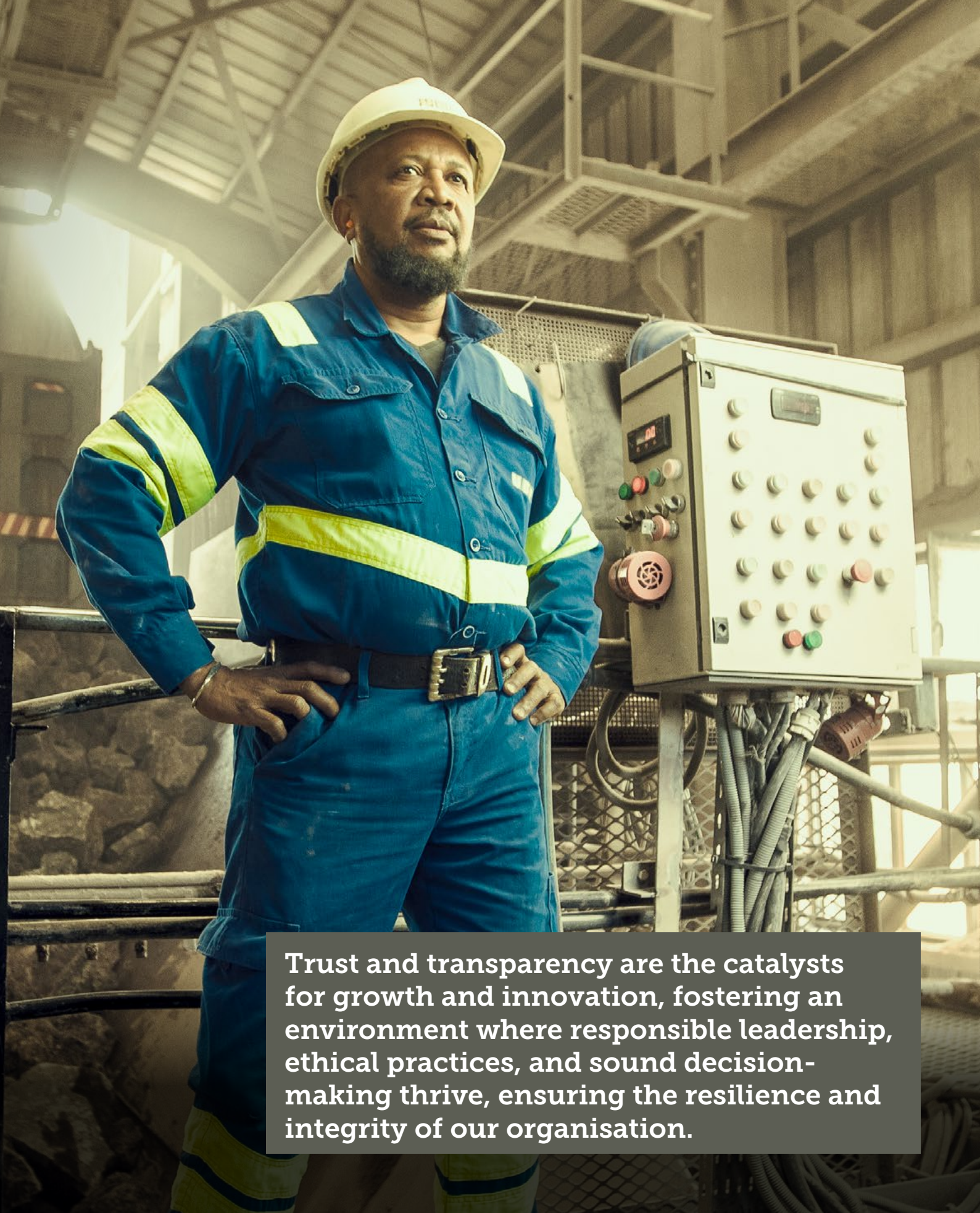


The background of the entire page is a sepia-toned photograph of an industrial setting. In the foreground, there are various mechanical components, including pipes, valves, and a control panel with two knobs. In the background, a large excavator arm is visible, positioned over a large pile of dark, chunky material, likely coal. The scene is dimly lit, with a strong light source creating a bright glow behind the excavator arm.

| CATALYSTS FOR EXCELLENCE |

CORPORATE GOVERNANCE REPORT

Statement of compliance | Corporate governance report | Other statutory disclosures |
Statement of Director's responsibilities | Company Secretary's certificate



Trust and transparency are the catalysts for growth and innovation, fostering an environment where responsible leadership, ethical practices, and sound decision-making thrive, ensuring the resilience and integrity of our organisation.

CORPORATE GOVERNANCE

Statement of compliance

(as per Section 75(3) of the Financial Reporting Act 2004)

Name of Public Interest Entity ("PIE"): The United Basalt Products Limited

Reporting Period: Year ended June 30, 2023

We, the Board of Directors of The United Basalt Products Limited (the "Company"), confirm that to the best of our knowledge, the Company has complied with all of its obligations and requirements under the principles of The National Code of Corporate Governance for Mauritius (2016) ("the Code") in all material aspects.

On behalf of the Board



Jean-Claude Béga
Chairman



Stéphane Ulcoq
Group CEO

September 27, 2023

Corporate governance report

The United Basalt Products Limited (referred to as the “Company” or “UBP”) was incorporated as a public company in July 1953. The shares of the Company have been listed on the Official Market of the Stock Exchange of Mauritius Ltd since 1989. The Company is qualified as a Public Interest Entity (“PIE”) under the Financial Reporting Act 2004.

The Board of Directors acknowledges that the Code sets out best practices in terms of corporate governance, and recognises that the principles under the Code have been applied within the Group, as explained in the report.

GOVERNANCE AT A GLANCE

1. PHILOSOPHY

The Board is committed to entrenching the highest standard of governance in the Group’s corporate culture to sustain its strategic orientation in view of building and enhancing stakeholder value. Being mindful of the evolving operating context, such practices are reviewed, as required, to ensure that the Group retains the flexibility to respond proactively to opportunities and challenges. The Group’s corporate governance framework is illustrated below:

CORPORATE GOVERNANCE FRAMEWORK



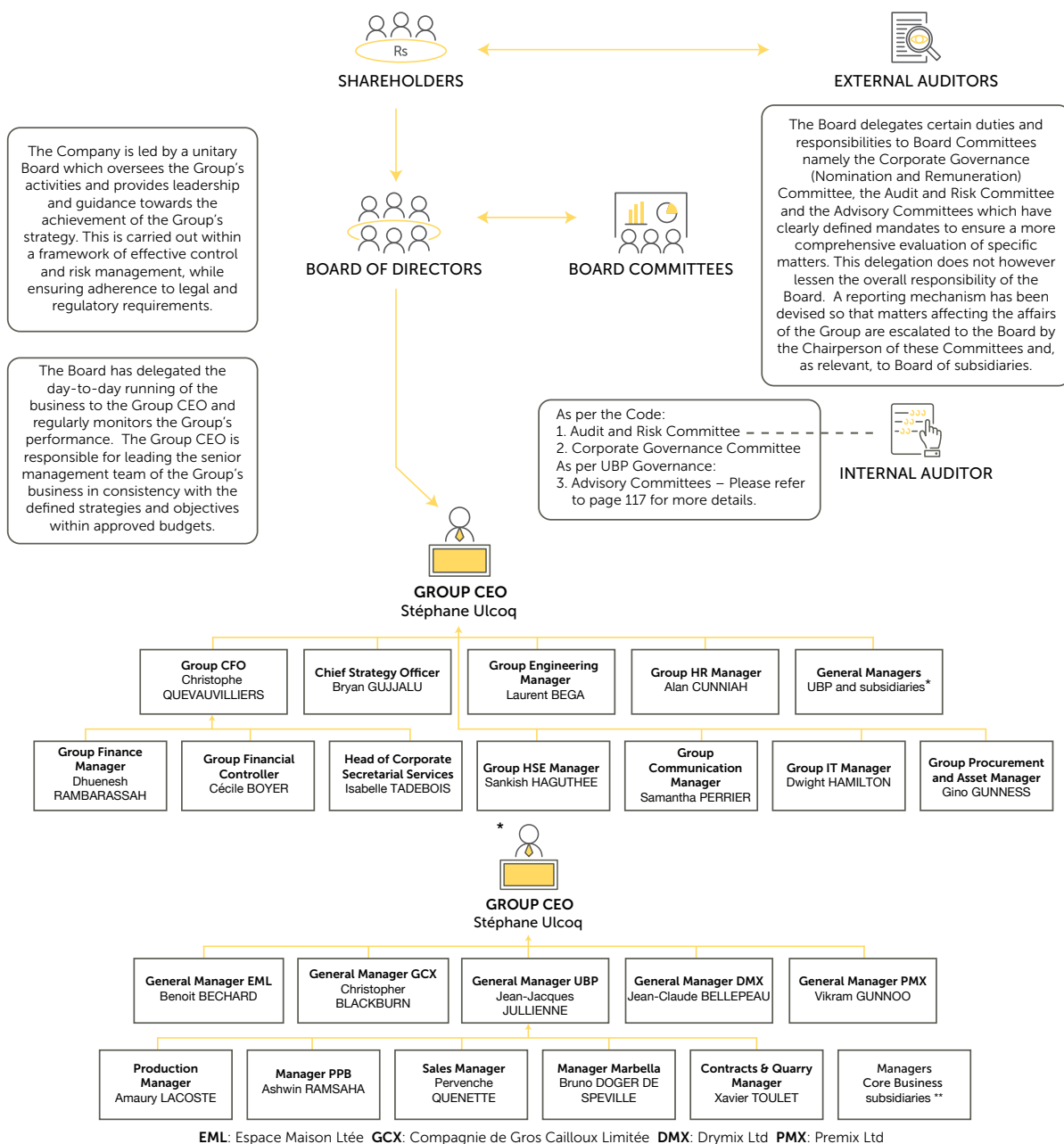
Setting the tone from the top is an important part of the Board’s role and helps to foster a culture centred on those guiding principles. Beyond operationalising regulatory requirements, the Group is managed with utmost integrity, enhanced accountability, sound risk and performance management, transparency and effective leadership.

The Code of Ethics further governs the relationship with our stakeholders and sets out the professional and ethical behaviour expected and required from employees for both internal and external interactions. A yearly report is submitted to the Corporate Governance Committee for the monitoring and evaluation of compliance with its established ethical principles and standards.

Corporate governance report

2. GOVERNANCE STRUCTURE

The Group's governance structure, as further illustrated below, caters for the clear delegation of authority and lines of responsibility, while the role of stewardship is bestowed upon the Board.



The Board is responsible of the group overall operations of the Company and to ensure that the key information and guidance documents are made available to all employees in view of promoting good governance.

