



# *Rogers*

Energy drives  
sustainability.

INTEGRATED REPORT

# 2018

# Rogers at a Glance



## Our Group

Stepping into its 120<sup>th</sup> year of operations, Rogers and Company Limited positions itself as a listed international services and investment company. We are acknowledged for our pioneering and leading contribution to the economic development in Mauritius and strive towards sustainability. We are also a prominent employer in the services sectors in Mauritius with a strong emphasis on the value of our social and natural capital.

## Our edge

Over the years, we have built a sound asset base as well as a quality network of contacts and partners. The expertise of our united, competent and balanced team is widely recognised and our Group maintains a significant market share in each of our served markets.

## Our capabilities

Our domestic and international operations are spread across four served markets: FinTech, Hospitality, Logistics and Property. We have extensive specialist expertise in these markets and all the businesses within our different sectors have a strong leading industry position.

## Our values

Leadership, Dynamism and Agility are the core values that are embedded in our every action. It is fundamental in the way we conduct business and engage with our stakeholders. We uphold the belief that Energy drives everything within our Group, from Dynamism to Inspiration, Agility, Performance, Sustainability and Happiness.

Total revenue

Rs m

9,472  
(↑9%)

EBITDA\*

Rs m

2,065  
(↑2%)

PAT\*

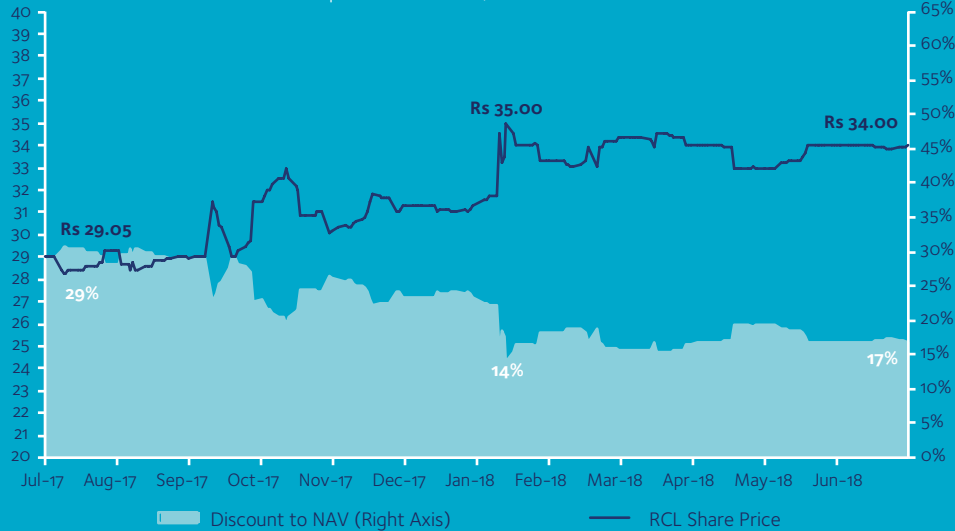
Rs m

901  
(↓6%)

\* Excluding exceptional items

## Evolution of Share Price & Discount to NAV

Market capitalisation of Rs 8,570m as at 30 June 2018



## Total Assets

Rs m

33,608

(↑7%)

DPS  
Rs

0.97

(↑5%)

EPS\*  
Rs

1.58

(↑20%)

\* Excluding exceptional items

## Demographics\*\*

5,013

Employees

110

Workplaces

16

Nationalities

13

Countries

4

Served Markets

### Geography

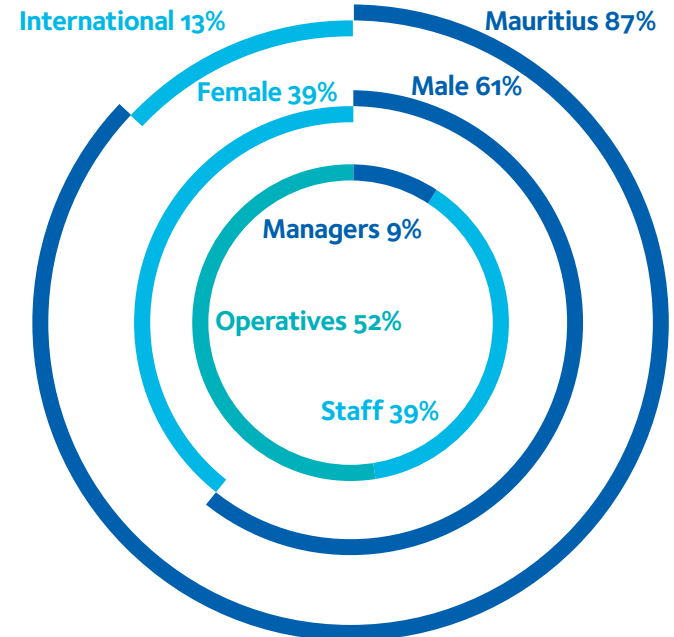
Mauritius	International
4,360	653

### Gender

Male	Female
3,076	1,937

### Category

Managers	Staff	Operatives
461	1,943	2,609



\*\* Excluding associates



# International Presence



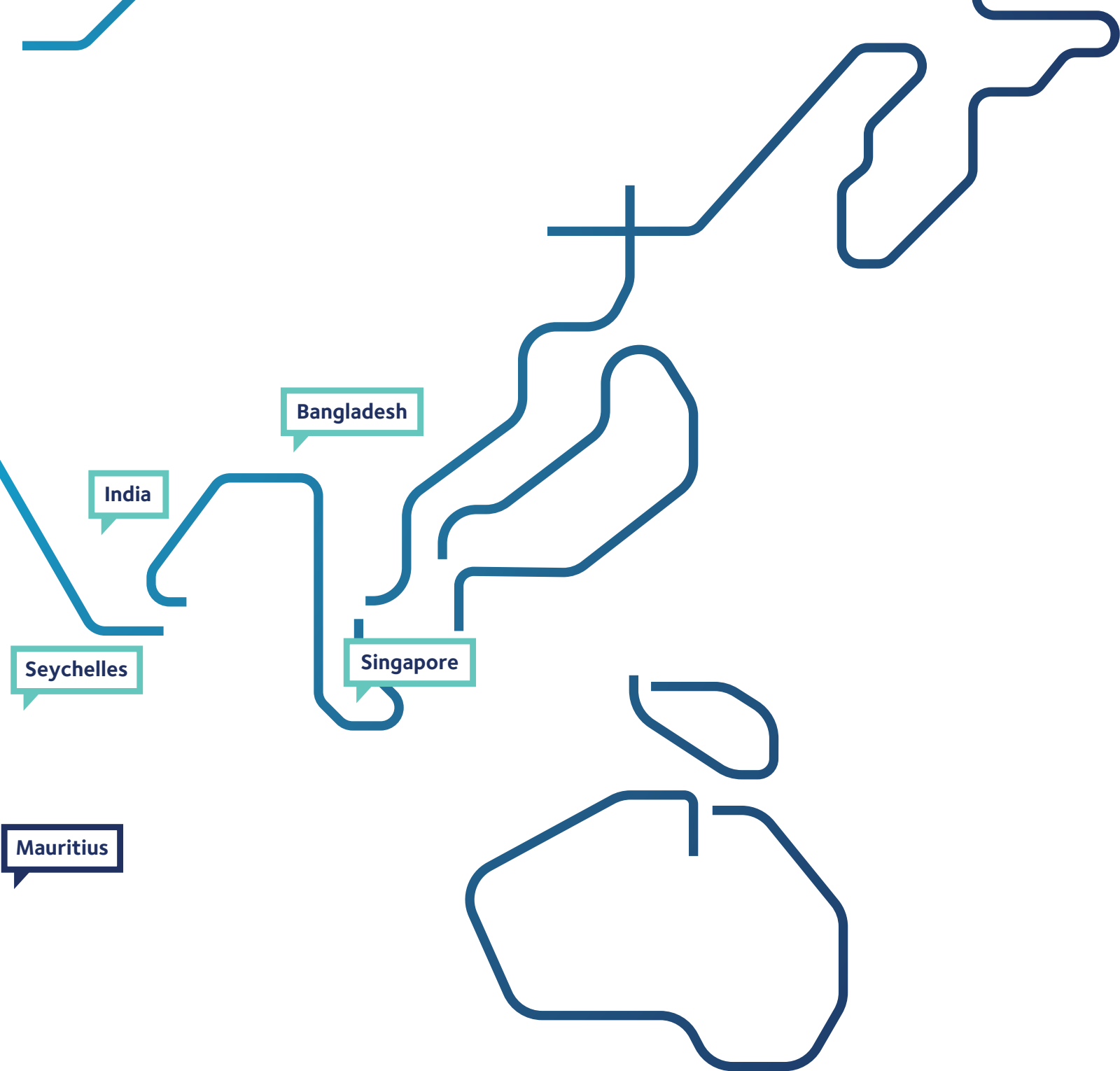
With just over 120 years of existence, Rogers has a strong international presence.\*

The Rogers brand is present worldwide:

- **Rogers Capital** has four overseas desks focusing on Africa, India, France and China and three representative offices in South Africa, Singapore and Seychelles;
- **VLH** currently has sales teams in France, UK and Germany;
- **Rogers Aviation** has six offices abroad: Comoros, Madagascar, Mozambique, Mayotte, Reunion Island and South Africa; and
- **Velogic**'s offices are present in well-established strategic locations such as Reunion Island, Madagascar, Kenya, France, India and Singapore. Velogic has a franchise office in Bangladesh and it also represents the UPS brand through agents in Seychelles, Comoros and Mayotte.

\* Including associates





# Group Structure



## FINTECH



## HOSPITALITY

SERVED MARKETS	FINTECH	HOSPITALITY
	<ul style="list-style-type: none"> <li>Operating under the Rogers Capital brand, our FinTech platform provides services in three sectors.</li> <li>Rogers also directly holds a 29.37% stake in Swan General and a 20% holding in Swan Financial Solutions.</li> </ul>	<ul style="list-style-type: none"> <li>The Hospitality served market provides a vertical integration of services which includes Hotels, Travel and Leisure.</li> <li>Through our operations in VLH and a 22.98% equity investment in NMH, Rogers is a major player in the tourism industry, accounting for more than 20% of total rooms available in Mauritius.</li> </ul>
	<b>Corporate Services</b> <b>Technology Services</b> <b>Financial Services</b>	<b>Hotels</b> <b>Travel</b> <b>Leisure</b>
	<b>Rogers Capital</b>	<b>Veranda Leisure &amp; Hospitality</b> <b>Rogers Aviation</b> <b>Island Living</b>
KEY INVESTMENTS	Swan General Swan Financial Solutions	New Mauritius Hotels Air Mauritius Mautourco



## LOGISTICS

- Our Logistics arm, Velogic provides an integrated logistics platform with services consolidated under Port and Haulage Services, Freight Forwarding, Shipping and Sugar Packaging.

### Logistics Solutions

#### Velogic



## PROPERTY

- The property portfolio includes our 36.25% equity investment in Ascencia, the largest property fund listed on the Stock Exchange of Mauritius, as well as our agricultural, property and leisure activities carried out in Heritage Bel Ombre.

### Property Investments Property Development & Agribusiness

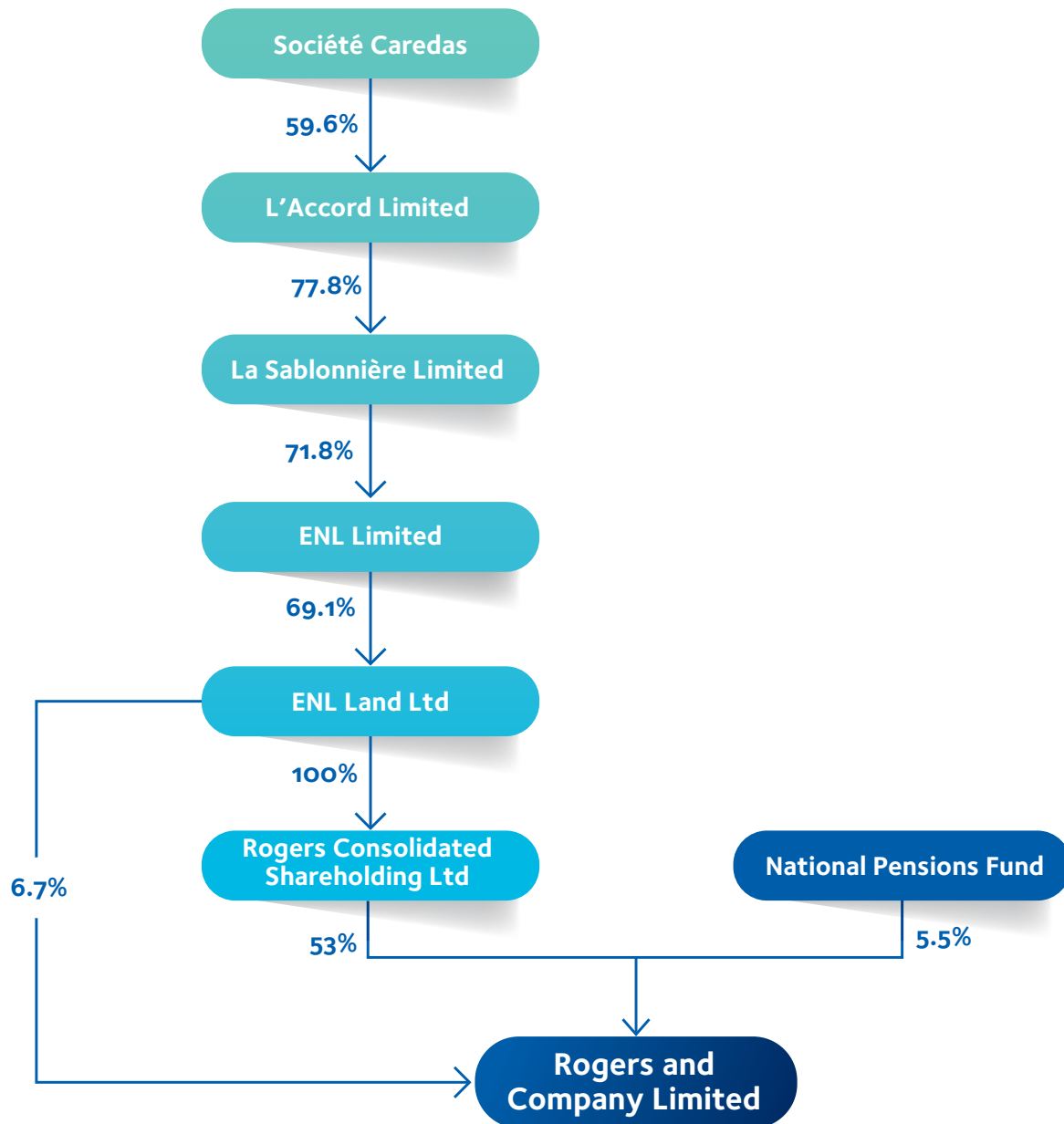
#### Ascencia Compagnie Sucrière de Bel Ombre Les Villas de Bel Ombre

Moka City  
Le Morne Development  
Corporation ('LMDC')



