accounting period is recognised in that period. The expected cost of short-term compensated absences is recognised as the employees render service that increases their entitlement or, in the case of non accumulating absences, when the absences occur, and includes any additional amounts an entity expects to pay as a result of unused entitlements at the end of the period.

2.12 Foreign currencies

(a) Functional and presentation currency

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

(b) Transactions and balances

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income'.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

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.

(c) Group companies

The results and financial position of all 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:

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

(ii) income and expenses for each statement representing profit or loss and other comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

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

On consolidation, exchange differences from monetary items that form part of a net investments in subsidiary companies are recognised in other comprehensive income and reclassified to profit and loss on disposal of the net investment.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.

Goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Impairment of non-financial assets

Non-derivative financial assets

Financial instruments and contract assets

The Group recognises loss allowances for ECLs on financial assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the financial asset is more than 360 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;

- a breach of contract such as a default or being more than 90 days past due;

- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or

- the disappearance of an active market for a security because of financial difficulties.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Impairment of non-financial assets (cont'd)

Non-derivative financial assets (cont'd)

Credit-impaired financial assets

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 360 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

2.13 Impairment of non-financial assets (cont'd)

Non-financial assets (cont'd)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Revenue recognition

(a) Revenue from contracts with customers

Performance obligations and timing of revenue recognition

Revenue is derived from sale of services with revenue recognised at a point in time. This is generally when the services are rendered to the customer.

The Group provides courier services, freight forwarding, packing of special sugars, port related and transport services, shipping services and warehousing. Customers are normally given one month to settle their invoices.

Determining the transaction price

Revenue is derived from the fixed price for each contract 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 service rendered, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each service ordered in such contracts (it is the total contract price divided by the type of services rendered).

For most contracts, there is a fixed unit price for each service rendered, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each service ordered in such contracts. Customers are given one month to settle their invoices.

Practical Exemptions

The Group has taken advantage of the practical exemptions:

- not to account for significant financing components where the time difference between receiving consideration and transferring control of goods (or services) to its customer is one year or less; and
- expense the incremental costs of obtaining a contract when the amortisation period of the asset otherwise recognised would have been one year or less.

(b) Other income

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

- Interest income is calculated 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).
- Other income is recognised as it accrues unless collectability is in doubt.
- Dividend income - when the shareholder's right to receive payment is established.

2.15 Dividend

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

2.16 Non-current assets held for sale

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

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM JULY 1, 2020 TO MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Revenue recognition (cont'd)

2.17 Finance income and finance costs

The Group's finance income include the foreign currency gain or loss on financial assets and financial liabilities;

The Group's finance costs include interest expense. Interest expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the amortised cost of the financial liability.

In calculating interest expense, the effective interest rate is applied to the gross carrying amount of the amortised cost of the liability.

2.18 Wage subsidy

In response to the COVID-19 coronavirus pandemic, in March 2020 the Government of Mauritius introduced a wage subsidy program for companies to ensure that all employees are duly paid their salary.

Wage subsidy that compensates the Mauritian subsidiaries for expenses incurred are recognised in profit or loss on a systematic basis in the periods in which the expenses are recognised.

2.19 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Appendix 3a
Consent Letter and audited accounts by EY

For the nine-month period ended 31 March 2021

Extract from note 6g: Impact of fair value of leasehold land for Freeport Operations (Mauritius) Ltd on the Net Asset Value.

The land and buildings of one of its subsidiaries (Freeport Operations Ltd) were revalued at June 30, 2021 by independent valuers and leasehold rights valued at Rs 518.8 million were not included in the statement of financial position. Had the leasehold rights been included, the net assets value and total equity would have increased to Rs 2.289 billion.

Appendix 4
Analysis of consolidated borrowings and charges
AS AT 31 MARCH 2021

The Company aims to maximise its shareholders' return through a judicious management of its capital structure. The capital structure consists of debt and equity attributable to its shareholders, comprising issued capital, reserves and retained earnings.

Debt to equity ratio is the proportion of equity and debt that a company is using to finance its assets and operations. It signals the extent to which shareholder's equity can fulfil obligations to creditors, in the event a business decline.

Velogic had a total loan balance of MUR300m at 31st March 2021. The bank borrowings are secured by floating charges on the assets of the Company including property, plant and equipment, investment property and investments and inventories.