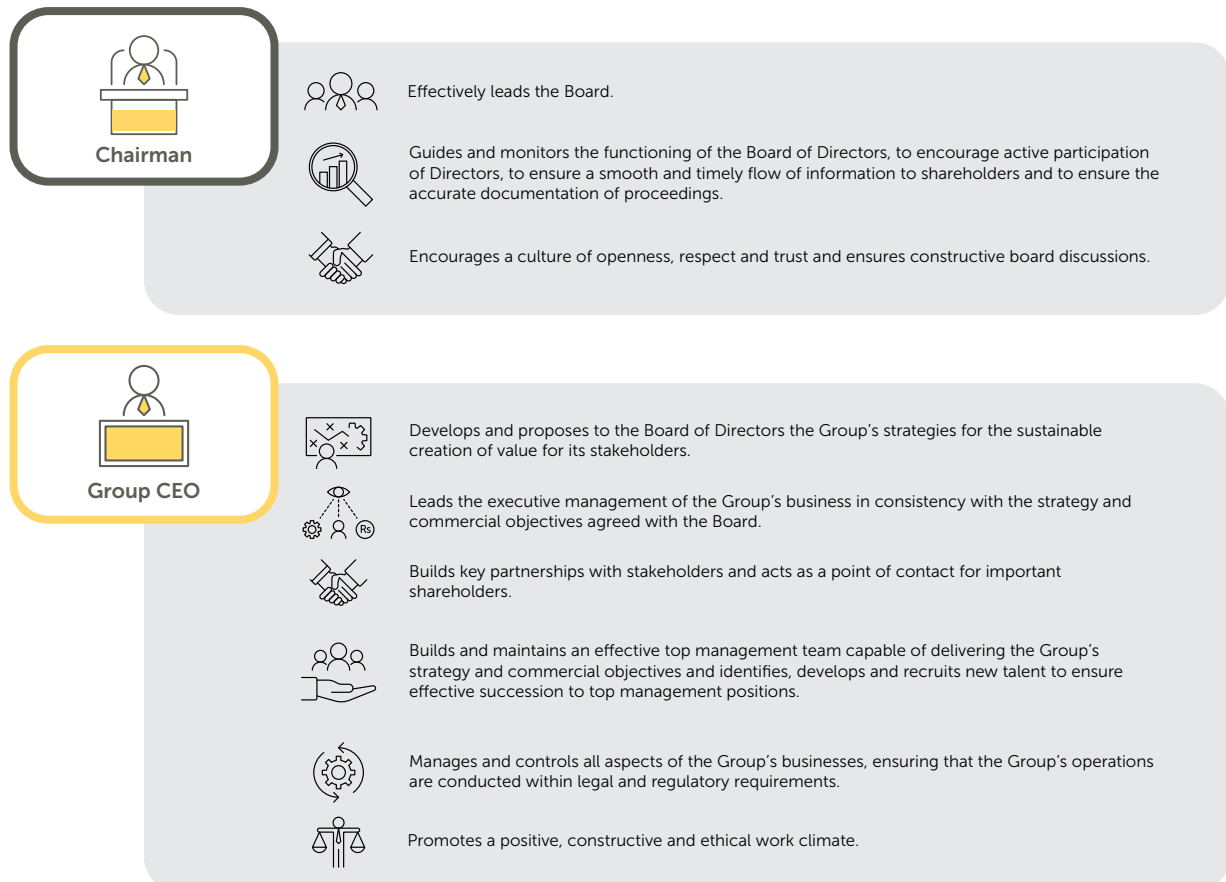
Key Roles and Responsibilities

A Board Charter, a Directors' Charter, Position Statements and job descriptions, duly approved by the Board, clearly define the roles and responsibilities of the Board, the Chairman, Executive and Non-Executive Directors and the Company Secretary. The role and responsibilities of the Chairman leading the Board is distinct to those of the Group CEO, who manages the Group's business on a day-to-day basis.

The above-mentioned documents are available on the Company's website - www.ubp.mu.

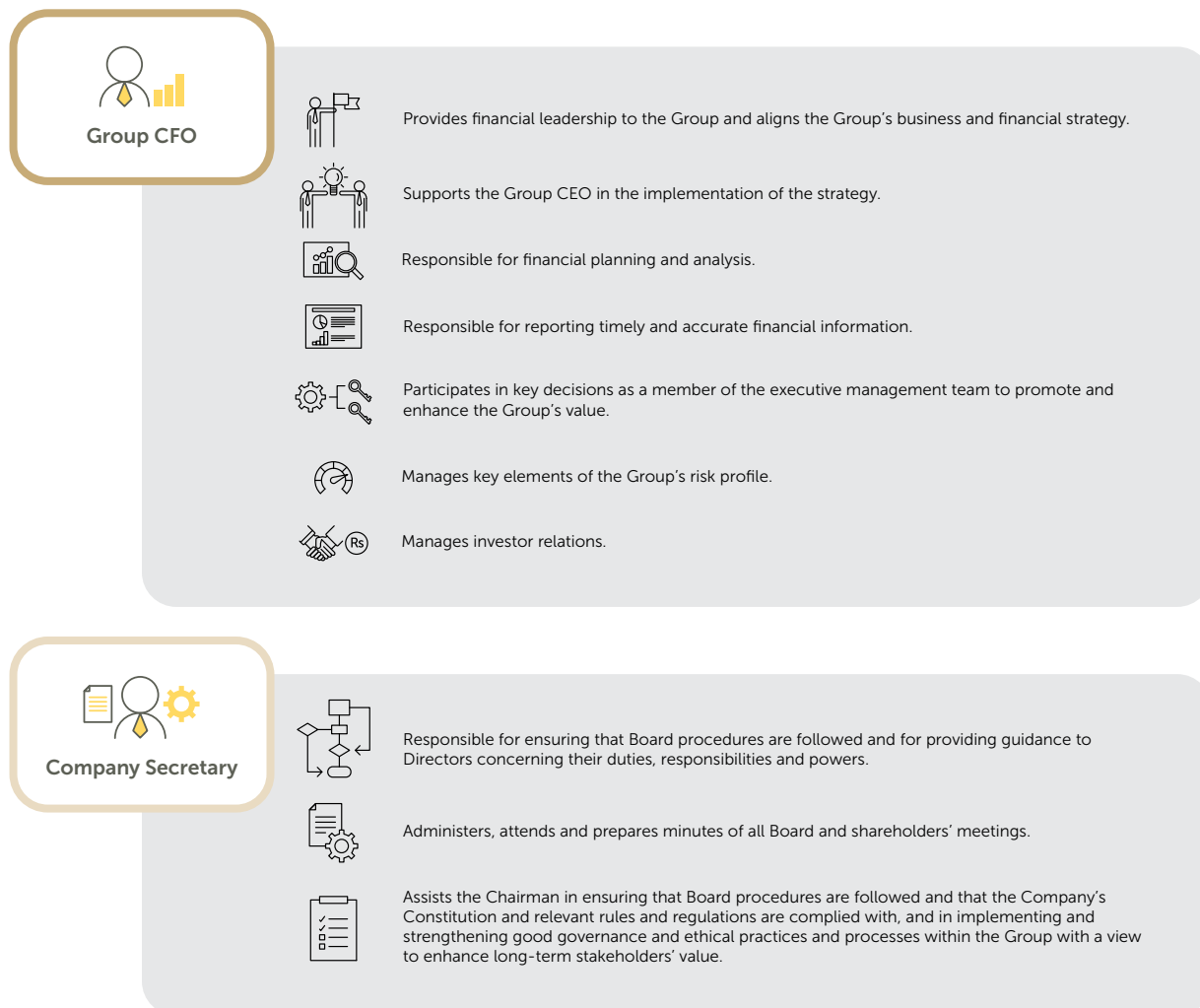
Key Governance Positions

The Board promotes sound corporate governance practices to create and sustain value creation. The Chairman, the Group CEO, the Group CFO and the Company Secretary, who hold key governance positions, play an important role in ensuring that such practices permeate throughout the Group. Their key responsibilities are detailed hereunder and their respective profiles are detailed on pages 115 and 116 of this report.



Corporate governance report

2. GOVERNANCE STRUCTURE (CONTINUED)



Company's Constitution

In 2004, the shareholders adopted a new Constitution which complies with the provisions of The Companies Act 2001 and those of the Listing Rules of the Stock Exchange of Mauritius Ltd. There are no clauses of the Constitution deemed material for specific disclosure. A copy of the Constitution is available on the Company's website.

3. THE BOARD

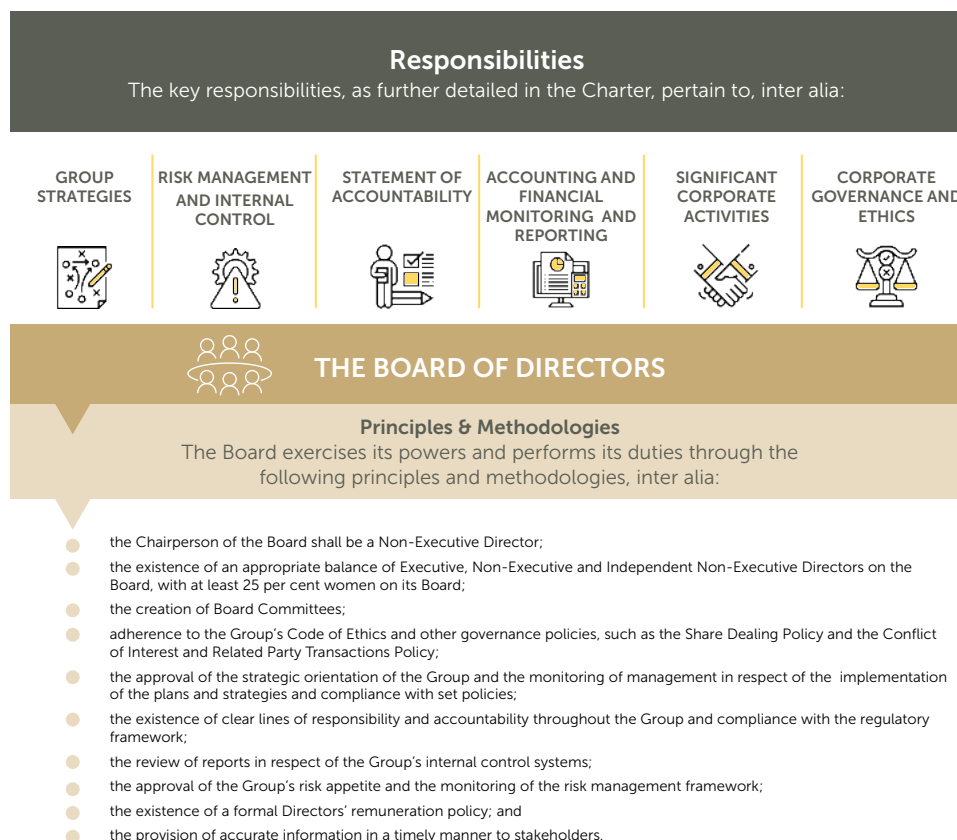
Mandate

The Board provides effective leadership and direction to build and sustain long-term value creation for the Group and its stakeholders, while ensuring an outcome-focused compliance framework. The Board determines the pertinent matters relating to the strategy and operations of the Company and of its subsidiaries, both locally and abroad.

The general powers of the Board are conferred in the Company's Constitution and are in line with the Companies Act 2001.

Role and Responsibilities

A Board Charter, aiming to regulate how business is conducted by the Board, was endorsed by the Board in May 2018 and reviewed in 2022.