# Shareholding Structure

as at 30 June 2018









# Value Creation Map

## Financial



- Equity raising
- Debt financing
- Reinvestment

## Human



- Strong leadership team
- Skills and career development
- Engaged workforce

## Intellectual



- Culture shaping
- Brand and reputation
- Systems

## STRATEGIC MAP

### BUILDING A LEADING SERVICES AND INVESTMENT BUSINESS FOCUSED ON FOUR SERVED MARKETS

#### Served Markets Strategic Objectives

#### Achievements in 2017-18

 <b>FinTech</b>	<p><b>Expand FinTech services with new credit offering and innovative solutions.</b></p> <p><b>Corporate Services</b></p> <ul style="list-style-type: none"> <li>• Acquisition of Globefin Management Services;</li> <li>• Launch of a China desk;</li> <li>• Launch of French payroll and HR services.</li> </ul> <p><b>Financial Services</b></p> <ul style="list-style-type: none"> <li>• Successful go-to-market on Hire Purchase, Leasing &amp; Loans;</li> <li>• Fund management of largest listed property fund, Ascencia.</li> </ul> <p><b>Technology Services</b></p> <ul style="list-style-type: none"> <li>• Successful ERP systems integration in public sector;</li> <li>• National engagement survey powered by Rogers Capital Technology Services ('RCTS');</li> <li>• New digital capability.</li> </ul>
 <b>Hospitality</b>	<p><b>Enhance the customer experience and scale-up of our Leisure &amp; Hotel businesses.</b></p> <p><b>Hotels</b></p> <ul style="list-style-type: none"> <li>• Launch of new Heritage brand for Bel Ombre activities;</li> <li>• Renovations completed for Heritage Le Telfair, Heritage Awali, Heritage Le Château and Veranda Paul et Virginie;</li> <li>• A successful beach erosion containment and lagoon protection in Bel Ombre;</li> <li>• Successful reopening and repositioning of Veranda Paul et Virginie as a 4-star;</li> <li>• Successful AfrAsia Bank Mauritius Open in November 2017 at Heritage Resorts providing huge international visibility to Heritage Resorts, Bel Ombre and Mauritius.</li> </ul> <p><b>Travel</b></p> <ul style="list-style-type: none"> <li>• Consolidation of ground handling activities in Mozambique and Madagascar;</li> <li>• Launch of the new online tour operating concept, Islandian;</li> <li>• Turnaround of BlueSky Reunion;</li> <li>• New GSA representations in Mauritius and Mozambique.</li> </ul> <p><b>Leisure</b></p> <ul style="list-style-type: none"> <li>• Creation of Leisure pole with acquisition of Island Living and its minority stakes in Voilà Hotel and Seafood Basket;</li> <li>• Cap D'Abondance has now taken over the management of Compagnie Sucrière de Bel Ombre ('CSBO') and Case Noyale's leisure activities;</li> <li>• Continued good performance of "Quick Service Restaurant" ('QSR') brands;</li> <li>• Year-on-year growth for select service, mid-scale Voilà Hotels brand.</li> </ul>
 <b>Logistics</b>	<p><b>Improve performance of our existing service lines.</b></p> <p><b>Logistics</b></p> <ul style="list-style-type: none"> <li>• Completion of transition of the new regional courier representation;</li> <li>• Launch of freight forwarding business in Kenya.</li> </ul>
 <b>Property</b>	<p><b>Re-invent our Agribusiness operations.</b></p> <p><b>Consolidate Ascencia's portfolio in the retail segment and secure new avenues of expansion.</b></p> <p><b>Property Investments - Ascencia</b></p> <ul style="list-style-type: none"> <li>• Roll-out of new brand identity;</li> <li>• Opening of So'flo Mall in November 2017;</li> <li>• Entry of Atterbury Consortium (Pty) Mauritius into the share capital of Ascencia;</li> <li>• Installation of photovoltaic farms with capacity of 3 MW at Phoenix Mall.</li> </ul> <p><b>Property Development &amp; Agribusiness</b></p> <ul style="list-style-type: none"> <li>• Launch of an umbrella brand for the Bel Ombre destination;</li> <li>• Execution of land sale;</li> <li>• Initiation of turnaround plan;</li> <li>• Transfer of leisure properties for management by Island Living.</li> </ul>

### STRATEGIC PILLARS: COMPETITIVENESS, PREDICTABILITY AND GROWTH

### GROUP LEVERAGE: BRANDING, CORPORATE GOVERNANCE, FINANCING, LEADERSHIP, RISK MANAGEMENT & VALUES

## Financial



- Access to competitive financial capital
- Optimisation of resources towards served markets
- Delivering shareholder return

## Human



- Top-of-mind employer
- People development (skilled and engaged employee base)
- Positive and empowering climate

## Intellectual



- Enabling organisation culture which drives Leadership, Agility and Dynamism
- Strong brand image
- Robust systems supporting our operations



## Social & Natural



- Customer relationships
- Stakeholders' confidence
- Corporate Social Responsibility

### Targets in 2018-19

#### Corporate Services

- Representative offices in India and France;
- Fully licenced management company in Seychelles.

#### Technology Services

- New commercial and development plan;
- New high value offering in Information Security;

#### Hotels

- Renovation (started April 2018) and relaunch of Veranda Tamarin (reopening 01 November 2018);
- Start construction of Heritage second 18-hole signature golf course and sales of memberships;
- Completion of inventory growth opportunities in Mauritius and the region;
- Experience enhancement projects at Heritage C Beach Club, Heritage Le Château, Heritage Le Telfair and Heritage Awali;
- Initiation of Bel Ombre Voluntary Marine Conservation Area (VMCA);
- Creation of Heritage Hotel School in Bel Ombre;
- Guest experience enrichment at Heritage Bel Ombre with new activities, product offerings and events.

#### Logistics

- Completion of turnarounds for the Haulage and France businesses;
- Expansion in East Africa;
- Continued development of the regional courier business.

#### Property Investments - Ascencia

- Extension of Bagatelle Mall;
- Construction of mall at Beau Vallon (projected 10,000 sqm);
- Carry on with green mall campaigns.

#### Financial Services

- Introduction of factoring services and further digitalisation of consumer finance offerings;
- Launch of an electronic payment solution (subject to regulatory approvals);
- Corporate advisory for Global Business customers.

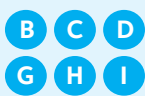
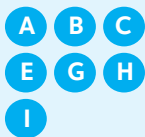
#### Travel

- Opening of new territory for GSA;
- Repositioning of BlueSky lounge for leisure travel;
- Leverage on Amex franchise for corporate travel;
- Revamping of experiences for boat activities;
- Expansion of ground handling activities in Africa.

#### Leisure

- Launch of Domino's Pizza brand;
- Launch of Seeloy Island Clubs brand;
- Implementation of online bookings for destination restaurants and leisure brands;
- Point of sale upgrade;
- Upgrading of digital dashboards.

Main Risks impacting objectives (Refer to page 75)



## Social & Natural



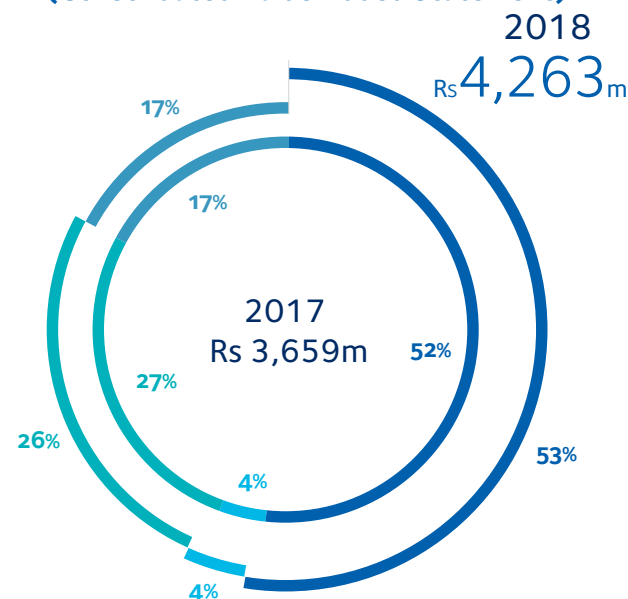
- Sustainable protection of natural resources
- Focused support and monitoring of projects
- Caring community development

## VALUE IN

## VALUE OUT

## OUTCOMES

### (Consolidated Value Added Statement)



Rs m

	2018	2017 Restated
Revenue	9,472	8,663
Bought-in materials & services	(5,209)	(5,004)
Total value added	4,263	3,659

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Bought-in materials & services	(5,209)	(5,004)
Total value added	4,263	3,659

### EMPLOYEES, 53%

Wages, salaries, bonuses, pensions & other benefits	2,253	1,908
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### GOVERNMENT, 4%

Income Tax	190	165
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### PROVIDERS OF CAPITAL, 26%

Dividends paid to:



- Shareholders of Rogers and Company Limited	245	232
- Outside shareholders of Subsidiary Companies	291	215
Banks & other lenders	550	539

### REINVESTED, 17%

Depreciation & amortisation	424	353
Retained Profit	310	247

Note: The above statement excludes any amount of Value Added tax paid or collected.

# Stakeholder Engagement

Stakeholders	Expectations	Response
 <b>Shareholders, Investors, Regulatory bodies and Providers of Capital</b>	<ul style="list-style-type: none"> <li>• Sustainable growth in shareholders' equity;</li> <li>• Responsible management with transparency; and</li> <li>• Sustainable interest cover and debt levels.</li> </ul>	<ul style="list-style-type: none"> <li>• An experienced Board of Directors consisting of Executive, Non-Executive and Independent Non-Executive Directors to encompass the whole spectrum of the Group's activities;</li> <li>• An established Risk Management and Audit Committee ('RMAC') which oversees the soundness of financial, operational, compliance and strategic risk management;</li> <li>• A Corporate Governance Committee ('CGC'), also acting as Nomination and Remuneration Committees, ensures that the Group complies with the provisions of the National Code of Corporate Governance;</li> <li>• Rogers has no formal dividend policy. Payment of dividend is subject to the profitability of Rogers, its foreseeable investment, capital expenditure and working capital requirements;</li> <li>• Financial performance is reported in a timely manner to the authorities and to the public on a quarterly basis. Additional resources have been deployed in the Marketing and Communication Department to enhance communication through our website and other forms of media;</li> <li>• Rogers organises Investors Briefing twice a year to present analysts, stockbrokers, fund managers, bankers and other financial experts its half-yearly and yearly results and to discuss the Group's strategy and outlook; and</li> <li>• An updated medium-term strategic plan that guides the resource allocation to sectors, both in terms of investment and working capital needs.</li> </ul>
 <b>Employees, Trainees and Alumni</b>	<ul style="list-style-type: none"> <li>• Career growth opportunities;</li> <li>• Professional development (Training, coaching, mentoring and cross-exposure);</li> <li>• Job engagement and recognition;</li> <li>• Market-related terms of employment and benefits;</li> <li>• Safe, sound and enabling work environment; and</li> <li>• Positive employee experience.</li> </ul>	<ul style="list-style-type: none"> <li>• The Rogers Management model focuses on the performance and development of our People;</li> <li>• Internal mobility and career progression philosophy;</li> <li>• Culture building programmes across sectors;</li> <li>• Group-wide skills development initiatives;</li> <li>• Competitive remuneration and employment conditions;</li> <li>• Pension benefits, Medical plan and Insurance cover provided to all employees;</li> <li>• Group code of ethics and personal conduct;</li> <li>• Annual Health and Wellness events;</li> <li>• Group-wide engagement surveys and action plans;</li> <li>• A remuneration benchmarking is carried out every 2 years;</li> <li>• Rogers Leaders Award and sector specific recognition programmes; and</li> <li>• Executive directors are not remunerated for serving on the Board and its committees. Their remuneration package as employees of Rogers, including their performance bonus, which are aligned to market rate are disclosed in the table set out on page 37. Such package is reviewed and approved by the Corporate Governance Committee of Rogers on an annual basis.</li> </ul>

## Outcomes

## Capital Impacted

### Events during the year

- Sep-17: Investors briefing (Presentation of 30 June 2017 results);
- Oct-17: Annual Meeting of Shareholders;
- Nov-17: Publication of first quarter results and declaration of Interim dividend (Rs 0.34 per share);
- Dec-17: Payment of Interim dividend;
- Feb-18: Publication of second quarter results and investors briefing (Presentation of half-yearly results for financial year 2017-18);
- May-18: Publication of third quarter results;
- Jun-18: Approval by the Board of the budget plan for financial year ending 30 June 2019 and declaration of Final dividend (Rs 0.63 per share); and
- Jul-18: Payment of Final dividend and Rogers re-integrated the SEM-10 Index.

### Committee meetings held in 2017-18

- 5 board meetings;
- 5 RMAC; and
- 3 CGC.

### Key Performance Metrics

- An increase in Profit attributable to shareholders to Rs 554m (2017: Rs 479m);
- A growth of 5% in total dividends paid (Rs 0.97 per share) representing a total of Rs 244m;
- Share price appreciation of 17% to Rs 34.00 yielding a market capitalisation of Rs 8,570m as at 30 June 2018;
- A debt to equity ratio of 0.56 against 0.52 last year; and
- Interest cover of 3.0x against 3.1x in 2017.



### Human Capital Development and Value-add

- 2,698 employees trained (2017: 2,480);
- 3 man days per trained employee (2017: 2 man days);
- Rs 31m training investment (2017: Rs 26m);
- Training investment of Rs 11,587 per employee;
- Investments in training covered 66% of employee base (2017: 55%); and
- +2% on employee engagement survey.





### Top 3 training areas

- Technical skills;
- Leadership skills; and
- Customer service.





# Stakeholder Engagement

Stakeholders	Expectations	Response
 <b>Customers and Clients</b>	<ul style="list-style-type: none"> <li>• Strong brand image and reputation;</li> <li>• Representation of internationally recognised brands;</li> <li>• Customer satisfaction through interacting processes;</li> <li>• Innovating capabilities;</li> <li>• Adherence to intellectual property rights such as Patents and Trade Marks; and</li> <li>• Staff competencies and skills.</li> </ul>	<ul style="list-style-type: none"> <li>• Enhance Rogers brand's visibility locally and internationally;</li> <li>• Focus on communication with coordination at all levels;</li> <li>• Establishment of a process to obtain useful information on brand image and customer loyalty;</li> <li>• Enlarged offering through our integrated services, such as a one-stop shop for Travel, Accommodation and Leisure provided for in the Hospitality served market;</li> <li>• Customer Relationship Management in place; and</li> <li>• Investment in skills, processes and technology.</li> </ul>
 <b>Suppliers and Service Providers</b>	<ul style="list-style-type: none"> <li>• Favourable contract terms and timely payment; and</li> <li>• Promoting joint growth opportunities in a responsive and mutually respectful manner.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular communication with major suppliers;</li> <li>• Develop sustainable business relationships; and</li> <li>• Opportunities for cross-selling across the Group.</li> </ul>
 <b>Government and Authorities</b>	<ul style="list-style-type: none"> <li>• Support to Government initiatives;</li> <li>• Consultative dialogue and propositions; and</li> <li>• Participate in the development of the country in a sustainable way.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular dialogues conducted with Ministers and relevant authorities;</li> <li>• Participation in pre-budgetary consultations;</li> <li>• Participation in Business Mauritius;</li> <li>• Contribution to national welfare and national events;</li> <li>• Responsible management with transparency; and</li> <li>• Engagement in Environmental, Social and Governance.</li> </ul>
 <b>Communities, Authorities and NGOs</b>	<ul style="list-style-type: none"> <li>• Responsible corporate citizenship integral to the community and the environment in which our businesses operate;</li> <li>• Responsiveness to concerns and impacts on social and environmental issues;</li> <li>• Operations conducted in a safe and lawful manner;</li> <li>• Investment in community infrastructure and development; and</li> <li>• Contributing responsibly and transparently to broader societal interests.</li> </ul>	<ul style="list-style-type: none"> <li>• Cooperation and networking with the authorities and private sectors;</li> <li>• Commitment to finding beneficial solutions to identified social concerns like poverty and education; and</li> <li>• Effective coordination of our CSR initiatives with the aim of improving the socio-economic conditions within neighbouring communities.</li> </ul>

## Outcomes

## Capital Impacted

- Enhanced brand image through our “Energy drives everything” campaign;
- Digitalisation of offerings to enhance customers’ experience;
- Organisation and participation in Seminars, Conferences and Events (e.g. Rogers Aviation participated in the ‘Salon du Prêt-à-Partir’ and Rogers Capital in the ‘Salon de l’Automobile’);
- Opening of new desks and offices (e.g. China and French desks for Rogers Capital);
- Represent some 52 local and international brands (Refer to pages 32 and 33 for our main brands); and
- Strong sub-brands that are closer to the market.



- Roadshows organised with partners (e.g Rogers Business forum organised in Paris which looked at bringing together experts in financial services and luxury property); and
- Communication through our magazines (such as Présence, Network and E-network) and our website.



- Participated in the 50 years’ celebrations of independence through a dedicated campaign towards Sustainability;
- Contributed to the Vision 2030 initiative of the Government;
- The Group CEO is currently the President of the Sustainability and Inclusive Growth Committee which is focusing on a number of sustainability areas (Energy and Transport, Waste management, Lagoon and Coastal Beach preservation, Poverty alleviation through inclusion, Smart agriculture and Sustainable Cities and Communities) in collaboration with the Government and relevant authorities;
- Participation in the Festival of Contemporary Nature, Port Louis by Nature;
- Tax contribution of Rs 190m for financial year 2017-18; and
- Other initiatives are elaborated in the Energy drives sustainability on page 18 to 23.



- Refer to the Energy drives sustainability section on page 18 to 23 for initiatives on social and natural capital.



# Energy drives sustainability.

When leading with the intention of making a meaningful impact, the word ‘Sustainable’ is the one that comes to mind. Over the years, we have realised that we would have to find new ways to protect our social and natural capital in order to chart a future for the welfare of our citizens and businesses. For us at Rogers, the increase in our stakeholders’ plea has added to our growing consciousness of the need for greater sustainability and for the implementation of responsible business practices.

