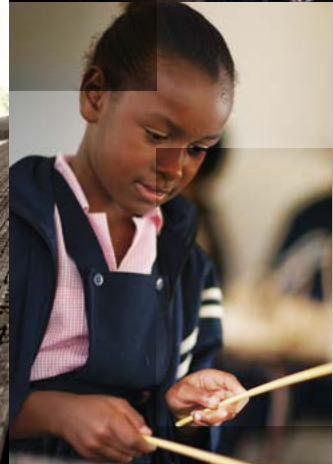


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UBP

The United Basalt Products Ltd.





Dear Shareholder,

The Board of Directors is pleased to present to you the Annual Report of The United Basalt Products Ltd ("UBP") for the year ended June 30, 2012, the contents of which are listed hereafter.

This report was approved by the Board of Directors on September 27, 2012.

Thierry Lagesse
Chairman

Jean Michel Giraud
Chief Executive Officer

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John Smith
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NOTICE OF ANNUAL MEETING TO SHAREHOLDERS

Notice is hereby given that the Annual Meeting of Shareholders of The United Basalt Products Ltd will be held at the registered office at the Company, Trianon, Quatre Bornes, on Wednesday November 21, 2012 at 15.00 hours to transact the following business in the manner required for the passing of Ordinary Resolutions:

1. To consider the Annual Report 2012 of the Company.
2. To receive the report of Messrs Ernst & Young, the Auditors of the Company.
3. To consider and adopt the Company's and the Group's Audited Financial Statements for the year ended June 30, 2012.
4. To elect as Director of the Company, Mr Stephane Lagesse who was nominated by the Board and who, upon recommendation from the Corporate Governance Committee, offers himself for re-election.
5. To elect as Director of the Company, Mr Laurent de la Hogue who was nominated by the Board and who, upon recommendation from the Corporate Governance Committee, offers himself for re-election.
- 6-13 To re-elect as Directors of the Company and by way of separate resolutions, the following persons who have been recommended by the Corporate Governance Committee and who offer themselves for re-election to hold office until the next Annual Meeting:
 6. Mr Thierry Lagesse
 7. Mr Francois Boullé
 8. Mr Marc Freismuth
 9. Mr Jean Michel Giraud
 10. Mr Joël Harel
 11. Mr Arnaud Lagesse
 12. Mr Jean Claude Maingard
 13. Mr E. Jean Mamet
14. To re-appoint Messrs Ernst & Young as Auditors of the Company for the year ending June 30, 2013 and to authorise the Board of Directors to fix their remuneration.

A shareholder of the Company entitled to attend and vote at this meeting may appoint a proxy (whether a shareholder or not) to attend and vote on his/her behalf. The instrument appointing a proxy or any general power of attorney shall be deposited at the registered office of the Company, Trianon, Quatre Bornes, not less than twenty-four hours before the time fixed for the holding of the meeting or else the instrument of proxy shall not be treated as valid.

A proxy form is included for this purpose at the end of the Annual Report.

For the purpose of this Annual Meeting, the Directors have resolved, in compliance with Section 120(3) of the Companies Act 2001, that the shareholders who are entitled to receive notice of the meeting and attend such meeting shall be those shareholders whose names are registered in the share register of the Company as at October 19, 2012.

The minutes of proceedings of the preceding Annual Meeting held on November 11, 2011 are available for consultation by the shareholders during office hours at the registered office of the Company.

By order of the Board


Christophe Quevauvilliers
Company Secretary

September 27, 2012

MANAGEMENT AND ADMINISTRATION

Jean Michel Giraud	Chief Executive Officer
Stephane Ulcoq	Deputy CEO and Production Manager
Rémi de Gersigny	Project and Business Development Manager
Christophe Quevauvilliers	Group Finance Manager and Company Secretary
Denis Lincoln	Group Engineering Manager
Caroline Tyack	Group Communication and Marketing Manager
Clivy Coutet Chan Chuen	Group Human Resource Manager
Fabien Harel	Sales Manager
Dhuenesh Rambarassah	Financial Controller
Dwight Hamilton	Group IT Manager
Jocelyne L'Arrogant	Group Procurement and Logistics Manager
Francis Koenig	Quarry and Field Manager
Bernard Lagesse	Manager – Marbella Division
Raoul Maurel	Manager – PPB Division
Edley Michaud	Personnel Manager
Jean Philippe Henry	General Manager – Espace Maison Ltée
Christopher Blackburn	General Manager – Compagnie de Gros Cailloux Ltée
Jean Claude Bellepeau	General Manager – Dry Mixed Products Ltd

LEGAL FORM

The United Basalt Products Ltd is a public company incorporated in Mauritius in July 1953 and listed on the Official Market of the Stock Exchange of Mauritius since 1989.

HEAD OFFICE

Trianon, Quatre Bornes – Mauritius
Tel. : (230) 454 1964
Fax : (230) 454 8043
Email : info@ubpgroup.com
Website : www.ubpgroup.com

REGISTERED OFFICE

Trianon, Quatre Bornes – Mauritius

COMPANY SECRETARY

Christophe Quevauvilliers F.C.C.A.

AUDITORS

Ernst & Young

BANKERS

AfrAsia Bank Ltd
Barclays Bank Mauritius Ltd
HSBC (Mauritius) Ltd
State Bank of Mauritius Ltd
The Mauritius Commercial Bank Ltd

BOARD OF DIRECTORS AND BOARD COMMITTEES

BOARD OF DIRECTORS

Marc Freismuth - Chairman
François Boullé
Jean Michel Giraud – Chief Executive Officer
Joël Harel
Laurent de la Hogue
Arnaud Lagesse
Stephane Lagesse
Thierry Lagesse
Jean Claude Maingard
E. Jean Mamet

BOARD COMMITTEES

CORPORATE GOVERNANCE COMMITTEE

Joël Harel - Chairman
Marc Freismuth
Thierry Lagesse

AUDIT COMMITTEE

E. Jean Mamet - Chairman
François Boullé
Joël Harel

COMPANY SECRETARY

Christophe Quevauvilliers F.C.C.A.