Corporate governance report

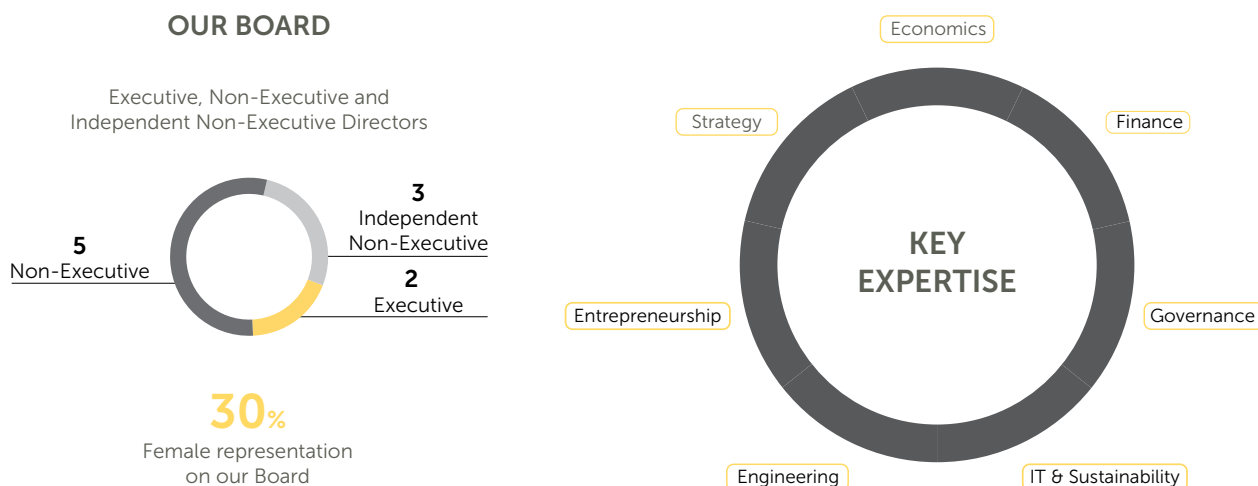
3. THE BOARD (CONTINUED)

Board Composition

The Company's Constitution stipulates that the Board shall consist of a minimum of seven and a maximum of fifteen Directors.

The Board of the Company is of the opinion that based on its size and the specificities of its operations, it possesses the right balance of Executive, Non-Executive and Independent Non-Executive Directors and appropriate mix of skills and experience which ensures that the Board is collectively well equipped to guide and drive the Group's strategy in view of delivering value.

At the time of writing, the Company is headed by a committed and effective unitary Board of ten Directors from broad industry and professional backgrounds and with varied experience and expertise, all of which bring valuable perspectives to the Board.



The two Executive Directors are the Group CEO and the Group CFO.

The Independent Non-Executive Directors reinforce impartiality and objectivity on the Board, and enhance competencies, knowledge and experience which enrich Board discussions and contribute towards a high performing and effective Board.

In accordance with the Code, the Company considers an Independent Director as one who:

- is not a representative or member of the immediate family of a shareholder who has the ability to control or significantly influence the Board or management;
- has not been employed by the Company or the Group of which the Company currently forms part in any executive capacity for the preceding three financial years;
- is not a professional advisor to the Company or the Group of which the Company currently forms part other than in a Director capacity;
- is not a significant supplier to, debtor or creditor of, or customer of the Company or the Group of which the Company currently forms part, or does not have a significant influence in any group related company in any one of the above roles;
- has no significant contractual relationship with the Company or the Group of which the Company currently forms part; and
- is free from any business or other relationship which could be seen to materially impede the individual's capacity to act in an independent manner.

Profiles of Directors as at June 30, 2023

Jean-Claude Béga Non-Executive Chairman *Resident in Mauritius*

Mr Jean-Claude Béga was appointed as Director of the Company on April 20, 2022, and as Chairman of the Board on July 01, 2022. He is also a member of the Corporate Governance Committee of the Company and of the Advisory Committees of the Company and of Premix Ltd. Born in 1963, Mr Béga is a fellow member of the Association of Chartered Certified Accountants and retired from IBL Ltd on June 30, 2023 after 26 years of service. He is also the Chairman of Lux Island Resorts Ltd and BlueLife Limited, and serves as Director on a number of affiliates and subsidiaries of the above two companies and of UBP.

Jan Boullé Non-Executive Director *Resident in Mauritius*

Mr Jan Boullé was appointed as Non-Executive Director to the Board on November 07, 2018. Born in 1957, he qualified as an 'Ingénieur Statisticien Economiste' (France) and pursued post graduate studies in Economics at Université Laval, Canada. Mr Boullé has been the Non-Executive Chairman of IBL Ltd since July 01, 2016. Prior to this nomination, he worked for the Constance Group from 1984 to 2016 and occupied various executive positions and directorships. Mr Boullé is also a member of the Board of Directors of several major listed companies, namely BlueLife Limited, Lux Island Resorts Ltd, Phoenix Beverages Limited, Phoenix Investment Company Limited and other non-listed Mauritian companies.

Stéphane Brossard Independent Non-Executive Director *Resident in Reunion Island*

Mr Stéphane Brossard was appointed as Independent Non-Executive Director to the Board on May 12, 2021. Born in 1971 in France, Mr Brossard, holds a 'Diplôme d'Ingénieur' from 'École Centrale De Nantes'. He was also appointed as member of the Board of Directors of 'Fédération Réunionnaise du Bâtiment et des Travaux Publics' (FRBTP) in 2005 and Chairman in 2011 and 2012. Mr Brossard has been CEO of CMOI, EIFFAGE TP REUNION and Wealth Director of CBO TERRITORIA and is currently the Chairman of ARGOS INDUSTRIE, a company operating in the construction sector in Reunion Island. On August 11, 2022, Mr Brossard was appointed on the Board of Directors of 'Conseil d'Architecture d'Urbanisme et de l'Environnement' (CAUE), a French departmental body created by the 1977 law and architecture to promote architectural, urban, landscape and environmental quality.

Catherine Gris Independent Non-Executive Director *Resident in Mauritius*

Mrs Catherine Gris was appointed as Independent Non-Executive Director to the Board on October 01, 2018. Born in 1958, Mrs Gris holds a 'Diplôme en Sciences Politiques' from the 'Institut d'Études Politiques' of Paris, France. She has proven experience in strategic economic development and project development. Mrs Gris was the CEO of the Association of Mauritian Manufacturer (AMM) from October 2009 to June 2018 and is currently coach animator of the 'Association Progrès du Management'. She is also an independent member of the Board of Directors of Trimetys Ltd and Cap Tamarin Ltée. She also serves as Special Adviser to AMM and

was appointed as Board member of the Economic Development Board (EDB) in March 2020.

Stéphane Lagesse Non-Executive Director *Resident in Mauritius*

Mr Stéphane Lagesse was appointed Director of the Company on November 11, 2011. Born in 1959, Mr Lagesse holds a degree in 'Gestion des Entreprises' from the University of Paris IX Dauphine. He participated in the setting up of two garment manufacturing companies in Mauritius and is the Alternate Director of Mr Thierry Lagesse on the Board of IBL Ltd.

Thierry Lagesse Non-Executive Director *Resident in Mauritius*

Mr Thierry Lagesse was appointed Director of the Company on December 20, 1989, and subsequently Chairman of the Board in December 2002 until August 2013. Born in 1953, Mr Lagesse holds a 'Maîtrise des Sciences de Gestion' from the University of Paris Dauphine. He was the Founder of the Palmar Group, a textile and garment-oriented manufacturing company and a visionary entrepreneur, having launched Parabole Reunion Group of Companies in 1999, a Direct To Home satellite television company in the Indian Ocean Islands. He is also the Executive Chairman of Parabole Group and presently serves as a Director on several well-known companies listed on the Stock Exchange of Mauritius namely: Alteo Limited, IBL Ltd, Lux Island Resorts Ltd, Phoenix Beverages Limited and Phoenix Investment Company Limited.

Corporate governance report

3. THE BOARD (CONTINUED)

Profiles of Directors as at June 30, 2023 (Continued)

Christine Marot

Non-Executive Director
Resident in Mauritius

Mrs Christine Marot was appointed Director of the Company on July 16, 2020. Born in 1969, Mrs Marot is an Accountant by profession and followed an Executive Management Programme from ESSEC (Ecole Supérieure des Sciences Economiques et Commerciales) Business School. She started her career with De Chazal du Mée & Co (now known as BDO) and was the Finance Executive of GML Management Ltée where she was involved at a senior level in businesses across the IBL Group, formerly known as the GML Group. She was also appointed as Acting CEO of BlueLife Limited in November 2014 and Chief Executive Officer in May 2015. Since July 2020, Mrs Marot is the Group Head of Technology and Sustainability of IBL Ltd. She is also responsible of the Life & Technologies clusters of IBL Ltd as well as the 'Fondation Joseph Lagesse'.

Christophe Quevauvilliers

Group CFO, Executive Director and Company Secretary
Resident in Mauritius

Mr Christophe Quevauvilliers, born in 1968, is a Fellow member of the Association of Chartered Certified Accountants. He joined the Group as Finance Manager and Company Secretary in May 2002 after having spent ten years in public practice at De Chazal Du Mée & Co (now known as BDO) and four years in the industrial sector. In 2013-2014, he completed a General Management Program delivered by the ESSEC (Ecole Supérieure des Sciences Economiques et Commerciales) Business School.

In September 2015, Mr Quevauvilliers resigned as Company Secretary and was appointed as Executive Director to the Board, effective as from October 01, 2015. He also sits on the Board of several companies within the Group. Since the resignation of Mrs Bhooneshi Nemchand on March 31, 2023, Mr Quevauvilliers has been appointed Company Secretary.

Kalindee Ramdhonee

Independent Non-Executive Director
Resident in Mauritius

Mrs Kalindee Ramdhonee was appointed as Independent Non-Executive Director to the Board and Chairperson of the Audit Committee on November 07, 2018. Mrs Ramdhonee was also a member of the Risk Monitoring Committee which later merged with the Audit Committee. Consequently, Mrs Ramdhonee became the Chairperson of the combined Audit and Risk Committee. Born in 1963, fellow member of the Association of Chartered Certified Accountants, Mrs Ramdhonee is a highly accomplished finance professional with over 20 years of experience in finance and operations management within world class local and international business environments in sectors such as Technologies, Telecommunications, Mining, Construction, Financial and Property Development. Mrs Ramdhonee has proven competences in accounting and finance extending to IT, HR, business development and general management functions. She has occupied senior management positions for decades and largely contributed to establishing and grooming business excellence within local groups such as Harel Mallac, Currimjee Jeewanjee, as well as international groups, namely African Alliance and BIA Group from Belgium and its African entities. Mrs Ramdhonee is currently the Managing Director of Karics Partners Ltd engaged in advisory and BPO activities.

Stéphane Ulcoq

Group CEO and Executive Director
Resident in Mauritius

Mr Stéphane Ulcoq, born in 1977, holds a 'Diplôme d'Ingénieur en Mécanique' from the 'Institut National des Sciences Appliquées' (INSA) of Rouen, France and an 'MBA International Paris' from the 'Paris Dauphine and La Sorbonne Universities'. He also holds a Certificate in Global Management awarded by INSEAD after having completed three Executive Education Programs at INSEAD Fontainebleau, France and INSEAD Singapore in 2011 and 2012. Mr Ulcoq joined the Company as Assistant Works Manager in 2000 and was promoted to Workshop Manager in 2007. In January 2012, Mr Ulcoq was promoted to the post of Production Manager where he was in charge of all production units, both in Mauritius and overseas. In addition to his responsibilities as Production Manager, Mr Ulcoq was appointed Deputy CEO by the Board of Directors in December 2012. He then gradually handed over his duties as Production Manager and was appointed CEO of the Company in January 2015, and eventually Group CEO with effect from July 2015.

Company Secretary

Since the resignation of Mrs Bhooneshi Nemchand on March 31, 2023, Mr Christophe Quevauvilliers served as the Company Secretary.

