

BMH

BMH LTD

PROSPECTUS
(Deemed to be Listing Particulars pursuant to
the Listing Rules of the Stock Exchange
of Mauritius Ltd)

PROSPECTUS TO THE SHAREHOLDERS OF BMH LTD IN RESPECT OF:

A Rights Issue of 18,133,797 New Ordinary Shares, in the proportion of 3 New Ordinary Shares for every 10 ordinary shares held at 13 June 2019, at an issue price of MUR40.00 per share for an amount of MUR725.4 million.

27 May 2019

These Listing Particulars bear registration number LEC/RI/01/2019

IF YOU ARE A SHAREHOLDER OF BMH LTD, THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This document is issued by BMH Ltd (“BMH”, the “Company”, or the “Issuer”), a public company incorporated in Mauritius on 27 January 1982, with business registration number C06003628 and regulated by the Companies Act 2001. The Company was previously named Belle Mare Holding Limited and changed its name on 12 September 2018. Its registered address is 5th Floor, Labama House, 35 Sir William Newton Street, Port Louis, Mauritius.

This document serves as a Prospectus (as defined in the Securities Act 2005) and is issued in compliance with the Securities Act 2005 and the Securities (Public Offers) Rules 2007 for the purpose of providing information to shareholders of the Company and to the public in general in relation to the rights issue of 18,133,797 New Ordinary Shares of BMH, in the proportion of 3 New Ordinary Shares for every 10 ordinary shares held at 13 June 2019, at an issue price of MUR40.00 per (the “Rights Issue”).

A copy of this Prospectus has been registered with the Financial Services Commission (“FSC”). This Prospectus is not an invitation to the public to subscribe for shares in the Company and securities shall not be issued under this Prospectus more than 6 months after the date the Prospectus is granted effective registration.

This Prospectus also serves as Listing Particulars (as defined in the Listing Rules (the “Listing Rules”) of the Stock Exchange of Mauritius Ltd (“SEM”)) and includes information given in compliance with the relevant chapters of the Listing Rules with regard to the Rights Issue.

The shares to be offered have been granted approval with regard to their admission to listing on the Official Market of the SEM. This document has been approved by the Listing Executive Committee (“LEC”) of the SEM in conformity with the Listing Rules on 27 May 2019 and bears registration number LEC/RI/01/2019.

For a full appreciation of this document, it should be read in its entirety. If you are in any doubt about the contents of this document you may consult an independent qualified person who may advise you accordingly.

Neither the FSC, nor the LEC, nor the SEM assumes any responsibility for the contents of this document. The FSC, LEC and the SEM make no representation as to the accuracy or completeness of any of the statements made or opinions expressed in this document and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or any part thereof.

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

TABLE OF CONTENTS

1.	DECLARATION BY AND STATEMENT OF DIRECTORS	4
2.	GLOSSARY	5
3.	SALIENT FEATURES OF THE RIGHTS ISSUE	6
4.	COMPANY DESCRIPTION	6
5.	PARTICULARS OF THE RIGHTS ISSUE	7
6.	SHAREHOLDING STRUCTURE	12
7.	FINANCIAL SUMMARY	13
8.	RISK FACTORS	15
9.	SUMMARY OF CORPORATE INFORMATION	16
10.	DIRECTORS	17
11.	ADDITIONAL DISCLOSURES	20
12.	SUMMARY OF CONSTITUTION	20
13.	DOCUMENTS AVAILABLE FOR INSPECTION	24
14.	FINANCIAL INFORMATION	25
	ANNEXURE A: APPLICATION GUIDE	33
	ANNEXURE B: NEW GOVERNANCE FRAMEWORK	34

1. DECLARATION BY AND STATEMENT OF DIRECTORS

1.1. Declaration of Directors

The Prospectus includes particulars with regards to BMH to be given in compliance with the Securities Act 2005, the Securities (Public Offers) Rules 2007 and with the Listing Rules governing the listing of securities on the Official Market of the SEM.

The Directors of BMH (the “Directors”), whose names appear in Section 10, collectively and individually accept responsibility for the contents of the Prospectus and that, to the best of their knowledge and belief, and after making reasonable enquiries, the information contained in the prospectus is in accordance with the facts and that the prospectus makes no omission likely to affect the import of such information.

On 30 July 2018, the Board of Directors of BMH (the “Board”) approved a proposed Rights Issue of 18,133,797 New Ordinary Shares in the proportion of 3 New Ordinary shares for every 10 ordinary shares held at an issue price of MUR40.00 per share. The proposed Rights Issue was approved by the shareholders of BMH at a special meeting held on 6 September 2018.

The Directors confirm that the historical financial information included in this document, have been extracted from audited, unqualified and consolidated annual reports for the years ended 31 December 2016, 2017 and 2018, which 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. The Directors accept responsibility for the said financial information.

Furthermore, the Directors declare that, to the best of their knowledge and belief and after having made reasonable inquiries, in relation to the period from 31 December 2018, the date to which the last audited financial statements of BMH have been prepared, to the date of this document:

- There has not been any material adverse change in the financial or trading position of BMH and its subsidiaries;
- The business of BMH and its subsidiaries has been satisfactorily maintained;
- There have been no circumstances adversely affecting the value of the assets of BMH and its subsidiaries; and
- The financial resources available to BMH and its subsidiaries are sufficient to satisfy their working capital requirements for at least twelve months from the date of issue of the document.

1.2. Statement of Directors pursuant to Section 71(2) (b) of the Securities Act 2005

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

Approved by the Board of BMH Ltd and signed on its behalf by:



George J. Dumbell
Chairman



Jean Ribet
Executive Director

2. GLOSSARY

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

Glossary	Definition
Act	The Companies Act 2001, as may be amended from time to time
Board	The board of directors of BMH
BMH or Company	BMH Ltd
CCM	Constance Corporate Management Ltd
CDS	The Central Depository & Settlement Co. Ltd
CHSL	Constance Hotels Services Limited
DEM	The Development & Enterprise Market of the Stock Exchange of Mauritius Ltd
Directors	The directors of the board of BMH
FSC	The Financial Services Commission of Mauritius
Group	BMH and its subsidiaries
Hotelest	Hotelest Limited
IFRS	International Financial Reporting Standards
LEC	Listing Executive Committee of the SEM
Listing Particulars	This document prepared pursuant to the Listing Rules of the SEM for the purpose of listing the New Ordinary Shares issued under the Rights Issue
Listing Rules	The rules constituted by the SEM governing the listing of securities on the Official Market
MUR	Mauritian rupees
NAV	Net asset value
New Ordinary Shares	New ordinary shares of BMH, issued in the context of the Rights Issue, with no par value and ranking pari passu with the existing ordinary shares
Prospectus	This document issued in compliance with the Securities Act 2005 and the Securities (Public Offers) Rules 2007
Record Date	13 June 2019
RRS	Restricted redeemable shares
Rights Issue	The rights issue of 18,133,797 New Ordinary Shares of BMH, in the proportion of 3 New Ordinary Shares for every 10 Ordinary Share held, at an issue price of MUR40.00 per share
SEM	The Stock Exchange of Mauritius Ltd
Shares	Ordinary shares of BMH with no par value, listed on the Official Market

3. SALIENT FEATURES OF THE RIGHTS ISSUE

Terms of the Rights Issue	Rights issue of 18,133,797 New Ordinary Shares at an issue price of MUR40.00 each A shareholder of BMH will be entitled to subscribe for 3 New Ordinary Shares for every 10 ordinary shares registered in his/her name on 13 June 2019 ("Record Date") BMH will not issue fractional shares. The number of New Ordinary Shares offered to the shareholders will be rounded down to the nearest integer when fractions occur
Amount to be raised under Rights Issue	MUR725.4 million
Purpose of the issue	The main purpose of the issue is for BMH to raise the funds necessary in order to strengthen the Company's capital base
Underwriter	MCB Stockbrokers Ltd
Rights subscription period	21 June 2019 - 12 July 2019
Trading of Rights	Shareholders of BMH opting not to take up their rights may freely trade same on the Official Market of the SEM as from 1 July 2019 to 5 July 2019
Payment terms	Payable at latest on closure of the subscription period on 12 July 2019
Rights of new shares	The New Ordinary Shares will rank pari passu with the existing ordinary shares of the Company
Allotment date	26 July 2019
Listing of the New Ordinary Shares	Fully paid New Ordinary Shares will be listed and traded on the Official Market of the SEM as from 30 July 2019

A full calendar of events is set out in Section 5.11 of this document.

4. COMPANY DESCRIPTION

4.1. Company background

BMH is an investment company, its principal activity being to hold equity participations in companies involved in various economic sectors. The Company's objective is to achieve long-term capital growth and distribute adequate dividends on a sustainable basis to its shareholders.

The Company holds major investments in a multi-sectors operating company, IBL Ltd, and in the Hospitality sector, Hotelest Ltd, the holding company of CHSL. The balance of its portfolio is spread across a wide range of sectors, notably financial services, property, and commerce & industry.

4. COMPANY DESCRIPTION (continued)

4.2. Portfolio overview

At 31 December 2018, the investment portfolio of BMH, based on latest quoted price or fair value in the absence of the latter, was as follows:

MUR000s	2018	2017
Quoted investments - SEM		
Banks and insurance	125,988	126,031
Leisure and hotels	11,040	18,593
Commerce & Industry	20,620	19,621
Multi-sector activities	1,922,438	1,710,501
Others	11,715	12,031
	2,091,801	1,886,777
Quoted investments - DEM		
Leisure and hotels	1,269,208	526,566
Commerce & Industry	71,805	53,415
Others	1,187	1,253
	1,342,200	581,234
Unquoted investments:		
Banks and insurance	512,539	481,302
Property	210,520	210,526
Commerce & Industry	190,035	187,917
Leisure and hotels	9,800	10,085
Others	17,479	13,780
	940,373	903,610
Total	4,374,374	3,371,621

5. PARTICULARS OF THE RIGHTS ISSUE

5.1. Background to and purpose of the Rights Issue

On 17 August 2018, BMH acquired, in the context of a strategy to strengthen the Company's investment portfolio and reinforce its presence in the hospitality sector in Mauritius and the Indian Ocean region, a 19.89% stake in Hotelest at MUR30.85 per share, representing a total consideration of MUR343 million.

