

A Substantial Transaction Circular in relation to the acquisition of 100.0% stake in SAS J. Anzemberg ("Anzemberg"), SARL Anzemberg Logistique Distribution ("ALD"), SAS Préfabéton ("Préfabéton"), SAS Société Réunionnaise de Concassage ("Soreco"), SAS Sita Gérard Matériaux ("Sigemat") and SAS Incudine ("Incudine") in Réunion Island (together the "Targets" or "Bazalt Group") by SAS Bazalt Réunion ("Bazalt Réunion"), a subsidiary of The United Basalt Products Limited ("UBP" or the "Company") for a cash consideration of approximately EUR82.0million*, equivalent to approximately MUR4.0billion (the "Transaction").

Bazalt Réunion was incorporated in Réunion Island, as a subsidiary of Bazalt Limited which is a wholly-owned subsidiary of UBP. Post-Transaction, Bazalt Limited will hold 90.0% stake in Bazalt Réunion for a cash consideration of approximately EUR73.8million (the "Acquisition") and the remaining 10.0% stake will be held by Minority Shareholders (as defined in Section 2).

15 May 2024

Substantial Transaction Circular

IF YOU ARE A SHAREHOLDER OF THE UNITED BASALT PRODUCTS LIMITED, THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This document is issued by The United Basalt Products Limited, a public company incorporated and domiciled in Mauritius on 01 July 1953, with registration number C07000862 and having its registered office located at Trianon, Quatre Bornes. UBP is listed on the Official Market of the Stock Exchange of Mauritius Ltd (the "SEM") and is regulated by the Companies Act 2001.

This document serves as a Substantial Transaction Circular (as defined in the Listing Rules and referred to as the "Circular") and is issued in compliance with the Companies Act 2001 and the Listing Rules of the SEM for the purpose of providing information to the shareholders of UBP and to the public in general in relation to the proposed Transaction.

For a full appreciation of this Circular, this document should be read in its entirety. If you are in doubt about the action you should take, you should consult your financial adviser, investment dealer, legal adviser or other professional adviser immediately.

This document is neither an invitation nor a prospectus nor a statement in lieu of a prospectus for the public in Mauritius or elsewhere to subscribe for shares in UBP.

This document is intended only for the use of the person to whom it is addressed and is not to be redistributed, reproduced or used, in whole or in part, for any other purpose.

This document has been approved by the Listing Division of the SEM in conformity with the Listing Rules on 15 May 2024.

Disclaimer

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

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

Transaction Advisers PricewaterhouseCoopers Ltd

Substantial Transaction Circular

Table of Contents

1.	Declaration by and Statement of Directors	5
2.	Definitions	6
3.	Background and principal activities of UBP	7
4.	Corporate Information of UBP	10
5.	Company Background of Bazalt Group	11
6.	The Transaction	16
7.	Directors Information	19
8.	Financial Information	20
9.	Risk Factors	26
10.	Additional Disclosures	28
11.	Accountant's Report	29

Substantial Transaction Circular

Declaration by and Statement of Directors

1.1 Declaration by Directors

1

This Circular includes particulars given in compliance with the Listing Rules governing the official listing of securities for the purpose of giving information with regards to UBP. The Directors of UBP, whose name appear in Section 7, collectively and individually, accept full responsibility for the accuracy and completeness of the information contained in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The consents given by the experts (where applicable) named in this Circular have not been withdrawn at the date of this document.

The Directors of UBP declare that, to the best of their knowledge and belief and after having made reasonable inquiries, to the date of this document:

- (i) the working capital available to UBP and its subsidiary companies ("UBP Group") is sufficient to meet their dayto-day operations for a period of 12 months from the date of this document;
- (ii) there has been no material adverse change in the financial or trading position of the UBP Group since the interim accounts for the 9-months period ended 31 March 2024.