Directors' Directorships

The directorships of the Directors of the Company in listed companies as at June 30, 2023 are as detailed hereunder:

NAME OF DIRECTORS	LISTED COMPANIES
Mr Jean-Claude Bega	The United Basalt Products Limited Bluelife Limited Lux Island Resorts Ltd
Mr Jan Boullé	The United Basalt Products Limited Bluelife Limited IBL Ltd Lux Island Resorts Ltd Phoenix Beverages Limited Phoenix Investment Company Limited
Mr Stéphane Brossard	The United Basalt Products Limited
Mrs Catherine Gris	The United Basalt Products Limited
Mr Stéphane Lagesse	The United Basalt Products Limited IBL Ltd ¹
Mr Thierry Lagesse	The United Basalt Products Limited Alteo Limited IBL Ltd Lux Island Resorts Ltd Phoenix Beverages Limited Phoenix Investment Company Limited
Mrs Christine Marot	The United Basalt Products Limited Phoenix Beverages Limited Phoenix Investment Company Limited
Mrs Kalindee Ramdhonee	The United Basalt Products Limited Bmh Ltd Terra Mauricia Ltd
Mr Christophe Quevauvilliers	The United Basalt Products Limited
Mr Stéphane Ulcoq	The United Basalt Products Limited

¹ - Mr Stéphane Lagesse is the alternate director of Mr Thierry Lagesse on IBL Ltd.
The complete list of Directorship of the Directors is available upon request to the Company Secretary.

Corporate governance report

3. THE BOARD (CONTINUED)

Board Meetings

The Board determines the frequency of Board meetings, which are held at least on a quarterly basis to ensure that key matters are dealt with timeously. Meetings are scheduled up to one year in advance so that Directors are able to attend and participate in person. The Board promotes open and rigorous discussions, constructive debates and active participation during meetings. Special ad hoc meetings may also be called from time to time as required.

The Chairman and the Group CEO, assisted by the Company Secretary, are responsible for fixing the agenda and date for each Board meeting.

The Chairman and the Company Secretary ensure that the Directors receive the right information in a timely manner to enable them to make informed business decisions.

The attendance record of Board meetings for the year under review is as shown on page 122.

Focus Areas

The Board met six times this year to examine, consider, discuss or approve, inter alia, the focus areas detailed hereunder. The Board has also approved some decisions by way of written resolutions.

STRATEGY AND PERFORMANCE	GOVERNANCE	RISK MANAGEMENT AND INTERNAL CONTROL	FINANCIAL	OTHER AGENDA ITEMS
<ul style="list-style-type: none"> The activity reports of the Group CEO, including the performance of subsidiaries and associates; An increase of our shareholding in Flacq Associated Stonemasters Limited; The operational strategy, performance of and way forward of our overseas subsidiaries; A substantial investment in a group of companies in Reunion Island; The financing of expansion projects of subsidiaries; The revaluation of the land and buildings of the Group; and A plan for the reduction of operational costs. 	<ul style="list-style-type: none"> Reports from the Chairperson of the Corporate Governance Committee; The approval of an updated version of the Board Charter; The replacement of a Non-Executive Director; A review of the IT Governance framework; The approval of a new structure of governance and a review of the composition of the Boards of wholly owned subsidiaries; The approval of terms of reference of Advisory Committees set up as part of the new governance structure; The review of the compliance audit report for companies of the Group; The merger of the Audit Committee with the Risk Monitoring Committee; The resignation and appointment of the Company Secretary; The review of the constitution of subsidiaries; The initiation of the process for a Knowledge and Experience matrix; and The initiation process for a Board Evaluation exercise 	<ul style="list-style-type: none"> Reports from the Chairperson of the Audit and Risk Committee; An update on the Group's risk monitoring exercise; A review of the adequacy of the Group's insurance covers; The approval of a Data Protection Management Programme (DPMP); and An update on the reports issued by the internal auditors, Messrs BDO & Co. 	<ul style="list-style-type: none"> Reports from the Chairperson of the Audit and Risk Committee; The Group's financial performance against the budget; The Audited Group Financial Statements, the Audited Abridged Group Financial Statements and the Annual Report for year ended June 30, 2022; The quarterly Unaudited Abridged Group Interim Financial Statements; and An update on the proposed investment in a group of companies in Reunion Island. 	<ul style="list-style-type: none"> The Annual Meeting of Shareholders; and The approval of communiqués in accordance with prevailing laws, rules and regulations.

Board Committees

The Board delegates certain duties to the Board Committees, namely the Corporate Governance (Nomination and Remuneration) Committee, the Audit and Risk Committee, and the Advisory Committees, tasked with providing a more comprehensive evaluation of specific matters.

The Audit and Risk Committee was formed in February 2023 by the merger of the Audit Committee and the Risk Monitoring Committee. Consequently, a new Audit and Risk Committee Charter has been put in place.

The Charters of the Corporate Governance Committee and the Audit and Risk Committee, which set out, inter alia, their mandate, composition and meeting requirements are available on the Company's website - www.ubp.mu.

CORPORATE GOVERNANCE COMMITTEE

MANDATE

The Corporate Governance Committee advises the Board of Directors on all aspects of corporate governance and ensures that the principles of the Code are applied.

The Corporate Governance Committee is also responsible for Nomination and Remuneration aspects of the Code. Its functions are as follows:

- In its role as Nomination Committee, it reviews the structure, size and composition of the Board, ensures the right balance of independence, skills and expertise on the Board, assesses and evaluates the role and independence of each current and potential, Director and makes recommendations to the Board for the election and re-election of Directors and for matters relevant to succession planning.
- In its role as Remuneration Committee, its terms of reference include inter alia, the development of the Group's general policy on executive and senior management remuneration, including the definition of performance measurement criteria and specific remuneration packages for Executive Directors and senior management, and the making of recommendations to the Board on all aspects of remuneration.

The Corporate Governance Committee Charter has been reviewed and approved by the Board in FY2021. The Committee confirms that it has assumed its responsibilities in accordance with its terms of reference for the year under review.

COMPOSITION

As per its Charter, the Committee shall consist of at least three members, with a majority of Non-Executive Directors:

The Committee is currently constituted as follows:

3

Minimum members



Catherine Gris
Jean-Claude Béga
Jan Boullé

Chairperson
Member
Member

The Chairperson is an Independent Non-Executive Director while the other members are Non-Executive Directors. On February 03, 2023, Mr Jan Boullé was appointed as member of the Committee in replacement of Mr Thierry Lagesse.

DISCUSSIONS

The Committee met four times during FY2023 to, inter alia:

- determine, discuss and approve the remuneration of the employees;
- receive the compliance report pertaining to the Code of Ethics of the Company;
- recommend for approval the replacement of one of the Corporate Governance Committee members by a Non-Executive Director;
- consider the implementation of a Performance Management System (PMS);
- consider the reviewed Board Charter;
- consider and recommend for approval the amended governance structure of the Group and its functioning;
- consider the terms of reference of the Advisory Committees;
- review and approve the Board Evaluation Questionnaire;
- review and approve the Knowledge and Experience Matrix Questionnaire;
- consider the succession planning following the resignation of two Directors;
- consider the replacement of a representative on the Board of a subsidiary;
- review and recommend the constitution of a subsidiary of the Company.

ATTENDANCE

The attendance record of Committee meetings for the year under review is as shown on page 122. A quorum of two members is currently required for a Corporate Governance Committee meeting. The two Executive Directors are in attendance at almost all meetings of the Committee.

REMUNERATION

The remuneration of the Chairperson and of each member of the Committee for the year ended June 30, 2023 amounted to Rs 145,000 (2022: Rs 145,000) and Rs 85,000 (2022: Rs 85,000) respectively

Corporate governance report

3. THE BOARD (CONTINUED)

Board Committees (Continued)

AUDIT AND RISK COMMITTEE

MANDATE



The Committee ensures the integrity of accounting and financial reporting and reviews internal control systems and procedures in order to assist the Board of Directors in carrying out its responsibilities. The Committee also monitors the role and scope of work of internal and external auditors and ensures compliance with legal and regulatory provisions.

The Committee confirms that it has assumed its responsibilities in accordance with its terms of reference for the year under review.

On February 02, 2023, the Audit Committee and the Risk Monitoring Committee merged to form the Audit and Risk Committee. The Charters of both committees have been merged accordingly.

COMPOSITION



As per its Charter, the Committee shall consist of a minimum of three Non-Executive Directors, the majority of whom shall be independent. The Committee is constituted as follows:



The Chairperson of the Committee and Mr Stéphane Brossard are Independent Non-Executive Directors. Mrs Christine Marot is a Non-Executive Director.

The Board is of the opinion that the current members of the Committee are able to exercise independent judgement in discharging their responsibilities given their financial management knowledge and experience.

DISCUSSIONS



The Committee met seven times during FY2023 to, inter alia:

- review and recommend to the Board of Directors for approval the audited group financial statements, the Annual Report and the audited abridged group financial statements for the year ended June 30, 2022;
- review and recommend to the Board of Directors for approval and publication the quarterly unaudited abridged group interim financial statements;
- discuss the Group's IT Governance Framework;
- consider the progress report further to the compliance audit of the Company and its subsidiaries;
- review the external audit Management Letters 2022 from Messrs Deloitte;
- discuss the follow up actions further to the report of the auditors on the IT General Controls;
- consider the Data Protection Management Programme (DPMP) of certain of the Group's subsidiaries;
- receive the report of the Internal Auditor; and
- approve the merger of the Audit and Risk Monitoring Committees.

In so doing, the Committee reviewed internal control systems and procedures in place in all the subsidiary companies within the Group.

ATTENDANCE



The attendance record of Committee meetings for the year under review is as shown on page 122. A quorum of two members is currently required for an Audit and Risk Committee meeting. The Group CFO is in attendance at all meetings of the Committee whilst the Group CEO, the internal and external auditors and some members of the management attend the meetings on invitation depending on the agenda.

REMUNERATION



The remuneration of the Chairperson and of each member of the Committee for the year ended June 30, 2023, amounted to Rs 212,500 (2022: Rs 175,000 as Chairperson of the Audit Committee only) and Rs 135,000 (2022: Rs 120,000 as member of the Audit Committee only) respectively.

Ad hoc IT Steering Committee

During FY2022, an IT Steering Committee was constituted as a sub-committee of the Audit Committee (now the Audit and Risk Committee) to discuss the current IT governance framework within the Group and the necessary measures required to strengthen the said framework.

Advisory Committees

During the year under review, a new governance structure was set up to enable more effective decision making within the Group and align the strategy of the Company with those of the Wholly Owned Subsidiaries (WOS) of the Group, including the Company itself, by setting up Advisory Committees for each of the WOS.

The Advisory Committees have been tasked with addressing strategic and significant operational issues related to each company and offering guidance to both the management and the Board of Directors. The terms of reference of the committees were formally approved in December 2022. The key responsibilities include, but are not limited to:

- Examine, discuss, and review the company's business plans and strategies as proposed by its General Manager and monitor their implementation, while taking into consideration relevant financial and non-financial key performance indicators;
- Discuss and provide insight on any key operational matters pertaining to the company; and
- Evaluate the company's proposed investments, acquisitions and dis-investments.