Entity	Borrowing (Rs m)	Lender	Balance (Rs m) as at 31/03/2021
Rogers Logistics International Ltd	180	The Mauritius Commercial Bank Ltd	97
Velogic Holding Company Limited	24	The Mauritius Commercial Bank Ltd	24
Velogic Ltd	40	Barclays	25
GACS	4	Ex Shareholders	5
Velogic Haulage Services Ltd	8	ABC Banking Corporation Ltd	7
	100	Rogers & Co Ltd	89
Freeport Operations (Mauritius) Ltd	16	Rogers & Co Ltd	15
	1	The Mauritius Commercial Bank Ltd	1
Associated Container Services Ltd	75	Rogers & Co Ltd	28
	10	Rogers & Co Ltd	9
TOTAL	**458**		**300**

Note: The above table includes only bank loans and related party loans. Leases have not been included.

Appendix 5
Assurance Report from EY
FOR FORECAST PERIOD 2022 TO 2026

LAD/TL/nr/br/258/22

22 September 2021

The Board of Directors
Velogic Holding Company Limited
Freeport Zone 7 MU
Port Louis,
Mauritius

Dear Board Members

Velogic Holding Company Limited 5 Years Group Financial Forecast

Context and Purpose

Velogic Holding Company Limited ("the Company") is proposing the listing of its ordinary shares on the Stock Exchange of Mauritius subject to the approval of the Financial Services Commission. In that context the management plans to include the forecasted condensed statements of profit or loss and condensed statements of cash flows of the Company the 5-years period from 01 July 2021 to 30 June 2026 (altogether referred to as "financial forecasts" or "Group financial forecast") in their admission document.

We have been appointed to give an assurance report on these financial forecasts. Accordingly we have performed the procedures agreed with you as per the Statement of Work dated 18 August 2021 ("SOW") as enumerated below on the financial forecasts of Velogic Holding Company Limited and its subsidiaries (altogether referred to as "the Velogic Group" or "the Group") for the above-mentioned period.

Our engagement was undertaken in accordance with the International Standards on Assurance Engagements 3400 ("ISAE 3400") applicable to examination of prospective financial information.

The procedures performed are summarised as follows:

1. Obtained the Group financial forecast for the 5-years period;
2. We have assessed the source and reliability of the evidence supporting management's best-estimates;
3. We have considered whether, when hypothetical assumptions are used, all significant implications of such assumptions have been taken into consideration;
4. We have assessed whether the assumptions are consistent with the purpose of the prospective financial information and with our understanding of the business gained through discussion with management, and that there is no reason to believe they are clearly unrealistic;
5. We have determined if the prospective financial information is properly presented and all material assumptions are adequately disclosed, including a clear indication as to whether they are best-estimate assumptions or hypothetical assumptions; and
6. We have ensured the prospective financial information is properly prepared on the basis of the assumptions discussed above and on a consistent basis with historical financial statements, using appropriate accounting principles.

Management Responsibilities

The management is responsible for:

a. The preparation and presentation of the Group financial forecast;

b. The identification of the assumptions used;

c. Making reasonable assumptions using historical trends and judgments and set up the basis on which the assumptions are based on.

Opinion

We have examined the financial forecast of Velogic Group for the period from 01 July 2021 to 30 June 2026 in accordance with the International Standard on Assurance Engagements applicable to the examination of prospective financial information.

Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the financial. Further, in our opinion the forecast is properly prepared on the basis of the assumptions.

Actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variation may be material.

Limitations on scope and Use of our report

Because of the inherent limitations of an examination engagement, together with the inherent limitations of internal control, a risk exists that some material misstatements may not be detected, even though the examination is properly planned and performed. It is also not an objective of the engagement to detect fraud or illegal acts, nor have we tested compliance with the laws or regulations of any jurisdiction.

This report should be used exclusively in the context and for the purpose set out above. It should not be used or distributed in any other context.