DIRECTORS' AND SENIOR OFFICERS' PROFILES



1. Thierry Lagesse Chairman

Mr Thierry Lagesse was appointed Director of the Company in December 1989 and subsequently Chairman of the Board in December 2002. Born in 1953, Mr Lagesse holds a 'Maîtrise des Sciences de Gestion' from the University of Paris Dauphine. He is the Non-Executive Chairman of GML, Ireland Blyth Ltd and Phoenix Beverages Ltd and Director of several other companies listed on the Stock Exchange of Mauritius. He is also the Executive Chairman and founder of Palmar Group of Companies and PDG of Parbole Réunion SA. Mr Lagesse is a member of the Company's Corporate Governance, Nomination and Remuneration Committee.



2. François Boullé

Mr François Boullé was appointed alternate Director to late Mr Jacques Lagesse in 1998 and full-fledged Director of the Company in May 2004. Born in 1948, Mr Boullé holds a degree from the 'Institut d'Etudes Politiques de Paris' (Sciences Po – Section Economique et Financière). He is currently the Managing Director of Suchem Ltd, a company specialised in importation and distribution of industrial chemicals, textile auxiliaries, plastic raw-materials, pesticides and sprayers for agriculture.



3. Marc Freismuth

Mr Marc Freismuth was appointed Director of the Company in March 2006. Born in France in 1952, Mr Freismuth holds a 'Diplôme d'Etudes Supérieures de Sciences Economiques' from the University of Panthéon-Sorbonne (Paris). He has been lecturer at the University of Montpellier up to July 1988 when he decided to join the University of Mauritius as lecturer in management and finance up to July 1994. Whilst at this position, Mr Freismuth has contributed to the setting up of the Stock Exchange of Mauritius as consultant to the 'Stock Exchange Commission' and member of the 'Listing Committee'. Mr Freismuth is currently self-employed as consultant in management and finance. He also sits as Director on the Board of several public companies.

4. Jean Michel Giraud Chief Executive Officer

Mr Jean Michel Giraud joined the Company in 1974 and became General Manager in 1984 succeeding his father at this position. He was appointed Managing Director in November 2004 and Chief Executive Officer in January 2012. Born in 1950, Mr Giraud is the Chairman of Dry Mixed Products Ltd and sits on several Boards within the Group. He is an ex-President of the Mauritius Turf Club and of the Mauritius Tennis Federation.



5. Joël Harel

Mr Joël Harel was appointed alternate Director to Mr Jean Raymond Harel in May 2004 and became full-fledged Director of the Company with effect from July 1, 2006. Born in 1967, Mr Harel holds a National Higher Diploma in Mechanical Engineering from Cape Technikon in Cape Town. He is currently the Projects Manager at Emineo Ltd, a company in partnership with Robert Le Maire Ltd, involved in proposing engineering solutions and in the realisation of projects locally and overseas, mainly in the sugar sector.

6. Laurent de la Hogue

Mr Laurent de la Hogue was appointed Director of the Company in December 2011. Born in 1975, Mr de la Hogue holds a Master degree in Management and Finance from the 'Ecole Supérieure de Gestion et Finance' in Paris, France. He joined GML in 2001 as Treasurer for the setting up of the central treasury unit before becoming Finance Executive - Corporate & Treasury for GML Management Ltée in April 2011. Mr de la Hogue is actually the Chairman of GML Trésorerie Ltée and Director of a number of companies such as Abax Holding Ltd, Freight and Transit Company Ltd, Lux* Island Resorts Ltd, Mauritius Stationery Manufacturers Limited, Axys Leasing Ltd and Espace Maison Ltée.

7. Arnaud Lagesse

Mr Arnaud Lagesse was appointed alternate Director to Mr J. Cyril Lagesse in March 1994 and became full-fledged Director of the Company on August 25, 2011. Born in 1968, Mr Lagesse holds a 'Maîtrise de Gestion' from the University of Aix-Marseille III, France and is a graduate of the 'Institut Supérieur de Gestion', France. He also completed an Executive Education Program at INSEAD Fontainebleau, France and an Advanced Management Program (AMP180) at Harvard Business School, Boston, USA. He joined GML in 1995 as Finance and Administrative Director and was appointed as Chief Executive Officer in August 2005. He also participated in the National Corporate Governance Committee as a member of the Board. He is a member of the Board of several of the country's major companies and is the Chairman of Lux* Island Resorts Ltd, Mauritius Stationery Manufacturers Ltd, Robert Le Maire Ltd, AfrAsia Bank Ltd and various other companies. Mr Lagesse is an ex-President of the Mauritius Chamber of Agriculture, the Mauritius Sugar Producers Association and the Sugar Industry Pension Fund. He is also a member of Audit Committees of various companies.



8. Stéphane Lagesse

Mr Stéphane Lagesse was appointed Director of the Company in November 2011. Born in 1959, Mr Lagesse holds a degree in 'Gestion des Entreprises' from the University of Paris IX Dauphine. He joined the Palmar Group in 1983 where he currently holds the position of Managing Director. Mr Lagesse participated in the setting up two garment manufacturing companies in Mauritius.

9. Jean Claude Maingard

Mr Jean Claude Maingard was appointed Director of the Company in November 2007 in replacement of Mr Jean Paul Adam. Born in 1946, Mr Maingard holds a Diploma in Quantity Surveying from the University of Cape Town and is a member of the Royal Institute of Chartered Surveyors (M.R.I.C.S.). In 1972 he joined General Construction Co. Ltd, a well-known firm of building and civil engineering contractors operating in Mauritius. He was appointed Executive Director in 1986 and was Managing Director from 1998 to 2006. Mr Maingard is since the Chairman of the company.



10. E. Jean Mamet

Mr E. Jean Mamet was appointed Director of the Company in November 2004 and is currently the Chairman of the Audit Committee. Born in 1943, Mr Mamet is a Certified Accountant and has been in practice for forty-three years involved in auditing and consulting services up to 2003 when he retired as Managing Partner of Ernst & Young Mauritius. He is currently the Vice Chairman of The Mauritius Commercial Bank Ltd.