The Advisory Committees are required to report to the Board of Directors of the Company as necessary. The composition of the committees consists of the Group CEO, the Group CFO, the Group Chief Strategy Officer (Group CSO), the General Manager of the relevant Wholly Owned Subsidiary as well as two to four Non-Executive Directors of UBP (including the Chairman) and/or any other professional advisors. The Group CEO serves as the Chairperson of the Advisory Committees. Presently, the composition of the Advisory Committees is as follows:

MEMBERS OF THE ADVISORY COMMITTEES				
	THE UNITED BASALT PRODUCTS LIMITED	ESPACE MAISON LTÉE	PREMIX LTD	COMPAGNIE DE GROS CAILLOUX LIMITEE
Group CEO	Stéphane Ulcoq	Stéphane Ulcoq	Stéphane Ulcoq	Stéphane Ulcoq
Group CFO	Christophe Quevauvilliers	Christophe Quevauvilliers	Christophe Quevauvilliers	Christophe Quevauvilliers
Group CSO	Bryan Gujjalu	Bryan Gujjalu	Bryan Gujjalu	Bryan Gujjalu
GM of subsidiary	Jean-Jacques Jullienne	Benoit Bécharde	Vikram Gunnoo	Christopher Blackburn
Other members	Jean-Claude Béga		Jean-Claude Béga	
	Jan Boullé			Jan Boullé
	Stéphane Lagesse	Stéphane Lagesse		
		Catherine Gris		Catherine Gris
		Christine Marot		Christine Marot
		Kalindee Ramdhonee		
			Stéphane Brossard	
External expert			Dimitri Losfelt	
Number of meetings held during the year under review	2	1	1	2

Corporate governance report

3. THE BOARD (CONTINUED)

Meetings Attendance

The meetings attendance for the year ended June 30, 2023, was as follows:

Directors	Board	Corporate Governance Committee	Audit Committee / Audit and Risk Committee ³	Risk Monitoring Committee ³	Advisory Committees	Annual Meeting of Shareholders
Jean-Claude Béga	6 out of 6	4 out of 4			3 out of 3	1 out of 1
François Boullé ¹	3 out of 3			1 out of 1		1 out of 1
Jan Boullé ²	5 out of 6	2 out of 2			4 out of 4	1 out of 1
Stéphane Brossard	6 out of 6		7 out of 7		1 out of 1	1 out of 1
Catherine Gris	6 out of 6	4 out of 4			3 out of 3	1 out of 1
Christine Marot	5 out of 6		7 out of 7		3 out of 3	0 out of 1
Stéphane Lagesse	5 out of 6				3 out of 3	1 out of 1
Thierry Lagesse ²	3 out of 6	1 out of 2				0 out of 1
Christophe Quevauvilliers	6 out of 6			1 out of 1	6 out of 6	1 out of 1
Kalindee Ramdhonee	6 out of 6		7 out of 7	1 out of 1	1 out of 1	1 out of 1
Stéphane Ulcoq	6 out of 6			1 out of 1	6 out of 6	1 out of 1

¹ Mr François Boullé resigned as Director of the Company and as Chairman of the Risk Monitoring Committee on December 31, 2022.

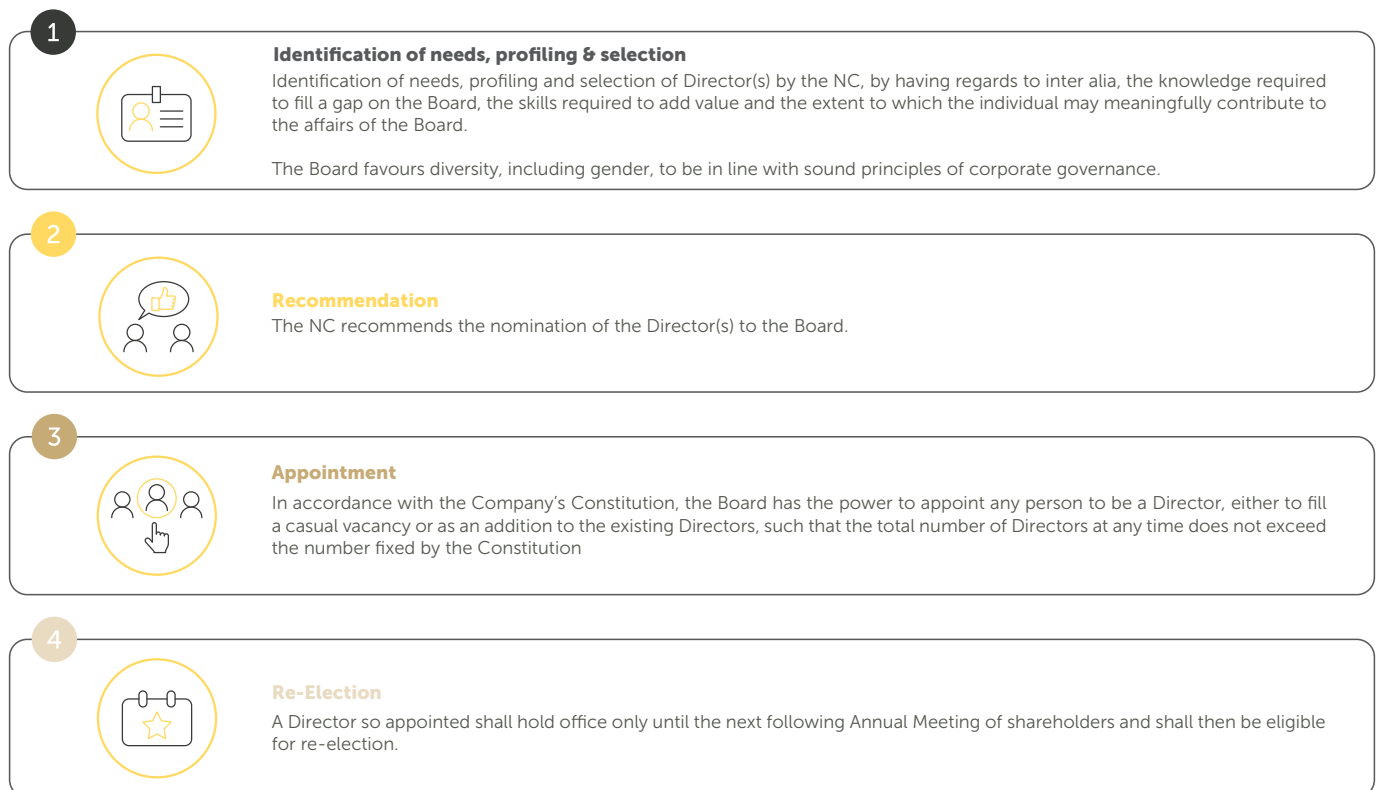
² Mr Thierry Lagesse was replaced by Mr Jan Boullé as member of the Corporate Governance Committee on February 03, 2023.

³ The Risk Monitoring Committee met once during the year under review. On February 02, 2023, it was decided to merge the Audit Committee with the Risk Monitoring Committee to form the Audit and Risk Committee.

4. DIRECTOR APPOINTMENT PROCEDURES

Selection, Appointment and Re-election

The Board, through the Corporate Governance Committee and its role as a Nomination Committee (NC), follows a rigorous, formal and transparent procedure to select and appoint new Directors.



During the year under review, the NC discussed the replacement of two Directors. The process is still ongoing.

The Company's Constitution does not provide for the rotation of Directors. Although being of the opinion that the holding of office by Directors relies on their knowledge and experience of the Group's activities to ensure that they exercise the appropriate degree of leadership, skill and judgement required to achieve a sustainable performance over the years, the Corporate Governance Committee has decided to include the re-election of all Directors at the agenda of the Annual Meeting of shareholders of the Company. The Board also continuously encourages its members to acquire new skills.

During the year under review, a comprehensive Knowledge and Experience matrix was circulated to the members of the Board of Directors with the aim to identify any lacking skills or expertise on the Board.

Corporate governance report

Board Induction

The Chairman, with the assistance of the Company Secretary, devises a formal and tailored induction programme for new Directors to enable them to develop a sound understanding of the Company and of the Group to effectively contribute to strategic discussions. They are also made aware of their fiduciary duties and responsibilities. The induction programme comprises, inter alia:



Key information and documents



One to one briefings with the Chairman and the Group CEO



Briefings with Senior Managers



Site visits

Professional Development and Training

Directors are encouraged to keep themselves abreast of the latest workplace trends and professional practices. During the year under review, some of the Directors attended a training on “how to transform your business strategy to a sustainable strategy” in view of strengthening their professional development.

Time Commitments

The Directors are expected to devote time and meaningfully contribute to the affairs of the Board and to ensure that their other responsibilities do not impinge on those as Director of the Company.

The Board of the Company does not believe that its members should be prohibited from serving on the Board of other organisations unless the number of directorships limits the amount of time they are able to dedicate to being a Director of the Company.

The Executive Directors are, however, not authorised to hold more than two directorships in listed companies outside the Group, including overseas companies. The Board of the Company must give its approval prior to an Executive Director accepting a seat on the Board of any company outside the Group.

Succession Plan

Upon the recommendation of the Corporate Governance Committee, the Board has endorsed a Succession Planning Policy for Directors in order to ensure a proper diversity and an appropriate balance of knowledge, skills and experience on the Board.

5. DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

Directors' Duties and Responsibilities

All Directors, whether Executive, Non-Executive or Independent Non-Executive, are bound by fiduciary duties. They have both a legal and moral duty to act independently, in good faith, with due care and skill, and without fetter or instruction. The Directors' Charter duly endorsed by the Board enables the Directors to better perform their duties and ensure that their contribution is fully effective and meets the standards expected from them in terms of independence, ethics and integrity.

Non-Executive and Independent Non-Executive Directors are individuals of calibre and credibility and have the necessary skills and experience to constructively analyse, independently of management, issues of strategy, performance evaluation, resources, equal opportunities and standards of conduct. They play a particularly vital role in providing independent judgement in all circumstances.

Executive Directors on the other hand, exercise their management responsibilities and their fiduciary duties in the best interests of the Company.

Once appointed on the Board, Directors receive the key documents pertaining to their duties and responsibilities. Furthermore, charters, position statements and job descriptions have been devised so that there is a clear division of responsibilities.

Role of the Chairman and of the Group Chief Executive Officer (CEO)

The Company's leadership model caters for an appropriate balance of power. The roles of the Chairman and of the Group CEO are distinct. They share a positive and constructive working relationship. The key responsibilities of the Chairman and of the Group CEO are detailed on page 111. More information on their respective roles is available on the Company's website - www.ubp.mu.

Access to Information

Directors are provided with concise, adequate and timely information to enable them to make informed decisions and to effectively discharge their duties and responsibilities.

Professional Advice

The Directors perform their duties and exercise their powers to the extent permitted by law. They have the right to seek independent professional advice at the expense of the Company to enable them to discharge their responsibilities effectively.

Directors' and Senior Officers' Insurance and Indemnification

The Directors and the Company Secretary benefit from an indemnity insurance cover for liabilities incurred while performing their duties, to the extent permitted by law.

Share Dealing and Interests Register

The Share Dealing Policy of the Company sets out the Group's policy in respect of dealings in the shares of the Company by Directors, designated employees and their associates, thereby providing clear guidance on the practice to be followed to avoid any misuse of price-sensitive information.

The Directors of the Company use their best endeavours to abide by the principles set out in the Share Dealing Policy of the Company and in the Model Code on Securities Transactions by Directors as stipulated in Appendix 6 of the Listing Rules of the Stock Exchange of Mauritius Ltd. The Company Secretary maintains a Register of Interests which is available for consultation by shareholders upon written request.

Corporate governance report

5. DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE (CONTINUED)

Conflict of Interest and Related Party Transactions

A Conflict of Interest and Related Party Transactions Policy has been endorsed by the Board to provide the framework for Directors and designated employees of the Company and its subsidiaries to effectively identify, evaluate, disclose and manage potential, actual or perceived conflicts of interest, as well as related party transactions which may arise in relation to the activities of the Group. While the Board is ultimately responsible for developing appropriate policies on conflicts of interest and related party transactions, exercising this responsibility via the Corporate Governance Committee, the Audit and Risk Committee is responsible for addressing questions pertaining to conflicts of interest and related party transactions, and thereafter reports to the Board on such matters.