The acquisition of additional shares in Hotelest represented an investment opportunity, given the regional presence and the improved performance of its subsidiary, CHSL.

Hotelest reported total revenue of MUR3,747 million for the year ended 31 December 2018, versus MUR3,766 million for the prior year. The group EBITDA was MUR914 million for the financial year 2018, up from MUR860 million for the prior year.

Following the abovementioned acquisition, BMH's holding in Hotelest increased to 50.01% and the Company consequently made mandatory offers to the remaining shareholders of Hotelest and CHSL. The mandatory offers closed on 5 November 2018 and BMH acquired 10,660,930 shares of Hotelest and 2,344,961 shares of CHSL, for a total consideration of MUR400.4 million. The shareholdings of BMH in Hotelest and CHSL increased to 69.07% and 2.30% respectively post mandatory offers.

BMH is seeking to raise MUR725 million through its Rights Issue to strengthen the Company's capital base. The proceeds from the Rights Issue will be used to repay the temporary banking facilities taken up to finance its additional stakes in Hotelest and CHSL.

5.2. Approvals

The Rights Issue has been approved by the shareholders of BMH, at a special meeting held on 6 September 2018.

A copy of this Prospectus, also deemed to be a Listing Particulars pursuant to the Listing Rules, has been submitted and registered with the FSC on 15 May 2019.

5. PARTICULARS OF THE RIGHTS ISSUE (continued)

5.2. Approvals (continued)

An application was made to the LEC of the SEM for the issue and listing of the New Ordinary Shares. The LEC approved the application on 27 May 2019.

5.3. Estimated net proceeds from the rights issue

The estimated net proceeds from the Rights issue are shown in the table below.

	MUR000s
Gross proceeds	725,351
Less: estimated expenses (see below)	(10,412)
Estimated net proceeds	714,939

The estimated expenses associated with the Rights Issue are shown in the table below. These expenses will be borne by the Company.

Details of expenses	MUR000s
Underwriting fee	4,850
Professional fees	4,642
SEM application fee	95
CDS fee	75
FSC filing fee	100
Printing, stationery and postage	650
Total estimated expenses	10,412

5.4. Terms of the Rights Issue

5.4.1. Nature and amount of the Rights Issue

The Rights Issue will consist of the issue of 18,133,797 New Ordinary Shares (Security ID: BMHL.N0000) of no par value at an issue price of MUR40.00 each and fully payable on application.

The shareholders of BMH registered at close of business on 13 June 2019, the "Record date", shall have the right to subscribe to 3 New Ordinary Shares for every 10 ordinary shares held at that date. BMH will not issue fractional shares. The number of New Ordinary Shares will be rounded down to the nearest integer when fractions occur.

Immediately following the completion of the Rights Issue in accordance with the terms of this Prospectus, the New Ordinary Shares will rank in all respect *pari passu* with the ordinary shares of BMH presently in issue. The New Ordinary Shares will be listed and traded on the Official Market of the SEM as from 30 July 2019.

Shareholders of BMH opting not to take up their rights may freely trade same on SEM as from 1 July 2019 to 5 July 2019.

All the New Ordinary Shares offered shall be in registered form and the register shall be kept by the Registrar and Transfer Office, ECS Secretaries Ltd. The New Ordinary Shares shall be in either certificated or dematerialised form.

5.4.2. Issue price

The Board has determined the issue price for the New Ordinary Shares at MUR40.00 per share, which represents a discount of 9.8% to the 3-months volume weighted average price of MUR44.36 at 22 May 2019, being the latest practicable date prior to the issue of this document.

The Directors confirm that they have made due enquiry and consultation and are satisfied that the issue price of MUR40.00 per share for the Rights Issue is fair and reasonable to the Company and all its existing shareholders as required by Section 56(1) of the Companies Act 2001.

5.4.3. Underwriter

The MCB Stockbrokers Ltd (the "Underwriter") has underwritten the Rights Issue.

The Underwriter will subscribe for or procure the subscription of all New Ordinary Shares of BMH issued under the Rights Issue, which have not been subscribed for by the shareholders in accordance with the terms of the underwriting agreement.

5.5. Subscription procedures for the Rights Issue

The Prospectus and forms will be sent, on or about 20 June 2019 to shareholders registered at close of business on 13 June 2019.

For any queries regarding subscription procedures, please contact the Share Registry and Transfer Office, ECS Secretaries Ltd on 212 1998 or by email on shareregistry@ecssecretaries.com.

5.5.1. Offer period

The offer will open at 10 a.m. on 21 June 2019 and will close at 4 p.m. on 12 July 2019. If the rights have not been exercised during this period by one or more shareholders, it shall be deemed that the offer has lapsed in respect of those shareholders.

5.5.2. Acceptance of subscription

Acceptances are irrevocable and cannot be withdrawn.

Shareholders may accept, wholly or partly, to subscribe to the offer for New Ordinary Shares issued by BMH by completing and signing the form A. The original application form must be returned with full payment or proof of bank transfer for the shares subscribed to the Share Registry and Transfer Office, ECS Secretaries Ltd, 3rd Floor, Labama House, 35 Sir William Newton Street, Port Louis not later than 4 p.m. on 12 July 2019.

A shareholder will be deemed to have declined the offer to subscribe for the New Ordinary Shares under the Rights Issue if he/she/it fails to meet the above deadline.

Incomplete applications will be rejected.

5.5.3. Trading of rights to New Ordinary Shares

Shareholders who do not wish to subscribe to any or part of the New Ordinary Shares offered under the Rights Issue may sell wholly or partly their rights, by completing and signing the form B.

The rights may then be negotiated through one of the licensed investment dealers and traded on the Official Market of the SEM from 1 July 2019 to 5 July 2019.

5.5.4. Purchase of rights to subscribe for New Ordinary Shares

The forms (Form C) for the purchase of the rights to subscribe for New Ordinary Shares on the Official Market of the SEM, will be made available to investment dealers.

For those persons who have purchased the right to subscribe for New Ordinary Shares on the Official Market, a duly completed and signed form C with full payment for the New Ordinary Shares need to be deposited with the Share Registry and Transfer Office, ECS Secretaries Ltd, 3rd Floor, Labama House, 35 Sir William Newton Street, Port Louis not later than 4 p.m. on 12 July 2019.

5.5.5. Methods of payment

Payment for New Ordinary Shares can be made:

A. Either by bank transfer to the bank account of the Company, detailed as follows:

Bank Account Name: BMH Ltd

Bank Name: The Mauritius Commercial Bank Limited

MUR Account Number: 000446386804

IBAN: MU06MCBL0944000446386804000MUR

The shareholder reference (as mentioned in the application form) must be quoted in the bank transfer transaction.

B. Or by crossed cheque or bank office cheque, drawn to the order of "BMH Ltd", for the full amount payable.

The shareholder reference (as mentioned in the application form) must be quoted at the back of the cheque.

Proof of bank transfer or cheque referred to in paragraphs A and B above must reach the Share Registry and Transfer Office, ECS Secretaries Ltd, 3rd Floor, Labama House, 35 Sir William Newton Street, Port Louis, not later than 4 p.m. on 12 July 2019, together with the appropriate original form(s) duly completed and signed.

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

No cash, nor any other form of payment, will be accepted.

All payments received will be banked by BMH as and when received during the offer period.

5. PARTICULARS OF THE RIGHTS ISSUE (continued)

5.5. Subscription procedures for the Rights Issue (continued)

5.5.6. Refunds

No interest will be paid on monies received in respect of applications for New Ordinary Shares. All refunds in respect of unsuccessful applications shall be made by cheque/bank transfer, as soon as practicable after the offer period.

5.5.7. New Ordinary Shares not subscribed for

The New Ordinary Shares in respect of which no duly completed and signed forms and/or relevant full payment have been received at the closure of the subscription shall remain under the control of the Board of Directors of BMH. The Board of Directors shall have the authority to offer them for subscription to any person, partnership or company even not being a shareholder of BMH at the price of MUR40.00 per share.

5.5.8. Fractional shares

BMH will not issue fractional shares. The number of New Ordinary Shares will be rounded down to the nearest integer when fractions occur. The difference will be subscribed by the Underwriter and/or such persons as the Underwriter may nominate.

5.6. Allotment of New Ordinary Shares

The allotment of New Ordinary Shares will be effected by 26 July 2019.

A letter of allotment will be sent by the Share Registry and Transfer Office to all subscribers confirming the number of New Ordinary Shares allotted to them by 29 July 2019.

CDS account holders will have their respective accounts credited with the number of New Ordinary Shares issued and allotted to them by 29 July 2019.

A share certificate will be sent by registered post to all subscribers who do not have a CDS account by 29 July 2019.

5.7. Rights attached to New Ordinary Shares

The New Ordinary Shares shall rank pari passu with the existing ordinary shares of the Company and accordingly shall have the rights set forth in the Constitution. A summary of the rights attached to the ordinary shares is set out below:

5.7.1. Voting

Each New Ordinary Share shall confer upon its holder the right to one vote on a poll at a meeting of the Company on any resolution.

5.7.2. Dividends

Each New Ordinary Share shall confer upon its holder the right to an equal share in dividends declared by the Board.