GROUP SHAREHOLDING STRUCTURE

THE UNITED BASALT PRODUCT LTD SUBSIDIARIES

- 100% Espace Maison Ltée
- 100% Compagnie de Gros Cailloux Ltée
- 100% Société d'investissement Rodriguais
 - 75.9% Welcome Industries Ltd
- 100% UBP International Ltd
 - 100% UBP Madagascar
 - 77% United Granite Product (Pvt) Ltd
 - 100% DHK Metal Crusher (Pvt) Ltd
 - 100% Sheffield Trading (Pvt) Ltd
- 76.5% Ste Marie Crushing Plant Ltd
 - 100% Société des Petits Cailloux
- 51% Dry Mixed Products Ltd
- 100% Marbella Ltd
- 100% Land Reclamation Ltd
- 100% Stone and Bricks Co. Ltd
- 100% The Stone Masters Co. Ltd
- 100% Pricom Ltd

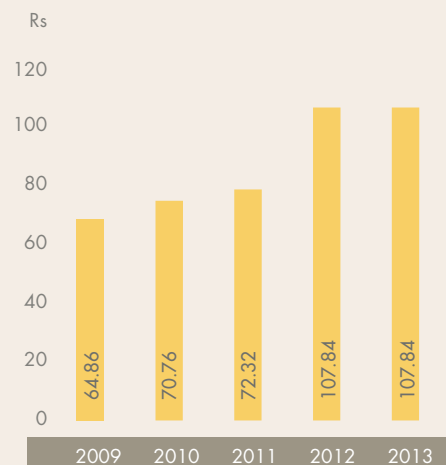
THE UNITED BASALT PRODUCTS LTD ASSOCIATES

- 46% Terrarock Ltd
- 34% Prochimad Mines et Carrières SARL*
- 49% Pre-Mixed Concrete Ltd
- 25% Sud Concassage Ltée
- 25% Cement Transport Ltd
- 20% Compagnie Mauricienne D'Entreprise Ltée
- 30% Compagnie des Transport Réunis

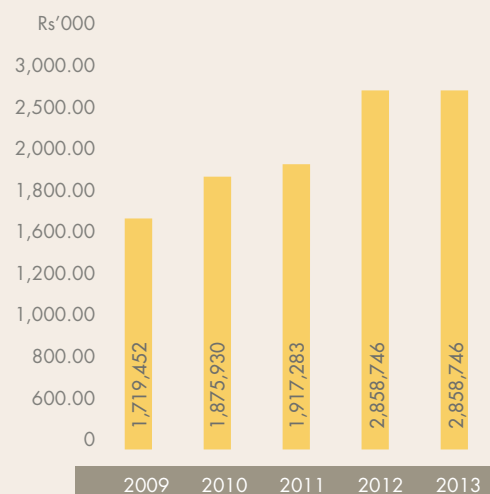
■ Operational ■ Dormant

* Via UBP International Ltd

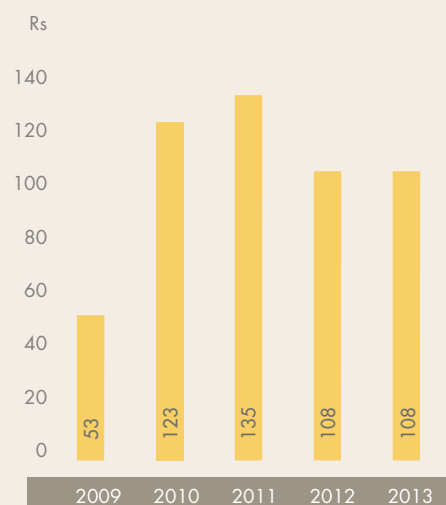
FINANCIAL HIGHLIGHTS AND RATIOS



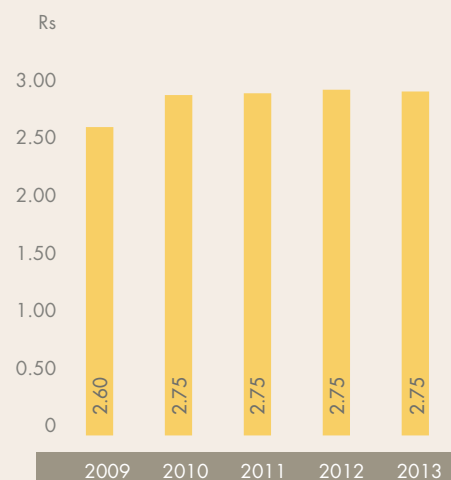
**NET ASSETS VALUE
PER SHARE**



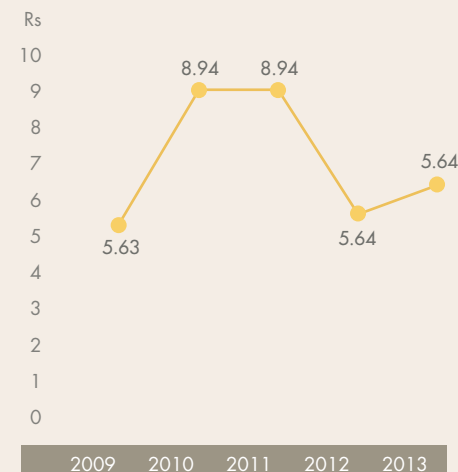
**SHAREHOLDERS'
INTERESTS**



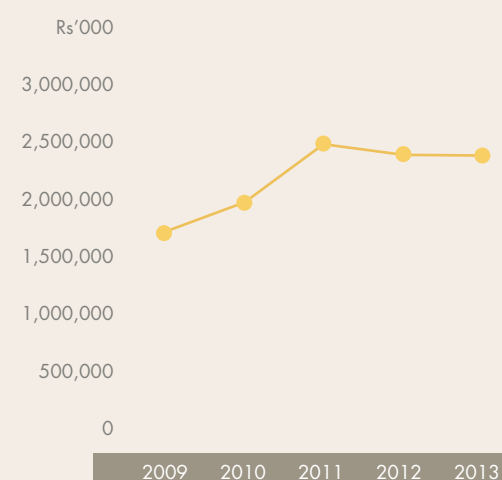
SHARE PRICE



DIVIDEND PER SHARE



EARNINGS PER SHARE



REVENUE

Statement of Comprehensive Income

	THE GROUP	
	2013 Rs' 000	2012 Rs' 000
Revenue	2,580,449	2,580,449
EBITDA	468,533	468,533
Depreciation and amortisation	(193,901)	(193,901)
Operating profit	274,632	274,632
Net finance (costs)/income	(76,831)	(76,831)
Share of results of associates	6,084	6,084
Profit before tax	203,885	203,885
Income tax expense	(32,751)	(32,751)
Profit for the year	171,134	171,134
Non-controlling interests	(21,508)	(21,508)
Profit for the year attributable to equity holders of the parent	149,626	149,626

	Rs	Rs
Earnings per share		
Basic, profit for the year attributable to ordinary equity holders of the parent.	5.64	5.64
Dividend per share	2.75	2.75

Statement of Financial Position

	Rs' 000	Rs' 000
Total assets	4,544,989	4,544,989
Interest-bearing loans and borrowings	1,163,812	1,163,812
Borrowings excluding bank overdrafts	931,079	931,079
Shareholders' interests	2,858,746	2,858,746

	Rs	Rs
Net assets value per share	107.84	107.84

Financial Ratios

Operating margin - %	10.64	10.64
Interest cover - times	3.03	3.03
Dividend cover - times	2.05	2.05
Return on equity - %	5.23	5.23
Return on assets - %	3.29	3.29
Debt to equity - times	0.40	0.40

Note: Figures at Net Assets Value Per Share, Shareholders' Interest and Earnings Per Share for years 2008 to 2010 have been adjusted to reflect the bonus issue of shares dated September 2010.