Directors are expected to discharge their duties and responsibilities objectively and in the best interest of the Company. They should avoid conflicts of interest or situations which might be reasonably perceived as such. Any Director who is directly or indirectly interested in a transaction or proposed transaction is required to disclose the nature of his/her interest, and he/she should not participate in the debate or vote on the matter.

Related party transactions of the Group are conducted in line with the internal policy. Please refer to note 30 of the Notes to the Financial Statements on pages 234 to 236 for details of related party transactions.

Information Governance

The responsibility for information governance with the Company is bestowed upon the Board.

With the accelerated global digital transformation, the Group is committed to adapting and strengthening the IT governance structure to safeguard the confidentiality, integrity, availability and protection of information. The Board ensures that prudent and reasonable steps are taken to ensure that IT governance forms an integral part of the overall corporate governance of the Group and is managed according to set policies. To fulfil this obligation, the Board is supported by the Audit and Risk Committee for reviewing information technology risks and actions taken to mitigate them. Since global digital transformation is spurring on, the Group identified information security as one of the key issues to reinforce its IT governance structure. An ad hoc IT Steering Committee was also set up during the previous year to consider and strengthen the IT governance framework of the Group.

The management of information technology and the implementation of information security are delegated to the IT function. Management is responsible for implementing the policies, procedures and practices to protect the Group's information, in line with regulatory and industry norms. The Group ensures that access to information is only available to authorised parties while having physical and logical access controls in place. While the Audit and Risk Committee evaluates the effectiveness of related internal control systems, the infrastructure provides for independent assurance via the internal audit function, which acts as an additional line of defence to assess the suitability of the security policies, standards and related procedures within the Group's entities.

The significant expenditure budgets pertaining to IT for each of the Group's entities are discussed and approved on an annual basis by the respective Boards of Directors.

Management is responsible for implementing the policies, procedures and practices to protect the Group's information in line with regulatory and industry norms.

A description of the Group's IT policies is available on the Company's website - www.ubp.mu.

The Board of Directors and the management of the Company are also committed to complying with all relevant laws in respect of personal data, including the General Data Protection Regulation (GDPR) and the Data Protection Act 2017 (DPA) for the protection of the rights and freedoms of individuals whose information is collected and processed in the course of its activities. A Data Protection Management Programme (DPMP) has been devised to this end.

Remuneration Policy

The Corporate Governance Committee, in its role as Remuneration Committee, is responsible for making recommendations to the Board with regard to the definition and development of the Group's general remuneration policy, including determining performance measurement criteria and specific remuneration packages for Executive Directors and senior management and the level of remuneration of Non-Executive Directors.

Furthermore, the Group lays significant emphasis on appointing the right people with the right experience and expertise, whilst rewarding them adequately to ensure engagement and commitment to long-term value creation. In the same vein, the Group Remuneration Policy, endorsed by the Board, sets out rules to ensure equity, transparency and consistency run across the breadth of the Group's remuneration practices.

Please refer to Other Statutory Disclosures on page 138 for a table of total emoluments and benefits received by Directors from the Company and subsidiary companies for the year ended June 30, 2023. Non-Executive Directors received a fixed annual directorship fee only and no remuneration in the form of share options or bonuses associated with the organisation's performance. The current remuneration package of the Group CEO comprises a basic salary, an annual performance bonus and other benefits in kind. The proportion of variable pay to fixed pay is significant and aims at aligning the interests of the Group CEO to those of the Group.

Long-term Incentive Plan

The Company does not have any long-term incentive plan. A 'Performance Management System' is being designed to reward employees based on the achievement of short term and long-term objectives.

Share Option Plan

The Company does not have any Share Option Plan.

Board Evaluation

At the initiative of the Corporate Governance Committee and led by the Chairman, a Board evaluation, in the form of a questionnaire and covering, inter alia, the key aspects of the Board's function, was commissioned in June 2023. All the members of the Board were consulted and the report is being communicated to the Board in view of improving its effectiveness and its functioning.

In accordance with the Board Charter, the Board, its Committees and the Directors are assessed on a biennial basis.

Corporate governance report

6. RISK GOVERNANCE AND INTERNAL CONTROL

Risk Governance

The Group is committed to instilling a risk and performance culture. To this end, a risk governance framework is key. Our framework is detailed hereunder:



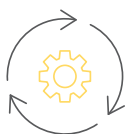
Risk Governance



The Board of Directors is responsible for the governance of risks and embeds a robust risk management framework as a core competency. The Group's internal control system is designed to manage the risk of failure to achieve business objectives. The Board is ultimately responsible for the setting up and monitoring of the risk governance process, including setting the risk appetite, and the adequacy and effectiveness of internal control systems.



The Audit and Risk Committee assists the Board in the discharge of its duties in relation to risk management and internal control respectively.



Management is responsible for implementing internal control and risk management systems under the supervision of the Audit and Risk Committee respectively to ensure their effectiveness. The aim is to ensure that the assets of the Group are safeguarded, that proper accounting records are maintained and that the strategies and policies adopted by the Board are being implemented. The Board acknowledges that the Group's systems of risk management and internal controls provide reasonable, but not absolute assurance that the Group will not be adversely affected by an event that can be reasonably foreseen.

Please refer to our Risk Report on pages 44 to 55

Insurance Coverage

The Board, via the Audit and Risk Committee, ensures that the Group's insurance policies are regularly assessed to guarantee the adequate coverage of the significant risks faced by the Group.

Internal Controls

The Board is responsible for the Group's internal control systems and for reviewing its effectiveness. The Group's internal control framework seeks to ensure the reliability of financial reporting, operations and systems whilst guaranteeing compliance with internally established policies and procedures as well as with laws, regulations and codes of business practice in order to protect the Group's assets and reputation.

The internal control framework recognises the pervasiveness of risks in our Group and is devised to tackle the key risks identified under the Enterprise Risk Management (ERM). The internal audit function thereafter assesses the effectiveness of the internal controls in mitigating those risks.

The Audit and Risk Committee assists the Board in the discharge of this responsibility and oversees the effectiveness of the Group's internal control systems. Processes are in place to monitor the effectiveness of internal controls, to identify and report any significant issues, and to ensure that timely and appropriate corrective actions are taken. In carrying out its duties, the Audit and Risk Committee receives regular reports from the internal audit function of the Group.

Whistleblowing

In view of upholding the highest level of ethical conduct, the Board has endorsed a Whistleblowing Policy to provide a framework for its employees to raise concerns about any aspect involving malpractices, without fear of reprisal or victimisation. The policy provides details of the process to follow to raise a concern, as well as the possible outcomes related thereto.

7. REPORTING WITH INTEGRITY

The Board is responsible for the preparation of an Annual Report and financial statements in accordance with applicable laws and regulations. Pursuant to the prevailing Companies Act of Mauritius, the Directors are also required to ensure that financial statements are in compliance with International Financial Reporting Standards.

The Directors are further responsible for the adequate maintenance of accounting records, which disclose at any time and with reasonable accuracy, the financial position and performance of the Company and the Group. They also have the duty to maintain an effective system of internal control and risk management to safeguard the assets of the Company and of the Group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Being a listed Company, we ensure that our stakeholders are kept fully informed about our activities and that our financial disclosures meet the highest ethical standards. This report sets out the financial, social, environmental and performance outlook relevant to the Group.

Furthermore, a soft copy of the Annual Report of the Group is available on the Company's website - www.ubp.mu.

8. AUDIT

External Audit

The Audit and Risk Committee evaluates the independence and work effectiveness of external auditors before making a recommendation to the Board for their appointment and re-appointment. The evaluation encompasses an assessment of the qualifications and performance of the auditors, the quality and integrity of the auditors' communications with the Audit and Risk Committee and the Company and the auditors' independence, objectivity and professional scepticism.

In line with the prevailing Financial Reporting Act 2004, the auditors have been rotated. The current auditors of the Company are Messrs. Deloitte Mauritius.

To further ensure that the objectivity and independence of external auditors are not compromised in the conduct of the audit, the Audit and Risk Committee approves any non-audit services provided by them, which are moreover limited to ad hoc advice and assistance.

Please refer to Other Statutory Disclosures on pages 140 and 141 for the details of the auditors' remuneration.

Corporate governance report

8. AUDIT (CONTINUED)

Internal Audit

The Group's internal audit function is responsible for providing independent, objective assurance to the Board regarding the implementation, operation and effectiveness of internal control systems, risk management and governance of the Group. The objective is to ascertain the extent of compliance with procedures, policies, regulations and legislation, using a risk-based approach and to recommend improvements in control, performance and productivity within the Group. The Audit and Risk Committee monitors the independence and the objectivity of the internal audit function.

The Board relies on the internal and external audit functions to report on any weaknesses and to make recommendations via the Audit and Risk Committee. The objective is to ensure the effective and efficient use of available resources and ascertain the accuracy of information used in the preparation of financial statements. No restrictions are placed over the right of access by the internal auditor to the records, the management and/or the employees of the Group.

Further to the assessment of their expertise and independence, Messrs BDO & Co. were engaged in FY2022 to conduct the internal audit of the Group. The methodology used is based on the selection of specific business cycles, the identification of inherent risks, the verification of key controls in place in view of eliminating or reducing the risks to an acceptable level, the verification of the said controls to ensure that they are operating satisfactorily, the performance of walk-through tests on procedures and processes and the formulation of necessary recommendations to management for the implementation of correction action plans.

The report issued by the internal auditor during the year under review relates to a high level review of financial controls at Premix Ltd (previously Pre-Mixed Concrete Limited) in view of its integration within the Group and the replacement of its IT (operations and accounting) systems. In June 2023, a new mission was kick-started at our engineering division. The objective of this review is to thoroughly assess the adequacy and effectiveness of the controls implemented around the equipment maintenance processes at UBP and to assess the adequacy of processes and controls over equipment maintenance including preventive/planned maintenance and unscheduled repairs. The mission scope also includes the review of controls around maintenance costs, an evaluation of the use of technology within the current processes, an assessment of the adequacy of controls over the supplies/part inventory, a review of contract management with key suppliers for repairs and/or maintenance, a review of pricing and the allocation of spare parts, and a review of the overall efficiency level within the processes around equipment maintenance/repairs.

This year again, no financial issues were identified which would materially affect the figures reported in the financial statements. The recommendations are gradually being implemented by management under the close follow-up of the internal auditor.

9. RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

Key Stakeholders of the Group

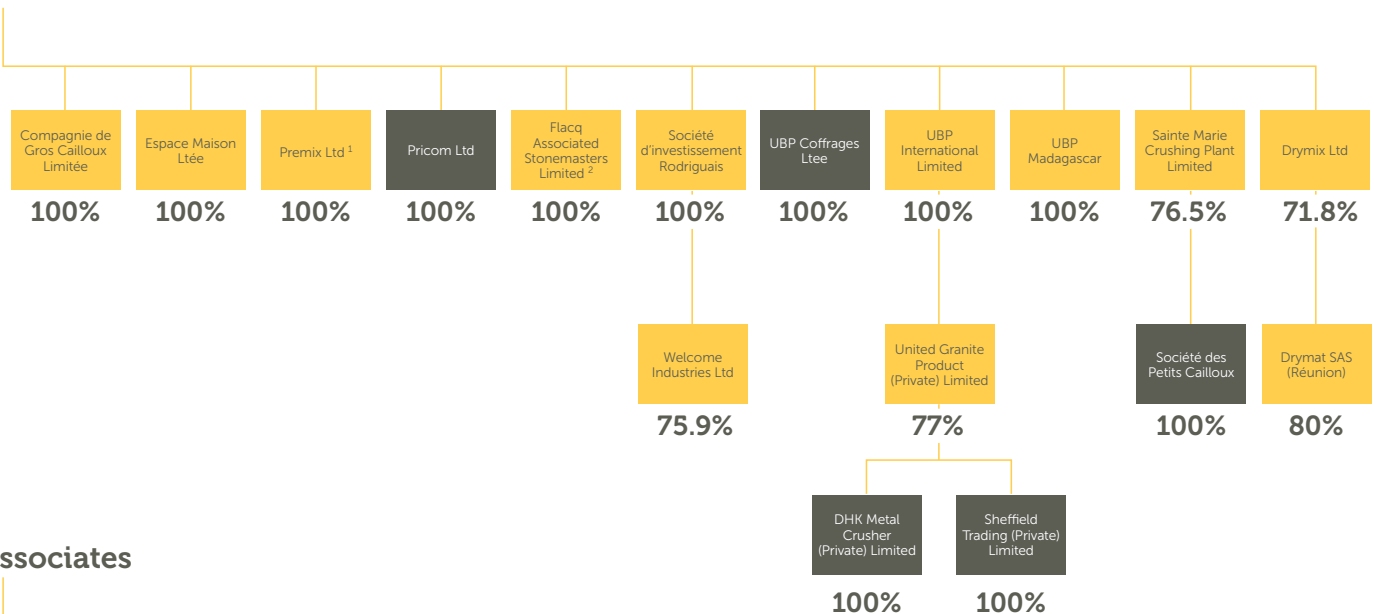
In line with its values, the Company fully engages itself towards responding to its different stakeholders' expectations and taking on board their interests in the decision-making process.

Shareholding Structure

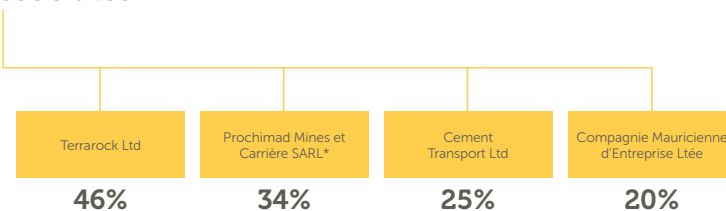
The shareholding structure of the Group at June 30, 2023 is as detailed hereunder:

The United Basalt Products Limited

Subsidiaries



Associates



¹ The Company changed its name from Pre-Mixed Concrete Limited to Premix Ltd on January 10, 2023.

² The Group increased its stake in this entity to 100% by acquiring 90.53% of its shares in March 2023.

Corporate governance report

9. RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS (CONTINUED)

The share capital of the Company amounts to Rs 265,100,420 made up of 26,510,042 ordinary shares of no par value.

The Company has as Holding Company, IBL Ltd, incorporated in Mauritius.

Common Directors

The list of common Directors with the shareholder companies holding more than 5% of the share capital of the Company at June 30, 2023 was as follows:

Directors	UBP	IBL Ltd
Jan Boullé	•	•
Stéphane Lagesse*	•	•
Thierry Lagesse	•	•

* Alternate to Mr Thierry Lagesse on the Board of Directors of IBL Ltd.

Substantial Shareholders

The shareholders holding more than 5% of the share capital of the Company at June 30, 2023 were as follows:

Shareholders	Number of shares	% Holding
IBL Ltd	8,785,100	33.14
The National Pensions Fund	1,398,175	5.27

Except for the above, no other entity or individual had an interest of 5% or more in the ordinary share capital of the Company.

Shareholding Profile

The share ownership and categories of shareholders at June 30, 2023 were as follows:

Size of shareholding	Number of shareholders	Number of shares owned	Percentage (%)
1 - 500	3,218	291,177	1.09
501 - 1,000	357	262,614	0.99
1,001 - 5,000	688	1,608,239	6.06
5,001 - 10,000	195	1,397,433	5.27
10,001 - 50,000	219	4,418,674	16.67
50,001 - 100,000	38	2,667,829	10.06
100,001 - 250,000	20	2,993,473	11.29
250,001 - 1,000,000	6	2,687,328	10.14
Over 1,000,000	2	10,183,275	38.42
Total	4,743	26,510,042	100.00

Category of shareholders	Number of shareholders	Number of shares owned	Percentage (%)
Individuals	4,328	7,456,531	28.12
Insurance and assurance companies	10	415,089	1.57
Investment and trust companies	27	463,134	1.75
Other corporate bodies	271	13,108,189	49.45
Pension and provident funds	107	5,067,099	19.11
Total	4,743	26,510,042	100.00

In accordance with the Listing Rules of the Stock Exchange of Mauritius Ltd, at least 25% of the shareholding of the Company is in public hands.

Share Registry and Transfer Office

The Company's Share Registry and Transfer Office is outsourced to DTOS Registry Services Ltd.

Total Shareholders' Return

		2019	2020	2021	2022	2023
Share price at the end of the current financial year	Rs	131.25	128.50	144.75	139.00	100.00
Share price at the end of the previous financial year	Rs	125.50	131.25	128.50	144.75	139.00
Increase/(decrease) in share price	Rs	5.75	(2.75)	16.25	(5.75)	(39.00)
Dividend per share	Rs	3.80	1.90	3.00	3.00	0.00
Total return per share	Rs	9.55	(0.85)	19.25	(2.75)	(39.00)
Total return based on previous year's share price	%	7.61	(0.65)	14.98	(1.89)	(28.06)

Dividend Policy

The Company has no formal set dividend policy. The payment of dividend is subject to the Company's performance, its cash flow position, its capital expenditure and debt servicing requirements, as well as its foreseeable investments and growth opportunities. In so doing, the Board of Directors attempts to distribute a yearly dividend which, under normal circumstances, should remain sustainable in the medium to long term.

No dividend was declared in respect of FY2023 (FY2022: Rs 3.00)

Please refer to Financial Highlights and Ratios on pages 8 and 9 for indicators and dividends paid per ordinary share over the past five years to June 30, 2023.

Shareholders' Agreement

At the time of writing, there is no shareholders' agreement to the knowledge of the Company.

Corporate governance report

9. RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS (CONTINUED)

Annual Meeting of Shareholders

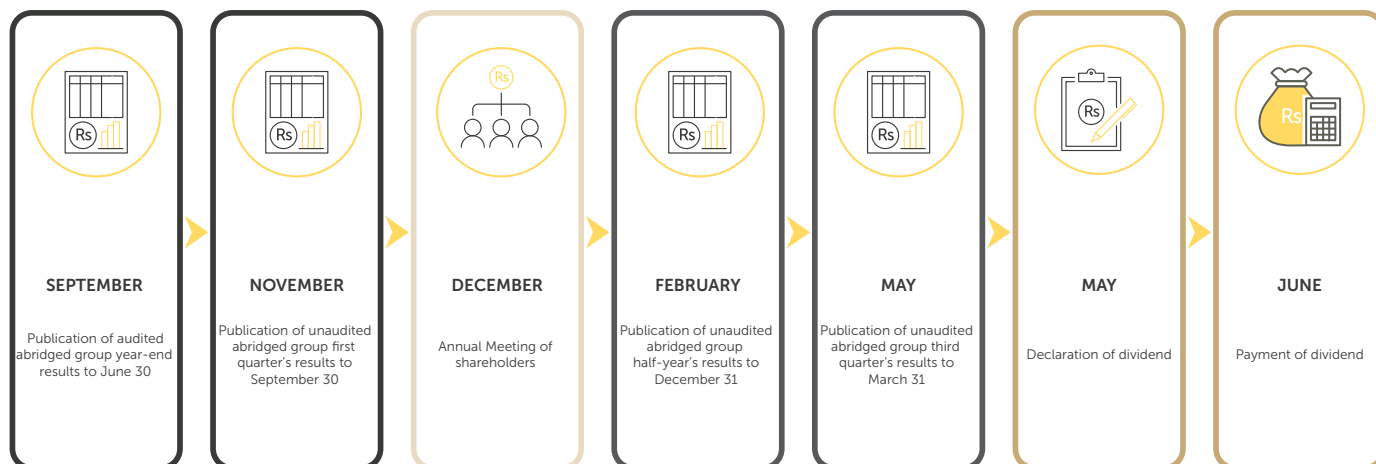
The Company's Annual Meeting is the main forum where the shareholders exercise their rights to decide on the Company's affairs and receive direct feedback from Board members. The external auditors also attend the meeting.

Shareholders are also informed in a timely manner of any relevant information concerning the Company and the Group such that they are able to take decisions in full awareness of their implications. These communications are made either by announcements in the press, the publication of quarterly abridged group financial statements and disclosures in the Annual Report.

Shareholders' Calendar of Events

Further to the financial year-end in June, the calendar of key events is as follows:

Shareholders' Calendar of Events



Other statutory disclosures

(Pursuant to Section 221 of the Companies Act 2001)

ACTIVITIES

The principal activity of the Group remains the manufacture and sale of building materials which consist mainly of our core products: aggregates, rocksand and concrete blocks. Other products include precast concrete slabs, ready-to-use dry mortar, various concrete building components including paving-blocks and roof tiles, ready-mixed concrete, imported floor and wall tiles, sanitary ware and a complete range of home building and decorating products, fittings, tools and garden accessories. Services rendered consist mainly of engineering works by the Company's workshop and contracting services.

The Group is also involved in sugar cane cultivation, the sale of agricultural products, landscaping services and leisure activities through one of its subsidiaries.

Besides Mauritius, the Group is present in Rodrigues, Madagascar, Sri Lanka and Reunion Island.

DIRECTORS

Members of the Board of Directors at June 30, 2023 were:

THE COMPANY¹

Messrs:	Jean-Claude Béga ² – Chairman
	Jan Boullé
	Stéphane Brossard
Mrs:	Catherine Gris
Messrs:	Stéphane Lagesse
	Thierry Lagesse
Mrs:	Christine Marot
Mrs:	Kalindee Ramdhonee
Messrs:	Christophe Quevauvilliers
	Stéphane Ulcoq

1. Mr François Boullé resigned as Director and Chairman of the Risk Monitoring Committee of the Company on December 31, 2022.
2. Mr Jean-Claude Béga was appointed as Chairman of the Board and as member of the Corporate Governance Committee of the Company effective on July 01, 2022.

Other statutory disclosures

(Pursuant to Section 221 of the Companies Act 2001)

DIRECTORS (CONTINUED)

Subsidiary Companies

1. Espace Maison Ltée¹

Messrs: Jean-Claude Béga
Christophe Quevauvilliers²
Stéphane Ulcoq

1. Mr Thierry Lagesse resigned as Director and Chairman on December 08, 2022.
1. Mr François Boullé, Mr Jan Boullé and Mr Stéphane Lagesse resigned as Directors on December 08, 2022.
2. Mr Christophe Quevauvilliers was appointed as Director on December 08, 2022.

2. Compagnie de Gros Cailloux Limitée¹

Messrs: Jean-Claude Béga²
Christophe Quevauvilliers
Stéphane Ulcoq

1. Messrs Thierry Lagesse and François Boullé resigned as Directors on December 08, 2022.
2. Mr Jean-Claude Béga was appointed as Director on December 08, 2022.

3. UBP Coffrages Ltée

Messrs: Laurent Béga
Bryan Gujjalu
Christophe Quevauvilliers

4. Welcome Industries Limited¹

Messrs: Jean Claude Béga²
Christophe Quevauvilliers
Stéphane Ulcoq

1. Mr Thierry Lagesse resigned as Director on December 08, 2022.
2. Mr Jean-Claude Béga was appointed as Director on February 10, 2023.