5.7.3. Distribution on the winding up of the Company

Each New Ordinary Share shall confer upon its holder the right to an equal share in the distribution of surplus assets of the Company.

5.7.4. Redemption

The New Ordinary Shares available for subscription through the Rights Issue are not redeemable. However, the Company may purchase or contract to purchase any of its ordinary shares, subject to the Listing Rules and the Companies Act 2001.

5.8. Listing of New Ordinary Shares

The New Ordinary Shares will be listed and traded on the Official Market as from 30 July 2019.

The Listing Executive Committee of SEM has, on 27 May 2019, approved the above application.

5.9. Theoretical ex-rights price

The theoretical ex-rights price is based on the share price of BMH at 22 May 2019, being the last practicable date prior to the publication of this document.

Last price quoted prior to the issue	MUR	52.00
Number of shares in issue	Units	60,445,990
Market capitalisation prior to the issue	MUR	3,143,191,480
Rights Issue price	MUR	40.00
Number of shares to be issued	Units	18,133,797
Value of shares to be issued	MUR	725,351,880
Capitalisation following the issue	MUR	3,868,543,360
Number of shares following the issue of New Ordinary Shares	Units	78,579,787
Theoretical ex-rights price following the issue	MUR	49.23
Rounded to nearest tick size	MUR	49.25

5.10. History of share prices

The market values of BMH shares and SEMDEX index on the first dealing day in each of the six months preceding the date of this document are disclosed below.

Date	Share price (MUR)	SEMDEX
3 December 2018	41.00	2,233.83
3 January 2019	39.00	2,219.40
4 February 2019	39.00	2,214.04
1 March 2019	39.00	2,207.04
1 April 2019	41.10	2,166.94
2 May 2019	47.00	2,140.51

The share price of BMH on 27 July 2018, being the last dealing date before the announcement of the Rights Issue on 30 July 2018, was MUR38.00. The SEMDEX was at 2,256.72.

The share price of BMH on 22 May 2019, being the last practicable date prior to the publication of this document, was MUR52.00. The SEMDEX was at 2,149.14.

5.11. Timetable

Publication of Prospectus on the SEM website post regulatory approvals	27-May-19
First day for shares to trade "cum rights"	27-May-19
Last day to deposit share certificates at CDS for first day of trading of rights for the New Ordinary Shares	6-Jun-19
Last day for shares to trade "cum rights"	10-Jun-19
Shares traded ex-rights	11-Jun-19
Record date for shareholders entitled to subscribe for New Ordinary Shares	13-Jun-19
Dispatch of Prospectus, offer letter and application forms to shareholders	20-Jun-19
Opening of subscription period for Rights Issue	21-Jun-19
First day to deposit offer letters at CDS for trading of rights	24-Jun-19
Last day to deposit offer letters at CDS for trading of rights	28-Jun-19
First day for trading of rights to subscribe for New Ordinary Shares	1-Jul-19
Last day for trading of rights to subscribe for New Ordinary Shares	5-Jul-19
Closure of subscription period for Rights Issue and last day for payment	12-Jul-19
Allotment of New Ordinary Shares	26-Jul-19
Sending letters of allotment and share certificates for New Ordinary Shares to shareholders	29-Jul-19
Direct crediting of New Ordinary Shares in CDS accounts	29-Jul-19
First day of trading of New Ordinary Shares	30-Jul-19

6. SHAREHOLDING STRUCTURE

6.1. Share capital

As at the date of this document, the stated share capital of the Company amounted to MUR446,738,831 represented by 60,445,990 ordinary shares of no par value and MUR39,972,628 represented by 159,890,512 Restricted Redeemable Shares (“RRS”) of no par value. All issued shares are fully paid.

Upon completion of the Rights Issue, BMH is expected to have a stated share capital made up of 78,579,787 fully paid up ordinary shares and 159,890,512 RRS.

On 6 September 2018, the shareholders of BMH approved the adoption of a new constitution that provided for the creation of a new class of shares known as the RRS. Each RRS gives to its holder the right to one vote for each share held but no rights to dividends or any distributions made by the Company.

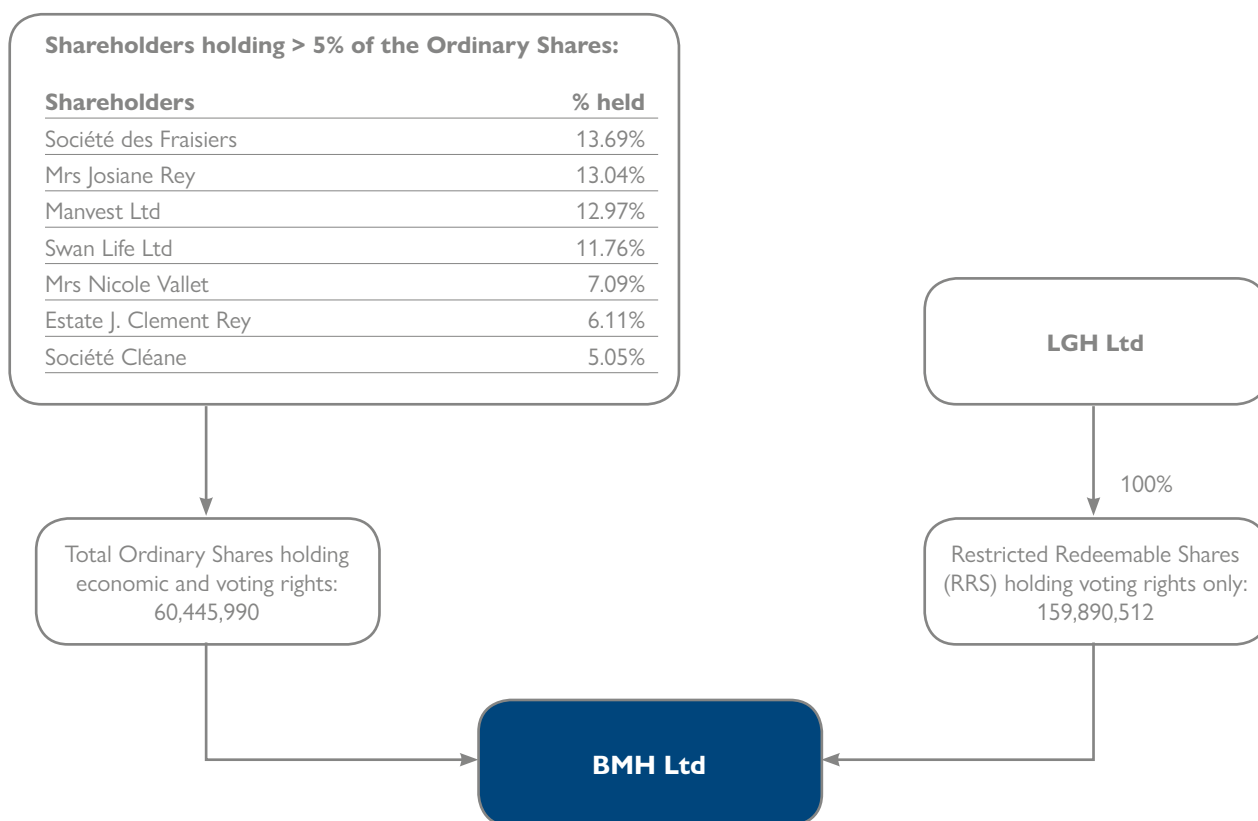
On 5 November 2018, BMH issued 159,890,512 RRS, at MUR0.25 per share, to a special purpose vehicle, LGH Ltd, created to hold those shares. The RRS are not listed.

Further information is available in Annexure B.

No part of the capital of BMH is under option or agreed conditionally or unconditionally to be put under option.

6.2. Substantial shareholders

The shareholding structure of BMH, together with the list of shareholders holding more than 5% of the ordinary share capital of BMH as at 31 December 2018 is shown below. LGH Ltd holds 100% of the Restricted Redeemable Shares of BMH.



The substantial shareholders above have indicated their intention to subscribe in full to their respective share of the Rights Issue.

6.3. Dilution impact

Should all existing shareholders not subscribe to the New Ordinary Shares, the dilution impact post Rights Issue and in respect of the ordinary class of shares would be as follows:

Shareholders	Number of ordinary shares held currently	Current shareholding of ordinary shares (%)	New Ordinary Shares taken up through Rights Issue	Number of ordinary shares post Rights Issue	Shareholding of ordinary shares post Rights Issue (%)
Existing shareholders	60,445,990	100.00	-	60,445,990	76.92%
Underwriter	-	-	18,133,797	18,133,797	23.08%
Total	60,445,990	100.00	18,133,797	78,579,787	100.00

7. FINANCIAL SUMMARY

7.1. Recent trends and prospects

The table below summarises the performance of BMH over the last three financial years ended 31 December 2016, 2017 and 2018. Additional financial information is set out in Section 14 – Financial Information.