Yours faithfully,

Ernst & Young

ERNST & YOUNG

ANNEX

Forecasted Condensed Statements of Profit or Loss

Amount in MUR'm	FY22	FY23	FY24	FY25	FY26
Revenue	3,939	4,316	4,659	4,922	5,201
Cost of sales	(2,680)	(2,922)	(3,169)	(3,352)	(3,541)
Gross profit	1,259	1,395	1,491	1,571	1,660
Gross profit margin (%)	32%	32%	32%	32%	32%
Selling, General and Administrative expenses	(858.6)	(896.8)	(938.8)	(976.5)	(1,010.9)
Depreciation	(170.2)	(171.2)	(174.7)	(176.5)	(185.1)
Profit before interest and tax	230.3	326.9	377.2	417.6	464.2
Financial charges	(43.7)	(44.8)	(39.8)	(32.6)	(31.3)
Profit before tax	186.6	282.1	337.4	385.0	432.9
Taxation	(50.1)	(76.5)	(86.6)	(100.8)	(110.7)
Profit after tax	136.5	205.6	250.8	284.2	322.2
Profit after tax margin (%)	3%	5%	5%	6%	6%
EBITDA*	343	444	497	538	594
EBITDA* margin (%)	9%	10%	11%	11%	11%

Forecasted Condensed Statements of cash flows

Amount in MUR'm	FY22	FY23	FY24	FY25	FY26
Net cash generated from operating activities	132	331	352	399	436
Net cash from investing activities	(496)	(256)	(107)	(110)	(114)
Net cash used in financing activities	185	(57)	(252)	(225)	(269)
Net increase/(decrease) in cash and cash equivalents	**(180)**	**18**	**(7)**	**64**	**53**
Opening balance	333	164	182	175	239
Exchange difference on opening balances	11	0	0	0	(0)
Closing balance	**164**	**182**	**175**	**239**	**292**

Notes to the Annex and Management assumptions:

The assumptions below are appropriate as of date the prospective financial information was prepared even though the underlying information may have been accumulated over a period of time:

1. The accounting policies are consistent with the most recent historical financial statements.
2. Revenue growth rates of each individual underlying cash generating units (CGUs) are based on
    - historical trends unless there are specific strategic decisions (see below)
    - macroeconomic factors in the jurisdictions where the CGUs operate.
3. Costs will increase at an assumed inflation rate depending on the jurisdiction where the CGU operate
4. Exchange rates have been held constant at the closing rate as at June 30, 2021 over the 5-year period.
5. The lease expenses were reclassified to rental expense as an operational item to EBITDA and the corresponding lease liabilities were removed from net debt. This is in line with the valuation approach.
6. Strategic decisions:
    - Acquisition of minority stake in the Kenya venture in financial year 2022. The share purchase agreement is in the process of finalization. It has been assumed that it will partly be financed as cash and partly by loans and will be repaid over a period of 9 years.
    - Acquisition of new investment in East Africa in financial year 2023. It has been assumed that it will be financed by loans and will be repaid over a period of 3 years.
    - The haulage activity will exit its current rental contract in Pailles in January 2022 to occupy newly constructed garage facility in Riche Terre.
    - Relocation of UPS office from Pailles to newly refurbished premises in Mer Rouge in December 2021.
    - A potential strategic partnership for France is being explored with an interested party, to improve cross-selling and economies of scale in the country. Future arrangements have not yet been finalised and therefore not incorporated in the forecasts.

Note - Specific CGUs have different specific assumptions depending on the strategic intents, the jurisdiction in which the CGUs operate and the currencies in which the revenues are derived.

Appendix 6 Share subscription form

Velogic Holding Company Limited ('VHCL' or the 'Company'), is a public limited liability company incorporated in Mauritius under the Companies Act 2001 on 30 September 2004. It bears business registration number C06052816 and its registered office is situated at No. 5, President John Kennedy Street, Port Louis, Mauritius.

Offer for sale of up to 31,580,206 Shares at an initial price of MUR25.00 per Share

APPLICATION FORM FOR THE OFFER FOR SALE

Applications may only be made by persons over 18 years old. However, a parent or guardian of a minor may apply for the benefit of the minor.

Allotment letters will be sent to the email address specified on the application form. All further notices required to be sent by the Company to shareholders shall be sent to the email address specified on the application form assigned to your CDS account.

To meet the requirements of the Financial Intelligence and Anti-Money Laundering Act 2002, the following documents should be attached with this application form.