5. UBP International Limited

Messrs: Jean-Claude Béga¹
Stéphane Ulcoq

1. Mr Jean-Claude Béga was appointed as Director on February 10, 2023 in replacement of Mr Thierry Lagesse who resigned as Director on December 08, 2022

6. UBP Madagascar

Mr: Roland Fok Seung (Gérant)

7. United Granite Products (Private) Limited

Messrs: Christophe Quevauvilliers
Stéphane Ulcoq

8. Sainte Marie Crushing Plant Limited

Messrs: Stéphane Ulcoq - Chairman
Bryan Gujjalu¹
Christophe Quevauvilliers
Thierry Sauzier

1. Mr Bryan Gujjalu was appointed as Director on February 10, 2023 in replacement of Mr Thierry Lagesse who resigned as Director on December 08, 2022.

9. Drymix Ltd

Messrs : Jean Claude Béga¹ – Chairman
Eric Adam² – alternate: Mr Guillaume Jauffret³
Jean-Jacques Jullienne – alternate: Mr Bryan Gujjalu⁴
Colin Taylor – alternate: Mr Gaetan Ah Kang⁵
Christophe Quevauvilliers⁶
Stéphane Ulcoq

1. Mr Jean-Claude Béga was appointed Director on November 14, 2022.
2. Mr Eric Adam resigned as alternate Director of Mr Colin Taylor and was appointed full-fledged Director on November 14, 2022
3. Mr Guillaume Jauffret was appointed as alternate Director to Mr Eric Adam on November 14, 2022.
4. Mr Bryan Gujjalu was appointed as alternate Director to Mr Jean-Jacques Jullienne on November 14, 2022.
5. Mr Gaetan Ah Kang was appointed as alternate Director to Mr Colin Taylor on November 14, 2022.
6. Mr Christophe Quevauvilliers resigned as alternate Director to Mr Jean-Jacques Jullienne and was appointed full-fledged Director on November 14, 2022

10. Premix Ltd¹

Messrs: Jean-Claude Béga²
Christophe Quevauvilliers
Stéphane Ulcoq

1. Mr Thierry Lagesse resigned as Director on December 08, 2022.
2. Mr Jean-Claude Béga was appointed as Director on December 08, 2022.

11. Pricom Ltd¹

Messrs: Christophe Quevauvilliers
Stéphane Ulcoq

1. Mr Thierry Lagesse resigned as Director on December 08, 2022.

12. Flacq Associated Stonemasters Limited

Messrs: Christophe Quevauvilliers
Stéphane Ulcoq

Mr Jean Claude Béga was appointed as Director on August 25, 2023.

DIRECTORS' REMUNERATION AND BENEFITS

The remuneration and benefits received by the Directors, for the year ended June 30, 2023, from the Company and its subsidiary companies, were as follows:

REMUNERATION AND BENEFITS RECEIVED	FROM THE COMPANY	FROM SUBSIDIARIES
Non-Executive Directors		
Jean-Claude Béga	*1,087,708	-
François Boullé ¹	170,000	66,346
Jan Boullé ²	*287,500	-
Stéphane Brossard	516,635	15,000
Catherine Gris	395,000	-
Stéphane Lagesse	250,000	53,076
Thierry Lagesse ³	285,417	296,346
Christine Marot	*407,500	-
Kalindee Ramdhonee	490,817	-
Executive Directors		
Stéphane Ulcoq (Group CEO)	10,779,930	40,000
Christophe Quevauvilliers (Group CFO)	6,086,950	40,000

1. Mr François Boullé resigned as Director and Chairman of the Risk Monitoring Committee of the Company on December 31, 2022

2. Mr Jan Boullé was appointed as member of the Corporate Governance Committee on February 03, 2023.

3. Mr Thierry Lagesse resigned as member of the Corporate Governance Committee on February 03, 2023.

* The fees payable to Mrs Christine Marot and Messrs Jean-Claude Béga and Jan Boullé are paid to IBL Ltd.

Other statutory disclosures

(Pursuant to Section 221 of the Companies Act 2001)

DIRECTORS' AND SENIOR OFFICERS' INTERESTS IN SHARES

The Directors' and Senior Officers' interests in the ordinary shares of the Company at June 30, 2023 were as follows:

Directors	Category	Ordinary shares			
		Direct		Indirect	
		Number	%	Number	%
Jean-Claude Béga - Chairman	NED	-	-	1,073	0.004
Jan Boullé	NED	-	-	11,484	0.043
Stéphane Brossard	INED	-	-	-	-
Catherine Gris	INED	1,500	0.006	-	-
Stéphane Lagesse	NED	218	0.001	45,137	0.170
Thierry Lagesse	NED	2,136	0.008	45,137	0.170
Christine Marot	NED	-	-	-	-
Christophe Quevauvilliers	ED	600	0.002	12	0.000
Kalindee Ramdhonee	INED	-	-	-	-
Stéphane Ulcoq	ED	-	-	-	-

ED – Executive Director

NED – Non-Executive Director

INED - Independent Non-Executive Director

Senior Officers	Position held	Direct		Indirect	
		Number	%	Number	%
Vikram Gunnoo	General Manager of Premix Ltd	72	0.000	-	-
Bruno de Spéville	Marbella Manager	227	0.001	-	-

None of the Directors and Senior Officers of the Company had an interest in the shares of the subsidiary companies.

DIRECTORS' SERVICE CONTRACTS

Except for Messrs Stéphane Ulcoq and Christophe Quevauvilliers, who each have a contract of employment with the Company, there is no service contract between the Company and any of the Directors.

DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNIFICATION

The Directors and the Company Secretary benefit from an indemnity insurance cover for liabilities incurred while performing their duties, to the extent permitted by law.

SHAREHOLDERS

Substantial Shareholders

The shareholders holding more than 5% of the share capital of the Company at June 30, 2023 were as follows:

Shareholders	Number of shares	% Holding
IBL Ltd	8,785,100	33.14
The National Pensions Fund	1,398,175	5.27

Except for the above, no other entity or individual had an interest of 5% or more in the ordinary share capital of the Company.

CONTRACTS OF SIGNIFICANCE

No Director or any substantial shareholder had a material interest, either directly or indirectly, in a contract of significance entered into by the Company or its subsidiaries.

Other statutory disclosures

(Pursuant to Section 221 of the Companies Act 2001)

DONATIONS

The Company and its subsidiary companies have donated Rs 777,738 during the year ended June 30, 2023 (2022: Rs 620,066) out of which none (2022: nil) were political donations. The details of the donation are as follows:

Name of Company	Amount (Rs)
The Company	155,000
Espace Maison Ltée	31,787
Compagnie de Gros Cailloux Limitée	205,951
Drymix Ltd	276,000
Welcome Industries Limited	74,000
Premix Ltd	35,000
Total	777,738

AUDITOR'S REMUNERATION

The auditors' remuneration for the FY2023 was as detailed in the table below:

	THE GROUP		THE COMPANY	
	2023 Rs'000	2022 Rs'000	2023 Rs'000	2022 Rs'000
Audit fees :				
Deloitte	5,476	3,801	1,905	1,549
Other firms	611	468	-	-
Non-audit fees :				
Deloitte	-	-	-	-
Other firms	1,225	2,547	925	1,454

Non-audit fees of Rs 474,540 (2022: Rs 414,820) were paid by the Group to Ernst & Young for tax services.

Non-audit fees of Rs 25,000 (2022: Rs 40,000) were paid by the Group to BDO for tax services.

Non-audit fees of Rs 175,000 (2022: Rs 125,000) were paid by the Company to Ernst & Young for the purchase price allocation in relation to the acquisition of Premix.

Non-audit fees of Rs 550,000 (2022: Rs nil) were paid by the Company to Ernst & Young for the purchase price allocation in relation to the acquisition of FAST.

Internal audit fees of Rs 871,000 were paid by the Group to BDO in 2022.

Consultancy fees of Rs 1,096,000 were paid by the Group to Ernst & Young in 2022.

The auditors' remuneration for our subsidiary companies for the FY2023 was as detailed in the tables below:

	SMPCL		Welcome		EML		UBPI	
	2023 Rs	2022 Rs	2023 Rs	2022 Rs	2023 Rs	2022 Rs	2023 Rs	2022 Rs
Audit fees - Deloitte	316,700	257,000	313,500	255,000	795,000	646,000	-	-
Non-audit fees : Tax – Ernst & Young	43,000	39,500	11,000	11,000	55,000	47,000	1,000	1,000

	CGX		UGPL		UBPM		Drymix	
	2023 Rs	2022 Rs	2023 Rs	2022 Rs	2023 Rs	2022 Rs	2023 Rs	2022 Rs
Audit - Delta	-	-	-	-	401,447	226,000	-	-
Audit fees - Deloitte	769,300	625,000	124,069	101,034	-	-	452,600	368,000
Non-audit fees : Tax – Ernst & Young	20,000	17,500	30,540	43,070	-	-	57,000	53,750

	Premix		UBPC		FAST	
	2023 Rs	2022 Rs	2023 Rs	2022 Rs	2023 Rs	2022 Rs
Audit fees - Deloitte	800,000	-	-	-	-	-
Audit fees - Mazars	-	242,000	-	-	-	-
Audit fees - RSM	-	-	-	-	210,000	-
Non-audit fees : Tax – Ernst & Young	-	-	5,000	5,000	48,000	-
Non Audit fees : Tax – BDO	25,000	40,000	-	-	-	-

- | | |
|------------|--|
| 1. SMPCL | Sainte Marie Crushing Plant Limited |
| 2. Welcome | Welcome Industries Limited |
| 3. EML | Espace Maison Ltée |
| 4. UBPI | UBP International Ltd |
| 5. CGX | Compagnie de Gros Cailloux Limitée |
| 6. UBPM | UBP Madagascar |
| 7. UGPL | United Granite Product (Private) Limited |
| 8. Drymix | Drymix Ltd |
| 9. Premix | Premix Ltd |
| 10. UBPC | UBP Coffrages Ltée |
| 11. FAST | Flacq Associated Stonemasters Limited |

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED JUNE 30, 2023

Statement of Directors' responsibilities in respect of the preparation of financial statements and internal control

The Directors are responsible for the preparation of financial statements which give a true and fair view of the financial position, financial performance and cash flows of the Company. In so doing, they are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the provisions of the Companies Act 2001 and the International Financial Reporting Standards (IFRS), and explain any material departure thereto;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business in the foreseeable future.

The Directors are also responsible for the proper maintenance of accounting records which disclose at any time and with reasonable accuracy, the financial position and performance of the Company. They are also responsible for maintaining an effective system of internal control and risk management, for safeguarding the assets of the Company and for taking all reasonable steps to prevent and detect fraud and other irregularities.

The Directors acknowledge that they have exercised their responsibilities as described above and confirm that they have complied with the above requirements in preparing the financial statements for the year ended June 30, 2023. They also acknowledge the responsibility of the external auditors to report on these financial statements and to express an opinion as to whether they are fairly presented. They further acknowledge that they have ensured compliance to the Code of Corporate Governance (the "Code").

The Directors confirm that there is an outsourced internal audit function. The Board also confirm that proper accounting records have been maintained during the year ended June 30, 2023 and that nothing has come to their attention which could indicate any material breakdown in the functioning of the internal control system and have a material impact on the trading and financial position of the Company.

On behalf of the Board



Jean-Claude Béga
Chairman



Stéphane Ulcoq
Group CEO

September 27, 2023

COMPANY SECRETARY'S CERTIFICATE FOR THE YEAR ENDED JUNE 30, 2023

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



Christophe Quevauvilliers
Company Secretary

September 27, 2023