The UN Global Compact Yearbook 2017 featuring the Rogers Group best practice article on sustainable mechanisms has captured the attention of observers worldwide. Indeed, our efforts for sustainable and integrated development in the Bel Ombre region have put the spotlight on us, while influencing the whole island.

As demonstrated by our actions, we firmly believe that our deployed Energy truly ‘drives sustainability’ in the country. In this vein it is heartening to observe the amount of effort currently driven by a wide variety of stakeholders. Indeed, amongst others, the Business Mauritius Commission on Sustainability and Inclusive Growth is succeeding in uniting towards reinforced sustainable efforts. As part of these efforts, members of the business community are working together to make a difference in a pragmatic fashion.

Within this broader context of collaboration, I am proud to present the environmental, social and cultural initiatives that accompanied our Group’s business activities throughout this financial year. As we refine our diagnostic, further progress towards enhanced sustainable and inclusive practices are expected in the forthcoming financial year.

**Philippe Espitalier-Noël**



At Rogers, we take into account three important dimensions; Environmental, Social and Cultural that all intertwine to meet the present needs of our stakeholders without compromising future generations



# CSR & Sustainability initiatives 2017-18

## ENVIRONMENTAL



- Educational awareness on Marine and Coastal environment with Bis Lamer
- Rogers Capital cleans-up 'Les Salines' in Port Louis
- Our CEO as Chairman of the Business Mauritius Commission on Sustainability and Inclusive Growth
- 9 Eco-schools received awards for their green attitude
- Earth Hour movement at Heritage Le Telfair
- Rogers CSR & Sustainability Manager sets an example with 100 % electric car

**"Renault Zoë"**  
100%  
electric - autonomy 400Km

- Support to NGO called Project Rescue Ocean Mauritius for regular beach cleans-up around Mauritius
- Electrical and electronic waste recycling initiative by Rogers Group
- 2,000 in-room copies of Lagoon Directories for Heritage Resorts Guests
- 2 'plogging' initiatives in Port Louis
- Beach rehabilitation at Heritage Resorts
- "Hip Hip Hip, No Waste" campaign & 50 Eco-moves

**"Bis Lamer"**  
26,945  
marine and coastal  
awareness  
(Adults & Students)

- Heritage Resorts obtains Green Key accreditation 2<sup>nd</sup> year in a row
- Social and Environmental Responsibility engagement of Ascencia through a Green market at Bagatelle Mall
- CSBO produces its first smart agriculture vegetables
- "The Last Straw" campaign at Ocean Basket and 'Refuse the Straw' initiative at Heritage Resorts
- "One swing, one piece of waste collected" - sums up the "We Swing for our Coast" campaign
- Integrated Annual Report 2018: reduction of 30% of printed pages as compared to 2017

**"We Swing for our Coast"**  
845 kgs  
of waste collected at the  
foot of Chamarel Waterfall

## SOCIAL



- Ongoing community support to Cité Sainte Catherine
- Fund and support to a Rugby club in Bel Ombre by Heritage Villas Valriche
- Aid to poverty alleviation programmes through Lovebridge
- Continuous support to Centre d'Éveil, Bel Ombre

**"Centre d'Éveil food programme"**  
50 students

12,160  
free meals

**"Lovebridge"**  
18  
families accompanied

- Support to "La Boul' du Kap", pétanque club in Bel Ombre by Heritage Villas Valriche
- Supporting Beekeepers in Rodrigues
- Partnership between Velogic and Caritas for a community garden
- Social needs analysis by Veranda Resorts to identify social issues in Tamarin region

## CULTURAL



- Watercolor drawings on "Nature, Art & Science" by Malcy de Chazal-Moon sponsored by Rogers Foundation
- Tikoulou reprint of "The Legend of Bel Ombre"

**"Ti SOLO Grand Héros"**  
50  
children from  
Rodrigues illustrated  
the story

**"Tikoulou"**  
6,000  
free copies  
3,000  
sold

- "TI SOLO Grand Héros" supported by Rogers Foundation
- Rogers sponsors European Tour for Patyatann

# Energy drives sustainability.

## HIGHLIGHTS FOR 2017-18

### “HIP HIP HIP, NO WASTE” CAMPAIGN

We marked the 50<sup>th</sup> anniversary of the Independence of Mauritius through a series of green initiatives running from March to December 2018.

Striking a patriotic chord among the Mauritian people, the “Hip Hip Hip, No Waste” campaign has five different strands: ‘plogging’ (jogging while picking up trash) in the streets of Port Louis to raise awareness and sensitise the public on waste disposal; an interactive website displaying 50 simple eco-moves; a short clip on waste and energy management, awareness raising and resolution through concrete actions; nature preservation; and energy efficiency and sustainable natural resource use.

The initiatives include the launch of an electrical and electronic waste recycling programme across the Group, in line with the recommendation of the Business Mauritius Commission on Sustainability and Inclusive Growth.

The three Ocean Basket outlets in Mauritius also decided to discontinue the use of plastic straws since May 2018. The restaurants joined ‘The Last Straw’ campaign’s fight against plastic straws to cement their status as responsible ocean citizens.



### Energy drives Sustainability



The 27-year-old inspirational speaker and World Blind Golf Champion Jeremy Poincenot kick-started the “We Swing for our Coast” campaign

### SWINGING FOR OUR COAST

Rogers launched the “We Swing for our Coast” campaign in September 2017 ahead of the AfrAsia Bank Mauritius Open. Our employees were invited to practice their swing by hitting a golf ball into a special net.

For each 20 swing made, Rogers Foundation engaged to collect pieces of trash from the beaches and rivers of the South-West of Mauritius.

This project, which ran from September to December 2017, was also used to create awareness on marine conservation in each subsidiary of the Group. The 27-year-old inspirational speaker, coach and World Blind Golf Champion Jeremy Poincenot was the ambassador for the campaign.



‘Plogging’ in the streets of Port Louis

## INNOVATIVE COASTAL PROTECTION MEASURES

For the first time in Mauritius, four hotels joined efforts in restoring the Bel Ombre coastline, after a lagoon and beach survey carried out in 2016 showed substantial erosion in the area. The initiative benefited from the contribution of the oceanographer Professor Kerry Black and the international marine ecologist Iain Watt.

The restoration work carried out between May and September 2017 consisted in stabilising the beach shoreline and reducing the impact of wind and currents. The innovative and sustainable approach comprised the modernisation of storm water outfalls, introduction of artificial reef structures, replenishment of beach sand and educating and engaging the local communities. The Reef Conservation NGO will conduct environmental monitoring and reporting on a quarterly basis over the next three years.

On 28 October 2017, via the “We Swing for our Coast” campaign we collected 845 kgs of trash accumulated at the Chamarel Waterfall in Chamarel 7 Coloured Earth Geopark. Several partners participated in this project including the Groupe d’Intervention de la Police Mauricienne (‘GIPM’), volunteer trekkers from Rando Trail & Nature, Belle-Verte and Institut du Bon Pasteur staff and employees of companies forming part of the Esprit de Chamarel Association.

## CLEANING UP MAURITIUS

On 04 August 2017, employees of Rogers Capital took part in a half-day activity to clean up waste that had accumulated around the Robert Edward Hart garden in Les Salines, Port Louis.

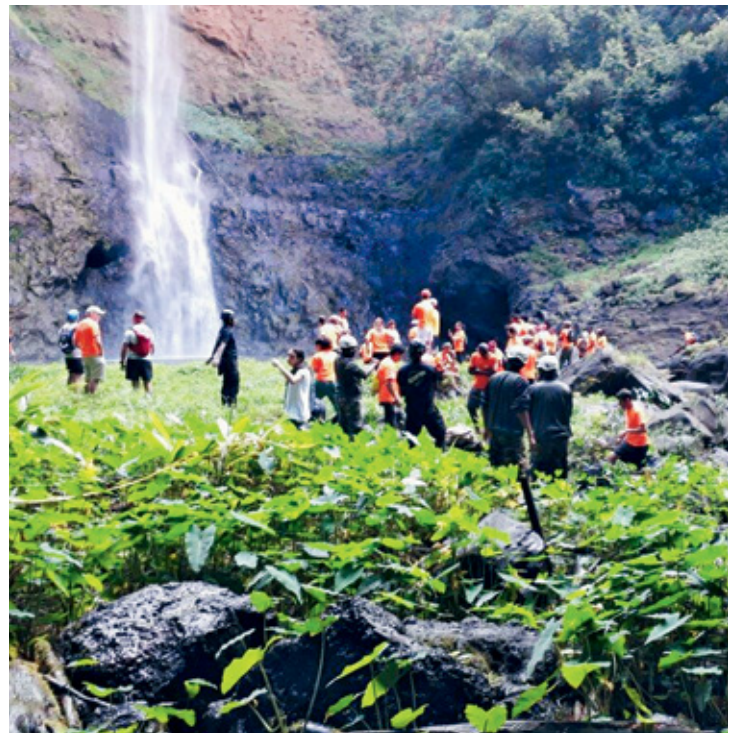
Employees of Veranda Leisure & Hospitality (‘VLH’), Heritage Resorts and volunteers from the surrounding communities in Grand Gaube, Grand Bay and Pointe aux Biches teamed up during the weekend of 03 and 04 March 2018 to tidy up the beaches, roadsides and villages in the vicinity of the hotels.

The VLH organised the collection of used household appliances and a sustainable development awareness campaign in schools.

The Group also supports Project Rescue Ocean, an association whose aim is to raise awareness among the public, especially the youngest, about the state of the coasts. The actions of the association include regular beach clean-ups around the island.



The restoration work carried out on the Bel Ombre coastline consisted in stabilising the beach shoreline



Cleaning up at Chamarel Waterfall



# Energy drives sustainability.

## GIVING A BOOST TO ARTS AND SPORTS

After sponsoring the launch of Patyatann’s first album in 2016, Rogers continued its support to the homegrown music band by funding their air tickets to participate in festivals in Switzerland and France.

The Rogers Foundation sponsored the publication of “Nature, Art & Science”, in 2017 by Nelly and David Ardill. This compilation of 162 botanical drawings, by the 19<sup>th</sup> century Mauritian-born watercolourist Malcy de Chazal-Moon, has strong literary and educational values and is in line with the Foundation’s mission to raise awareness about regional environmental issues.

In the sports area, Heritage Villas Valriche provides funding and support to the U11 and U13 rugby teams in Bel Ombre and helped “La Boul’ du Kap”, a pétanque club in the same region.



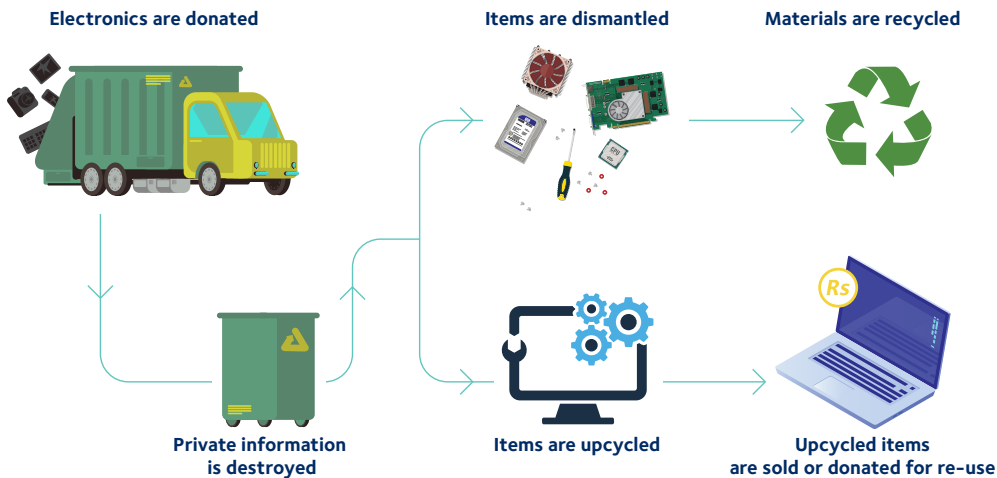
Rogers had a hand in Patyatann’s tour in Switzerland and France by funding their air tickets

## TAKING THE SUSTAINABILITY COMMITMENT FURTHER

In March 2017, our Group CEO was appointed Chair of Business Mauritius Commission on Sustainability and Inclusive Growth.

The committee focuses its efforts on the areas of energy and transport, waste management, lagoon and beach preservation, poverty alleviation through inclusion, smart agriculture and sustainable cities and communities.

It also strives to encourage private sectors’ participation in community development and ensures coherence and coordination between the private and public sectors on these matters. This appointment is in line with the Group’s commitment to sustainability and environment protection.





Celebration of World Environment Day at Bagatelle Mall

### GREEN MARKET AT BAGATELLE MALL

Ascencia celebrated the World Environment Day by holding its first Green Market from 08 to 10 June 2018 at Bagatelle Mall. Visitors had the opportunity to discover the many facets of organic and all-natural products, the benefits of recycling and herbal cosmetics, among others.

The Mauritian Wildlife Foundation seized the opportunity to sensitize on the damages caused by plastic waste.

### WORKING TOWARDS POVERTY ALLEVIATION

Rogers has continued its contribution to poverty alleviation through various programmes including its support to Lovebridge, an NGO involved in the fight against extreme poverty under the aegis of Business Mauritius.

Rogers also helps “Les Tilous”, a pre-school in Bel Ombre managed by the Caritas NGO, which welcomes children aged between 2 to 3 years old.

In the same region 50 school children from Bel Ombre and Baie du Cap are offered a free meal daily through social workers from Caritas, to assist their healthy development and encourage school attendance.

An ongoing three-year community enhancement project is co-sponsored by Rogers, Eclosia and ENL Foundation at Cité Sainte Catherine, Saint Pierre.

Velogic is backing a community vegetable garden project launched by Caritas in Roche Bois to promote backyard gardening.

For further information on our sustainable initiatives, please visit our website [www.rogers.mu](http://www.rogers.mu)

### SUPPORTING BEEKEEPERS IN RODRIGUES

In March 2018 Sukpak Ltd, Velogic’s subsidiary specialising in sugar packing for export, shipped 400 kgs of sugar sweepings to the Care-Co Rodrigues beekeepers, intended to feed honey bees to compensate for the shortage of pollen outside the flowering period.

This is a good example of circular economy as the sweepings, a waste in sugar packing, are turned into raw material in the production of honey.

Sukpak Ltd is also a member of the Sedex platform, which promotes ethical and socially responsible business practices.

### REWARDING YOUNG ECO-CITIZENS

9 out of the 99 schools in Mauritius and Rodrigues taking part in the Eco-Schools programme have been awarded the Green Flag status for achieving a series of environmental and educational criteria.

This programme created by the Foundation for Environmental Education is led in Mauritius by the Reef Conservation NGO, with the support of the Indian Ocean Commission and the Rogers Foundation. Twenty-five other schools that made significant progress received the Silver Award and 22 others the Bronze Award.