Consolidated (MUR000s)	Year to 31 December		
	2018 Audited	2017 Audited	2016 Audited
Statement of profit or loss			
Revenue	1,229,412	55,583	38,023
Operating profit	372,832	36,980	21,204
Finance costs	(86,756)	(475)	(72)
Gain on disposal of available-for-sale investments	-	-	67,265
Share of results of associates	53,817	5,023	(908)
	339,893	41,528	87,489
Non-recurring items			
Gain on disposal of associate	11,000	-	-
Net gain on derecognition of financial asset	-	-	866,442
Impairment losses	-	-	(14,294)
Loss on re-measurement of associate	(344,482)	-	-
Gain on bargain purchase	1,154,758	-	-
Non-recurring item	(14,245)	-	-
Profit before taxation	1,146,924	41,528	939,637
Income tax expense	(30,889)	(593)	(481)
Profit for the year	1,116,035	40,935	939,156
Balance Sheet			
Property, plant and equipment	10,572,765	205,529	160,522
Intangible assets	1,131,970	-	-
Investments in associates	2,093,300	978,206	787,614
Financial assets at fair value through other comprehensive income	2,789,733	2,545,405	1,829,708
Other non-current assets	177,863	-	-
	16,765,632	3,729,140	2,777,844
Current assets	1,426,123	6,053	40,984
Total assets	18,191,754	3,735,193	2,818,828
Owners' interest	5,403,704	3,704,636	2,788,558
Non-controlling interests	5,259,368	-	-
Total equity	10,663,072	3,704,636	2,788,558
Non-current liabilities	4,006,521	-	-
Current liabilities	3,522,161	30,557	30,270
Total liabilities	7,528,682	30,557	30,270
Total equity and liabilities	18,191,754	3,735,193	2,818,828

7. FINANCIAL SUMMARY (continued)

7.1. Recent trends and prospects (continued)

Following the acquisitions of Hotelest, the latter is consolidated as a subsidiary since 30 September 2018. The 2018 results included a loss on remeasurement of BMH's existing stake in Hotelest, amounting to MUR344 million, and a gain on bargain purchase, based on an excess of the fair value of net assets acquired over consideration, and amounted to MUR1,155 million.

The Group's portfolio of investments continued to perform well with dividend revenue expected to be in line with 2018. The Group's hospitality segment, experienced a weaker demand for its first quarter 2019 in Mauritius and Maldives while the Seychelles maintained its positive trend. In general, the second quarter of 2019 seems to be in line with the same period last year.

7.2. Dividend policy

The Company's dividend policy is to distribute to its shareholders a regular dividend payout that reflects the Company's financial performance after taking into account any current and forthcoming investments. The dividend payout is subject to the solvency test being satisfied as required under Section 61 (2) of the Act.

Dividend declared and paid for each of the financial years ended 31 December 2016, 2017 and 2018 is as follows:

(MUR000s)	Year to 31 December		
	2018 Audited	2017 Audited	2016 Audited
Dividend	51,379	48,357	48,357
Special dividend*	60,446	-	-
Total	111,825	48,357	48,357

* Refer to Annexure B

Dividends are normally declared in November and paid in December. The New Ordinary Shares that shall be issued on closure of the Rights Issue shall qualify for any dividend that may be declared and paid in the future.

There are no existing arrangements under which future dividends are waived or agreed to be waived.

7.3. Per share data

The financial ratios for the last three financial years are shown below. The data below excludes the impact of the Rights Issue.

(MUR)	Year to 31 December		
	2018 Audited	2017 Audited	2016 Audited
Dividend per share	0.85	0.80	0.80
Special dividend	1.00	-	-
Net asset value per share	89.40	61.29	46.13
Earnings per share – as reported	14.89 / 1.48 ¹	0.68	15.54 / 1.44 ¹

Note 1: Excluding non-recurring gains and losses

The 2018 net asset value per share adjusted for the Rights Issue is MUR77.87

7.4. Consolidated borrowings at 31 December 2018

The Group has the following borrowings as at 31 December 2018:

	MUR000s
Bank overdrafts	858,124
Loans	5,128,587
Finance lease liabilities	86,601
Total	6,073,312

Bank overdraft and loans are secured by floating charges on the assets of the Group including Property, Plant and Equipment, investments and inventories. Finance leases are secured by specific vehicle/equipment being leased.

The Group has contingent liabilities in the form of bank guarantees given to third parties, under its normal course of business, and amounted to MUR 1.1 million.

8. RISK FACTORS

The risks and uncertainties described below represent those the Directors consider to be material:

8.1. Financial risks

The Company's activities expose it to a variety of financial risks:

- i. Market/Price risk: The Company is exposed to equity securities price risk due to investments held by the Company and classified as available-for-sale.
- ii. Credit risk: The Company's credit risk is primarily attributable to its receivables. The risks relating to this item are not material owing to the nature of the receivables.
- iii. Liquidity risk: In order to ensure the adequacy of its funding requirements, cash flow forecasts are regularly prepared and if required, relevant credit facilities are sought.
- iv. Interest rate risk: The Company is exposed to interest rate risk to the extent that it borrows at variable rates.

8.2. Reputational risks

Any event that materially damages the reputation of the Company and/or any failure to sustain its appeal to its shareholders could adversely affect the market value and attractiveness of the Company. This is managed by the Board and Management through the enforcement of an ethical code of conduct and good corporate governance practices.

8.3. Financial and regulatory compliance

Non-compliance with financial and regulatory requirements may result in fiscal penalties and damage to the Company's image on the market. In mitigation, a programme of procedures and internal monitoring has been put in place by the Compliance and Accounting functions, with the aid of the Internal Audit and monitored by the Audit (Risk Management) Committee, to ensure that financial and regulatory requirements are adhered to. The Quarterly Financial Statements and the Abridged Financial Statements are scrutinised by the Audit Committee and, subsequently, reviewed and approved by the Board.

8.4. Portfolio Concentration Risk

Failure to diversify the Company's portfolio may adversely affect its financial position. The Company invested mainly in a multi-sector operating entity, IBL, as well as in companies operating in commerce, hospitality and finance sectors.

8.5. Political, Economic and Financial Market Events

Investment values and returns could be adversely affected and, consequently, so could the Company's operation and financial results. Changes in the macroeconomic and investment environment are assessed regularly by the Management Investment Committee and quarterly by the Board, to ensure prompt decisions are taken to safeguard the value of the Company's investments.

8.6. Technologies and systems

To varying degrees, the Company is reliant upon certain technologies and systems for the smooth and efficient running of its business. Disruption to these technologies or systems could adversely affect its operating costs and efficiency. To mitigate this risk, the Company has invested in preventive maintenance and holds a contract with its IT service provider that caters for the prompt restoration to normal service to minimise any adverse impact on the business.

8.7. Credit standing

The Company is reliant on having access to credit facilities to meet its capital requirements and effectively manage its financial and cash position. If the Company does not manage its finances in a responsible manner, it may lose its credibility and, as a result, its ability to borrow at favourable terms.

9. SUMMARY OF CORPORATE INFORMATION

9.1. Company information

Name of company	BMH Ltd (previously named Belle Mare Holding Limited)
Date of incorporation	27 January 1982
Place of incorporation and registration	Mauritius
Business Registration Number	C06003628
Registered office	5 th Floor, Labama House 35 Sir William Newton Street Port Louis, Mauritius Tel: 211 0238

9.2. Third party information

Company Secretary	La Gaieté Services Ltd Represented by: Marie-Anne Adam, ACIS 5 th Floor, Labama House 35 Sir William Newton Street Port-Louis, Mauritius
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Share Registry and Transfer Office	ECS Secretaries Ltd 3 rd Floor, Labama House 35 Sir William Newton Street Port Louis, Mauritius
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Principal bankers	The Mauritius Commercial Bank Ltd 9 – 15, Sir William Newton Street Port Louis, Mauritius
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Auditors	BDO & Co Chartered accountants 10 Frère Felix de Valois Street Port Louis, Mauritius
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Transaction Advisor	PricewaterhouseCoopers Ltd PwC Centre Avenue de Telfair Telfair 80829 Moka, Mauritius
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Legal Advisor	ENSafrica (Mauritius) 19 Church Street Port Louis, Mauritius
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Underwriter	The MCB Stockbrokers Ltd 2 nd & 9 th Floor, MCB Centre Sir William Newton Street Port Louis, Mauritius
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10. DIRECTORS

10.1. Directors

Director	Age	Nationality	Position
George J. Dumbell	70	Mauritian	Independent Director and Chairman
Nicolas Boullé	59	Mauritian	Non-executive Director
Marc Freismuth	67	Mauritian	Independent Director
Clément D. Rey	49	Mauritian	Group Head of Investments and Development, Executive Director
Maxime Rey	66	Mauritian	Non-executive Director, Chairman of the Audit (Risk Management) Committee
Jean Ribet	59	Mauritian	Group Chief Executive Officer, Executive Director
Georgina Rogers	56	Mauritian	Non-executive Director
Noël Adolphe Vallet	53	Mauritian	Non-executive Director

The business address of the Directors is c/o BMH Ltd, 5th floor, Labama House, Sir William Newton Street, Port Louis, Mauritius.

10.2. Profile of Directors

George Dumbell	Nicolas Boullé
Independent Director and Chairman Appointed Director in December 2005 and Chairman in January 2006.	Non-Executive Director Appointed in January 2014.
Qualifications <ul style="list-style-type: none"> · Associate Chartered Institute of Bankers (UK). · Fellow and Founding Director of the Mauritius Institute of Directors and member of its Directors' Forum. · Former Director of several Financial Institutions in Asia and Europe, and listed Finance and Agricultural Companies in Mauritius. 	Qualifications <ul style="list-style-type: none"> · Qualified Notary
Experience and Skills <ul style="list-style-type: none"> · Over 50 years of Financial and commercial experience including 34 years in various Senior Management positions within the HSBC Group across the globe. · 2½ years of commercial, industrial, project management and political experience as Deputy Secretary General and Managing Director of EuroChambres, Association of European Chambers of Commerce and Industry, headquartered in Belgium and representing over 14 million companies throughout Western, Central and Eastern Europe. · 2 years in the fields of Corporate Governance and Risk Management with MCB Ltd. · 13 years of experience in the local Management Investment field and the hospitality and tourism industry with the Constance Group of Companies. 	Experience and Skills <ul style="list-style-type: none"> · 28 years of experience as a Notary.
Directorships in other companies listed on the Stock Exchange of Mauritius Ltd: <ul style="list-style-type: none"> · Hotelest Limited · Constance Hotels Services Limited · Constance La Gaieté Company Limited 	Directorships in other companies listed on the Stock Exchange of Mauritius Ltd: <ul style="list-style-type: none"> · Hotelest Limited · Constance Hotels Services Limited · Constance La Gaieté Company Limited