After due enquiries, the Directors of UBP further declare that, as at 31 March 2024:

- (a) there were no debt securities outstanding;
- (b) the total borrowings of the UBP Group stood at c. MUR2.5bn of which c. MUR2.3bn are secured and c. MUR150.3m are unsecured;
- (c) the UBP Group had contingent liabilities of MUR214.4m in respect of bank guarantees, MUR62.1m in respect of net current liabilities of one of its subsidiaries and MUR33.0m in respect of severance allowances and voluntary retirement scheme;
- (d) the total mortgages and charges of the UBP Group amounted to MUR2.6bn.

Pursuant to the cautionary announcement dated 06 April 2022 and the communiqué dated 23 June 2022, the Board of Directors of UBP (the "Board") informed its shareholders and the public in general that it approved the execution of an exclusivity agreement for the acquisition of a majority stake in the Targets operating in the same line of business as UBP in Réunion Island.

On 07 July 2022, UBP signed a share purchase agreement for the acquisition of Bazalt Group subject to the satisfactory completion of conditions precedent, the obtention of all regulatory, corporate and any other required approvals.

Pursuant to the public communiqué dated 15 May 2024, the Board informed its shareholders and the public that the SEM approved this Circular.

The Board is of the opinion that the proposed Transaction is in the best interest of UBP and its shareholders based on the following factors:

- the Targets operate in the same line of business as UBP;
- the proposed Transaction is in line with UBP's regional expansion strategy; and
- the mechanism to determine the offer price for the shares of the Targets is deemed to be fair in the context of the proposed Transaction.

Approved by the Board of UBP and signed on its behalf by:

Jean-Claude Béga Chairman 15 May 2024

Stéphane Ulcog Group CEO

Substantial Transaction Circular **Definitions**

ABBREVIATION DEFINITION Acquisition The acquisition from the Sellers of of an effective stake of 90.0% in the Targets by Bazalt Réunion for a cash consideration of approximately EUR73.8m, equivalent to c. MUR3.6bn The following companies being acquired by UBP in Réunion Island, operating in the same line of Bazalt Group, Target or, collectively, Targets business as UBP: SAS J. Anzemberg ("Anzemberg") and its subsidiaries; SARL Anzemberg Logistique Distribution ("ALD"); SAS Préfabéton ("Préfabéton") and its subsidiary; SAS Société Réunionnaise de Concassage ("Soreco"); SAS Sita Gérard Matériaux ("Sigemat") and its subsidiary; and SAS Incudine ("Incudine") A wholly-owned subsidiary of UBP incorporated in Mauritius as a limited liability company Bazalt Limited Bazalt Réunion The holding company, incorporated in Réunion Island as a SAS, which will acquire the Targets and which is currently held by Bazalt Limited. Post-Transaction, 90.0% stake in Bazalt Réunion will be held by Bazalt Limited and the remaining 10.0% will be held by the Minority Shareholders bn Billion Board The Board of Directors of UBP Circular or the This document prepared pursuant to the Listing Rules of the SEM for the purpose of the proposed Document Transaction Companies Act The Companies Act 2001 of the Republic of Mauritius, as amended from time to time Company or UBP The United Basalt Products Limited Directors The Directors of UBP EUR Euro EBITDA Earnings before interest, tax, depreciation, and amortisation French-GAAP Generally Accepted Accounting Practice in France Financial Year FY IFRS International Financial Reporting Standards Listing Rules The rules governing securities listed on the Official Market of the SEM m Million Minority Shareholders The minority shareholders listed below will collectively hold 10.0% stake in Bazalt Réunion 1 Société Ingénierie Technique Assistance Conseil 2. Mr Jimmy Toussaint 3. Mr Xavier Dieulivol Mr Régis Freyermuth 4. 5 Mr Jean Michel Toussaint 6 Mr Lionel Negroni 7 Mr Max Rolland 8. Ms Lilas Thomas Mr Pierre Judic 9 MUR Mauritian Rupees Réunion Island Réunion Island, a French department in the Indian Ocean Société à responsabilité limitée SARI. SAS Société par actions simplifiée The entities and individuals selling their stakes in the Targets to Bazalt Réunion Sellers SEM The Stock Exchange of Mauritius Ltd SPA The share purchase agreement entered into in connection with the acquisition of the Targets on 07 July 2022 t Tonne(s) Transaction The acquisition of 100.0% stake in Bazalt Group by Bazalt Réunion, a subsidiary of UBP, for a cash consideration of approximately EUR82.0m, equivalent to approximately MUR4.0bn UBP Group The United Basalt Products Limited and its subsidiaries, as defined by IFRS and the Companies Act

In this Circular, the terms below have the meaning stated except where otherwise noted.