Award ceremony for the Eco-Schools programme





# Leadership

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Financial Reporting Council – Statement of Compliance

Secretary's Certificate

Interview with the Chief Executive Officer

Chief Finance Executive Report



# Board of Directors

## **ADAM, GUY (GA)** (Born in 1950)

Non-Executive Director

### **APPOINTMENT**

05 October 1994  
Member of Corporate Governance  
Committee  
since 18 January 2012

### **QUALIFICATIONS**

- Doctor of Medicine (MD)
- Fellowship of the Royal College of Surgeons (FRCS)

### **CONTINUING PROFESSIONAL DEVELOPMENT**

- Corporate Governance Seminar organised by CIEL 2016
- The National Code of Corporate Governance for Mauritius (2016) workshop – Dr Chris Pierce



## **ESPITALIER-NOËL, ERIC (EEN)** (Born in 1959)

Non-Executive Director

### **APPOINTMENT**

02 February 1994  
Member of Corporate Governance  
Committee since 18 January 2012  
Member of Risk Management and Audit  
Committee since 26 April 2017

### **QUALIFICATIONS**

- Bachelor's degree in Social Sciences (University of Natal, South Africa)
- Master's degree in Business Administration (University of Surrey, UK)



## **ESPITALIER-NOËL, GILBERT (GEN)** (Born in 1964)

Non-Executive Director

### **APPOINTMENT**

15 July 1999

### **QUALIFICATIONS**

- BSc (University of Cape Town, South Africa)
- BSc (Hons) (Louisiana State University, USA)
- MBA (INSEAD Fontainebleau, France)



## **ESPITALIER-NOËL, HECTOR (HEN)** (Born in 1958)

Non-Executive Director

### **APPOINTMENT**

22 December 1987

### **QUALIFICATIONS**

Member of the Institute of  
Chartered Accountants in  
England and Wales



### **DIRECTORSHIP LIST**

For full directorship list of the Directors, please refer to link below:  
<https://rogers.mu/content/board-directors>

## Board of Directors

### ESPITALIER-NOËL, PHILIPPE (PEN) (Born in 1965)

Chief Executive Officer and Executive Director

#### APPOINTMENT

06 February 2004

Member of Corporate Governance Committee since 18 January 2012

#### QUALIFICATIONS

- BSc in Agricultural Economics (University of Natal, South Africa)
- MBA (London Business School)

#### CONTINUING PROFESSIONAL DEVELOPMENT

- The National Code of Corporate Governance for Mauritius (2016) workshop – Dr Chris Pierce

#### POSITION STATEMENT

Please refer to the link below

As Chief Executive Officer – <https://rogers.mu/content/board-directors>



### HUGNIN, THIERRY (TH) (Born in 1966)

Independent Director

#### APPOINTMENT

12 February 2018

Member of Risk Management and Audit Committee since 10 May 2018

#### QUALIFICATIONS

- Master's Degree in Computer Science and Management, University of Paris Dauphine, France
- Institute of Chartered Accountants England and Wales ICAEW
- Various professional qualifications in Investment Management industry, including IMC, UK



### MAKOOND, DEONANAN (MD) (Born in 1952)

Independent Director

#### APPOINTMENT

02 May 2018

#### QUALIFICATIONS

- BA (Hons) in Economics
- MSc in Tourism Planning



### MAMET, DAMIEN (DM) (Born in 1977)

Executive Director and Chief Finance Executive

#### APPOINTMENT

10 May 2017

#### QUALIFICATIONS

- Member of the Institute of Chartered Accountants in England & Wales



#### CONTINUING PROFESSIONAL DEVELOPMENT

- The National Code of Corporate Governance for Mauritius (2016) workshop – Dr Chris Pierce

#### POSITION STATEMENT

Please refer to the link below

As Chief Finance Executive – <https://rogers.mu/content/board-directors>

#### DIRECTORSHIP LIST

For full directorship list of the Directors, please refer to link below:  
<https://rogers.mu/content/board-directors>

**MASSON, VIVIAN (VM)**  
(Born in 1956)

Independent Director

**APPOINTMENT**

10 September 2015

Member of Risk Management and Audit Committee since 10 December 2015

Acting Chairman of Risk Management and Audit Committee

**QUALIFICATIONS**

- Masters in Economics (University of Paris-Assas)
- Diplôme d'Etudes Comptables Supérieures (DECS, France)

**CONTINUING PROFESSIONAL DEVELOPMENT**

- Consulting in MedTech industry

**POSITION STATEMENT**

Please refer to the link below

As Acting RMAC Chairman – <https://rogers.mu/content/governance>



**MONTOCCHIO, JEAN PIERRE (JPM)**  
(Born in 1963)

Chairman and Non-Executive Director

**APPOINTMENT**

25 March 2002

Chairman since 25 March 2002

Chairman of Corporate Governance

Committee since 19 January 2012

**QUALIFICATIONS**

Notary in Mauritius

**POSITION STATEMENTS**

Please refer to the links below

As Chairman of the Board – <https://rogers.mu/content/board-directors>

As Chairman of the CGC – <https://rogers.mu/content/governance>



**RADHAKEESON, ARUNA (AR)**  
(Born in 1970)

Executive Director, Chief Legal and Compliance  
Executive and Company Secretary

**APPOINTMENT**

18 October 2012

**QUALIFICATIONS**

- BA (Hons) in Jurisprudence (Balliol College, Oxford University)
- Solicitor of England and Wales (NP)
- Attorney-at-law (Mauritius)

**CONTINUING PROFESSIONAL DEVELOPMENT**

- The National Code of Corporate Governance for Mauritius (2016) workshop – Dr Chris Pierce
- GDPR – IJLS
- Bitcoin and Blockchain for the financial services industry
- Defining your Distribution Strategy as a Monopoly

**POSITION STATEMENTS**

Please refer to the links below

As Company Secretary – <https://rogers.mu/content/governance>

As Chief Legal Executive – <https://rogers.mu/content/board-directors>

**DIRECTORSHIP LIST**

For full directorship list of the Directors, please refer to link below:

<https://rogers.mu/content/board-directors>



**RUHEE, ASHLEY COOMAR (ACR)**  
(Born in 1977)

Executive Director and Chief Executive  
Officer – FinTech

**APPOINTMENT**

20 July 2017

**QUALIFICATIONS**

- First Degree – Mathematics and Physics (Faculté des Sciences de Luminy, Marseilles)
- Masters in Engineering – Automatic Control, Electronics and Computer Engineering with specialisation in Real Time Engineering and Systems (Institut National des Sciences Appliquées, Toulouse)
- Executive education programmes at London Business School and INSEAD

**POSITION STATEMENT**

Please refer to the link below

As Chief Executive Officer – FinTech <https://rogers.mu/content/board-directors>





# Executive Team



## 1 COTRY, ERIC

Head of Internal Audit & Risk Management

Eric is a fellow member of the Association of Chartered Certified Accountants (FCCA) with over 16 years' experience in the audit field. He started his career as external auditor with De Chazal du Mée in 1997 and has an extensive audit experience in various sectors such as property investments, hotels, sugar, retail, logistics and financial.

Eric has also worked in Rwanda as acting CFO in a commercial bank in Bernuda and Guernsey in the hedge fund industry. Before joining Rogers, Eric was a Senior Manager at BDO in the audit division. He was appointed Head of Internal Audit & Risk Management of Rogers Group in April 2017.

## 2 KOENIG, RICHARD

Chief Projects and Development Executive – Real Estate portfolio

He holds a BSc in Electronic Engineering as well as an MBA. He started his career as Management Information Consultant with Andersen Consulting in South Africa and moved to Mauritius in 1993.

He joined the ENL Group in 1994 as a Corporate Executive and was subsequently appointed Chief Executive Officer of South West Tourism Development in July 2009. He was appointed Chief Projects and Development Executive in July 2017.

## 3 ESPITALIER-NOËL, PHILIPPE

Chief Executive Officer and Executive Director

Please refer to page 26

## 4 RADHAKEESOON, ARUNA

Executive Director, Chief Legal and Compliance Executive and Company Secretary

Please refer to page 27

## 5 EYNAUD, FRANÇOIS

Chief Executive Officer – Hotels

He holds a "Diplôme d'école de commerce". He started his career with Sagem (France) as Export Director and was subsequently appointed successively as Country Manager of Sagem in the Caribbean Islands and in England.

He returned to Mauritius in 1991 to join Ciel Textile as Marketing Director and was promoted as Executive Director of Tropic Knits in 2000. He was appointed Managing Director of Veranda Resorts in August 2008 and Chief Executive Officer of VLH Group in October 2010. François was President of l'Association des Hoteliers et Restaurateurs de l'Ile Maurice (AHRIM) in 2013 and 2014.

## 6 RUHEE, ASHLEY COOMAR

Executive Director and Chief Executive Officer – FinTech

Please refer to page 27

## 7 STEDMAN, RICHARD\*

Chief Executive Officer – Leisure

Richard graduated from the "Ecole Hotelière de Lausanne" in 1983 and had a 21-year career with Hyatt International. After holding various senior operational positions, he became a General Manager, specialising in openings as well as Resort management under the Hyatt brand.

Richard joined the Food and Allied group in 2004 as the opening General Manager for Le Telfair Golf & Spa Resort. As from 2008, he joined ENL Property as a Development Manager. From 2011 up to now, Richard has spearheaded the development and growth of Island Living Ltd, an operational cluster that manages 13 Lifestyle, Leisure & Hospitality Brands (including Voilà Hotels, Ocean Basket, Savinia Bistrot, MOKA'Z, Domino's Pizza, Chamarel 7 Coloured Earth Geopark, Le Chamarel restaurant and Heritage Nature Reserve etc).

\* Absent from the photo

## Executive Team

### 8 FAYD'HERBE DE MAUDAVE, ALEXANDRE

Chief Executive Officer – Travel

He holds a BCom (Hons) and is a qualified Chartered Accountant from the South African Institute of Chartered Accountants.

He joined Rogers Aviation in 2001 as General Manager – Finance & Administration. Prior to joining Rogers, he worked in South Africa for a period of 7 years with Arthur Andersen. He was appointed Managing Director of Rogers Aviation in October 2006 and Chief Executive Officer in October 2010.

### 9 PILOT, MICHEL

Senior Manager – Agribusiness

Michel holds a Bcom in Finance and Management and a Master of Finance from Curtin University (Australia). In 2014 he also obtained an MBA from INSEAD.

He started his career in the financial service industry and was Portfolio Manager for High Net Worth Individuals before joining Rogers in 2016 as Corporate Manager. He is now Senior Manager of the group Agribusiness activities.

### 10 NUNKOO, NAYENDRANATH

Chief Executive Officer – Logistics

He holds an MSc in Engineering from the Odessa Technological Institute of Food Industry and a Master's degree in Business Administration from the University of Mauritius. He also followed Executive Training Programs, at the London Business School and INSEAD.

He joined Rogers in 1993 and has since been involved in a number of business activities in the Group which allowed him to develop a wide-ranging managerial capability. He has worked as Project Manager, Deputy General Manager of RIDS Madagascar, General Manager of EIS Ltd, the IT subsidiary of the Rogers Group, and Corporate Manager – Strategic Planning. In July 2011, he was appointed Chief Executive Officer of Velogic which is a logistics company employing 1500 people in Mauritius, Reunion Island, Madagascar, Mozambique, Kenya, India and France.

### 11 BUNDHUN, MANISH

Chief Human Resources Executive

He holds a Masters in Business Administration and a BSc (Hons) Management. He started his career in the Human Resources field, with a varied exposure in Telecommunications, ICT, and Aviation industries.

He joined Rogers in the Logistics sector in January 2006 as Division Manager – Human Resources and was subsequently appointed Chief Human Resources Executive of Rogers in September 2008. He holds a Certified Masters in NLP (Neuro Linguistic Programming) and in Neuro Semantics, and is a certified Agility Coach and Trainer. Manish is also a Co-active Coach from the Coach Training Institute (CTI). He acts as an Executive Coach and delivers executive leadership and team coaching workshops. Manish also practices as adjunct professor in Human Resources Management and Organisation Development at post graduate level.

### 12 CURÉ, KARINE

Chief Marketing and Communication Executive

Karine holds an Executive Master (MSc) in Marketing (Hons) from the University of Paris-Dauphine (France) and a BSc. She started her career in the field of communication in Paris and has worked in Mauritius in the tourism, leisure and hotel sectors.

She joined the Group's Hotels sector in February 2008 as Marketing and Communication Manager and was subsequently appointed Corporate Manager at Rogers in October 2015 and Chief Marketing and Communication Executive in July 2016.

### 13 TYACK, FRÉDÉRIC

Chief Executive Officer – Ascencia

Frédéric Tyack is a member of the Institute of Chartered Accountants in England and Wales and holds a BSc (Hons) degree in Accounting and Finance from the London School of Economics. He joined the Rogers Group from 1997 to 2004 and was appointed Managing Director of the Logistic Sub Cluster.

He joined Platinax Austral Ltd in 2004 as General Manager before moving to ENL Property Ltd in 2008 and was later appointed Managing Director of EnAtt, the Asset and Property Management Company of the ENL Group, in 2011. Frédéric Tyack is an Executive Director of ENL Property Ltd and is the Chief Executive Officer of Ascencia since July 2015.

### 14 MAMET, DAMIEN

Executive Director and Chief Finance Executive

Please refer to page 26





# Organisational Chart

## CHIEF EXECUTIVE OFFICER

Philippe Espitalier-Noël

## ROGERS EXECUTIVE TEAM

### CHIEF FINANCE EXECUTIVE

Damien Mamet

### CHIEF LEGAL AND COMPLIANCE EXECUTIVE

Aruna Radhakeesoon

### CHIEF HUMAN RESOURCES EXECUTIVE

Manish Bundhun

### CHIEF MARKETING AND COMMUNICATION EXECUTIVE

Karine Curé

### HEAD OF INTERNAL AUDIT & RISK MANAGEMENT

Eric Cotry

### CHIEF PROJECTS AND DEVELOPMENT EXECUTIVE

Richard Koenig



## FINTECH

### CHIEF EXECUTIVE OFFICER

Ashley Coomar Ruhee

### CHIEF FINANCE & INVESTMENT OFFICER

Marc Ah Ching



## HOSPITALITY

### HOTELS

### CHIEF EXECUTIVE OFFICER

François Eynaud

### CHIEF FINANCE OFFICER

Thierry Montocchio

### TRAVEL

### CHIEF EXECUTIVE OFFICER

Alexandre Fayd'herbe de Maudave

### CHIEF FINANCE OFFICER

Cédric Poonisami



# SERVED MARKETS

## LEISURE

**CHIEF EXECUTIVE OFFICER**  
Richard Stedman

**CHIEF FINANCE OFFICER**  
Reshmee Boodhooa



## LOGISTICS

**CHIEF EXECUTIVE OFFICER**  
Nayendranath Nunkoo

**CHIEF FINANCE OFFICER**  
Naveen Sangeelee



## PROPERTY

### PROPERTY DEVELOPMENT & AGRIBUSINESS

**SENIOR MANAGER**  
Michel Pilot

**FINANCE MANAGER**  
Yashinn Bhoyroo

### PROPERTY INVESTMENTS

**CHIEF EXECUTIVE OFFICER**  
Frédéric Tyack

**FINANCE MANAGER**  
Ashvin Chatoorsing

**FUND MANAGER – ROGERS AND COMPANY LIMITED**  
Rep. by Robert Boullé

**PROPERTY & ASSET MANAGEMENT – EnAtt Ltd**  
Rep. by Frédéric Tyack





# Board of Directors' Report

Dear Shareholders,

We believe that this year's Annual Report provides our most comprehensive and integrated report yet, reflecting what Rogers does and how it operates.

The Board of Rogers assumes responsibility for leading and controlling the organisation and meeting all legal and regulatory requirements. Rogers is headed by a unitary Board comprising of 12 Directors. The profiles of Directors and their full directorship lists are available on: <https://www.rogers.mu/content/board-directors>.

## The National Code of Corporate Governance for Mauritius (2016)

The Board has set up a Corporate Governance Committee ('CGC') and a Risk Management and Audit Committee ('RMAC') to assist in the discharge of its duties. The governance, risk and audit issues relating to the businesses of the subsidiaries of Rogers operating in the Fintech, Hospitality, Logistics and Property (excluding Ascencia Limited) are overseen by the CGC and RMAC. The membership and terms of reference of these committees are available on: <https://www.rogers.mu/content/governance>. On 14 August 2018 and 06 September 2018, the CGC and RMAC reviewed their terms of reference and noted that they had met their objectives.

On 23 February 2018, the Directors attended a training workshop facilitated by Dr Chris Pierce on The National Code of Corporate Governance for Mauritius (2016) – (the 'Code').

With regard to the implementation of the Code, the Board adopted the key principles associated with Effective Reporting relating to Principle 6 and the following documents relating to Principles 1 to 8 of the Code were adopted:

- Position Statements of Senior Governance Officers (<https://www.rogers.mu/content/board-directors>)  
(<https://www.rogers.mu/content/governance>)  
(<https://www.rogers.mu/content/organisational-chart>)
- Organisational Chart (<https://www.rogers.mu/content/organisational-chart>)
- Statement of Accountability (<https://www.rogers.mu/content/group-structure>)

- Revised terms of reference for the CGC and RMAC (<https://www.rogers.mu/content/governance>)
- Category of Directors and Balance of Skills (<https://www.rogers.mu/content/board-directors>)
- Nomination Process and Appointment of Directors ([https://www.rogers.mu/sites/default/files/nomination\\_process\\_0.pdf](https://www.rogers.mu/sites/default/files/nomination_process_0.pdf))
- Terms and Conditions relating to the appointment of Non-Executive and Independent Non-Executive Directors (including contents of Induction pack) (<https://www.rogers.mu/content/board-directors>)
- Related Party Transactions approval process (<https://www.rogers.mu/content/board-directors>)

Post 30 June 2018, the Board also approved the following documents:

- Revised Code of Ethics (<https://www.rogers.mu/content/policies>)
- Overview of the Information Technology Policy (<https://www.rogers.mu/content/policies>)

The Rogers policies are available on: <https://www.rogers.mu/content/policies>. The material clauses of the Constitution of the company are available on <https://www.rogers.mu/content/governance>.