Individual applicant/Joint applicant

- Certified True Copy ('CTC') of passport/ National Identity Card
- CTC of current proof of address (utility bill, bank/credit card statement)
- PO Box Addresses are not acceptable
- CTC of a recent bank reference letter from a recognised banking institution which has known the person for at least 2 years
- Curriculum Vitae
- Signed Declaration of Source of Wealth
- Signed Declaration of Source of Funds

Corporate applicant:

- CTC of certificate of Incorporation
- CTC of the M, & A or Constitution (as may apply)
- CTC of recent certification of good standing (concerning companies incorporated more than 1 year)
- CTC of registers of Directors
- CTC of register of members
- CTC of latest financial profile/ audited account/ annual report
- CTC of board resolution approving the investment
- CTC of board resolution granting authority to its officers/ signatories/employees to transact the business
- Signed Declaration of Source of Wealth
- Signed Declaration of Source of Fund
- Structure Chart
- List of Authorised Signatories
- CTC of passport/ National Identity Card, & current proof of address for at least two directors/ signatories

The certifications must be done by:

- A member of any recognised professional qualification (lawyer/ accountant/ notary/ actuary), or
- A member of the Judiciary or a senior civil servant, or
- A member of a regulated Financial Institution in Mauritius or equivalent jurisdiction (Director, or manager).

Your application may be rejected if relevant instructions are not complied with and if the documents mentioned above are not submitted together with your application form in respect of the Offer for Sale.

Ordinary shares will be allotted on or around the allotment date, provided that settlement is received in full by the Company.

APPLICATION FORM FOR OFFER FOR SALE

Please use BLOCK LETTERS to complete this form

SECTION 1A – INVESTOR DETAILS (INDIVIDUAL)

	PRIMARY INVESTOR	JOINT INVESTOR
Title:		
Surname:		
First name(s):		
Marital Status:		
Maiden Name:		
Date of birth:		
NIC/birth cert/passport:		
Passport issuing country:		
Passport expiry date:		
Nationality:		
Permanent address:		
Mailing address (if different):		
Telephone (home):		
Telephone (mobile):		
Telephone (office):		
Occupation:		
Email:		

APPLICATION FORM FOR OFFER FOR SALE

Please use BLOCK LETTERS to complete this form

SECTION 1B – INVESTOR DETAILS (CORPORATE)

Corporate name:	
Business registration number:	
Company number:	
Registered office:	
Mailing address (if different):	
Email:	

SECTION 2 – INVESTMENT DETAILS

No. of ordinary shares applied for: ....

Investment amount: ....

Payment mode: Crossed cheque payable to **Amethis Africa Finance Ltd**

Cheque number:

Receipt number:

CDS account number:

SECTION 3 – APPLICANT ACCOUNT DETAILS

This section should be completed with the details of a Mauritian bank account by ALL applicants.

Bank: ....

Account holder: ....

Account number: ....

For dividend payments please select from one of the following options: ....

☐ Electronic transfer to the above bank account number ☐ Cheque

Note that this same account shall be credited for refund of monies in case of oversubscription or cancellation of the Offer for Sale.

SECTION 4 – METHOD OF PAYMENT

Crossed cheques drawn to the order of Amethis Africa Finance Ltd for the total consideration with the properly completed and signed appropriate form(s) must reach the licensed investment dealers not later than 07 December 2021 at 16:00 Mauritian Time. Receipts will be issued thereon.

Should a cheque in payment of an application for ordinary shares be dishonoured by the drawer's bank, the application will be considered as null / void and will not be considered.

No cash payments will be accepted nor should be sent by post. No remittance should be sent by post except for non-residents, both Mauritians and non-Mauritians, who should ensure that their application form and full remittance reach any licensed investment dealer, not later than 07 December 2021 at 16:00 Mauritian Time.

SECTION 5 – DECLARATIONS

5.1 - I/We the undersigned agree to purchase the above mentioned ordinary share(s) and I/we agree to accept the same or lesser number of ordinary shares that may be allocated to me/us upon the terms and conditions of the Admission Document and in accordance with the Instructions and Conditions.

5.2 - I/We hereby acknowledge that I/we have received, read and understand the Admission Document and/or the Simplified Prospectus and agree to be bound by the provisions contained therein and by the provisions of the Financial Intelligence and Anti-Money Laundering Act 2002, as may be amended from time to time. I/We acknowledge that we have taken independent professional advice in relation to this Admission Document.