VALUE ADDED STATEMENT

	2013 Rs' 000	2012 Rs' 000
Sale of goods and services	2,580,449	2,591,170
Paid to suppliers for materials and services	1,818,522	1,745,068
Value added	761,927	846,102
Other operating income	101,638	73,226
Total wealth created	863,565	919,328

Distributed as follows:

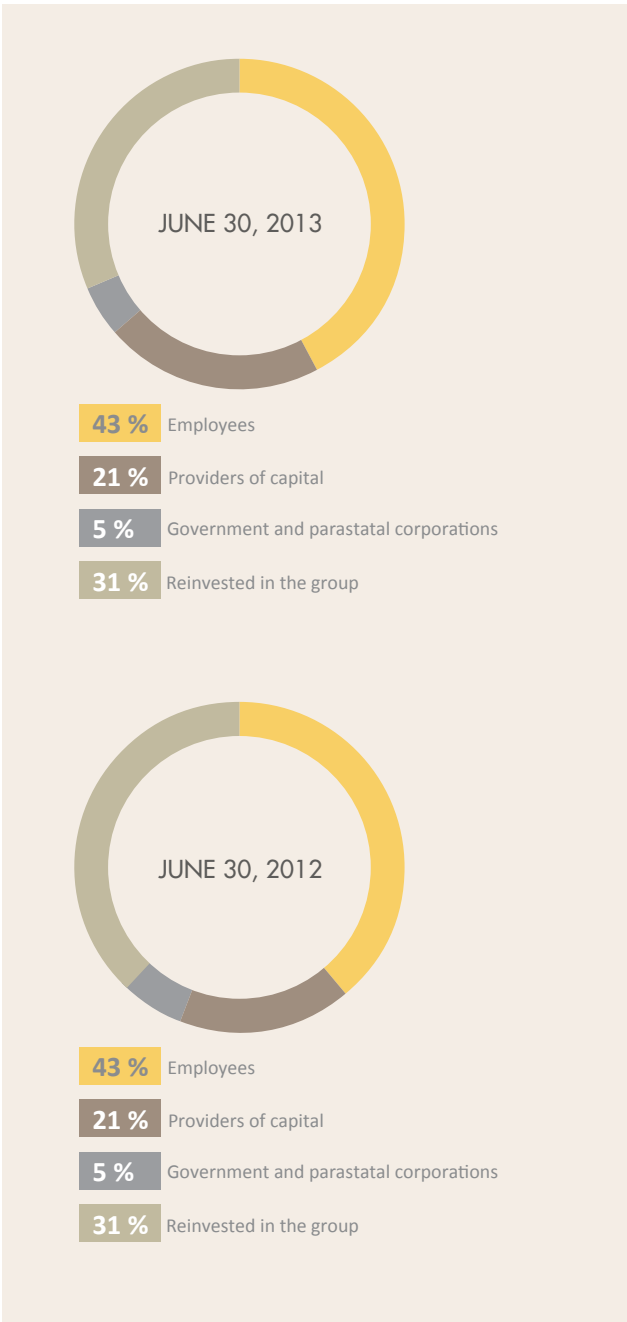
Employees		
Salaries and other benefits	365,001	353,860

Providers of capital		
Dividend	72,905	72,905
Interest paid on borrowings	84,107	78,725
Dividend to non-controlling interests	24,850	21,600
	181,862	173,230

Government and parastatal corporations		
Income tax (current and deferred)	32,751	41,019
Environment protection fee	11,023	11,416
Licences and permits	2,306	1,714
	46,080	54,149

Reinvested in the group to maintain and develop operations		
Depreciation, amortisation and impairment	193,901	173,962
Retained profit	76,721	164,127
	270,622	338,089

Total wealth distributed and retained	863,565	919,328
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CHAIRMAN’S REPORT

Dear Shareholder,

As newly-appointed Chairman, I am pleased to present to you the Annual Report of The United Basalt Products Ltd (“UBP”) and of the Group for the year ended June 30, 2013 and to comment on the achieved performance.

1953 – 2013 : 60 YEARS OF GROWTH STRATEGY

This year UBPGROUP celebrates its 60th anniversary. The Company was incorporated in 1953 following the merger of three companies and has over the years developed itself to become an unavoidable component of today’s construction industry and one of the major actors of the Mauritian economic scene. As pioneer in its field of activity, the Company has been since its creation involved in most major infrastructure and building projects of the country and has played an important role in the derocking of thousands of hectares of land to the benefit of agriculture. This development has over the years enabled the Group to extend its activities in the region with the setting up of crushing plants in Rodrigues, Madagascar and Sri Lanka.

Always innovating, the Group has introduced onto the market various locally-made concrete-building products such as precast slabs, roof tiles, concrete pipes, paving-blocks, concrete kerbs and rustic pavements as well as pre-mixed concrete and ready-to-use dry mortar in partnership with other companies. Since the late nineties, the Group has invested massively in appropriate machinery for the production of rocksand in anticipation to the Government’s policy to cease the extraction of coral sand from the sea, thereby preserving the environment. As from year 2002 and after having commercialised for many years sanitary wares, marble and ceramic tiles, the Group decided to extend its activities through the setting up of Espace Maison stores which today offers a wide range of home-building products, tools and decorative components as well as green plants and garden accessories via four stores located in Trianon, Tamarin, Forbach and Flacq. In 2003/4, UBPGROUP acquired 100% of Cie de Gros Cailloux Ltée, a company whose principal activity consists of sugar cane cultivation within some 1,000 acres of land situated at Gros Cailloux, Petite Rivière. Since then, a nursery was created in order to supply the garden sections of Espace Maison stores whilst a landscaping division was set up in 2008.