The Board resolved that no board evaluation be conducted for the financial year ended 30 June 2018. Such exercise will be carried out in the second quarter of financial year 2018-19. Furthermore, the Board is in the process of looking for an experienced external consultant to conduct the individual director evaluation.

The Board further resolved not to adopt a Board Charter for the financial year ended 30 June 2018 as it is of the view that its content is already found in the Company's constitution, the prevailing legislation, rules and regulations.

Upon appointment to the Board and/or its committees, the new director receives a comprehensive induction pack and an induction programme and orientation process is supervised by the Senior Executives of the Company.

For the year under review, dealings in the shares of Rogers by Directors and Associates of Directors are set out in table below:

## Dealings in the Shares by Directors and Associates of Directors

Names	No. of shares acquired	No. of shares disposed
Hector Espitalier-Noël	-	23,800
Vivian Masson	28,800	-
Minor Juliette Espitalier-Noël*	-	5,500
Minor Lucie Espitalier-Noël*	-	5,500

\*Associate of Philippe Espitalier-Noël

A Directors' and Officers' liability insurance policy has been subscribed to and renewed by Rogers. The policy provides cover for the risks arising out of the acts or omissions of the Directors and Officers of Rogers Group. The cover does not provide insurance against fraudulent, malicious or wilful acts or omissions.

For the year under review, instances where Directors were conflicted were duly noted and conflicts of interest arising from transactions were effectively managed using the same process as for Related Party Transactions process.

The Related Party Transactions approved by the Board using the Related Party Transaction process for the year under review were as follows:

- Sale of a 20 % stake held by Compagnie Sucrière de Bel Ombre ('CSBO'), a subsidiary of Rogers in Espral Ltd to ENL Property Ltd ('ENLP'). Rogers and ENLP are subsidiaries of ENL Land Ltd ('ENLL'); and
- Sale of a 100% stake held by Rogers Corporate Services Ltd, a subsidiary of Rogers, in Motor City Limited to The Old Factory Limited, a subsidiary of ENLP. Rogers and ENLP are subsidiaries of ENLL.

## Data Protection

In keeping with the Data Protection Act 2017, Rogers has reinforced the safety and security measures in place to protect the personal data it collects, stores and processes. It has revised its Data Protection Policy and adopted a Data Protection Notice, which sets out the rights of data subjects and a Data Protection Compliance Manual, which describes out the comprehensive approach of Rogers to personal data protection. Regular audits of all sectors will be carried out to ensure compliance with the said Manual.

Having taken into account all the matters considered by the Board and brought to its attention during the year, we are satisfied that the Annual Report and accounts taken as a whole are fair, balanced and understandable.

We would like to extend our deepest gratitude to our Shareholders for their constant support and trust in our vision and our ability to deliver value. We would like to thank Messrs Ziyad Bundhun and Philippe Forget, who have resigned as Directors, for their valuable contribution to the Group. We are pleased to welcome two new members, Messrs Thierry Hugnin and Deonanan Makoond, to our ranks.

The Board expresses its unreserved appreciation to the Chief Executive Officer, Philippe Espitalier-Noël, the management team and all employees of Rogers for their continued dedication and hard work.

Sincerely yours,

Your board of directors.

# Governance

## 1. Category of Directors and Balance of Skills as at 30 June 2018.

Name of Director	Appointment date	CATEGORY	Accounting	Board Matters	Governance Skills	Risk & Audit Issues	Business Skills	Financial Skills	HR skills	Legal Skills	Communication skills	Entrepreneurial skills	Strategic Dimension	International Exposure	Knowledge of the Fintech Served Market	Knowledge of the Hospitality Served Market	Knowledge of the Logistics Served Market	Knowledge of the Property Served Market
ACR	20/07/2017	ED		/			/	/	/		/	/	/	/	/			
DM	10/05/2017	ED	/	/		/	/	/	/			/	/			/		/
GA	05/10/1994	NED		/	/		/	/	/		/	/						
HEN	22/12/1987	NED	/	/	/	/	/	/	/	/	/	/	/	/		/		/
JPM	25/03/2002	NED		/	/		/		/	/			/	/		/		/
MD	02/05/2018	INED		/	/	/	/	/				/	/	/	/	/		
EEN	02/02/1994	NED		/	/	/	/	/	/		/	/	/	/		/	/	/
GEN	15/07/1999	NED	/	/	/	/	/	/	/		/	/	/	/		/		/
VM	10/09/2015	INED	/	/		/	/	/	/		/	/	/	/				
AR	18/10/2012	ED		/	/		/		/	/	/	/	/		/	/		/
PEN	06/02/2004	ED		/	/	/	/	/	/		/	/	/	/		/	/	/
TH	12/02/2018	INED	/	/	/		/	/	/			/	/	/	/			

**ED** – Executive Director **NED** – Non-Executive Director **INED** – Independent Non-Executive Director

N.B: • The independence test was based on the criteria of Principle 2 of the Code. • All Directors reside in Mauritius. • Size of the Board is in line with s.79 of the Constitution of Rogers (i.e. not less than 12 and not more than 15).

## 2. Composition and attendance at Board, Committee meetings and Annual Meeting of Shareholders, Remuneration and Benefits.

Directors	Category	Board	Corporate Governance Committee ('CGC')	Risk Management and Audit Committee ('RMAC')	Annual Meeting of Shareholders	Remuneration and benefits (in Rs)
Dr Guy Adam	NED	5/5	2/3	n/a	1/1	500,000
Ziyad Bundhun <sup>1</sup>	ED	3/3	n/a	n/a	1/1	231,136
Eric Espitalier-Noël	NED	5/5	3/3	4/5	1/1	781,250
Gilbert Espitalier-Noël	NED	4/5	n/a	n/a	1/1	340,000
Hector Espitalier-Noël	NED	3/5	n/a	n/a	1/1	457,502
Philippe Espitalier-Noël	ED	5/5	3/3	n/a	1/1	20,193,397
Philippe Forget <sup>2</sup>	INED	3/3	n/a	3/3	1/1	358,181
Thierry Hugnin <sup>3</sup>	INED	2/2	n/a	1/1	n/a	157,500
Damien Mamet <sup>4</sup>	ED	5/5	n/a	1/1	1/1	7,436,108
Jean-Pierre Montocchio (Chairman of the Board and CGC)	NED	5/5	3/3	n/a	1/1	880,000
Deonanan Makoond <sup>5</sup>	INED	2/2	n/a	n/a	n/a	110,000
Vivian Masson (Acting Chairman of RMAC)	INED	5/5	n/a	5/5	1/1	819,000
Aruna Radhakeesoon	ED	5/5	n/a	n/a	1/1	7,797,569
Ashley Coomar Ruhee	ED	5/5	n/a	n/a	1/1	8,257,694

<sup>1</sup> Resigned as director on 10 February 2018

<sup>2</sup> Resigned as director and RMAC member on 10 February 2018

<sup>3</sup> Appointed as director and RMAC member on 12 February 2018 and 10 May 2018 respectively

<sup>4</sup> Co-opted to attend the RMAC meeting of 30 October 2017

<sup>5</sup> Appointed as director on 02 May 2018

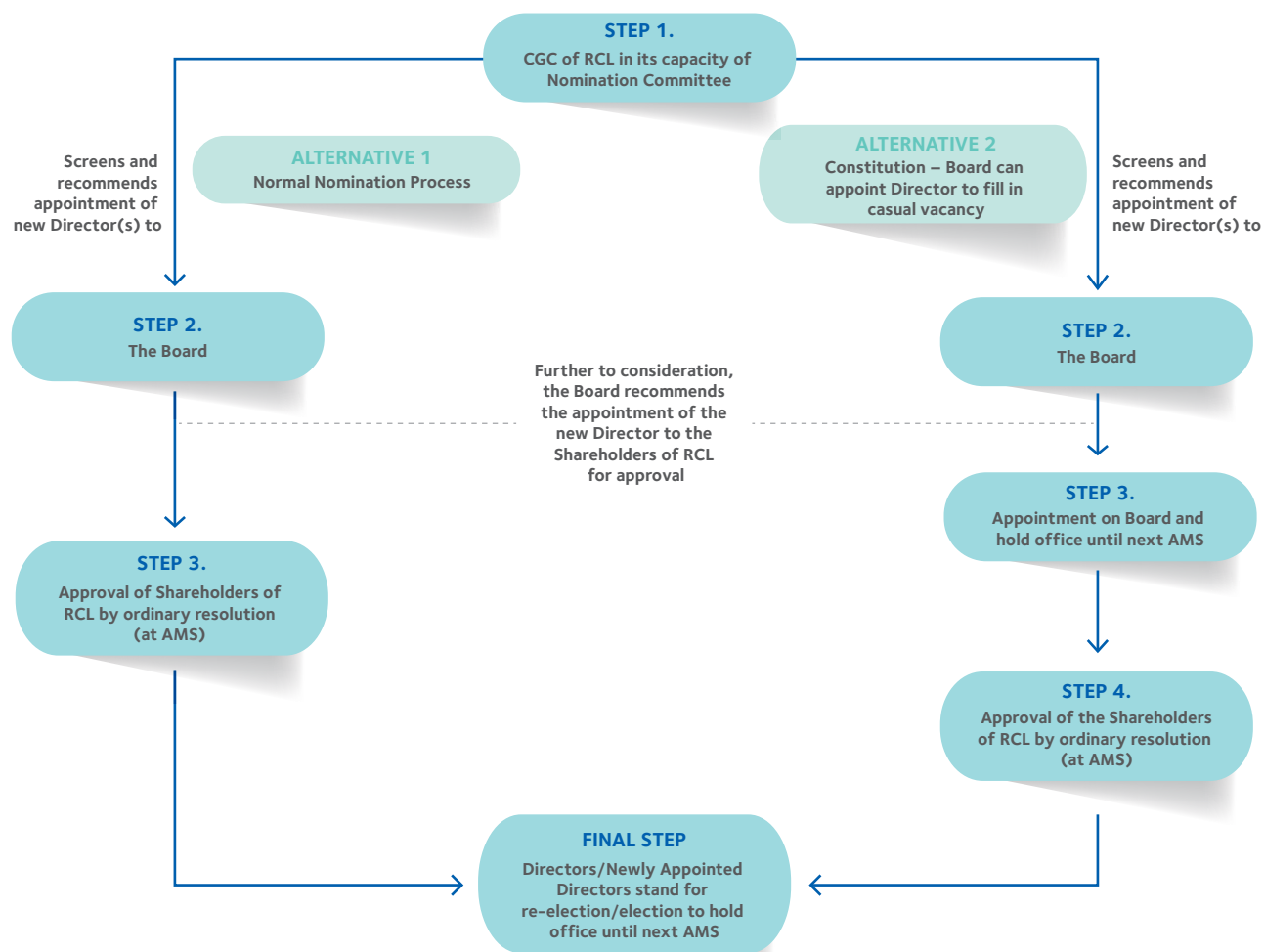
**INED:** Independent Non-Executive Director      **NED:** Non-Executive Director      **ED:** Executive Director

**Remuneration of INED and NED** (was last reviewed in December 2012) is composed of a basic monthly fee and an attendance fee. The Committee members are paid a monthly fee only and the Chairman of the Board and Chairmen of Committees are paid a higher monthly fee.

**For remuneration of ED**, please refer to Stakeholder Engagement's section.



### 3. The Nomination Process and Appointment of Directors.



Whereas:

- 1) 'RCL' means Rogers and Company Limited;
- 2) 'CGC' means Corporate Governance Committee;
- 3) 'Board' means board of directors of RCL; and
- 4) 'AMS' means Annual Meeting of Shareholders.

# Financial Reporting Council – Statement of Compliance

Name of Public Interest Entity: Rogers

We, the Directors of Rogers confirm that to the best of our knowledge, Rogers has complied with all its obligations and requirements under the principles of the National Code of Corporate Governance for Mauritius (2016).

With regard to the **Board Charter**, the Board is of the view that its content is already found in the Company's constitution, the prevailing legislation, rules and regulations. Hence, the duplication is not necessary. The Board has consequently resolved not to adopt a charter for the financial year ending 30 June 2018.

The Board resolved that no **board evaluation survey** be conducted for the financial year 2017-18 and that such exercise be carried out in the second quarter of the financial year 2018-19. The Board is looking for an experienced external consultant to conduct the **individual director evaluation**. It is expected that the **succession planning** will also be addressed during this exercise.

Management is working on a full fledged **conflict of interest policy** which will be tabled before the Board for approval.

The Board has approved an overview of the Information Policy, which includes aspects relating to **Information Security and Technology Policy** (the 'IT Policy'). Management is currently working on the details of such IT Policy which will be tabled before the Board for approval.



Jean-Pierre Montocchio  
Chairman

13 September 2018



Philippe Espitalier-Noël  
Director & CEO

## Secretary's Certificate

In my capacity as Company Secretary of Rogers, I hereby confirm that, to the best of my knowledge and belief, Rogers has filed with the Registrar of Companies, for the financial year ended 30 June 2018, all such returns as are required of the Company under the Companies Act 2001.

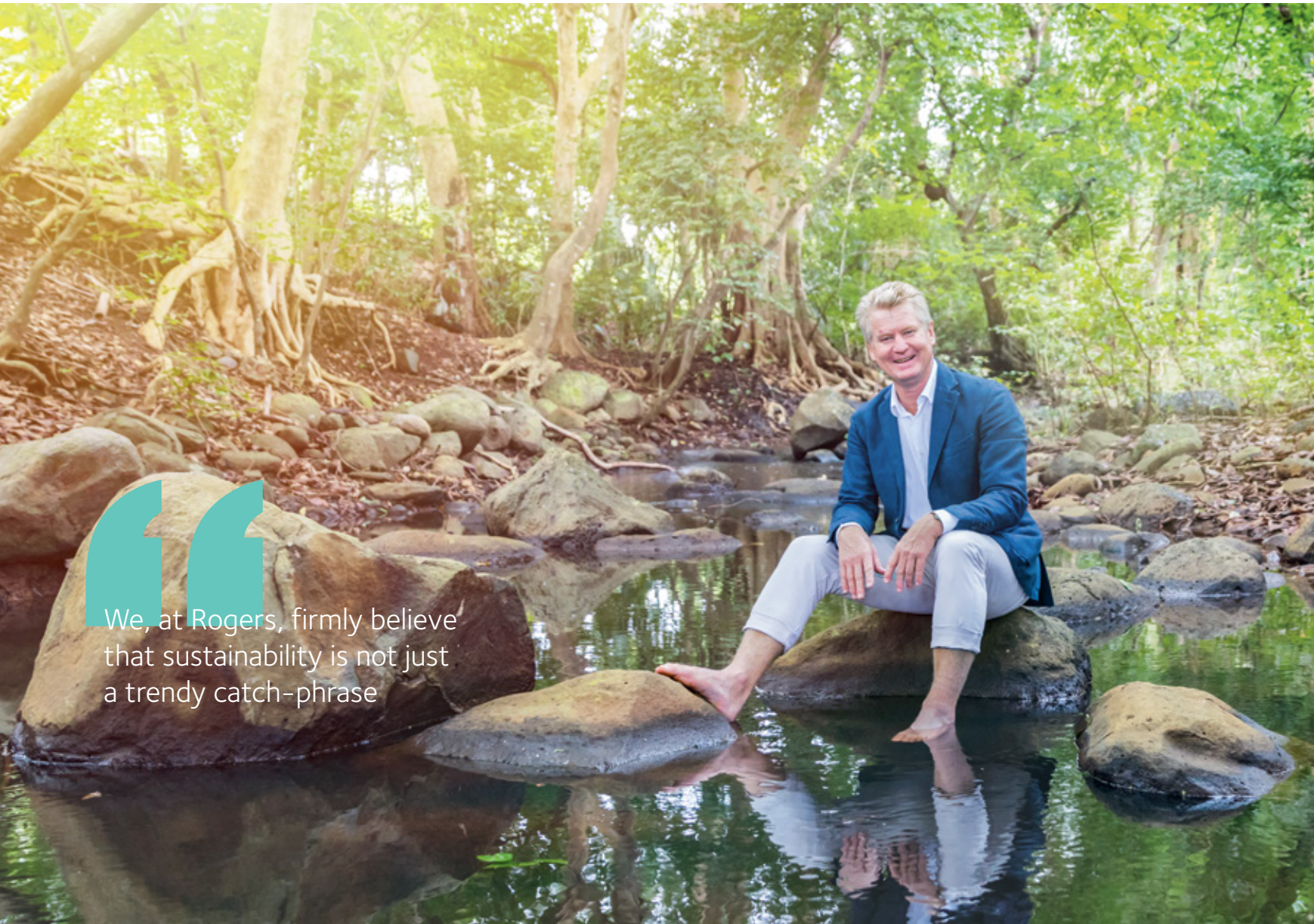


Aruna Radhakeesoon  
Company Secretary

13 September 2018

# Interview with the Chief Executive Officer

## Philippe Espitalier-Noël



We, at Rogers, firmly believe that sustainability is not just a trendy catch-phrase



The CEO of Rogers and Company Limited, Philippe Espitalier-Noël gives some insight on the Group's developments in the 2017-18 financial year and its commitment to the sustainability agenda.