5.3 - I/We represent and warrant that I/we have the necessary authority and power to purchase and hold the ordinary shares in accordance with this application form and have taken all necessary corporate action if applicable to approve such purchase and to authorise the person(s) signing this application form to bind me/us in accordance with the terms hereof.

5.4 - In accordance with anti-money laundering requirements I/we hereby consent to the Company and/or the licensed investment dealer making reasonable enquiries for the purpose of verifying the information disclosed herein and obtaining information about me/us. I/We certify that the monies being invested are not proceeds from illegal activities and that my/our investment is not designed to conceal such proceeds so as to avoid prosecution for an offence.

5.5 - I/We undertake to promptly notify the Company and the licensed investment dealer of any change in the information and/or details submitted in this application.

5.6 - I/We further understand and agree that dividend payments of the ordinary shares shall be credited as per prevailing instructions in section 3 of this application form.

5.7 - I/We understand that if a CDS account number is not specified in section 2 above or if the corresponding CDS Statement is not attached to this application, by signing this application form, I/we am/are expressly authorising the sponsoring broker to open a CDS Account as per sections 1 and 3 above. I/we undertake to provide any other documentation as may be requested by the licensed investment dealer.

5.8 - I/We declare that all statements and declarations made in this application and any related documents submitted are true, correct and complete.

5.9 - I/We acknowledge and agree that all notices to be sent by the Company to shareholders will be sent to the email address provided in section 1 above. The email and mailing address provided herein shall supersede all previous addresses provided by me/us in respect of any ordinary shares issued on or before the date hereof.

5.10 - I/We agree to receive by e-mail at the e-mail address provided in section 1 above, all future corporate communication, including letters, circulars, Annual Reports, financial statements, notices of meetings, prospectus, listing documents and other corporate statutory documents and information, relating to the Company.

5.11 - I/We also agree to receive by e-mail, notifications from the Company advising me/us that corporate communication have been posted on the Company's website and can be viewed thereon.

5.12 - I/We may, at any time, revoke the consent contained herein by giving 5 days' notice in writing to the Company. I/We may, at any time, request in writing a hard copy of any corporate communication.

Signature: Capacity:

Name: Date:

Appendix 7
Details on legal and arbitration proceedings

CAUSE no.	Plaintiff	Defendant	Nature of action	Amount Involved	Status
	Mauritian Eagle Insurance Co. Ltd	Associated Container Services Ltd	Plaint with Summons - Damages (goods belonging to Princes Tuna damaged whilst in the custody of Defendant)	Rs 8,524,983	Merits on 24, 25, 29 March 2022
1/589/10	Associated Container Services Ltd	"Swan Insurance Co. Ltd Mauritian Eagle Insurance Co. Ltd"	Plaint with Summons (Plaintiff averring that its insurers should indemnify it for any amount which may be payable in respect of goods belonging to Princes Tuna - both cases will be heard together)		

Appendix 8
Letter from Independent Valuer

KPMG

KPMG Advisory Services Ltd
KPMG Centre
31, Cybercity
Ebène
Mauritius

Telephone +230 406 9999
Telefax +230 406 9988
BRN No. C06010081
Website www.kpmg.mu

The Directors
Velogic Holding Company Ltd
Freeport Zone 7 MU
Port Louis
11607

Our ref HBB/LB/170821

17 August 2021

Dear Sir/s

Report of the Independent Valuer

Introduction

The Board of Velogic Holding Company Ltd ("VHCL" / the "Company") has approved the listing of the Company on the Development & Enterprise Market ("DEM") of the Stock Exchange of Mauritius.

KPMG Advisory Services Ltd ("KPMG") has been approached to act as independent valuer in the context of the proposed listing of VHCL.

Scope of work

Our scope is to carry out a valuation of VHCL for the purposes of a listing on DEM. In arriving at our valuation conclusion, we applied generally accepted valuation procedures based upon economic and market factors as of the valuation date.

Responsibility

The compliance with the DEM Rules is the responsibility of the Board of VHCL.