Substantial Transaction Circular

3 Background and principal activities of UBP

3.1 Company Background of UBP

UBP is a public company limited by shares, incorporated in Mauritius on 01 July 1953 and listed on the Official Market of the Stock Exchange of Mauritius Ltd since June 1989.

UBP is one of the market leaders in the construction materials industry, specialising in the manufacture and sale of a full range of building materials and services, thereby consolidating its position in the construction industry value chain. The Company has played a role in many of the major infrastructure and building projects of the country. The UBP Group is composed of 10 active subsidiaries and 4 active associates with presence in Mauritius, Rodrigues, Réunion Island, Madagascar, and Sri Lanka. The Group employs around 1,700 employees and covers three main activity segments: stone crushing and block making (core business), home and garden retail products and accessories, and agriculture.

In FY2022, the Company consolidated Premix Ltd as a subsidiary and increased its stake in Drymix Ltd. This will enable UBP to sharpen its focus on its core competencies and know-how, which will serve as the foundation for the Group's regional development.

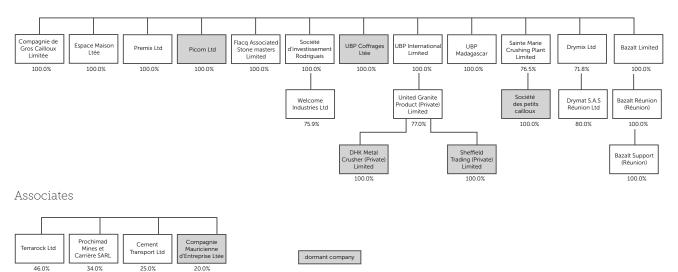
In March 2023, the Company acquired 90.5% stake in Flacq Associated Stonemasters Limited ("FAST"), a company engaged in the stone crushing and block making business. UBP is of the opinion that the acquisition of FAST will generate value by enabling the enhancement of synergies within the Group. FAST is since a 100.0% subsidiary of UBP.

In October 2023, the Company incorporated Bazalt Limited as a holding company to hold the investment in Bazalt Réunion. In February 2024, Bazalt Réunion was incorporated as a SAS with the sole purpose of holding (i) 100.0% stake in Bazalt Group post-Transaction and (ii) 100.0% stake in Bazalt Support (Réunion) which will be the managing company and will employ certain staff of the Targets.

The corporate structure of UBP as at 31 March 2024 is as shown below:

GROUP STRUCTURE - THE UNITED BASALT PRODUCTS LIMITED

Subsidiaries



Substantial Transaction Circular

NAME	COUNTRY	EFFECTIVE SHAREHOLDING	PRINCIPAL ACTIVITIES	
Premix Ltd	Mauritius	100.0%	Manufacture and placing of ready-mixed concrete.	
Espace Maison Ltée	Mauritius	100.0%	Sale and contracting services of various home building and decorating products, fittings, tools, and garden accessories.	
Compagnie de Gros Cailloux Limitée	Mauritius	100.0%	Cultivation of sugar cane crops, vegetables and nursery plant landscaping services and leisure activities.	
Société d'investissement Rodriguais	Mauritius	100.0%	An investment holding company through which we hold shares in Welcome Industries Ltd.	
Welcome Industries Ltd	Rodrigues	75.9%	Manufacture and sale of building materials such as aggregates, rocksand and concrete blocks.	
UBP International Limited	Mauritius	100.0%	An investment holding company through which we hold shares in United Granite Products (Private) Limited.	
UBP Madagascar	Madagascar	100.0%	Manufacture and sale of building materials such as aggregates, rocksand and concrete blocks, and blasting activities for mining projects.	
United Granite Product (Private) Limited	Sri-Lanka	77.0%	Drilling, blasting and crushing of quarry rocks and sale of aggregates and rocksand.	
DHK Metal Crusher (Private) Limited	Sri-Lanka	77.0%	The entity is not operating currently. It has obtained government land on an operating lease term which is made available to its parent company for excavation of granite.	
Sheffield Trading (Private) Limited	Sri-Lanka	77.0%	The entity is not operating currently. It has obtained government land on an operating lease term which is made available to its parent company to conduct its operations.	
Sainte Marie Crushing Plant Limited	Mauritius	76.5%	Manufacture and sale of building materials such as aggregates, rocksand and concrete blocks.	
Société des Petits Cailloux	Mauritius	76.5%	The company has no activity. It is a landowner.	
Drymix Ltd	Mauritius	71.8%	Manufacture and sale of "Ready to use" dry mortar.	
Drymat SAS (Réunion)	Réunion	57.4%	The import, storage and sale of cement, mortar, glue and plaster and other additives.	
UBP Coffrages Ltée	Mauritius	100.0%	Renting of construction and civil engineering machinery and equipment.	
Cement Transport Ltd	Mauritius	25.0%	Operating a fleet of bulk cement transport trucks, tractors, and tankers.	
Terrarock Ltd	Mauritius	46.0%	Manufacture and sale of building materials such as aggregates, rocksand and concrete blocks.	
Prochimad Mines et Carrières SARL	Madagascar	34.0%	Mining operations.	
Compagnie Mauricienne d'Entreprise Ltée	Mauritius	20.0%	Renting of properties.	
Bazalt Limited	Mauritius	100.0%	A wholly-owned subsidiary of UBP incorporated in Mauritius as a limited liability company which will hold 90.0% stake in Bazalt Réunion.	
Bazalt Réunion	Réunion	100.0%	The holding company, incorporated in Réunion Island as a SAS, which will acquire the Targets and which is held by Bazalt Limited. Post-Transaction, 90.0% stake in Bazalt Réunion will be held by Bazalt Limited and the remaining 10.0% stake will be held by the Minority Shareholders. The effective stake of UBP will then be 90.0%.	

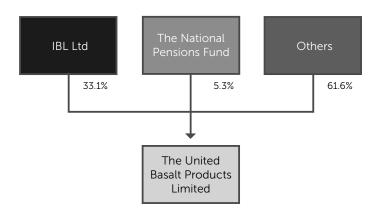
A full description of the companies that are part of the UBP Group is set out below:

Substantial Transaction Circular

NAME	COUNTRY	EFFECTIVE SHAREHOLDING	PRINCIPAL ACTIVITIES
Bazalt Support	Réunion	100.0%	A support company for Bazalt Réunion which will employ certain staff of the Targets. Post-Transaction, 90.0% stake in Bazalt Réunion will be held by Bazalt Limited and the remaining 10.0% stake will be held by the Minority Shareholders. The effective stake of UBP will then be 90.0%.

3.2 Shareholding Structure of UBP

The shareholding structure of UBP as at 31 March 2024 was as follows:



As at 31 March 2024, the stated capital of UBP amounted to MUR265,100,420 made up of 26,510,042 ordinary shares of no par value. All issued shares are fully paid.