### **What are the major developments and initiatives that have been carried out within the Group in 2017-18?**

Throughout 2017-18, we continued to build on the momentum created previously and we implemented new initiatives to support the Group's strategy across our different served markets.

In the wake of the launch of the Rogers Capital brand, we have added yet another dimension to our FinTech operations with the successful introduction, in November 2017, of new disruptive consumer finance solutions, including hire purchase, leasing and loan facilities. The acquisition of Globefin Management Services in October 2017 also drove further consolidation in the Corporate Services line of business.

During the year, the Group's courier operations underwent a significant change with the representation of UPS for the Indian Ocean being secured, whilst TNT was being taken over by the FedEx acquisition worldwide. After a delicate transition, the Group is emerging stronger than before with an exciting coverage of markets extending beyond Mauritius.

In the Hospitality served market, Heritage Bel Ombre was established in October 2017 as the umbrella brand for our Resorts, Property, Golf, Leisure & Events activities in Bel Ombre, inviting guests to "Embrace the Extraordinary" experience. Between May and September 2017, the two Heritage Resorts also spearheaded an innovative beach rehabilitation project in the area.

Throughout the financial year, we continued to invest in the upgrading of our properties to ensure we are exceeding guests' expectations. Heritage Le Telfair was closed for renovation in mid-May 2017 and reopened in early September 2017 with a strengthened positioning in the luxury marketplace. Over the same period, extensive renovation was carried out at Heritage Le Château by Perrot & Richard Architects. Two months' work was completed in late August 2017 at Heritage Awali to enhance the connection and cohesion with three properties, Heritage Le Château, Heritage Golf Club and Heritage Le Telfair.

At Veranda Resorts' level, Veranda Paul et Virginie reopened as a 4-star adult-only hotel in September 2017 after three months' renovation. Veranda Tamarin is also undergoing a makeover since April 2018 and is set to reopen in November 2018 with increased room capacity and a 3-star plus status.

Our Leisure sector has also taken a significant turn with the acquisition of Island Living, previously known as ENL Lifestyle. The leasing of the leisure activities carried out by Compagnie Sucrière de Bel Ombre and Case Noyale Limited, such as Le Chamarel Restaurant, Seven Coloured Earth and Frederica Nature Reserve, to Island Living has brought added depth to the services offered. The latter underwent a rebranding and were renamed Le Chamarel Panoramic Restaurant, Chamarel 7 Coloured Earth Geopark and Heritage Nature Reserve respectively.

Ascencia has rolled out a new brand identity and has also expanded the Gross Lettable Area of its mall portfolio by 7,395 sqm with the opening of So'flo Mall in November 2017. The mall currently boasts a 89% occupancy rate with an average monthly footfall of 124,410 visitors.

### **What are the strategic priorities mapped out to keep up the momentum?**

The main focus of our energies and efforts going forward will be to achieve a more balanced contribution from our different served markets.

In order to attain this objective, we have broadened our offer in the FinTech served market with the launch of new consumer finance and an electronic payment solutions to come, in the domestic sphere. A strategic partnership sealed in May with BlockCerts International, a private blockchain platform developed by Finaeos, will also boost the activities of Rogers Capital in this ecosystem of the future, namely in the Indian Ocean and African region. With all these developments, this served market is poised to grow into a major profit contributor in the coming years.

As for our Hospitality served market, our Hotels sector should deliver a significant leap in profitability in 2018-19 with the completion of renovation works. The Leisure sector made a landmark move with the signing of a Master Franchise Agreement with the world's No. 1 pizza company, Domino's Pizza International Franchising Inc. Island Living is now planning to roll out the brand in Mauritius by end-2018. The opening of Seeloy Island Club at La Balise Marina and of a new B&B establishment in Bel Ombre will further consolidate our operations.

We are forever shaping fresh ambitions for Bel Ombre, which carries our vision and our dreams for the future. The sustainable development of Heritage Bel Ombre is a long-term project that requires continuous effort and long-standing ambitions. In our endeavour to showcase Heritage Bel Ombre as a well-thought-out development, we are taking special care to preserve the precious historical value as well as the abundant fauna and flora that the destination is blessed with. We intend to take our time and adopt a holistic and inclusive approach for further development of the estate. The completion target for another phase of development encompassing

## Interview with the CEO

a number of projects in the social, property, hospitality, leisure and sustainability areas has been set for end 2022.

At the level of Ascencia, the mall's portfolio will be strengthened with 33.33% participation in the construction of a new shopping venue with a Gross Lettable Area of 10,000 sqm at Beau Vallon in the South. Ascencia has an option to purchase the remaining 66.66% over the years. Construction works which started in August 2018 are due to be completed in September 2019. The extension work starting off in parallel at Bagatelle will expand the portfolio by another 5,000 sqm.

### In your view, what are the key challenges ahead for Rogers?

There are indeed a number of economic and industry-level challenges that Rogers and other operators will have to overcome.

Rogers Capital Corporate Services has a wide service offering and a diversified geographical client base which reduces dependency on treaty business. However, the renegotiation of the tax treaty with India and removal of the automatic effective tax rate of 3% on the foreign source income of Global Business companies have somewhat weakened the attractiveness of our jurisdiction.

Despite being included on the OECD White List, Mauritius has been described in an unfavourable light by one of its peers in the ESAAMLG (Eastern and Southern Africa Anti-Money Laundering Group) mutual evaluation reports. Our country has continued to thrive towards an improvement of its already robust anti-money laundering and anti-terrorist-financing framework by the addition of new provisions in its existing laws. We are confident that the recent amendments brought about by the Finance Act 2018 will rectify any remaining deficiency pointed out by the report and that the country's reputation as an IFC will help to overcome adverse impacts. At operational level, we have a defined structure in place with a zero-tolerance policy and a Risk Management & Corporate Governance Framework in place.

Our Hospitality served market, and especially the Hotels sector is faced with the problem of high employee turnover in specific positions in the industry. We have developed a human capital strategy focused on capacity building, talent attraction and engagement as well as the establishment of a strong service culture. We are creating a Heritage Academy to promote human capital development and retention. The first six months of our financial year are likely to deliver excellent results, but current visibility on the second half of the financial year remains weak with likely increases in ticket prices in the wake of significant rise in petrol prices at international level.

With regard to the Property Development & Agribusiness sector, the challenging climate in the sugar industry remains a concern for us. We have

decided this year to completely review the prevailing cultivation mix and land use; and we are actively looking at a number of alternative agricultural activities. The leisure component of the estate is likely to be strengthened in the process together with a refined version of our property development strategy.

### You are the President-in-office of the Business Mauritius Commission on Sustainability and Inclusive Growth. Could you explain what the objectives of the Commission are?

Firstly, it is worth mentioning that Business Mauritius is an association of more than 1,200 local businesses with a total workforce of 120,000 people, representing 25% of the working population and contributing to roughly 50% of the country's GDP.

The Commission on Sustainability and Inclusive Growth showcases the commitment of members of the Association to community development. It boasts a coordinated action which engages with the Government, relevant authorities and the public in general. The environment remains a major concern with the World Risk Report 2017 ranking Mauritius 13<sup>th</sup> among the most vulnerable countries to climate change. We therefore wish to draw attention to the various environmental issues that are threatening to hit us with full force if we do not tackle them, such as land, sea and air pollution, depletion of natural resources, beach erosion and loss of biodiversity. To that end, the business community is focusing on the areas of inclusive economic development, lagoon and coastal beach preservation, sustainable cities and communities, waste and waste management, carbon emission and alternative energy production, smart agriculture and the financing of projects that make an effort to protect our environment.

One of the objectives of Business Mauritius is to frame a circular economy model which gives a second life to things, especially since 1,300 tonnes of waste are generated daily in Mauritius. The aim is to improve and modernise the waste collection logistics while promoting new recycling channels, the safe disposal of E-waste, green-job creation, and the proactive support of SMEs focusing on waste management and recycling.

Our country celebrated its 50<sup>th</sup> Independence Anniversary this year and as we so successfully took responsibility for the development of our island state, we need to mobilise now on the emerging exigencies of the next fifty years and beyond.

### How is the Group's commitment to sustainability reflected in the way you operate your business?

Our long-standing sustainability commitment and CSR tradition tie in with the objectives of the Business Mauritius Commission on Sustainability and



Inclusive Growth. While continuing with our existing programmes, we have taken a number of steps to reinforce our sustainable practices this past year.

Our ongoing waste reduction initiatives include a better disposal process. We have paid particular attention to E-waste with the launch of a recycling programme across the Group, stemming from a recommendation of the Commission. Ascencia has also stepped up progress towards using renewable energy sources in its malls, hence reducing its carbon footprint with the installation, in July 2018, of a first photovoltaic farm at Phoenix Mall.

On the inclusive development front, our response includes a renewed commitment towards coastal management through our 'Respect Our Coast' programme launched in 2013 and concentrating on the Bel Ombre region.

Rogers has carried out major beach rehabilitation and coastal management initiatives in Bel Ombre, including the projected setting up of a Voluntary Marine Conservation Area to protect the lagoon and the implementation of a sustainable development strategy by Heritage Resorts in conjunction with other hoteliers operating in the region. Another priority area is the development of smart agriculture. Compagnie Sucrière de Bel Ombre has already started to implement this model on the estate, one of its components being the supply of products coming out of the smart agriculture programme to Heritage Resorts guests and Heritage Villas Valriche homeowners. We also show great care and attention to architectural quality and well-thought-out urban development.

### What explains the Group's decision to focus its communication on Energy drives sustainability?

We, at Rogers, firmly believe that sustainability is not just a trendy catchphrase but a responsibility. There is also increasing stakeholders' demand for greater sustainability and implementation of best environmental practices in business.

CSR and responsible development are now an important element of our strategy, and the triple bottom line approach of financial performance, social and environmental responsibilities has become mainstream practice across the Group. We attach equal importance to social, environmental and cultural dimensions through various widespread actions.

We have placed a special focus on the environment in the year under review. The issue of plastic pollution has become a significant challenge and we have engaged our subsidiaries to look into ways of raising awareness in order to make their activities greener and contribute to eliminate this global threat. At Ocean Basket for instance, a no-straw policy has been implemented as part of the "Last Straw" campaign while Heritage Resorts has launched the "Refuse the Straw" initiative.

Another noteworthy contribution to environmental protection is the "Hip Hip Hip, No Waste" campaign to mark the 50<sup>th</sup> Independence Anniversary of Mauritius. A number of actions were taken to support this campaign such as two 'plogging' initiatives to clean up the streets of Port Louis, an interactive website promoting simple eco-moves, a video on waste and energy management, awareness-raising and resolution through concrete actions, nature preservation as well as energy efficiency and sustainable natural resource use. This campaign running from March through December 2018 appeals to the patriotic spirit of the Mauritian people.

A Green Market was also held at Bagatelle Mall and VLH scheduled a cleaning week to sensitise employees, the community and school children about E-waste management and recycling.

Six of our hotels, namely Heritage Awali, Heritage Le Telfair, Veranda Grand-Baie, Veranda Palmar Beach, Veranda Paul et Virginie and Veranda Pointe aux Biches, participated in the *Programme National d'Efficacité Énergétique*. This audit pointed out a potential energy saving from our six hotels, amounting to Rs 31 million per year and a reduction of CO<sub>2</sub> of 3,987 tons/year.

Ascencia also embarked on sustainable energy initiatives, launching a photovoltaic farm at Phoenix Mall, powered by EnVolt's technical know-how. The project, which was set-up under the Medium Scale Distributed Generator (MSDG) Scheme of the Central Electricity Board, has a production capacity of 730 kWp (kilowattpeak). Thanks to the solar farm, the mall could potentially benefit from a carbon footprint reduction of 440 tons/year and supply some 28 % of the mall's electricity need.

Velogic took the commitment to dispose responsibly of used oil, in accordance with Mauritian legislation and had recourse to an external company, namely Virgin Oil. The latter is one of the two recyclers for crude oil that are approved and recommended by Government. Recycled oil is reused for fuelling industrial machines.

Rogers also provides support to "Les Tilous", a pre-school in Bel Ombre, managed by the non-profit organisation Caritas, which welcomes children aged 2 to 3 years old.

We welcome our shareholders and the public to go through our 'Energy drives sustainability' section on pages 18 to 23 and to access our website, [www.rogers.mu](http://www.rogers.mu) for further information on our sustainability initiatives.

As we forge ahead with our journey of integrating sustainability into value creation, we remain steadfast in the pursuit of our strategic objectives, driven and inspired by the passion and dedication of our management team, employees and stakeholders at large. We take additional comfort from the unwavering encouragement and trust that our shareholders and Board of Directors place in our effort to build a better quality of life for all Mauritians.

# Chief Finance Executive Report



Since 2015, the Group's total assets expanded by 48% to reach Rs 34bn

## Group Performance Highlights 2017-18

- **Revenue** for the Group improved by 9% to Rs 9,472m and was mainly driven by the acquisition of Island Living, and increased revenue from VLH;
- **EBITDA**, excluding exceptional items, for the year was Rs 2,065m against Rs 2,022m in 2017;
- **PAT**, excluding exceptional items, was lower at Rs 901m compared to Rs 962m in 2017. The Hospitality served market recorded a very good set of results. On the other hand, Ascencia booked lower fair value gains and Rogers Capital Financial Services incurred pre-operational and launching costs;
- **Earnings per share**, excluding exceptional items, improved to Rs 1.58 (2017: Rs 1.32);
- **An exceptional profit** of Rs 221m was realised in 2018 (2017: Rs 151m) and was principally made up of a sale of bare land by CSBO of Rs 106m and a profit on amalgamation of Mall of Mauritius into Moka City for Rs 79m;
- **Attributable Earnings** grew by 16% to Rs 554m mainly on the back of better contribution from the Hospitality served market;
- **Dividends per share** increased by 5% to Rs 0.97;
- **Return on Equity**, excluding exceptional items, was 3.8% (2017: 3.2%); and
- **Share price** for the year improved by 17% to Rs 34.00 with a market capitalisation of Rs 8,570m as at 30 June 2018.

**Damien Mamet**

Chief Finance Executive and  
Executive Director



## Served Market Highlights 2017-18

### • FinTech:

- Revenue for Rogers Capital Corporate Services ('RCCS') improved by 40% driven by both organic growth and the acquisition of Globefin Management Services;
- The improvement in profitability for RCCS to Rs 104m (2017: Rs 83m) was offset by pre-ops expenses relating to the launch of new offering in the credit management space; and
- Contribution from the associate companies, Swan General and Swan Financial Solutions improved by 6% to Rs 95m.

### • Hospitality:

#### Hotels

- VLH recorded an increase of Rs 342m in Revenue on the back of improvement in Occupancy rate, Guest Night Spending and Total Revenue per available room;
- In spite of four hotel renovations carried during the year, the PAT for the hotel group improved by 16% to Rs 208m; and
- Last year's results included an exceptional negative year-end adjustment of Rs 152m relating to NMH September 2016 year-end.

#### Travel

- PAT for Travel more than doubled to Rs 42m on the back of an excellent performance of the Ground Handling activities.

#### Leisure

- Island Living which was acquired on 01 July 2017 yielded a contribution of Rs 496m to the Group's Revenue; and
- The new Leisure sector recorded a PAT of Rs 26m.

### • Logistics:

- The good results in the overseas freight forwarding activities were mitigated by lower volumes and reduced rates on the container depot operations, and a decrease in transportation activities.

### • Property:

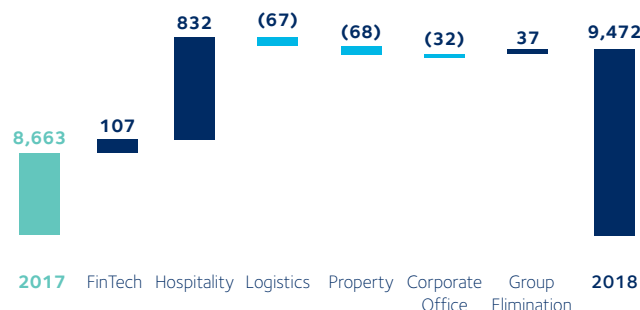
#### Property Investments

- Ascencia improved its operational profit which was achieved on the back of better renewal rental rates, an increase of 10% in footfall and the opening of So'flo in November 2017; and
- Overall PAT was reduced by lower fair value gains of Rs 496m (2017: Rs 629m).