Key valuation considerations

In arriving at our valuation conclusion, we have undertaken the following procedures in the independent valuation of VHCL:

— obtained an understanding of the structure of VHCL and the income generating units that make up the business of VHCL;

— considered the management accounts of VHCL and the income generating units as at 30 June 2019, 30 June 2020 and 30 June 2021;

KPMG Advisory Services Ltd, a Mauritian limited liability company and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.
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- held discussions with the management of VHCL around its strategy and outlook, and other matters we considered necessary, including assessment of the prevailing economic and market conditions in the industry; and
- considered management's forecast (30 June 2022 – 30 June 2026) in respect of VHCL and each income generating unit, the basis of the assumptions therein including the prospects of the business.

Valuation

We have approached the valuation of VHCL by considering each income generating unit that make up the consolidated value of VHCL prior to its listing.

We have performed our valuation on a consolidated basis by applying the discounted cash flow methodology.

Future free cash flows

In determining the expected future unlevered after-tax cash flows, i.e. the free cash flows to be used for the discounted cash flow valuation, we made various adjustments to the management-prepared projections. These relate to (i) the treatment of the right of use asset (ROUA) under IFRS16, and (ii) future strategic capacity building which management is envisaging over the next five years.

- ROUA: IFRS16 relates to a lease accounting treatment, applicable since January 2019. Under IFRS16, some leases may no longer be considered as operating leases, but as assets owned by the Group: a 'Right of use' asset is recognized in the balance sheet, and a financial liability corresponding to the net present value of future minimum payments. This leads to: (i) a higher EBITDA as the lease expenses are reclassified as a financing item, and (ii) a higher net debt resulting from the recognition of the lease liability. ROUA is a non-cash financial reporting adjustment. For the purposes of our DCF valuation, the lease expenses were reclassified as an operational outflow in the EBITDA and the corresponding liabilities were excluded from net debt.
- Rids France: Rogers Ids SA (France) Ltd ("Rids France") has been loss making during the period FY19 – 21. Upon discussion with management, it is understood that VHCL has a potential buyer for a 70% stake in Rids France and that the deal may progress to completion in September 2021. To this effect, we have excluded the future EBITDA contribution of Rids France from the management-prepared forecast for our valuation given that RIDS France will be deconsolidated and treated as an Associate in the future. The management's projected contribution from the new investment in Associate has been included instead.
- Strategic capacity building: Management's forecasts included acquisitive milestones in 2022 and 2023. This entailed additional capacity assumptions in foreign markets such as Kenya. Given that these initiatives were still at planning stage, and no specific targets have been identified or approached, this was adjusted out in the DCF model and the forecasts. Maintaining these cash flows would have resulted in a higher specific risk premium in the discount rate to an event over which there is no visibility nor acquired rights.

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In addition, we also considered a normalized level of working capital based on normalized days sales outstanding (DSO) and days payable outstanding (DPO) KPIs as well as a Capex profile reflective of the adjustments.

Discount rate

The adjusted forecast free cash flows were discounted at a Weighted Average Cost of Capital ("WACC") of 12.2%, which is based on (i) a cost of equity of 15.7%, (ii) an after-tax cost of debt of 5% and (iii) an average debt-to-asset ratio of 32.4% to reflect an optimal capital structure. The cost of equity includes a specific risk premium of 4% to reflect non-systematic risk factors identified during our review and which we viewed as company-specific risks that are different from those impacting its competitors in the industry and cannot be fully mitigated through diversification.

Terminal value

A perpetual growth rate of 2% was considered to determine a terminal value at the end of explicit forecast period (2026).

The discount rate for the terminal period was 10.2%.

Conclusion

After undertaking the valuation as presented above, we determined the value of the equity of Velogic Holding Company Ltd, on a proforma consolidated basis as at 30 June 2021, to be MUR 2.530 billion.

Limitations

Our opinion is necessarily based upon the information available to us up to 06 August 2021, including in respect of the financial, regulatory, securities market and other conditions and circumstances existing and disclosed to us at the date thereof.

Accordingly, it should be understood that subsequent developments may affect this opinion, which we are under no obligation to update, revise or re-affirm.

We have relied upon and assumed the accuracy of the information used by us in deriving our opinion. Where practical, we have corroborated the reasonability of the information provided to us for the purpose of our opinion, whether in writing or by discussion with management of VHCL or by reference to publicly available and independently obtained information.

While our work has involved an analysis of financial and other information provided to us, our engagement does not constitute, nor does it include, an audit or review, due diligence, or other assurance engagement or an agreed-upon procedures engagement, performed in accordance with International Standards on Auditing, International Standards on Review Engagements, International Standards on Assurance Engagements or International Standards on Engagements to perform Agreed-upon Procedures regarding Financial Information.