Furthermore, in March 2010, UBP increased its stake from 30% to 51% in Drymixed Products Ltd, a company engaged in the manufacture of ready-to-use dry mortar whilst at the same time increasing its shareholding in Pre-mixed Concrete Ltd from 30% to 49%.

These achievements have contributed to the growth of the Group over the years as shown in the table below:

Indicators	June 30, 2003	June 30, 2013	Progression
	Rs Million	Rs Million	
Revenue	900.1	2,443.4	+171.4%
Total assets	1,028.8	4,543.1	+341.6%
Equity attributable to shareholders of the parent	683.3	2,945.8	+331.1%
	Rs	Rs	%
Net Assets Value per share – Restated for no. of shares in issue	25.77	111.12	+331.1%
Share price – Restated for bonus shares in 2003 and 2010	28.67	98.00	+241.8%

Note : Our land and buildings were revalued in 2012.

Such a progress stems from the strategic decisions detailed above but also from more recent decisions such as increasing our proximity to customers via the creation of sales depots and the modernisation of our production units into upgraded and centralised plants.

FINANCIAL PERFORMANCE

During the financial year 2012-2013, the Group’s revenue dropped by 5.3% to Rs 2.4 billion. Our core business revenue locally was affected by a drop in project sales whilst overseas our performance was below expectations due to operational problems arising in Sri Lanka. Similarly, the revenue from our retailing operations was down by 3.9% compared to previous year due to the difficult market conditions prevailing in that segment of activities.

The Group’s profit for the year under review rose by 4.1% to Rs 178.2 million due to an improved performance of our local core business operations and this despite significant operating losses incurred by our retailing and agricultural segments. Our share of results from associate companies likewise increased by Rs 30.0 million during the year.

EPS and DPS rose by 7.4% and 9.1% to Rs 6.06 per share and Rs 3.00 per share respectively whilst our share price dropped from Rs 108.00 at June 30, 2012 to Rs 98.00 at this year end.

The Group’s financial position remains strong with an improved debt to equity ratio of 0.34 times whilst the Company is in the process of restructuring its existing debts through a Rs 1 billion Bond Programme with a first tranche of Rs 550.0 million due to be completed by the beginning of November.

OUTLOOK

The financial year 2013-2014 will be challenging in many respects given the difficult and uncertain economic conditions prevailing in the country. However, the Board of Directors is committed to pursue the Group’s development plan and improve on performance through synergies and cost control policies with a special focus on our retailing and agricultural segments locally and on our overseas operations in Sri Lanka.

ACKNOWLEDGEMENTS

On May 14 this year, Mr Jean Giraud passed away at the age of 94 years old. Mr Giraud was one of the founder members of the Company in 1953 and acted as General Manager since its creation up to 1984 when Mr Jean-Michel Giraud, our actual CEO, was appointed to succeed him. I wish here, in my own name and on behalf of the Board of Directors and of all the staff, to pay tribute to this man of great value and vision for all what he has done for the Group over the years up to his retirement as General Manager and even thereafter as a member of the Board of Directors up to 2008.

On behalf of the Board of Directors, I wish to express my appreciation to the Chief Executive Officer, his management team and the personnel at large for their hard work and commitment during the year under review.

Finally, I also wish to thank the members of the Board of Directors for their guidance and input towards the proper conduct of the Company’s affairs during the year under review and look forward to their continued support as newly-appointed Chairman of the Company.

Marc Freismuth
Chairman

September 26, 2013



CHIEF EXECUTIVE OFFICER'S REPORT

Dear Shareholder,

I am pleased to report to you on the operational results and financial performance of The United Basalt Products Ltd ("UBP") and of the Group for the year ended June 30, 2013 and to give you an insight of our present and future development projects.

OPERATIONAL REVIEW

Revenue and results from operations

During the financial year 2012-2013, the Group's revenue dropped by 5.3% to Rs 2.4 billion. Our core business revenue locally was affected by a drop in project sales whilst overseas our performance was below expectations due to operational problems arising in Sri Lanka. Similarly, the revenue from our retailing operations was down by 3.9% compared to previous year due to the difficult market conditions prevailing in that segment of activities.

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During the financial year 2012-2013, the Group's revenue dropped by 5.3% to Rs 2.4 billion. Our core business revenue locally was affected by a drop in project sales whilst overseas our performance was below expectations due to operational problems arising in Sri Lanka. Similarly, the revenue from our retailing operations was down by 3.9% compared to previous year due to the difficult market conditions prevailing in that segment of activities.

The Group's profit for the year under review rose by 4.1% to Rs 178.2 million due to an improved performance of our local core business operations and this despite significant operating losses incurred by our retailing and agricultural segments. Our share of results from associate companies likewise increased by Rs 30.0 million during the year.

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OPERATIONAL REVIEW

Revenue and results from operations

During the financial year 2012-2013, the Group's revenue dropped by 5.3% to Rs 2.4 billion. Our core business revenue locally was affected by a drop in project sales whilst overseas our performance was below expectations due to operational problems arising in Sri Lanka. Similarly, the revenue from our retailing operations was down by 3.9% compared to previous year due to the difficult market conditions prevailing in that segment of activities.

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Jean Michel Giraud
Chief Executive Officer

September 26, 2013

CORPORATE
GOVERNANCE
REPORT

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

The Board of Directors of The United Basalt Products Ltd confirms that to the best of their knowledge the Company has complied with all its obligations and requirements under the Code of Corporate Governance for the year ended June 30, 2013 except for Sections 2.2 and 2.8 of the Code. The reasons for non-compliance to these sections are included under the relevant headings in the following pages of this report.

On behalf of the Board

Marc Freismuth
Chairman

Jean Michel Giraud
Chief Executive Officer

September 26, 2013

CORPORATE GOVERNANCE REPORT

The United Basalt Products Ltd was incorporated as a public company in July 1953. The shares of the Company are listed on the Official Market of the Stock Exchange of Mauritius since 1989.

The Board of Directors acknowledges that the Code of Corporate Governance ('the Code') sets out the best practices in terms of corporate governance and this report describes how the main corporate governance principles have been applied within the Company.