10. DIRECTORS (continued)

Marc Freismuth	Clément D. Rey
Independent Director Appointed in March 2007.	Executive Director and Group Head of Investments and Development Appointed in September 2003.
Qualifications <ul style="list-style-type: none"> · MPhil Degree in Economics from Paris-Sorbonne University (France) · 'Agrégation' in Economics and Management. 	Qualifications <ul style="list-style-type: none"> · Bachelor's degree in Business Law from the UK · Master's degree in Business Law from the UK
Experience and Skills <ul style="list-style-type: none"> · Lecturer at the University of Montpellier (France) from September 1977 to July 1988. · Lecturer at the University of Mauritius in the field of Management and Finance from September 1988 to July 1994. · Lecturer in Hospitality Management at the Université de Réunion from 2000 to 2005. · Participated in the setting-up of the Stock Exchange of Mauritius as a consultant to the Stock Exchange Commission and as a member of the Listing Committee. (1989 – 1994). · Currently works as a private consultant in Management and Finance since 2006. · Fellow member of the Mauritius Institute of Directors. 	Experience and Skills <ul style="list-style-type: none"> · Held the position of Head of Corporate Affairs within the Ciel Group. · Currently actively involved in investments and corporate transactions relating to the member companies of the Constance Group. · Director of a number of companies in the commercial and financial sectors and a member of various board committees.
Directorships in other companies listed on the Stock Exchange of Mauritius Ltd: <ul style="list-style-type: none"> · The United Basalt Products Ltd · Hotelest Limited · Constance Hotels Services Limited · Constance La Gaieté Company Limited 	Directorships in other companies listed on the Stock Exchange of Mauritius Ltd: <ul style="list-style-type: none"> · Hotelest Limited · Constance Hotels Services Limited · Constance La Gaieté Company Limited
Maxime Rey	Jean Ribet
Non-executive Director, Chairman of the Audit (Risk Management) Committee Appointed Director in April 2014	Executive Director and Constance Group Chief Executive Officer Appointed Director in March 2007 and Constance Group Chief Executive Officer in 2004.
Qualifications <ul style="list-style-type: none"> · Qualified Accountant 	Qualifications <ul style="list-style-type: none"> · Bachelor of Commerce from the University of Cape Town, South Africa. · Member of the South African Institute of Chartered Accountants.
Experience and Skills <ul style="list-style-type: none"> · Extensive experience in the Insurance sector. · CFO for more than twenty years at the Mauritian leading insurance company SWAN until his retirement in 2016. · Group Financial Director for thirteen years at Kuehne and Nagel (Pty) Ltd, the South African arm of a leading global provider of innovative and fully integrated supply chain solutions. 	Experience and Skills <ul style="list-style-type: none"> · Joined the Constance Group as Group Financial Controller in 1991. · 14 years' experience as Group Chief Executive Officer within the Constance Group. · Bears the overall responsibility for the agro-industrial, tourism and investment activities of the Constance Group.
Directorships in other companies listed on the Stock Exchange of Mauritius Ltd: <ul style="list-style-type: none"> · IBL Ltd · Lux Island Resorts Ltd · Constance La Gaieté Company Limited · MFD Group Limited · Tropical Paradise Co. Ltd 	Directorships in other companies listed on the Stock Exchange of Mauritius Ltd: <ul style="list-style-type: none"> · IBL Ltd · Hotelest Limited · Constance Hotels Services Limited · Constance La Gaieté Company Limited · Livestock Feed Limited

Georgina Rogers	Noël Adolphe Vallet
Non-Executive Director Appointed in May 1998.	Non-Executive Director Appointed in September 1997.
Qualifications <ul style="list-style-type: none"> · Bachelor of Commerce from the University of Natal (South Africa). 	Qualifications <ul style="list-style-type: none"> · Management from South Africa
Experience and Skills <ul style="list-style-type: none"> · Practised as an accountant until 1995. · Involved in the development of real-estate projects. · Director of a number of companies in the commercial sector and a member of various board committees. 	Experience and Skills <ul style="list-style-type: none"> · 2 years' experience as Manager at Fleurs des Tropiques Exports Ltée. · As Project Manager, he was responsible for setting up Mauritius' sugar museum, L'Aventure du Sucre. · Currently runs his own business in the events industry as Managing Director of Bedouin Tents and Rocket Fireworks. · Chairman of Compagnie du Mapou Ltée
Directorships in other companies listed on the Stock Exchange of Mauritius Ltd: <ul style="list-style-type: none"> · Hotelest Limited · Constance Hotels Services Limited · Constance La Gaieté Company Limited 	Directorships in other companies listed on the Stock Exchange of Mauritius Ltd: <ul style="list-style-type: none"> · Hotelest Limited · Constance Hotels Services Limited · Constance La Gaieté Company Limited

10.3. Directors' interests

Figures presented in the table below correspond to the holdings of the above mentioned directors in ordinary shares as at 31 December 2018.

Directors	No. of ordinary shares	Direct % held	Indirect % held
George J. Dumbell	-	-	-
Marc Freismuth	-	-	-
Clément D. Rey	1,210	0.00	1.54
Jean Ribet	-	-	3.24
Maxime Rey	-	-	-
Georgina Rogers	1,172,150	1.94	-
Nicolas Boullé	-	-	-
Noël Adolphe Vallet	8,000	0.01	2.88

10.4. Directors' service contracts

Mr George J. Dumbell, Chairman of the Company, has a two-year service contract, which expires on 31 December 2019. The other directors do not have service contract with the Company, but letters of appointment.

As at the date of this document, there are no contracts of significance to which the Company, or one of its subsidiaries, was a party and in which a director was materially interested, either directly or indirectly.

10.5. Director's remuneration and benefits

The total remuneration and benefits paid by the Company and its subsidiaries to the Directors of BMH were as follows:

Financial year ended 31 December 2018

MUR	From BMH	From Subsidiaries
Executive Directors	80,000	140,000
Non-executive Directors	815,000	1,386,765
Total	895,000	1,526,765

The total remuneration and benefits payable by the Company to the Directors of BMH for the year ending 31 December 2019 are estimated to be approximately MUR2.15 million.

As at the date of this document, there are no arrangements under which a Director has waived or agreed to waive future emoluments.

10. DIRECTORS (continued)

10.6. Outstanding loans

There are no loans that have been provided to the Directors by the Company.

11. ADDITIONAL DISCLOSURES

11.1 Legal and arbitration proceedings

During the last 12 months, BMH was not a party to any legal or arbitration proceedings, outside the normal course of business, which have had or may have a significant effect on BMH's consolidated financial position.

11.2 Number of people employed

BMH does not have any employees as it is fully managed by Constance Corporate Management Ltd ("CCM") under the Management Services Agreement described below.

11.3 Material contracts

11.3.1 Management Services Agreement

A Management Services Agreement has been signed with CCM on 1 January 2007, in which the Company has a direct interest of 8% currently. Under this agreement, CCM provides the entire range of services to the Company in the fields of strategic planning, general and corporate affairs, financial accounting and management, legal and tax, company secretariat, finance and development.

The fees charged are based on a percentage mix of net asset value, market capitalisation and net profit. The amount charged during the year ended 31 December 2018 was MUR14.8 million.

11.3.2 Underwriting Agreement

An underwriting agreement has been signed between BMH and MCB Stockbrokers Ltd on 10 September 2018. Pursuant to the underwriting agreement, MCB Stockbrokers Ltd shall subscribe for or procure for the subscription of all New Ordinary Shares of BMH issued under the Rights Issue and not taken up by the shareholders by the end of the rights subscription period. The underwriting fee amounts to MUR4.85 million.

12. SUMMARY OF CONSTITUTION

The clauses below have been extracted from the constitution of BMH, dated 6 September 2018 and relate to the rights attached to the securities being listed.

Object of the Company (Clause 7)

The Company has, both within and outside the Republic of Mauritius, full capacity to carry on and/or undertake any business or activities, to do any act or enter into any transaction, and, for those purposes, shall have full rights, powers and privileges.

Rights attached to ordinary shares (Appendix A Part I)

An Ordinary Share is a Share which confers on the holder the following rights:

- (a) the right to vote at meetings of Shareholders and on a poll to cast one vote for each share held;
- (b) subject to the rights of any other Class of Shares, the right to an equal share in Dividends and other Distributions made by the Company; and
- (c) subject to the rights of any other Class of Shares, the right to an equal share in the Distribution of the surplus assets of the Company on its liquidation.

Rights attached to restricted redeemable shares (Appendix A Part II)

1. A Restricted Redeemable Share is a Share which confers on the holder the following rights:

- (a) the right to vote at general meetings and on a poll to cast one vote for each Share held;
- (b) the right to participate in a bonus issue together with the holders of Ordinary Shares so that the proportion of

Restricted Redeemable Shares compared to Ordinary Shares are maintained and not varied.