Where relevant, the forecasts of VHCL relate to future events and are based on assumptions that may or may not remain valid for the whole of the forecast period. Consequently, such information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We express no opinion as to how closely the actual future results of VHCL will correspond to those projected. Where practicable, we

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KPMG

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compared the forecast financial information to past trends as well as discussed the assumptions inherent therein with the management of VHCL.

Independence

We confirm that we have no direct or indirect material interest in Velogic Holding Company Ltd.

Consent

We consent to the inclusion of this letter and the reference to our independent valuation in the Admission Document to be issued by VHCL in the form and context in which it appears and in any required regulatory announcement or documentation.

Yours faithfully

Huns Biltoo
Partner

Appendix 9
Details on principal investments in subsidiaries

	Class of shares	Financial year end	Stated Capital MUR'000	% indirect Ownership interest %	% interest held by non-controlling interest %	Country of incorporation and operation	Main business activity
Rogers Logistics International Ltd holds the following subsidiaries:							
Cargo Express Madagascar S.A.R.L	Ordinary	June 30,	168	100.0	-	Madagascar	Freight forwarding
Rogers IDS Madagascar SARL	Ordinary	June 30,	8	100.0	-	Madagascar	Freight forwarding
Rogers IDS SAS (France)	Ordinary	June 30,	1,790	100.0	-	France	Freight forwarding
Rogers Shipping Pte Ltd	Ordinary	June 30,	11,021	51.0	49.0	Republic of Singapore	Investment holding
Velogic Express Reunion	Ordinary	June 30,	8,341	100.0	-	Reunion Island	Courier services
Velogic India Private Ltd	Ordinary	June 30,	11,156	100.0	-	India	Freight forwarding
Velogic Sea Frigo R'Frigo SA	Ordinary	June 30,	4,085	100.0	-	Reunion Island	Freight forwarding
VK Logistics Ltd	Ordinary	June 30,	163,814	51.0	49.0	Mauritius	Investment holding
Logistics Solutions Ltd holds the following subsidiaries:							
Associated Container Services Ltd*	Ordinary	June 30,	93,877	98.5	1.5	Mauritius	Port Services
Freeport Operations (Mauritius) Ltd*	Ordinary	June 30,	178,429	98.5	1.5	Mauritius	Port Services
Associated Container Services Ltd holds the following subsidiary:							
MTL Logistics & Distribution Co Ltd*	Ordinary	June 30,	1,688	98.5	1.5	Mauritius	Dormant
Velogic Haulage Services Ltd	Ordinary	June 30,	31,514	100.0	-	Mauritius	Transport Services
Velogic Haulage Services Ltd holds the following subsidiary:							
Velogic Garage Services Limited*	Ordinary	June 30,	10,999	100.0	-	Mauritius	Garage Services

Appendix 10
List of employees

AS AT 30 JUNE 2018

Activities/Country	Mauritius/ Rodrigues	France	Reunion	Madagascar	India	Kenya	
Freight Forwarding/UPS (Velogic/GACS/ Express/GCS)	182	36	33	132	57	90	
Warehousing (FOM/ACS WH)	113						
Depot/Worskhop/Rodrigues Services (ACS)	94						
Transport and Garage (VHSL/VGSL/ACS Haulage/GCT)	278					124	
Shipping (Rogers Shipping/SMC/PAPOL	86						
Sugar Packing (Sukpak Ltd)	86						
Corporate (Velogic Mgt/RLIL)	129						
Total	**968**	**36**	**33**	**132**	**57**	**214**	**1440**

AS AT 30 JUNE 2019

Activities/Country	Mauritius/ Rodrigues	France	Reunion	Madagascar	India	Kenya	
Freight Forwarding/UPS (Velogic/GACS/ Express/GCS)	187	35	35	134	70	81	
Warehousing (FOM/ACS WH)	109						
Depot/Worskhop/Rodrigues Services (ACS)	109						
Transport and Garage (VHSL/VGSL/ACS Haulage/GCT)	288					109	
Shipping (Rogers Shipping/SMC/PAPOL	87						
Sugar Packing (Sukpak Ltd)	106						
Corporate (Velogic Mgt/RLIL)	130						
Total	**1016**	**35**	**35**	**134**	**70**	**190**	**1480**