Substantial Transaction Circular

Corporate Information of UBP

Name of company	The United Basalt Products Limited	
Date of Incorporation	01 July 1953	
Place of incorporation and registration	Mauritius	
Business Registration Number	C07000862	
Registered Office	Head Office Trianon, Quatre Bornes, Mauritius	
Company Secretary	Christophe Quevauvilliers	
Registrar and Transfer Office	DTOS Registry Services Ltd 3rd Floor, Eagle House, 15A, Wall Street, Ebène, Mauritius	
Auditors	Deloitte 7th & 8th Floors, Standard Chartered Tower, 19-21 Bank Street, CyberCity, Ebène, Mauritius	
Transaction Advisors (for the purpose of complying with Chapter 13 of the Listing Rules and financial due diligence)	PricewaterhouseCoopers Limited PwC Centre, Avenue de Telfair, Telfair 80829, Moka, Mauritius	
	PwC France Crystal Park 63, rue de Villiers Neuilly-sur-Seine Cedex 92208 France	
Public Accountant of the Targets	EXA Réunion 4, rue Monseigneur Mondon, 97400 Saint-Denis Réunion	
Accountant of the Targets	HDM Réunion Mayotte 29 rue Gabriel de Kerveguen - BP40153 97492 Sainte-Clotilde Cedex Réunion Island	
Legal Advisers (For the Transaction)	Carbonnier Lamaze Rasle & Associés 61 rue de Belles Feuilles, 75016 Paris France	
Bankers	Absa Bank (Mauritius) Limited 4th Floor, Barclays House, 68-68A CyberCity, Ebène, Mauritius	
	Hong Kong & Shanghai Bank HSBC Centre, CyberCity, Ebène, Mauritius	

Substantial Transaction Circular

SBM Bank (Mauritius) Ltd SBM Tower, 1, Queen Elizabeth II Avenue, Port Louis,
Mauritius The Mauritius Commercial Bank Ltd Sir William Newton Street, Port Louis,
Mauritius

Company Background of Bazalt Group

5.1 Company Background of Bazalt Group

Headquartered in Réunion Island, Bazalt Group is an independent leader in construction supply and serves the Réunion Island's construction industry through operations classified in two main activities, namely:

Concrete and construction aggregates

- Préfabéton
- Soreco
- Sigemat
- Incudine

Trade

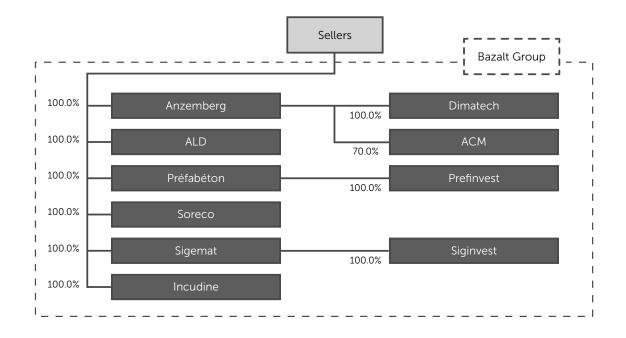
5

- Anzemberg
- ALD

Substantial Transaction Circular

Company Background of Bazalt Group

The shareholding structure of Bazalt Group as at 31 March 2024 was as follows:



Bazalt Group combines the two autonomous activities addressing the same buyers' universe. Each activity has vertically integrated its operations to optimise sourcing and customer services.

Business Overview of Targets

Préfabéton

Préfabéton, created in 1988, is a manufacturer of precast concrete elements for public works and construction. It was historically focused on road networks and utility services (kerbs and rainwater nozzles) and has now expanded its product portfolio to include the construction industry. Préfabéton is the leading independent player in the precast concrete market in Réunion Island.

Substantial Transaction Circular

Préfabéton owns 2 manufacturing plants. The first facility allows the group to automate its production lines and improve productivity, efficiency and product quality, whilst the second facility helped its entry into the construction industry and enables product diversification such as bi-layer coloured products. Préfabéton also owns 2 warehouses to store finished products. Prefinvest is the property company of Préfabéton.

Soreco

Soreco, created in 1976, is specialised in the extraction and the crushing of alluvial materials to produce construction aggregates in the south of Réunion Island. Soreco was brought under Bazalt Group in 2009 to form an autonomous group of companies with extraction and transformation capacities.

Soreco's business model consists in finding land and negotiating with landowners and local authorities to obtain exclusivity and authorisation (drilling rights) to drill/exploit the land and extract materials to produce aggregates.