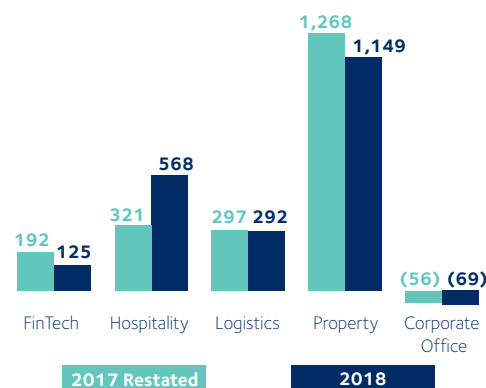
#### Property Development & Agribusiness

- Property Development reported losses due to lower revenue from Les Villas de Bel Ombre; and
- Agribusiness activities were impacted by lower revenue from the sugar activities and a drop in livestock results.

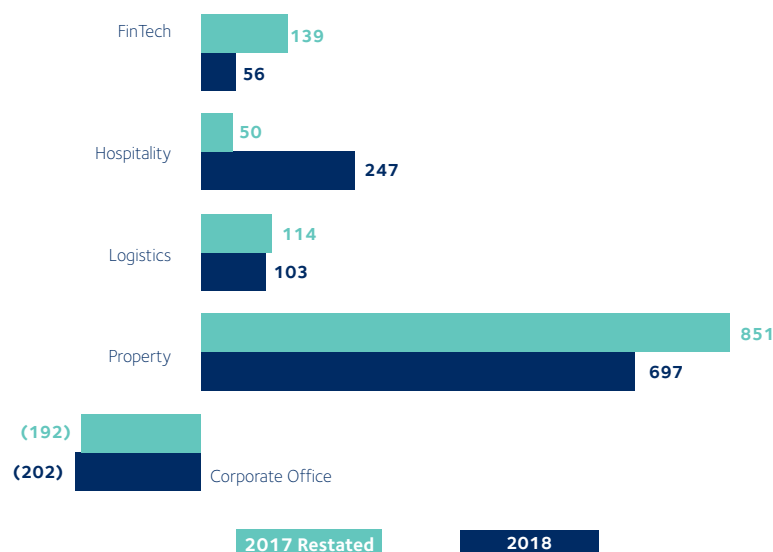
Movement in Group Revenue by Served Market (Rs' m)



EBITDA excluding exceptional items (Rs' m)



PAT excluding exceptional items by Served Market (Rs' m)

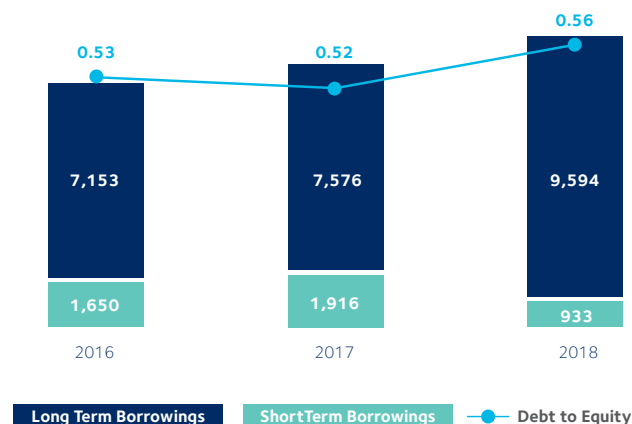


# Chief Finance Executive Report

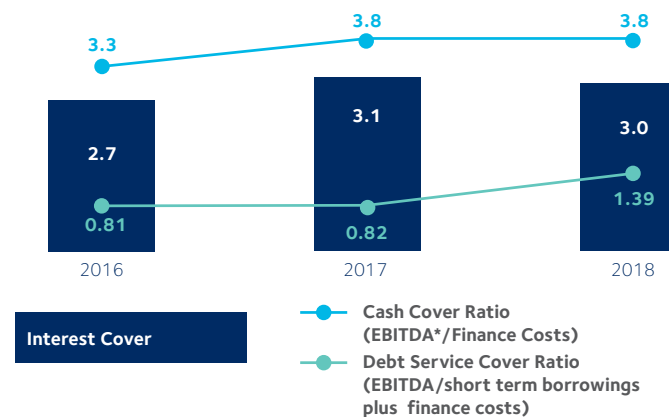
## Financial Management and Group Treasury

- **Group Borrowings** increased by 11% to Rs 11bn mainly on the back of:
  - Additional loans contracted by Rogers Capital for the acquisition of Globefin Management Services and launch of new services; and
  - Increase in loans taken by VLH for the renovation of its hotels.
- **Finance costs** amounted to Rs 550m reflecting a growth of 2% over the last financial year. The Group benefitted from a reduction in repo rate of 50 basis points in September 2017. Hence, the effective interest rate (simple average) was lower at 5.5% (2017: 5.9%).
- During the financial year, our subsidiaries have generated excess cash which will be used for development purposes at a later stage. In order to maximise the benefits for the Group and as part of the **treasury management** function, the excess cash has been deposited on an at call basis at the level of Rogers and Company Limited (Corporate Office). Hence for the financial year ended 30 June 2018, the Company's current liabilities exceeded its current assets by Rs 702 m (2017: Rs 1,100m).
- The Group is exposed to **foreign currency loans**, mainly EUR and USD, for the FinTech, Hospitality and Property served markets. These loans have been contracted on a medium term to hedge against currency fluctuation. On a shorter term basis, currency forward contracts are entered into and as at 30 June 2018 the Group's net exposure was Rs 2bn (2017: Rs 1bn).

Total Borrowings (Rs m) and Debt to Equity (x)



Coverage Ratios



\* Excluding exceptional items

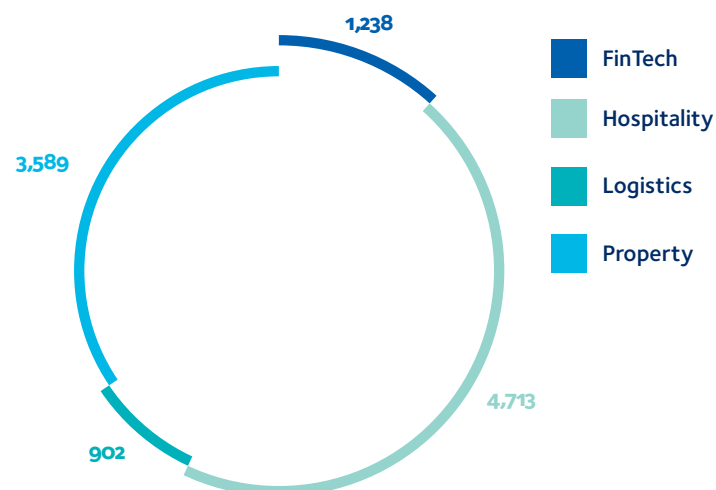


## Cash Generation and Utilisation

**Cash flow generated from operations** amounted to Rs 934m and was utilised as follows:

- Rs 553m was used to service the cost of debt;
- Dividends paid to shareholders, net of dividends received, amounted to Rs 340m;
- An outflow of Rs 410m was required mainly for the acquisitions of Island Living and Globefin Management Services, in the Hospitality and FinTech served markets respectively;
- An inflow of Rs 297m was received from the disposal of Gardens of Bagatelle, EnAtt and other financial assets;
- Net contracted loans amounted to Rs 869m and was partly used to finance the renovation of hotels and Heritage Le Château, with some Rs 400m remaining in cash and cash equivalents for forthcoming capital commitments.

## NAV by Served Market (Rs m)



## Outlook

Over the last three years, the Group has taken a number of initiatives geared towards strengthening and consolidating its position in its four served markets, which has resulted in a more than 30% increase in Group Revenue to Rs 9.5bn. Since 2015, the Group's total assets expanded by 48% to reach Rs 34bn as at 30 June 2018. These has been achieved while maintaining a reasonable debt level of 56%, and delivering an average dividend yield above 3%.

Based on our 2018-19 budget exercise, we expect a gradual rebalancing of the Group's profitability away from the Property served market with greater contribution expected from the Hospitality and FinTech markets over the medium to long-term. In 2018-19, we will revisit our strategic plan for the next 3 years to incorporate a new digital and marketing approach. We are also in the process of embarking on a digitalisation initiative with the first step comprising of the implementation of a management analytics tool, which will assist us in sharper measurement, and monitoring of our budget and strategic plans.

I would like to thank all our stakeholders, including my colleagues, for their unflinching commitment and partnership in contributing to our Group's success.

Discount to NAV fell to 17% (2017: 30%)



# Risk Management Report and Other Statutory Disclosures



# Other Statutory Disclosures

## DIRECTORS

A list of Directors of the subsidiary companies of Rogers is given on pages 80 to 85.

## CONTRACT OF SIGNIFICANCE

During the year under review, there was no contract of significance to which Rogers, or one of its subsidiaries, was a party and in which a director of Rogers was materially interested either directly or indirectly.

## DIRECTORS' SERVICE CONTRACTS

None of the Directors of the Company and of the subsidiaries has service contracts that need to be disclosed under Section 221 of the Companies Act 2001.

In Rs million	30 June 2018	30 June 2017
<b>DIRECTORS' REMUNERATION &amp; BENEFITS</b>		
Remuneration and benefits paid by the Company and subsidiary companies to:		
Directors of Rogers and Company Limited		
Executive - full time	43.7	33.9
Non-executive	4.6	4.4
Directors of subsidiary companies		
47 executive - full time (42 in 2017)	191.3	172.5
87 non-executive (80 in 2017)	2.6	0.3

In Rs million	GROUP		COMPANY	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017
<b>DONATIONS</b>				
Donations made during the year				
Political	1.3	1.6	1.3	1.6
Corporate Social Responsibility				
Statutory	6.5	7.9	0.9	-
Voluntary	2.7	0.3	-	1.0
Number of institutions	20	33	11	8
<b>AUDITORS' REMUNERATION</b>				
Audit fees paid to:				
BDO & Co	12.0	10.4	0.8	0.8
Other firms	7.8	7.6	-	-
Fees paid for other services provided by:				
BDO & Co	2.2	3.1	0.2	0.2
Other firms	11.8	7.0	-	-

Fees paid for other services to BDO & Co are in respect of taxation and consultancy services.

# Risk Management Report

## 1 Overview

## 2 Managing our Risks

## 3 Principal Risks

“Leveraging on an established risk management framework and with the appropriate culture, the Risk Management and Audit Committee believes that Rogers is well equipped to address and manage the risks and challenges faced by the Group in the diverse served markets



**Vivian Masson**  
Acting Chairman  
Risk Management  
and Audit Committee



# 1. Overview

The Risk Management and Audit Committee ('RMAC') has continued to play a key oversight role for the Board of Directors. During this financial year significant emphasis was laid on enhancement of the risk management process, principal risks and uncertainties that may impact the Group's strategic objectives. Leveraging on an established risk management framework and with the appropriate culture, the Risk Management and Audit Committee believes that Rogers is well equipped to address and manage the risks and challenges faced by the Group in the diverse served markets.

## 1.1 Risk Management and Audit Committee

Members of the RMAC are financially well-versed and expert in their field of work. The composition of the committee and attendance to meetings are disclosed on page 37. The committee met during the financial year to acknowledge/review/discuss the following:

<b>Review of principal risks/uncertainties</b>	<ul style="list-style-type: none"><li>Principal risks and uncertainties which impact Rogers were reviewed by the RMAC and discussed with the Group Chief Executive Officer ('CEO') including:<ul style="list-style-type: none"><li>Financial performance of some activities such as agribusiness, livestock and property development (IRS villas);</li><li>Political interference/legislations in the global business sector;</li><li>Liquidity, credit and interest rate risks;</li><li>Unpredictable events such as natural calamities; and</li><li>Cyber threats and fraud.</li></ul></li></ul>
<b>Review of risk management process and RMAC charter</b>	<ul style="list-style-type: none"><li>The risk reporting process was identified as an area where the Group can improve and be more efficient. Implementation is under way.</li><li>RMAC charter and risk management process were reviewed in light of The National Code of Corporate Governance for Mauritius (2016). Risks were identified by management of each sector and incorporated in the budget/strategic plan to ensure decisions are based on proper risk assessment.</li><li>Internal audit plan for the next 3 years has been reviewed in line with Group risks.</li></ul>
<b>Review of internal controls in all sectors</b>	<ul style="list-style-type: none"><li>An exercise involving management of all sectors is being carried out with the main objective to review and create a user-friendly Group policy manual. The latter includes the whole spectrum of the Group's businesses and focuses on the internal controls and risks associated with the different activities of the sectors.</li><li>Reports from the Head of Internal Audit &amp; Risk Management on risk areas and internal controls were reviewed.</li></ul>
<b>External audit</b>	<ul style="list-style-type: none"><li>Critical policies, judgements, estimates, significant issues were discussed and reviewed with the Group Chief Finance Executive ('CFE') and external auditor.</li><li>During the year the Chairman of the RMAC met with the external auditors without the presence of management.</li><li>The existing external auditor was reappointed at the Annual Meeting of Shareholders and has been in tenure for more than seven years. The tendering process for audit services is in progress and is in line with prevailing legislations.</li></ul>

Meetings held  
5

Reports reviewed during the year  
31

Independent Directors  
2/3

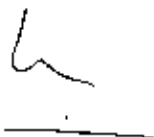
## Risk Management

### Other matters

- A new member of the RMAC was appointed.
- Review of quarterly abridged financial statements and reports from the Group CFE.
- Review of Related Party Transactions.
- The existing malpractice policy sets out the process whereby information relating to questionable practices within the Group is disclosed in good faith by employees. Employees are encouraged to raise such questionable practices to their direct reporting manager or Group Chief Human Resources Executive at Rogers. The latter will consequently report to the Group CEO who will approve any required investigations.

I would like to thank our former member Mr Philippe Forget for his involvement and valuable contribution to the RMAC. Mr Thierry Hugnin has since then been appointed as our new member to consolidate the skills, knowledge and experience of the RMAC.

Last but not least, a special thank you to the RMAC members as well as the Group's Chief Executive Officer, the Group's Chief Finance Executive, management team, external auditors and the Risk & Audit department for their constant support and commitment throughout the year.



**Vivian Masson**

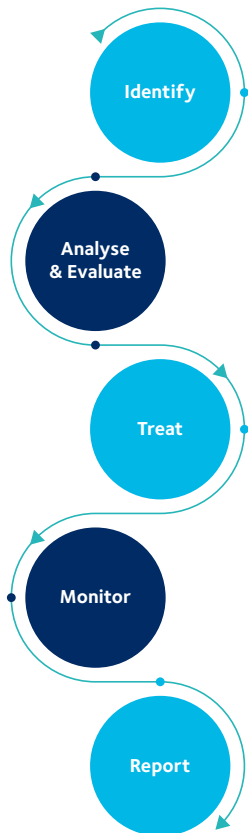
Acting Chairman

Risk Management and Audit Committee

# 2. Managing our Risks

Since last year, Rogers has adopted an integrated risk management approach. The **integrated risk management process, four lines of defence** and the **risk governance structure** at Rogers are as follows:

## 2.1 Integrated Risk Management Process



### How we identify, analyse and evaluate risks at Rogers

<b>Operational &amp; Compliance risks</b>	<ul style="list-style-type: none"><li>• Through regular management meetings held in sectors whereby emerging/ new and other risks are identified as well as activities and processes that gave rise to the risks.</li><li>• During audits carried out by internal and external auditors or appointed specialist consultants.</li></ul>
<b>Financial &amp; Strategic risks</b>	<ul style="list-style-type: none"><li>• At time of preparation of the annual budget and three-year strategic plan by Chief Finance Officers ('CFOs') and CEOs.</li><li>• Through risk workshops organised in some sectors involving Directors, CEOs, top and middle management and Head of Internal Audit &amp; Risk Management. A business intelligence software is used for voting/assessing inherent and residual risks based on their potential financial impact and the likelihood of occurrence. Principal risks are then derived.</li><li>• During audits carried out by internal and external auditors or appointed specialist consultants.</li></ul>

### Treatment, monitoring and reporting

- Management in sectors devise appropriate mitigating strategies in light of their business model and set risk appetite. The implementation of remedial actions and monitoring is performed by management.
- Principal risks are reported by management to Group CEO, Board of Directors ('Board') of sectors and Rogers' Board. The Group CFE and the Risk & Audit department report risks and other findings to the RMAC and to all Boards. A follow up on the progress made on the implementation of the recommendations is performed at a later stage by the Risk & Audit department.