- (c) the right to participate in a rights issue of Ordinary Shares, together with the holders of Ordinary Shares, in the proportion of number of the Shares of each Class and the holders of Restricted Redeemable Shares shall be entitled to subscribe to such rights issue of Ordinary Shares, unless the Ordinary Resolution expressly states otherwise;
 - (d) the right to participate in a rights issue of any other class of Shares having economic rights, together with the holders of Ordinary Shares, in the proportion of number of the Shares of each Class and the holders of Restricted Redeemable Shares shall be entitled to subscribe to such rights issue of other classes of Shares having economic rights, unless the Ordinary Resolution expressly states otherwise;
 - (e) no right whatsoever to any Dividend or Distribution (save and except any bonus issue);
 - (f) no right whatsoever to any surplus assets of the Company in case of winding up. For avoidance of doubt "surplus assets" means any assets of the Company remaining after payment of the debts and liabilities of the Company and the costs of liquidation;
 - (g) no right to be disposed of and/or transferred except with the consent of the holders of at least 75% (seventy five per cent) of the Shares of that Class.
2. The said Restricted Redeemable Shares shall further be allotted and distributed on the condition that the said Restricted Redeemable Shares shall be redeemed at the option and as of right of the Company for no consideration whatsoever, should:
- (a) The holder thereof, namely LGH, and the shareholders thereof, either directly or indirectly through successive holding entities, and the shareholders or members thereof, in the aggregate, hold less than 15% (fifteen per cent) of the issued Ordinary Shares in the capital of the Company by reference to the number of shares held by all of the aforementioned in the aggregate as at the date of the issue of the Restricted Redeemable Shares and, in the event that the said threshold not be met, then, all Restricted Redeemable Shares held by the holder shall immediately be redeemed, as of right.
 - (b) So as to ascertain the threshold specified under 2(a) above, the Secretary shall, at least once in every financial year, request from the secretary of LGH the list of its shareholders and certify that they comply with the required threshold.

Shares (Clause 8.1)

The Company has at the date of the resolution adopting this Constitution in issue 60,445,990 Ordinary Shares of no par value and, immediately following the resolution adopting this Constitution, a resolution will create Restricted Redeemable Shares of no par value.

Issue of shares (Clause 8.2)

- (a) Subject to the Act, this Constitution and the terms of issue of any existing Shares, the Board may if authorised by the Shareholders by Ordinary Resolution, issue Shares (and rights or options to acquire Shares) of any Class at any time to any person and in such numbers as the Board thinks fit.
- (b) Notwithstanding Section 55 of the Act and unless the terms of issue of any Class of Shares specifically provide otherwise, the Board may, if authorised by the Shareholders by Ordinary Resolution, issue Shares that rank (as to voting, Distribution or otherwise) equally with or in priority to, or in subordination to, the existing Shares without any requirement that the Shares be first offered to existing Shareholders.
- (c) If the Board issues Shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such Shares, and if the Board issue Shares with different voting rights, the designation of each Class of Shares, other than those with most favourable voting rights, shall include the words "restricted voting" or "limited voting".

Consideration for the issue of shares (Clause 8.3)

- (a) Subject to clause 8.3(b), before the Board issues Shares (other than Shares issued upon incorporation), it must:
 - (i) determine the amount of the consideration for which the Shares will be issued and the terms on which they will be issued;
 - (ii) if the Shares are to be issued for consideration other than cash, determine the reasonable present cash value of the consideration for the issue and ensure that the present cash value of that consideration is fair and reasonable to the Company and is not less than the amount to be credited in respect of the Shares; and
 - (iii) resolve that, in its opinion, the consideration for the Shares and their terms of issue are fair and reasonable to the Company and to all existing Shareholders.
- (b) Clause 8.3(a) shall not apply to the issue of Shares on the conversion of any convertible securities or the exercise of any option to acquire Shares in the Company and shall not apply to Restricted Redeemable Shares.

12. SUMMARY OF CONSTITUTION (continued)

Variation of rights (Clause 8.7a)

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

Transfer of shares (Clause 10.1)

There shall be no restrictions on the transfer of fully paid up Ordinary Shares and any document relating to or affecting the title to any Shares shall be registered with the Company without payment of any fee.

Distributions

(Clause 17.1a)

Notwithstanding section 61(1)(b) of the Act but subject to clause 17.2, the Board may, if it is satisfied on reasonable grounds that the Company will satisfy the Solvency Test immediately after the Distribution, authorise a Distribution by the Company to Shareholders of any amount and to any Shareholders as it thinks fit.

(Clause 8.6)

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

- (a) the right to receive Shares, wholly or partly, in lieu of the proposed dividend or proposed future dividends has been offered to all Shareholders of the same Class on the same terms;
- (b) where all Shareholders elected to receive the Shares in lieu of the proposed dividend, relative voting or distribution rights, or both, would be maintained;
- (c) the Shareholders to whom the right is offered are afforded a reasonable opportunity of accepting it;
- (d) the Shares issued to each Shareholder are issued on the same terms and subject to the same rights as the Shares issued to all Shareholders in that Class who agree to receive the Shares; and
- (e) the provisions of section 56 of the Act are complied with by the Board.

Unclaimed dividends (Clause 17.5)

All dividends unclaimed for one (1) year after having been authorised may be invested or otherwise made use of by the Board for the benefit of the Company until claimed, and all dividends unclaimed for five years after having been declared may be forfeited by the Board for the benefit of the Company. The Board may, however, annul any such forfeiture and agree to pay a claimant who produces evidence of entitlement to the Board's satisfaction of the amount of its dividends forfeited unless in the opinion of the Board such payment would embarrass the Company.

Purchase of own shares (Clause 9)

The Company may purchase or otherwise acquire its Shares in accordance with, and subject to, sections 68 to 74, and 108 to 110 of the Act, and may hold the acquired Shares in accordance with section 72 of the Act. The Company may purchase Shares issued by it from some and not necessarily all the Shareholders.

Power of shareholders (Clause 19.1)

- (a) Powers reserved to Shareholders of the Company by the Act or by this Constitution may be exercised:
 - (i) at a General Meeting; or
 - (ii) by a resolution in lieu of a meeting pursuant to clause 20.3; or
 - (iii) by a Unanimous Resolution.
- (b) Unless otherwise specified in the Act or this Constitution, a power reserved to Shareholders may be exercised by an Ordinary Resolution.

Liquidation

Distribution of surplus asset (Clause 27.1)

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

Distribution in kind (Clause 27.2)

- (a) When assets are distributed, the liquidator may, with the sanction of a Special Resolution, divide in kind amongst the Shareholders the assets of the Company, whether they consist of property of the same kind or not, and may for that purpose set such value as he shall deem fair upon any property to be divided and may determine how the division shall be carried out as between the Shareholders or different Classes of Shareholders.
- (b) The liquidator may, with a like sanction, vest any such assets in such persons for the benefit of contributories as the liquidator, with a like sanction, shall think fit.
- (c) Nothing in this clause shall require a Shareholder to accept any share or other security on which there is any liability.

Management of the Company (Clause 22.1)

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

Number of Directors

(Clause 21.1)

The Board shall consist of not less than eight (8) Directors. The composition of the Board shall comply with the Good Corporate Governance principles applicable to companies listed on the Stock Exchange of Mauritius.

(Clause 21.6)

At every Annual Meeting of the Company, one third of the directors in office or, if their number is not a multiple of three, then the number nearest to but not exceeding one third, shall retire from office.

Every director retiring shall be eligible for re-election.

Appointment of Directors

(Clause 21.2)

- (a) A Director may be appointed by an Ordinary Resolution.
- (b) A resolution to appoint Directors shall be by separate resolution each appointment being voted individually.
- (c) No person shall be eligible for appointment as a Director at a General Meeting unless not less than seven days before the day appointed for the Meeting, there shall have been left at the registered office of the Company notice in writing signed by a Shareholder duly qualified to attend and vote at the Meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing signed by the person to be proposed of his willingness to be elected. The latest date for lodgment of such notices shall be not more than seven (7) days prior to the date of the meeting appointed for such election.

(Clause 21.3a)

Notwithstanding clause 21.2, the Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors shall not at any time exceed the number fixed in accordance with this Constitution. The Director appointed to fill up the vacancy or as an addition to the existing Directors shall hold office only until the next following Annual Meeting and shall then be eligible for re-election.

12. SUMMARY OF CONSTITUTION (continued)

Appointment of Directors (continued)

(Clause 21.4)

The Company may at any time, subject to the provisions of the Act, by Ordinary Resolution in general meeting of which special notice has been given remove any Director from his office as Director (notwithstanding any provision of these clauses or of any contract between the Company and such Director, but without prejudice to any claim he may have for damages for breach of his service contract, if any) and by Ordinary Resolution at that meeting appoint any other person to the office of Director vacated by the Director so removed.

Directors' remunerations (Clause 24.1)

- (a) The Shareholders by Ordinary Resolution, or the Board if it is satisfied that to do so is fair to the Company, shall approve:
 - (i) the payment of remuneration (or the provision of other benefits) by the Company to a Director for his services as a Director, or the payment of compensation for loss of office; and
 - (ii) the making of loans and the giving of guarantees by the Company to a Director in accordance with section 159(6) of the Act.
- (b) The Board shall ensure that, forthwith after authorising any payment under clause 24.1 (a), particulars of such payment are entered in the Interests Register.
- (c) Notwithstanding the provisions of this clause, the Shareholders of the Company may, by Unanimous Resolution, approve any payment, provision, benefit, assistance or other distribution referred to in section 159 of the Act provided that there are reasonable grounds to believe that, after the distribution, the Company is likely to satisfy the Solvency Test.

Chairperson

(Clause 23.1a)

The Directors shall elect one of their number as Chairperson of the Board and determine the period for which he is to hold office.

(Clause 23.5b)

The Chairperson shall not have a casting vote.

13. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of BMH for at least 14 business days as from the date of this document, during normal working hours:

- This Prospectus, deemed to be Listing Particulars pursuant to the Listing Rules of the SEM;
- The constitution of BMH;
- The Management Services Agreement with CCM;
- The Underwriting Agreement;
- The complete list of directorships for Directors of BMH;
- BMH's audited financial statements for the years ended 31 December 2016, 2017 and 2018.

BDO & Co, the independent auditors, have provided a report, dated 24 April 2019 for incorporation in the Prospectus. This report is set out in Section 14.

The auditors have given their written consent to include their report, in the form and context in which it appears, in the Prospectus, and have not withdrawn their consent as at the date of the Prospectus. Such consent has been filed with the FSC and the SEM.

