

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Livestock Feed Limited

Report on the Audit of the Consolidated And Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Livestock Feed Limited and its subsidiaries (the "Group"), and the Company's separate financial statements on pages 78 to 163 which comprise the consolidated and separate statements of financial position as at June 30, 2023, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements on pages 78 to 163 give a true and fair view of the financial position of the Group and of the Company as at June 30, 2023, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Mauritian Companies Act 2001.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matters (Continued)

KEY AUDIT MATTER	AUDIT RESPONSE
Valuation of unquoted investments held at fair value through other comprehensive income	
The Group holds unquoted investments held at fair value through other comprehensive income amounting to Rs 167.9M at June 30, 2023.	We obtained, read and understood the valuation report prepared by management.
The Group has made an irrevocable election to classify the equity investments at fair value through other comprehensive income (FVTOCI) rather than through profit or loss with changes in fair value recognised in other comprehensive income (OCI) and accumulated in the FVTOCI reserve. Upon disposal any balance within FVTOCI reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.	We tested the mathematical accuracy of the report and evaluated the appropriateness of the valuation methodology used by management in determining the fair value.
The valuation of unquoted investments is performed internally by management. There is limited external evidence and observable market data available to determine the fair value of unquoted investments. Thus, the valuation involves significant judgements and estimations due to the complexity of the techniques and assumptions used.	For unobservable inputs we obtained the models and assessed the assumptions and data used against market information and industry norms.
Due to the significant judgements and estimations applied by the Management, we considered the determination of the fair value of the unquoted investments to be a key audit matter.	Our valuation experts performed an independent valuation of the unquoted investments, in order to assess whether management's valuations were within a reasonable range of outcomes in the context of the inherent uncertainties.
Refer to Note 9 (Financial assets fair value recognised in other comprehensive income), Note 2 (g) (accounting policy), and Note 4.1 (Key sources of estimation uncertainty) of the accompanying financial statements.	We also involved our valuation experts to review and compare the methodologies used in the context of the relevant investments held.
	We evaluated whether disclosures in the financial statements in respect of the unquoted investments were in accordance with the requirements of International Financial Reporting Standards.

INDEPENDENT AUDITOR'S REPORT (CONT'D)

To the Shareholders of Livestock Feed Limited

Key Audit Matters (Continued)

KEY AUDIT MATTER	AUDIT RESPONSE
<p><i>Valuation of property, plant and equipment – land and buildings, plant and machinery and factory equipment</i></p> <p>The Group and the Company have property, plant and equipment which included land and buildings, plant and machinery and factory equipment amounting to Rs 1,408M and Rs 886M respectively. The property, plant and equipment are measured at fair value less accumulated depreciation and any impairment losses.</p> <p>Any revaluation surplus is recognised in other comprehensive income and accumulated in the revaluation reserve in equity. However, the surplus is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. The revaluation surplus on land and buildings, plant and machinery and factory equipment reported in other comprehensive income amounts to Rs 101.9M for Group and Rs 53.9M for the Company, net of deferred tax.</p> <p>The Directors used an external independent valuation specialist to determine the fair value of the relevant assets. The external independent valuation specialist used information and professional judgement concerning market conditions and factors impacting the individual assets.</p> <p>The valuation of land and buildings, plant and machinery and factory equipment was considered to be a key audit matter due to its significance on the statements of financial position and also due to the significant estimates and judgments involved in the valuation.</p> <p>Refer to Note 5 (Property, plant and equipment), Note 2 (accounting policy), and Note 4.1 (Key sources of estimation uncertainty) of the accompanying financial statements.</p>	<p>We obtained, read and understood the report from the external independent valuation specialist.</p> <p>We tested the mathematical accuracy of the report and evaluated the appropriateness of the valuation methodologies used by the external independent valuation specialist for determining the fair values of land, buildings plant and machinery and factory equipment.</p> <p>We assessed the qualifications, competence, capabilities and objectivity of the external independent valuation specialist.</p> <p>We discussed and challenged the key inputs and assumptions used by the external independent valuation specialist for the valuation model and also work with the Management to ensure that there were no matters affecting the external independent valuation specialist' judgements.</p> <p>We evaluated whether disclosures in the financial statements in respect of valuation of land and buildings, plant and machinery and factory equipment were in accordance with the requirements of International Financial Reporting Standards.</p>

Other Information

The Directors are responsible for the other information. The other information comprises mainly information contained in the Annual Report, including the Corporate Governance Report, Statement of Compliance, Statement of Directors' Responsibilities and Statutory Disclosures, but does not include the consolidated and separate financial statements and our auditor's report thereon.

All other information in the annual report, except those disclosed above, will be made available to us after that date. If we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

Responsibilities of Directors and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT (CONT'D)

To the Shareholders of Livestock Feed Limited

Auditor's Responsibilities for the Audit of the Consolidated And Separate Financial Statements (continued)

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

Mauritian Companies Act 2001

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

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

Mauritian Financial Reporting Act 2004

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

Other Matter

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

The financial statements of the Group and the Company as at and for the year ended June 30, 2022 were audited by PricewaterhouseCoopers who expressed an unmodified opinion on those statements on September 27, 2022.

BDO & Co.
Chartered Accountants

Lilawatee Tarachand, FCA, FCMA
Licensed by FRC

Date: October 10, 2023