Company's Constitution

The shareholders adopted a new Constitution in 2004 which complies with the provisions of The Companies Act 2001 and those of the Listing Rules of the Stock Exchange of Mauritius.

Its salient features are as follows:

- the Company has full capacity to carry on and/or undertake any business activity;
- the Company has full rights, powers and privileges;
- the Company may acquire and hold its own shares;
- fully paid up shares are transferable without restriction;
- the quorum for a meeting of shareholders is 6 shareholders present or represented and holding at least 35% of the share capital of the Company;
- the Board of Directors shall consist of not less than 7 or not more than 15 Directors;
- the quorum for a Board meeting is 4 Directors when the Board consists of 7 members and 5 Directors when the Board consists of more than 7 members;
- the Chairman has a casting vote in case of equality of votes at either a Board meeting or a shareholders' meeting;
- the Directors have the power to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors does not at any time exceed the number fixed by the Constitution. Any Director so appointed shall hold office only until the next following Annual Meeting of shareholders and shall then be eligible for re-election;
- a Director is not required to hold shares in the Company;
- the Company may indemnify and/or insure any Director or employee of the Company or a related corporation.

Shareholding Structure

The shareholding structure of the Group at June 30, 2013 is as detailed on page 11. The share capital of the Company amounts to Rs. 265,100,420 made up of 26,510,042 ordinary shares of no par value.

The Company has as Holding Company GML Investissement Ltée, incorporated in Mauritius.

The list of common Directors with the shareholder companies holding more than 5% of the share capital of the Company at June 30, 2013 was as follows :

Directors	UBP	GML Investissement Ltée	Forward Investment and Development Enterprises Ltd
Thierry Lagesse	■	■	■
Arnaud Lagesse	■	■	■ ●

● : Chairman

Substantial Shareholders

Shareholders holding more than 5% of the share capital of the Company at June 30, 2013 were as follows:

Shareholders	Number of shares	% Holding
GML Investissement Ltée	7,764,839	29.29
Forward Investment and Development Enterprises Ltd	2,636,781	9.95

Shareholding Profile

The share ownership and categories of shareholders at June 30, 2013 were as follows:

Size of shareholding	Number of shareholders	Number of shares owned	Percentage (%)
1 - 500	844	135,283	0.51
501 – 1,000	267	197,537	0.74
1,001 – 5,000	593	1,440,693	5.44
5,001 – 10,000	172	1,216,925	4.59
10,001 – 50,000	192	3,825,392	14.43
50,001 – 100,000	26	1,819,093	6.86
100,001 – 250,000	16	2,646,678	9.98
250,001 – 1,000,000	8	3,602,216	13.59
Over 1,000,000	3	11,626,225	43.86
Total	2,121	26,510,042	100.00

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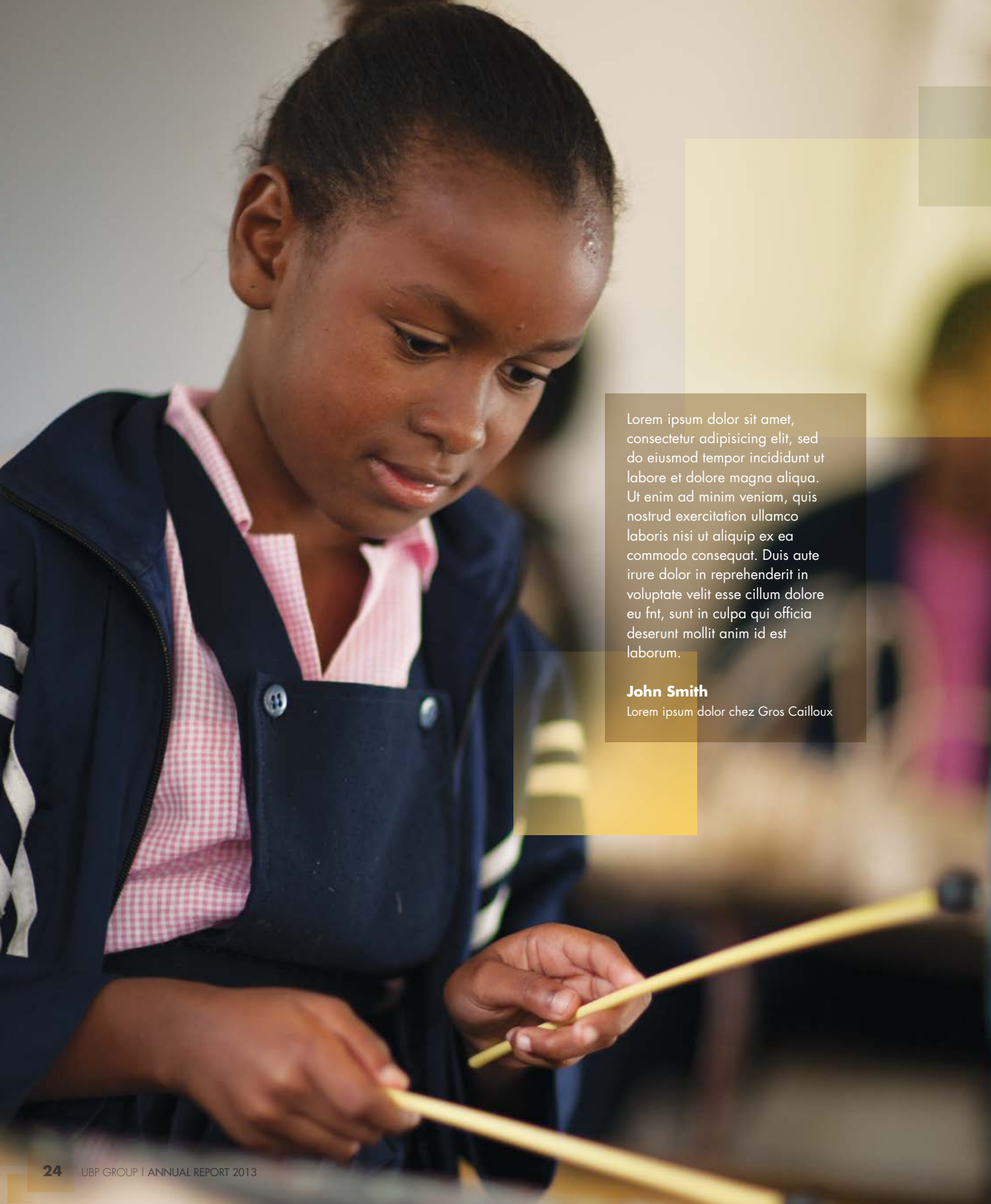
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John Smith

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CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

CSR REPORT – JUNE 30, 2013

This report sets out the UBP Group's Corporate Social Responsibility (CSR) programme for the year ended June 30, 2013. This year again, the Group has been active mainly in the following areas of intervention: the welfare of vulnerable children, education, socio-economic development and sports. All the projects have been realised in compliance with the CSR guidelines thereby ensuring a better coordination and continuity of the activities in which we were already engaged.