# Risk Management

## 2.2 Our four lines of defence

At Rogers, our four lines of defence are as follows:

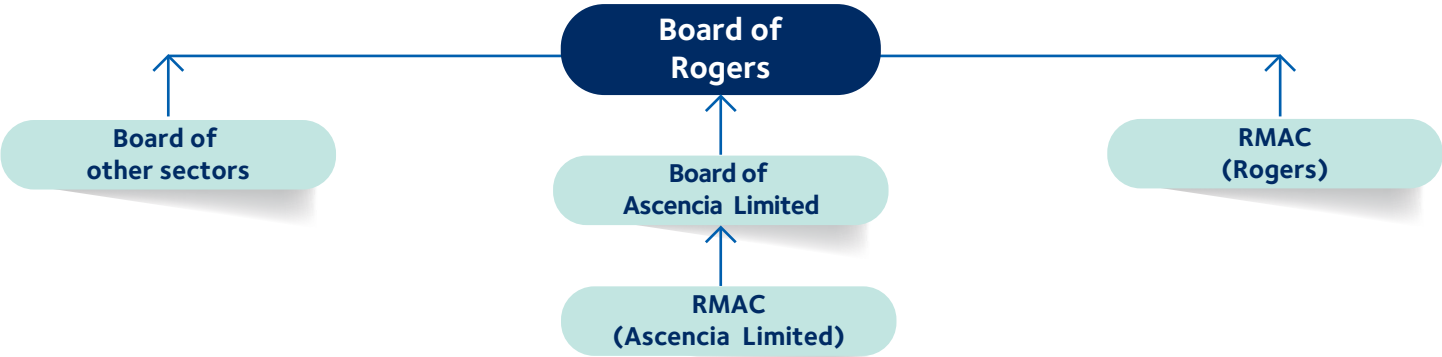


 <p><b>1<sup>ST</sup> LINE</b></p> <p><b>People, Process and Technology</b></p>	<ul style="list-style-type: none"> <li>• Controls are operated by employees involved in day-to-day activities.</li> <li>• The adequacy and relevance of internal controls is supported by the Rogers Guidelines and Policies Manual.</li> </ul>
 <p><b>2<sup>ND</sup> LINE</b></p> <p><b>Management and Oversight</b></p>	<ul style="list-style-type: none"> <li>• Management teams of sectors meet on a regular basis for the assessment, identification, and escalation of new/emerging events.</li> <li>• Monitoring of risk and control effectiveness are performed and reported to the respective sectorial boards.</li> </ul>
 <p><b>3<sup>RD</sup> LINE</b></p> <p><b>Internal Audit</b></p>	<ul style="list-style-type: none"> <li>• Internal audit is an independent in-house function with the Head of Internal Audit &amp; Risk Management reporting to the Chairman of the RMAC.</li> <li>• The audit focus during this financial year was on higher risk areas and completion of the three-year audit plan which excludes joint ventures and associates. Key areas of focus were on: <ul style="list-style-type: none"> <li>– operational controls;</li> <li>– safety and health controls;</li> <li>– financial controls;</li> <li>– human resources management; and</li> <li>– legal, regulatory and internal compliance.</li> </ul> </li> <li>• Internal audit findings and progress on implementation of recommendations were reported to the RMAC and the Board of sectors. There were no major limitations or restrictions in the audit scope, access to records, management and employees. The structure and qualifications of the key members of the department is detailed on the Rogers website.</li> </ul>
 <p><b>4<sup>TH</sup> LINE</b></p> <p><b>External Assurance</b></p>	<p>Assurance from independent external consultants and auditors is obtained on:</p> <ul style="list-style-type: none"> <li>– Valuation of investment properties and retirement benefit obligations;</li> <li>– Financial statements; and</li> <li>– Safety risks.</li> </ul>



2.3 Risk Governance

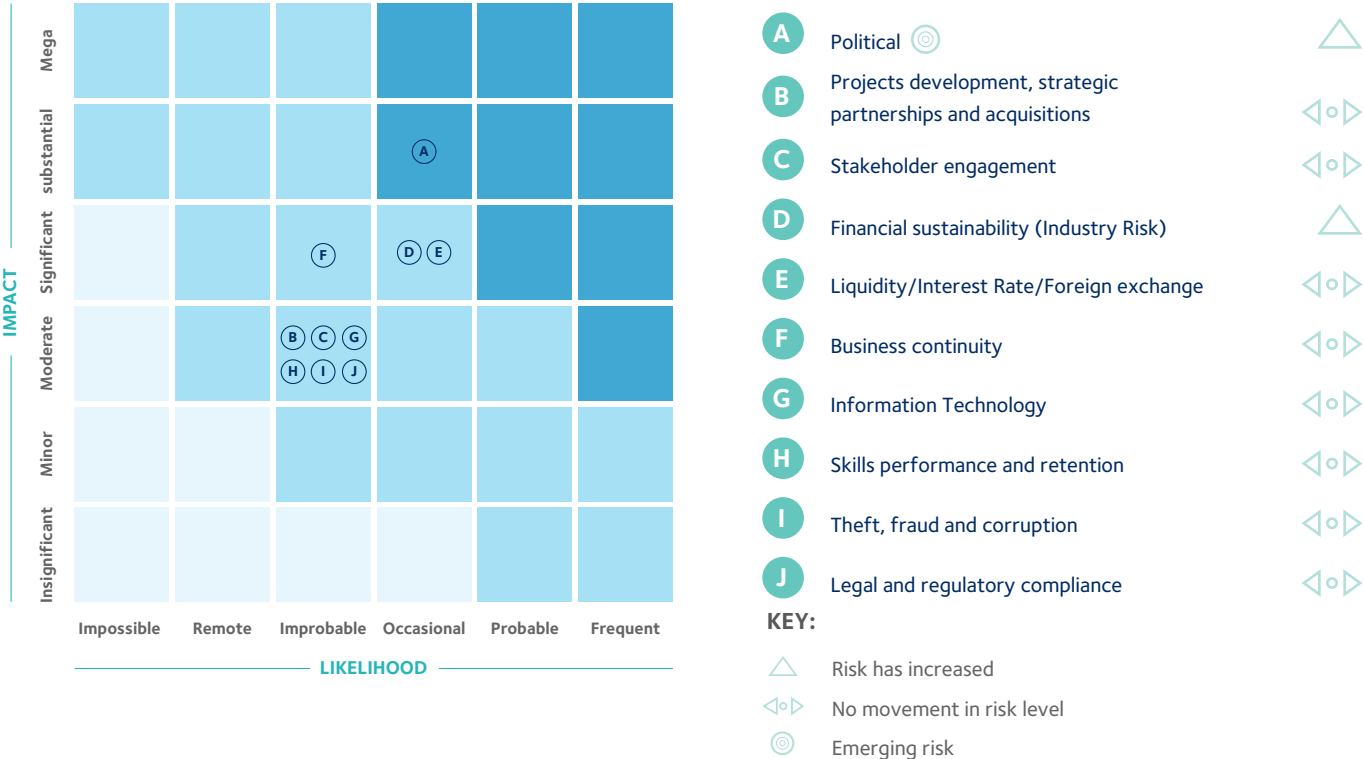
The Board of Directors ('Board') of Rogers and sectorial Boards are responsible for the governance of risks and the RMAC ensures that risks are managed effectively within the Group. Our risk governance structure is as follows:



3. Principal Risks

3.1 Risk Heat Map

The Risk Heat Map provides an overview of the 10 principal residual risks identified and how these risks have evolved over the financial year under review.
































# Risk Management

## 3.2 Principal risks, mitigating actions and opportunities

The principal risks, mitigating actions/opportunities and their corresponding capital/strategic objectives impacted were identified.

Principal Risks	Description & Risk Context
<b>Strategic risks</b>	
<b>A</b> <b>Political</b>	<ul style="list-style-type: none"> <li>• International political interference which impacts future changes in law, regulations and international tax agreements (FinTech served market).</li> <li>• Political instability in some African countries in which Rogers has operations (Travel sector and Logistics served market).</li> <li>• Interference of the Government of Kenya on legislation around the introduction of the railway which impacts the transport activity in Kenya (Logistics served market).</li> </ul>
<b>B</b> <b>Projects development, strategic partnerships and acquisitions</b>	<ul style="list-style-type: none"> <li>• Inadequate due diligence/feasibility study on acquisitions and project development.</li> <li>• Inefficient or ineffective alliance with strategic partners.</li> </ul>
<b>C</b> <b>Stakeholder engagement</b>	<ul style="list-style-type: none"> <li>• Inadequate relationship management and conflict with stakeholders.</li> <li>• Inability to meet clients' expectations.</li> </ul>
<b>Financial risks</b>	
<b>D</b> <b>Financial sustainability (Industry Risk)</b>	<ul style="list-style-type: none"> <li>• Changes in conditions that threaten the attractiveness or long-term viability of industries in which the sectors operate:               <ul style="list-style-type: none"> <li>– Loss-making activities (Property Development &amp; Agribusiness sector);</li> <li>– Low sugar prices on the international market (Property Development &amp; Agribusiness sector);</li> <li>– Decrease in volumes of sugar and sugar cane transported (Logistics served market); and</li> <li>– Gradual degradation of the environment – beach erosion and marine pollution (Hotels sector).</li> </ul> </li> </ul>
<b>E</b> <b>Liquidity/Interest Rate/ Foreign exchange</b>	<ul style="list-style-type: none"> <li>• Inability of the Group to meet financial obligations.</li> <li>• Delay in receiving money from debtors.</li> <li>• Significant changes in interest rates.</li> <li>• Adverse fluctuation in exchange rates.</li> </ul>

Mitigating Actions and Opportunities	Strategic / served market objectives impacted	Capital Impacted
<ul style="list-style-type: none"> <li>Close monitoring of impact of changes of legislations and amended treaties to identify potential opportunities.</li> <li>Joining the financial services community to lobby on laws and amendments.</li> <li>Broadening client-base in other geographies.</li> <li>Fleet reorganisation to tap into business opportunities around the railway.</li> </ul>	  	
<ul style="list-style-type: none"> <li>Carrying out due diligence checks to review the financial, technical, risk and legal aspects of each acquisition. Investment is based on strict Key Performance Indicators.</li> <li>Partnership with reputed international brand "Domino's Pizza".</li> <li>Requiring feasibility study for all projects and carefully selecting strategic partners.</li> <li>Ensuring proper contractual agreements between all parties involved.</li> <li>Use of external independent experts for valuations.</li> </ul>	   	 
<ul style="list-style-type: none"> <li>Ongoing relationship management with clients, suppliers and authorities.</li> <li>Organising regular briefings for investors and employees.</li> <li>Launch of common brand for activities in Bel Ombre.</li> <li>Roll-out of new brand identity for Ascencia Limited for improved communication.</li> </ul>	   	  
<ul style="list-style-type: none"> <li>Reviewing loss-making activities through implementation of Turnaround plans (Property Development &amp; Agribusiness sector).</li> <li>Appointment of a new Head and focus approach on Property Development &amp; Agribusiness sector.</li> <li>Reopening of refurbished Heritage Le Château and its surroundings in Bel Ombre.</li> <li>Disposal of non-core assets.</li> <li>Innovative coastal rehabilitation of the beaches and reefs in Bel Ombre.</li> <li>Taking advantage of any consolidation (Logistics served market).</li> </ul>	  	  
<ul style="list-style-type: none"> <li>Reassessment of treasury function.</li> <li>Improving recoveries and reduction in arrears through stringent debtors' management.</li> <li>Ongoing negotiations with bankers to secure favourable rates for the Group.</li> <li>Opting for fixed rate borrowings/instruments instead of variable rate.</li> <li>Monitoring level of gearing.</li> <li>Use of currency hedging.</li> </ul>	   	 

**KEY:**



Financial Capital



FinTech



Human Capital



Hospitality



Intellectual Capital



Logistics



Social & Natural Capital







































Property

# Risk Management

Principal Risks	Description & Risk Context
<b>Operational risks</b>	
<b>F</b> <b>Business continuity</b>	<ul style="list-style-type: none"> <li>Cessation of activities due to: <ul style="list-style-type: none"> <li>Unforeseen natural calamities;</li> <li>Uncontrollable events, for example fire, cyclone, flooding, tsunami, violence and terrorism attacks; and</li> <li>Major health and safety incidents/accidents.</li> </ul> </li> <li>No proper business continuity plan.</li> </ul>
<b>G</b> <b>Information Technology</b>	<p><b>Innovation &amp; Technology</b></p> <ul style="list-style-type: none"> <li>Not leveraging on innovation to sustain competitive advantage.</li> <li>Inability to adapt to disruptive technology.</li> </ul> <p><b>IT Security</b></p> <ul style="list-style-type: none"> <li>Cyber threats.</li> <li>IT system failure.</li> <li>Inadequate security of data.</li> <li>Data privacy issues and financial losses resulting from cyber-attacks and fraudulent phishing attempts.</li> </ul>
<b>H</b> <b>Skills, performance and retention</b>	<ul style="list-style-type: none"> <li>Low staff engagement.</li> <li>Limited availability of adequate skills and talents (Hotels sector).</li> <li>Scarcity of experienced resources in new and disruptive technologies for development, for example, Artificial Intelligence and Blockchain.</li> </ul>
<b>I</b> <b>Theft, fraud and corruption</b>	<ul style="list-style-type: none"> <li>Misappropriation of assets.</li> <li>Inability to implement and communicate policies and procedures, for example malpractice reporting policy and internal compliance procedures.</li> <li>Fake bank transfer instructions received by email and illegal transactions not detected (FinTech served market).</li> </ul>
<b>Compliance Risks</b>	
<b>J</b> <b>Legal and regulatory compliance</b>	<ul style="list-style-type: none"> <li>Non-adherence to existing or new legislation and regulations such as Data Protection Act, General Data Protection Regulations and The National Code of Corporate Governance for Mauritius (2016).</li> <li>Changes to laws and regulations not communicated and training not provided.</li> <li>Not systematically applying enhanced due diligence with respect to high risk clients (FinTech served market).</li> </ul>



Mitigating Actions and Opportunities	Strategic / served market objectives impacted	Capital Impacted
<ul style="list-style-type: none"> <li>Procedures in place in case of cyclones and fire.</li> <li>Review of business continuity plan is under way and its completion is targeted for next year.</li> <li>External safety assessment done, recommendations implemented and monitoring ongoing (Property Investments sector).</li> <li>Adequate insurance coverage against major risks.</li> </ul>	   	  
<b>Innovation &amp; Technology</b> <ul style="list-style-type: none"> <li>Focus on digital transformation through the technology arm of Rogers.</li> <li>Introduction of cloud services.</li> <li>Launch of digital services (FinTech served market).</li> <li>Founding partner of the Mauritius Blockchain Centre of Excellence (FinTech served market).</li> <li>Improvement to management information system through the implementation of the corporate business analytic system (Corporate Office).</li> <li>Successful go-to-market on Hire Purchase, Leasing and Loans (FinTech served market).</li> </ul>	   	  
<b>IT Security Measures reinforcement</b> <ul style="list-style-type: none"> <li>Regular IT audits.</li> <li>Regular upgrade in information security.</li> </ul>		
<ul style="list-style-type: none"> <li>Yearly engagement surveys.</li> <li>Management Development Programme course.</li> <li>Rogers Leaders Award.</li> <li>Excellence Awards for employees of the Hotel sector.</li> <li>Continuous training provided to employees.</li> <li>Implementation of employer value proposition with emphasis on talent management and human capital development (FinTech served market).</li> <li>Full remuneration survey to align to market and retention plan in place.</li> </ul>	   	   
<ul style="list-style-type: none"> <li>Review and implementation of ethics policy.</li> <li>Ensuring proper segregation of duties.</li> <li>Implementation of recommendations on internal controls made by internal and external auditors.</li> <li>Zero tolerance policy on risk of errors and fraud (FinTech served market).</li> <li>Review and update of Rogers Guidelines and Policies Manual.</li> </ul>	   	  
<ul style="list-style-type: none"> <li>Seminars and workshops organised for Directors and management with respect to The National Code of Corporate Governance for Mauritius (2016).</li> <li>Compliance with General Data Protection Regulations and Data Protection Act.</li> <li>Monitoring implementation of new legislations.</li> <li>Recruitment of key staff to reinforce compliance function (FinTech served market).</li> </ul>	   	  

**KEY:**



Financial Capital



FinTech



Human Capital



Hospitality



Intellectual Capital



Logistics



Social & Natural Capital



Property



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