Soreco owns 3 crushers, 4 sieves and other industrial equipment.

Sigemat

Sigemat was created in 1997 and was brought under Bazalt Group in 2009. Sigemat was initially a manufacturer of ready-mixed concrete. Under this segment, Sigemat designs, manufactures and distributes ready-mixed concrete used for exterior works and precast concrete elements. In 2012, under the ownership of Bazalt Group, Sigemat diversified its operations to produce precast concrete elements. Through this line of business, Sigemat designs, manufactures and distributes concrete beams, precast slabs and precast walls, amongst other products. The precast walls manufacturing facility is to date unique in the country.

Sigemat owns 2 manufacturing plants close to Soreco's site, which supplies Sigemat with raw materials, and a fleet of 10 mixer trucks.

SNC Siginvest 2012, incorporated in 2012, is the property company of Sigemat.

Incudine

Incudine was created in 2015 to allow Bazalt Group to be independent in its supply of cement and break the international players' monopoly. Incudine sourced cement from 2 suppliers: 1 Portuguese and 1 Turkish until 2021, when freight prices became too expensive. Since then, Bazalt Group signed a new supply agreement with a local producer, Cementis in Réunion Island.

Anzemberg

Anzemberg, created in 1989, is a distributor of building materials for public works and road networks industry. Anzemberg offers a range of over 3,500 products for different purposes:

- Clean water supply: cast iron pipes, equipment for work networks, cast iron taps, tubes;
- Sanitation for wastewater and clear water: melting, tubes, fittings, water pre-treatment;
- Retention, infiltration, drainage: manholes, grids, retention basins, siphons, drains;
- Telecom and electricity networks;
- Consumables and tools: plumbing material, sealing, glues, expansion for building.

Anzemberg distributes 200 different brands through its 4 stores and owns 3 warehouses across Réunion Island and exports to Mayotte as well. Anzemberg Logistique and Distribution (ALD), a subsidiary of Anzemberg, provides all storage and logistic amenities.

SARL Dimatechniques ("Dimatech"), created in 1993 as a wholly-owned subsidiary of Anzemberg and brought under Bazalt Group in 2016, is a trading company specialised in industrial supplies (valves, steam, pneumatics, amongst other products).

SARL Austral Conseil Maintenance ("ACM"), subsidiary of Anzemberg created in 2016, was brought under Bazalt Group in 2019. ACM carries out the installation of sewerage and pumping systems sourced by Anzemberg and Dimatech. ACM also installs micro water treatment plants manufactured by Sigemat.

Substantial Transaction Circular

ALD

ALD, created in 2006, is a distributor of building materials for public works and road networks and is the logistic and storage arm of Anzemberg.

Trading prospects

The construction industry in Réunion Island is expected to continue growing in the medium term.

- With its expansion into the construction industry and the introduction of innovative products like bi-layer coloured products, Préfabéton is able to adapt to the evolving customer needs.
- Soreco's expertise in the extraction and crushing of alluvial materials gives it a competitive advantage to meet the demand for construction aggregates in the region. The ownership of drilling/quarry rights and land exclusivity is a significant advantage. As Réunion Island experiences infrastructure development, Soreco is poised to benefit from increased demand for construction materials.
- Sigemat's unique precast walls manufacturing facility is likely to attract customers seeking innovative construction solutions.
- Anzemberg's extensive product range catering for various construction needs gives it an edge compared to other local players on the market. Ownership of warehouses and a subsidiary for logistics functions ensures efficient distribution and order fulfilment. Anzemberg's presence across Réunion Island and distribution of numerous brands enhances its market reach.

The budget for 2024 denotes a minor drop of 2.9% in revenues compared to 2023 while the gross profit and EBITDA margins are expected to increase slightly. Based on the current trading as of 31 March 2024, companies are slightly behind their revenue budgets, primarily due to adverse weather conditions. However, business operations have now returned to normal and Targets expect to recover on this slight delay and meet the annual budget.