14. FINANCIAL INFORMATION

14.1. Auditor's Report



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P.O. Box 799

Grp8/0357/ar

April 24, 2019

The Directors
BMH Ltd
5th Floor, Labama House
35 Sir William Newton Street
PORT-LOUIS

Dear Sirs

RE: RIGHT ISSUE - BMH LTD

We report on the historical financial information set out on pages 28 to 32. This report, for which we accept full responsibility, has been prepared for inclusion in the Prospectus of BMH Ltd ("the Issuer"), in relation to the Rights Issue of 18,133,797 new ordinary shares at an issue price of MRU 40 each.

Basis of preparation

The historical financial based on the audited financial statements of the Issuer for the three years ended 31 December 2016, 31 December 2017 and 31 December 2018.

Responsibilities of the directors for the historical financial information

The directors of the Issuer are responsible for the compilation, contents and preparation of the Prospectus. The directors are also responsible for the fair presentation of the historical financial information as set out in the Prospectus in accordance with International Financial Reporting Standards and accounting policies used in the Issuer's audited financial statements for the years ended 31 December 2016, 31 December 2017 and 31 December 2018 underlying the historical financial information.

BDO & Co, a firm of Chartered Accountants in Mauritius, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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14. FINANCIAL INFORMATION

14.1. Auditor's Report (continued)



Scope of audit for the years ended 31 December 2016, 31 December 2017 and 31 December 2018

Our responsibility is to express an opinion on the historical financial information included in the Prospectus based on our audits for each of the years ended 31 December 2016, 31 December 2017 and 31 December 2018. We conducted our audits in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and our objectives are to obtain reasonable assurance about whether the Financial Statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the abovementioned Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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

Statement of independence

During the three years ended 31 December 2016, 31 December 2017 and 31 December 2018, we have not been an associate, as defined in the Listing Rules, of any directors or of any shareholders holding more than 5% of the issued share capital of the Issuer.

We have been the auditors of the Issuer for the financial years ended 31 December 2016, 31 December 2017 and 31 December 2018.

14. FINANCIAL INFORMATION

14.1. Auditor's Report (continued)



Opinion on the historical financial information

In our opinion, the historical financial information gives, for the purpose of the Prospectus, a true and fair view of the financial position of BMH Ltd and its financial performance and its cash flows for each of the years ended 31 December 2016, 31 December 2017 and 31 December 2018, in accordance with International Financial Reporting Standards and accounting policies used in the Issuer's audited financial statements underlying the historical financial information.

Consent

We consent to the inclusion of this report in the Prospectus of BMH Ltd ("the Issuer"), in relation to the Rights Issue of 18,133,797 new ordinary shares at an issue price of MRU 40 each in the form and context in which it appears, and such consent have not been withdrawn prior to the approval of the Prospectus. We confirm that since our last audit report dated 29 March 2019 we are not aware of any matters which could affect the validity of our report.

A handwritten signature in dark blue ink, appearing to read 'BDO & CO'.

BDO & CO
Chartered Accountants

A handwritten signature in dark blue ink, appearing to read 'Ameenah Ramdin'.

Ameenah Ramdin FCCA, ACA
Licensed by FRC

14. FINANCIAL INFORMATION

14.2. Audited financial statements

The tables below have been extracted from the audited financial statements for the years ended 31 December 2016, 2017 and 2018.

14.2.1. Statements of Financial Position - December 31,

	THE GROUP			THE COMPANY		
	2018 MUR'000	2017 MUR'000	2016 MUR'000	2018 MUR'000	2017 MUR'000	2016 MUR'000
ASSETS EMPLOYED						
Non-current assets						
Property, plant and equipment	10,572,765	205,529	160,522	-	-	-
Intangible assets	1,131,970	-	-	-	-	-
Investments in subsidiary companies	-	-	-	1,306,107	5,461	5,461
Investments in associates	2,093,300	978,206	787,614	47,411	604,106	604,106
Financial assets at fair value through other comprehensive income	2,789,733	2,545,405	1,829,708	2,789,733	2,545,405	1,829,708
Financial assets at amortised cost	106,849	-	-	-	-	-
Deferred tax assets	71,014	-	-	-	-	-
	16,765,631	3,729,140	2,777,844	4,143,251	3,154,972	2,439,275
Current assets						
Inventories	358,708	-	-	-	-	-
Trade and other receivables	408,114	5,707	40,832	-	5,436	40,388
Prepayments	59,385	-	-	798	-	-
Financial asset at amortised cost	504,748	-	-	187,130	-	-
Current tax asset	17,722	-	-	-	-	-
Cash and cash equivalents	77,446	346	152	-	-	-
	1,426,123	6,053	40,984	187,928	5,436	40,388
Total assets	18,191,754	3,735,193	2,818,828	4,331,179	3,160,408	2,479,663
EQUITY AND LIABILITIES						
Capital and reserves (attributable to owners of the parent company)						
Stated capital	446,739	446,739	446,739	446,739	446,739	446,739
Restricted Redeemable Shares	39,973	-	-	39,973	-	-
Revaluation and other reserves	1,990,048	1,711,885	788,385	1,495,994	1,277,268	588,904
Retained earnings	2,926,944	1,546,012	1,553,434	1,332,705	1,405,856	1,413,763
Owners' interest	5,403,704	3,704,636	2,788,558	3,315,411	3,129,863	2,449,406
Non-controlling interests	5,259,368	-	-	-	-	-
Total equity	10,663,072	3,704,636	2,788,558	3,315,411	3,129,863	2,449,406
LIABILITIES						
Non-current liabilities						
Borrowings	3,380,648	-	-	-	-	-
Deferred tax liabilities	443,171	-	-	-	-	-
Retirement benefit obligations	182,702	-	-	-	-	-
	4,006,521	-	-	-	-	-
Current liabilities						
Trade and other payables	829,424	2,968	11,449	20,480	2,956	11,436
Current tax liabilities	73	240	235	73	240	235
Borrowings	2,692,664	27,349	18,586	995,215	27,349	18,586
	3,522,161	30,557	30,270	1,015,768	30,545	30,257
Total liabilities	7,528,682	30,557	30,270	1,015,768	30,545	30,257
Total equity and liabilities	18,191,754	3,735,193	2,818,828	4,331,179	3,160,408	2,479,663

14.2.2. Statements of Profit or Loss - Year ended December 31,

	THE GROUP			THE COMPANY		
	2018 MUR'000	2017 MUR'000	2016 MUR'000	2018 MUR'000	2017 MUR'000	2016 MUR'000
Revenue	1,229,412	55,583	38,023	73,190	59,033	48,209
Earnings before interest, taxation, depreciation and amortisation	443,840	37,003	21,227	35,348	41,518	32,477
Depreciation and amortisation	(71,008)	(23)	(23)	-	-	-
Operating profit	372,832	36,980	21,204	35,348	41,518	32,477
Finance costs	(86,756)	(475)	(72)	(1,991)	(475)	(72)
Share of result of associates	53,817	5,023	(908)	-	-	-
Gain on disposal of associate	11,000	-	-	-	-	-
Net gain on derecognition of financial asset	-	-	866,442	-	-	866,442
Gain on disposal of available-for- sale investments	-	-	67,265	-	-	67,265
Impairment losses	-	-	(14,294)	-	-	(14,294)
Loss on remeasurement of associate	(344,482)	-	-	-	-	-
Gain on bargain purchase	1,154,758	-	-	-	-	-
Profit before taxation and non-recurring item	1,161,169	41,528	939,637	33,357	41,043	951,818
Non-recurring item	(14,245)	-	-	-	-	-
Profit before taxation	1,146,924	41,528	939,637	33,357	41,043	951,818
Income tax expense	(30,889)	(593)	(481)	(285)	(593)	(481)
Profit for the year	1,116,035	40,935	939,156	33,072	40,450	951,337
Profit attributable to:						
Owners of the parent	899,835	40,935	939,156	33,072	40,450	951,337
Non-controlling interests	216,200	-	-	-	-	-
	1,116,035	40,935	939,156	33,072	40,450	951,337
Earnings per share (MUR) - basic	14.89	0.68	15.54	0.55	0.67	15.74

14.2.3. Statements of Profit or Loss and Other Comprehensive Income - Year ended December 31,

	THE GROUP			THE COMPANY		
	2018 MUR'000	2017 MUR'000	2016 MUR'000	2018 MUR'000	2017 MUR'000	2016 MUR'000
Profit for the year	1,116,035	40,935	939,156	33,072	40,450	951,337
Other comprehensive income:						
<u>Items that will not be reclassified to profit or loss:</u>						
Gain on revaluation of freehold land	-	45,030	-	-	-	-
Changes in fair value of financial asset at fair value through other comprehensive income	219,574	-	-	219,574	-	-
Share of other comprehensive income of associates	261,416	205,252	(6,032)	-	-	-
Remeasurement of defined benefit obligations	12,689	-	-	-	-	-
Deferred tax on remeasurement of defined benefit obligations	(278)	-	-	-	-	-
<u>Items that may be reclassified subsequently to profit or loss:</u>						
Changes in fair value of available for sale investments	-	688,364	237,138	-	688,364	237,138
Release on derecognition/disposal of investments in financial assets	-	-	(801,999)	-	-	(801,999)
Share of other comprehensive income of associates	(42,731)	(15,146)	(3,537)	-	-	-
Currency translation differences	(17,568)	-	-	-	-	-
Other comprehensive income for the year	433,102	923,500	(574,430)	219,574	688,364	(564,861)
Total comprehensive income for the year	1,549,137	964,435	364,726	252,646	728,814	386,476
Total comprehensive income attributable to:						
Owners of the parent	1,178,846	964,435	364,726	252,646	728,814	386,476
Non-controlling interests	370,291	-	-	-	-	-
	1,549,137	964,435	364,726	252,646	728,814	386,476