Review of activities

For the financial year under review, the Group has been involved in twenty projects more particularly in the vicinity of our production and sales sites although several of them were implemented at national level.

The NGO's who benefitted from our programme under the Welfare of Vulnerable Children are: Mouvement Forces Vives Quartier EDC in Rose-Belle, Ecole Rêve & Espoir, La Pointe Tamarin, Garderie Etoile, A.P.E.I.M., Fondation pour l'Interculturel et la Paix and Solidarité Mamans.

The Group has also been involved in the promotion of Education in supporting the following schools and project : New Bambous Geoffroy Government School, Cottage Government School and Institut Cardinal Jean Margéot for the project 'Les Amis de Zippy'.

Also very active in the field of Sports, the Group provided sponsorship to the following organizations : Trust Fund for Excellence in Sports, The Faucon Flacq Sporting Club, Triathlon Club de Roches Brunes and Union Rugby Mauritius as we strongly believe that sports can contribute to the development of children and facilitate their integration into society.

Finally, the Group has been involved in projects in the Socio-Economic development field whereby assistance has been provided to La Chrysalide and

Bel Ombre Foundation For Empowerment in view of alleviating poverty and improving the living conditions of the most destitute persons.

Besides our core priority projects above, the Group has also participated actively in various other initiatives forming part of the Fondation Joseph Lagesse areas of intervention, namely in terms of support to childcare services and technical training for Caritas Centre d'Eveil in Grand Gaube, Collège Technique St Gabriel, Ecole d'Alphabétisation de Fatima in Triolet and Mahebourg Espoir Education Centre.

In summary, the Group has contributed Rs 4.4 million to CSR activities for the financial year 2012 – 2013, shared as follows amongst our main areas of intervention : Welfare of Vulnerable Children (34%), Education (6%), Sports (27%), Socio-Economic development (8%) and projects in common with Fondation Joseph Lagesse (25%).

This year again, our programme has been enriching in many aspects. It has been a great pleasure to assist the new NGOs and we are proud of the progress perceived from our beneficiaries. For the financial year 2013 - 2014, our drive will be inspired by the same motive whilst the Group will continue to endeavor sustainable projects in creating value and promoting the well-being of the community.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

in respect of the preparation of financial statements and internal control.

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

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

The Directors acknowledge that they have exercised their responsibilities as described above and confirm that they have complied with the above requirements in preparing the financial statements for the year ended June 30, 2013.

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

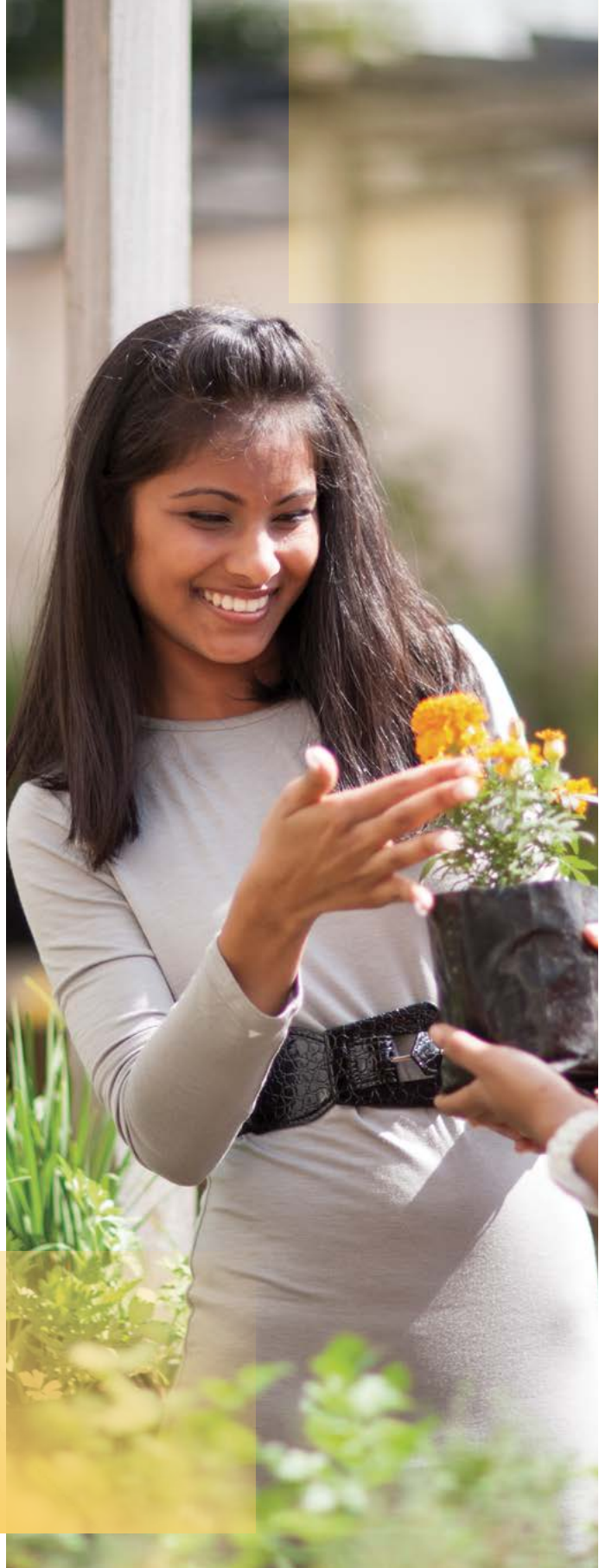
The Directors confirm that they have established an internal audit function and report that proper accounting records have been maintained during the year ended June 30, 2013 and that nothing has come to their attention which could indicate any material breakdown in the functioning of internal control systems and have a material impact on the trading and financial position of the Company.