AS AT 30 JUNE 2020

Activities/Country	Mauritius/ Rodrigues	France	Reunion	Madagascar	India	Kenya	
Freight Forwarding/UPS (Velogic/GACS/ Express/GCS)	185	26	33	127	62	121	
Warehousing (FOM/ACS WH)	111						
Depot/Worskhop/Rodrigues Services (ACS)	115						
Transport and Garage (VHSL/VGSL/ACS Haulage/GCT)	323					89	
Shipping (Rogers Shipping/SMC/PAPOL	85						
Sugar Packing (Sukpak Ltd)	107						
Corporate (Velogic Mgt/RLIL)	135						
Total	**1061**	**26**	**33**	**127**	**62**	**210**	**1519**

AS AT 31 MARCH 2021

Activities/Country	Mauritius/ Rodrigues	France	Reunion	Madagascar	India	Kenya	
Freight Forwarding/UPS (Velogic/GACS/ Express/GCS)	187	26	34	124	69	123	
Warehousing (FOM/ACS WH)	97						
Depot/Worskhop/Rodrigues Services (ACS)	95						
Transport and Garage (VHSL/VGSL/ACS Haulage/GCT)	257					78	
Shipping (Rogers Shipping/SMC/PAPOL	88						
Sugar Packing (Sukpak Ltd)	127						
Corporate (Velogic Mgt/RLIL)	99						
Total	**950**	**26**	**34**	**124**	**69**	**201**	**1404**

Appendix 11
Management accounts

FOR THE YEAR ENDED 30 JUNE 2021 (UNAUDITED)

Condensed statement of profit or loss Amount in MUR'm	FY21 Unaudited	FY20 Audited
Revenue	3,710	3,073
Cost of sales	**(2,442)**	**(1,935)**
Gross profit	**1,268**	**1,139**
Gross profit margin (%)	*34%*	*37%*
Administrative expenses	(830.7)	(755.7)
EBITDA	**437**	**383**
Depreciation & amortisation	(111.9)	(109.7)
Depreciation - ROUA	(82.5)	(80.1)
Profit before interest and tax	**243.0**	**193.2**
Financial charges	(25.6)	(32.9)
Financial charges - ROUA	(14.4)	(17.5)
Profit before tax	**203.0**	**142.9**
Taxation	(52.0)	(38.4)
Profit after tax	**151**	**104**
Profit after tax margin (%)	*4%*	*3%*
EBITDA*	**346**	**297**
EBITDA margin (%)*	*9%*	*10%*

Note(*): The IFRS16 lease expenses were treated as an operational outflow in the EBITDA computation.

Condensed statements of financial position Amount in MUR'm	FY21 Unaudited	FY20 Audited
Non-current assets		
Non Current assets	1,598	1,611
Rights of Use Assets (ROUA)	234	303
Total non-current assets	**1,832**	**1,914**
Working capital		
Accounts receivable *	1,130	1,031
Accounts payable	(892)	(623)
Trade working capital	**238**	**408**
Other current assets / (liabilities)	48	22
Working capital	**286**	**430**
Financed by:		
Long term and short term borrowings	236	452
Bank balances and deposits	304	238
Net debt / (cash)	**(68)**	**214**
*Net debt / EBITDA ** *	*-20%*	*72%*
Other non current liabilities	124	153
Liabilities associated with ROUA	250	316
Net assets (exc. Non-controlling Interest))	**1,812**	**1,662**
Less: Non-controlling Interests	215	172
Net assets	**1,597**	**1,489**
*Gearing *** *	*-4%*	*13%*

Note (*): Trade receivables, financial assets at amortised costs and prepayment
Note (**): The IFRS16 lease liabilities were excluded from net debt
Note (***): Net debt (debt net of cash) used to calculate gearing ratio

Condensed cash flow Amount in MUR'm	FY21 Unaudited	FY20 Audited
Net cash generated from operating activities	283	386
Net cash from investing activities	(76)	(118)
Net cash used in financing activities	(164)	(162)
Net increase/(decrease) in cash and cash equivalents	**43**	**107**
Opening balance	238	108
Exchange difference on opening balances	23	24
Closing balance	**304**	**238**

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