14.2.4. Statements of Changes in Equity - Year ended December 31,

(a) THE GROUP

	Attributable to the owners of the parent								
	Stated Capital MUR'000	Restricted Redeemable Shares MUR'000	Revaluation and other reserves MUR'000	Fair value reserves MUR'000	Financial assets at fair value through OCI reserve MUR'000	Retained earnings MUR'000	Total MUR'000	Non-controlling interests MUR'000	Total equity MUR'000
Balance at January 1, 2018	446,739	-	454,210	1,257,675	-	1,546,012	3,704,636	-	3,704,636
Transfer from fair value reserves	-	-	-	(1,257,675)	1,257,675	-	-	-	-
Issue of shares	-	39,973	-	-	-	-	39,973	-	39,973
Profit for the year	-	-	-	-	-	899,835	899,835	216,200	1,116,035
Other comprehensive income for the year	-	-	59,437	-	219,574	-	279,011	154,091	433,102
Non-controlling interest arising on business combination	-	-	-	-	-	-	-	5,926,165	5,926,165
Changes in ownership interest in subsidiary	-	-	-	-	-	587,320	587,320	(1,002,266)	(414,946)
Gain on disposal of financial assets at fair value through other OCI	-	-	-	-	(848)	5,602	4,754	-	4,754
Dividend	-	-	-	-	-	(111,825)	(111,825)	(34,822)	(146,647)
Balance at December 31, 2018	446,739	39,973	513,647	-	1,476,401	2,926,944	5,403,704	5,259,368	10,663,072
Balance at January 1, 2017	446,739	-	219,074	569,311	-	1,553,434	2,788,558	-	2,788,558
Profit for the year	-	-	-	-	-	40,935	40,935	-	40,935
Other comprehensive income for the year	-	-	235,136	688,364	-	-	923,500	-	923,500
Dividend	-	-	-	-	-	(48,357)	(48,357)	-	(48,357)
Balance at December 31, 2017	446,739	-	454,210	1,257,675	-	1,546,012	3,704,636	-	3,704,636
Balance at January 1, 2016	446,739	-	228,643	1,134,172	-	662,635	2,472,189	-	2,472,189
Profit for the year	-	-	-	-	-	939,156	939,156	-	939,156
Other comprehensive income for the year	-	-	(9,569)	(564,861)	-	-	(574,430)	-	(574,430)
Dividend	-	-	-	-	-	(48,357)	(48,357)	-	(48,357)
Balance at December 31, 2016	446,739	-	219,074	569,311	-	1,553,434	2,788,558	-	2,788,558

(b) THE COMPANY

	Stated Capital MUR'000	Restricted Redeemable Shares MUR'000	Revaluation and other reserves MUR'000	Fair value reserves MUR'000	Financial assets at fair value through OCI reserve MUR'000	Retained earnings MUR'000	Total equity MUR'000
	Balance at January 1, 2018	446,739	-	19,593	1,257,675	-	1,405,856
Transfer from fair value reserves	-	-	-	(1,257,675)	1,257,675	-	-
Issue of shares	-	39,973	-	-	-	-	39,973
Profit for the year	-	-	-	-	-	33,072	33,072
Other comprehensive income for the year	-	-	-	-	219,574	-	219,574
Gain on disposal of financial assets at fair value through OCI	-	-	-	-	(848)	5,602	4,754
Dividend	-	-	-	-	-	(111,825)	(111,825)
Balance at December 31, 2018	446,739	39,973	19,593	-	1,476,401	1,332,705	3,315,411
Balance at January 1, 2017	446,739	-	19,593	569,311	-	1,413,763	2,449,406
Profit for the year	-	-	-	-	-	40,450	40,450
Other comprehensive income for the year	-	-	-	688,364	-	-	688,364
Dividend	-	-	-	-	-	(48,357)	(48,357)
Balance at December 31, 2017	446,739	-	19,593	1,257,675	-	1,405,856	3,129,863
Balance at January 1, 2016	446,739	-	19,593	1,134,172	-	510,783	2,111,287
Profit for the year	-	-	-	-	-	951,337	951,337
Other comprehensive income for the year	-	-	-	(564,861)	-	-	(564,861)
Dividend	-	-	-	-	-	(48,357)	(48,357)
Balance at December 31, 2016	446,739	-	19,593	569,311	-	1,413,763	2,449,406

14.2.5. Statements of Cash Flows - Year ended December 31,

	THE GROUP			THE COMPANY		
	2018 MUR'000	2017 MUR'000	2016 MUR'000	2018 MUR'000	2017 MUR'000	2016 MUR'000
Cash flows from operating activities						
Cash generated from operations	210,233	34,059	39,565	35,000	33,865	39,755
Interest received	5,399	125	3,684	683	125	3,684
Contribution paid	(5,486)	-	-	-	-	-
Interest paid	(86,756)	(475)	(72)	(1,991)	(475)	(72)
Tax paid	(10,287)	(588)	(282)	(456)	(588)	(282)
Net cash generated from operating activities	113,103	33,121	42,895	33,236	32,927	43,085
Cash flows from investing activities						
Acquisition of subsidiary, net of cash acquired	(668,224)	-	-	(747,079)	-	-
Bank overdraft on business combination	(556,026)	-	-	-	-	-
Purchase of investment in associates	(9,150)	-	(3,565)	-	-	(3,565)
Purchase of property, plant and equipment	(32,147)	-	-	-	-	-
Purchase of intangible assets	(8,207)	-	-	-	-	-
Purchase of financial assets at fair value through other comprehensive income	(33,893)	(27,333)	(35,039)	(33,893)	(27,333)	(35,039)
Proceeds from sale of property, plant and equipment	1,647	-	-	-	-	-
Proceeds from sale of associate	11,000	-	-	11,000	-	-
Disposals of investments in financial assets	-	-	69,560	-	-	69,560
Disposals of financial assets at fair value through other comprehensive income	6,221	-	-	6,222	-	-
Net cash (used in)/generated from investing activities	(1,288,779)	(27,333)	30,956	(763,750)	(27,333)	30,956
Cash flows from financing activities						
Proceeds from borrowings	832,000	-	-	650,000	-	-
Repayments of borrowings	(333,011)	-	-	-	-	-
Finance lease principal payments	(5,136)	-	-	-	-	-
Loan granted to related parties	-	-	-	(165,500)	-	-
Dividends paid to Company's shareholders	(71,852)	(48,357)	(48,357)	(71,852)	(48,357)	(48,357)
Net cash generated from/(used in) financing activities	422,001	(48,357)	(48,357)	412,648	(48,357)	(48,357)
Net (decrease)/increase in cash and cash equivalents	(753,675)	(42,569)	25,494	(317,866)	(42,763)	25,684
Movement in cash and cash equivalents						
At January 1,	(27,003)	15,566	(9,928)	(27,349)	15,414	(10,270)
(Decrease)/increase	(753,675)	(42,569)	25,494	(317,866)	(42,763)	25,684
At December 31,	(780,678)	(27,003)	15,566	(345,215)	(27,349)	15,414

ANNEXURE A: APPLICATION GUIDE

FORMS	OPTIONS	WHAT YOU SHOULD DO	DEADLINE DATE
A	Accept in full or partially accept the New Ordinary Shares	Complete FORM A and return it to the Share Registry and Transfer Office together with the appropriate remittance to BMH Ltd	12 July 2019
B	Renunciate your rights to subscribe for the New Ordinary Shares and trade them on the Official Market	If you are a CDS Account holder remit FORM B to your investment dealer. If you do not have a CDS Account, send your offer letter to your investment dealer.	5 July 2019 28 June 2019
C	For those who have purchased the right to subscribe for New Ordinary Shares	Remit FORM C to the Share Registry and Transfer Office together with the appropriate remittance to BMH Ltd. Form C will be made available to investment dealers.	12 July 2019

ANNEXURE B: SUMMARY OF RECENT ACTIONS TAKEN BY BMH REGARDING THE ESTABLISHMENT OF A NEW GOVERNANCE FRAMEWORK

Background information

On 30 July 2018, the Board of Directors of BMH issued a Cautionary Announcement in which it announced its decision to recommend to its shareholders to approve a new governance framework (the "Framework") entailing the adoption of a new constitution and the creation of a new class of shares.

Incorporation of LGH Ltd

On 25 July 2018, LGH Ltd ("LGH"), a public company limited by shares with business registration number C18157888 was incorporated as an investment holding company with two classes of shares, namely ordinary shares and Redeemable A Shares ("RAS").

On 17 August 2018, LGH issued 241,783,960 RAS to BMH for a total consideration of MUR60,445,990. The ordinary shares and RAS of LGH are not listed on the SEM.

Implementation of the Framework

On 6 September 2018, the shareholders of BMH approved the adoption of the new constitution that provided for the creation of a new class of shares known as the Restricted Redeemable Shares ("RRS"). Each RRS gives to its holder the right to one vote for each share held but no rights to dividends or any distributions made by the Company. The RRS are not listed.

The shareholders of BMH also approved, on the same date, a distribution of a total sum of MUR60,445,990, to the shareholders registered at the close of business on the 26 September 2018. The shareholders were offered the option to choose between a cash dividend of MUR1.00 per ordinary share held or 4 RAS of LGH and the distribution was completed on 31 October 2018 in accordance with the shareholders' election.

Further to the completion of this distribution, BMH issued, on 5 November 2018, 159,890,512 RRS to LGH equivalent to the total number of RAS that the shareholders of BMH have elected to receive, at an issue price of at MUR0.25 per share.

The rights attached to the RRS are detailed in section 12 of this Prospectus.

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