On behalf of the Board

Marc Freismuth
Chairman

Jean Michel Giraud
Chief Executive Officer

September 26, 2013



OTHER STATUTORY DISCLOSURES

(Pursuant to Section 221 of the Companies Act 2001)

ACTIVITIES

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

The Group is also involved in the sale of agricultural products through one of its subsidiaries.

DIRECTORS

Members of the Board of Directors at June 30, 2013 were:

The Company

Messrs: Thierry Lagesse - Chairman
François Boullé
Marc Freismuth
Jean Michel Giraud
Joël Harel
Laurent de la Hogue
Arnaud Lagesse
Stephane Lagesse
Jean Claude Maingard
E. Jean Mamet

On August 13, 2013, Mr Marc Freismuth was elected Chairman of the Company further to the decision of Mr Thierry Lagesse to step down from this position.

Subsidiary Companies

Espace Maison Ltée

Messrs: Thierry Lagesse - Chairman
François Boullé
Marc Freismuth
Jean Michel Giraud
Joël Harel
Laurent de la Hogue
Stephane Lagesse

Jean Claude Maingard
E. Jean Mamet

Compagnie de Gros Cailloux Ltée

Messrs: Thierry Lagesse - Chairman
François Boullé
Jean Michel Giraud
Christophe Quevauvilliers

Welcome Industries Ltd

Messrs: Thierry Lagesse - Chairman
Jean Michel Giraud
Christophe Quevauvilliers

UBP International Ltd

Messrs: Thierry Lagesse - Chairman
Jean Michel Giraud
Louis Raoul Harel

Espace Maison Ltée

Messrs: Thierry Lagesse - Chairman
François Boullé
Marc Freismuth
Jean Michel Giraud
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Jean Michel Giraud
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UBP International Ltd

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Jean Michel Giraud
Louis Raoul Harel

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John Smith

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INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF THE UNITED BASALT PRODUCTS LTD

Report on the Financial Statements

We have audited the financial statements of The United Basalt Products Ltd (the "Company"), and its subsidiaries (the "Group") on pages 2 to 92 which comprise the statements of financial position as at June 30, 2012 and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves res selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements on pages 2 to 92 give a true and fair view of the financial positions of the Group and the Company at June 30, 2012 and of their financial performances and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001 and the Financial Reporting Act 2004.

Other matter

This report, including the opinion, has been prepared for and only for the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Report on Other Legal and Regulatory Requirements

Companies Act 2001

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

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

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

Financial Reporting Act

The Directors are responsible for preparing the Corporate Governance Report and making disclosures required by Section 8.4 of the Code of Corporate Governance of Mauritius (the "Code") sibility is to report on these disclosures. In our opinion, the disclosures in the Corporate Governance Report are consistent with the requirement of the Code.

Ernst & Young

**ERNST & YOUNG
A.C.A**

Ebène, Mauritius

September 27, 2012

Andre Lai Wan Loong

ANDRE LAI WAN LOONG,

Licensed by FRC

5. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	Freehold Land and Buildings Rs'000	Leasehold Properties Rs'000	Plant and Equipment Rs'000	Motor Vehicles Rs'000	Assets in Progress Rs'000	Total Rs'000
COST OR VALUATION						
At July 1, 2010	1,387,240	78,386	1,593,982	121,153	2,400	3,183,161
Additions	118,038	76	182,803	24,180	14,470	339,567
Reclassification *	(13,553)	-	(31,165)	22,235	18,148	(4,335)
Disposals	(13,659)	-	(17,475)	(16,374)	-	(47,508)
Transfer to inventories **	-	-	(1,531)	-	-	(1,531)
Exchange differences	(4)	(119)	(380)	(114)	(276)	(893)
At June 30, 2011	1,478,062	78,343	1,726,234	151,080	34,742	3,468,461
Additions	72,050	260	247,479	24,736	23,785	368,310
Reclassification *	(10,499)	-	9,818	-	681	-
Disposals	-	-	(20,134)	(17,332)	(5,453)	(42,919)
Transfer from inventories ***	-	-	10,085	-	-	10,085
Revaluation adjustments (note 5 (c))	668,906	-	-	-	-	668,906
Exchange differences	(4,497)	(1,083)	(9,679)	(1,420)	1,372	(15,307)
At June 30, 2012	2,204,022	77,520	1,963,803	157,064	55,127	4,457,536
DEPRECIATION						
At July 1, 2010	87,439	11,716	1,183,517	63,443	-	1,346,115
Charge for the year	30,131	2,418	111,398	18,629	-	162,576
Reclassification *	(27,873)	2	(7,353)	28,312	-	(6,912)
Disposals	-	-	(14,977)	(16,025)	-	(31,002)
Exchange differences	(10)	(16)	(316)	(83)	-	(425)
At June 30, 2011	89,687	14,120	1,272,269	94,276	-	1,470,352
Charge for the year	35,137	2,443	122,764	22,266	-	182,610
Reclassification *	3,135	-	(3,135)	-	-	-
Disposals	-	-	(12,344)	(17,082)	-	(29,426)
Revaluation adjustments	(116,395)	-	-	-	-	(116,395)
Exchange differences	(154)	(133)	(5,898)	(923)	-	(7,108)
At June 30, 2012	11,410	16,430	1,373,656	98,537	-	1,500,033

NET BOOK VALUES

At June 30, 2012	2,192,612	61,090	590,147	58,527	55,127	2,957,503
At June 30, 2011	1,388,375	64,223	453,965	56,804	34,742	1,998,109

(a) The carrying amount of plant and machinery and motor vehicles held under finance lease as at June 30, 2012 and 2011 were as follows:

	Plant and Equipment Rs'000	Motor Vehicles Rs'000	2012 Rs'000	Plant and Equipment Rs'000	Motor Vehicles Rs'000	2011 Rs'000
Cost	162,003	121,343	283,346	131,852	106,124	237,976
Accumulated depreciation	(97,215)	(50,878)	(148,093)	(41,496)	(40,739)	(82,235)
Net book values	64,788	70,465	135,253	90,356	65,385	155,741

* Reclassification relates to assets being reclassified under the correct category.

** Transfer relates to stock items previously capitalised now recognised under inventories.

*** Transfer from inventories relates to spare parts previously recognised under inventories now capitalised as per IAS 16. See note 2.3(b).

5. PROPERTY, PLANT AND EQUIPMENT

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