In conclusion, Bazalt Group's companies have promising trading prospects due to their diverse product offerings, vertical integration and local supply chain control. However, it is essential to monitor market dynamics, regulatory changes, and potential competition to ensure sustained growth and profitability.

5.2 Statutory Information of Bazalt Group

I. Anzemberg, SAS

Date of Incorporation	01 August 1989
Place of Incorporation and Registration	France (Réunion Island)
Company Number	351 917 877
Registered Office	40 rue Mahatma Gandhi 97419, La Possession, Réunion
Auditor	EXA Réunion

II. <u>ALD, SARL</u>

Date of Incorporation	01 February 2006
Place of Incorporation and Registration	France (Réunion Island)
Company Number	488 497 470
Registered Office	40 rue Mahatma Gandhi 97419, La Possession, Réunion
Auditor	None

Substantial Transaction Circular

III. Préfabéton, SAS

Date of Incorporation	28 March 1988
Place of Incorporation and Registration France (Réunion Island)	
Company Number	344 590 799
Registered Office	29 avenue Michel DEBRE 97427, L'Etang Salé, Réunion
Auditor	EXA Réunion

IV. <u>Soreco, SAS</u>

Date of Incorporation	07 September 1992
Place of Incorporation and Registration	France (Réunion Island)
Company Number	310 878 887
Registered Office	Route de l'Entre deux 97410, Saint-Pierre, Réunion
Auditor	EXA Réunion

V. <u>Sigemat, SAS</u>

Date of Incorporation	19 December 1996	
Place of Incorporation and Registration	France (Réunion Island)	
Company Number	410 382 972	
Registered Office	Route de l'Entre deux 97410, Saint-Pierre, Réunion	
Auditor	EXA Réunion	

VI. Incudine, SAS

Date of Incorporation	15 December 2014	
Place of Incorporation and Registration	France (Réunion Island)	
Company Number	808 564 967	
Registered Office	40 rue Mahatma Gandhi 97419, La Possession, Réunion	
Auditor	None	

Substantial Transaction Circular

The Transaction

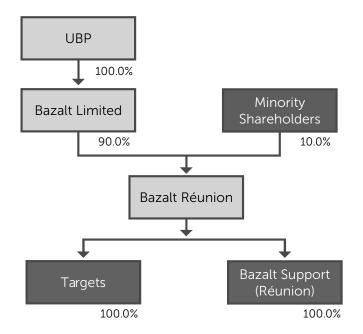
6

6.1 Details of the Transaction

UBP has entered into a SPA with the Sellers on 07 July 2022 to acquire 100.0% of the shareholding of the Targets for a cash consideration of approximately EUR82.0m, equivalent to approximately MUR4.0bn.

The Targets will be acquired by Bazalt Réunion, a subsidiary of UBP, incorporated in Réunion Island. Bazalt Réunion is currently wholly-owned by Bazalt Limited. Post-Transaction, Bazalt Réunion will be a joint venture between Bazalt Limited and the Minority Shareholders of Bazalt Group. As part of the negotiations with the Sellers, UBP agreed to provide the Minority Shareholders with an option to invest in Bazalt Réunion for a collective stake not exceeding 10.0%. As detailed in section 3.1 and illustrated below, Bazalt Limited is a wholly-owned subsidiary of UBP.

The structure post-Transaction will be as follows:



Based on the above structure, UBP's pro rata share of the above consideration is approximately EUR73.8m, equivalent to approximately MUR3.6bn.

The proposed Transaction is subject to:

(i) the satisfactory completion of conditions precedent;

(ii) the obtention of all regulatory and any other approvals required by Bazalt Réunion and the Sellers; and

(iii) the approval of the Acquisition by UBP shareholders in compliance with section 13.10 of the Listing Rules of the SEM.

As per Section 10.4 below, the executed SPA setting out the terms of the Transaction will be made available for inspection at the registered office of UBP.

6.2 Substantial Transaction

A substantial transaction is defined in Chapter 13 of the Listing Rules of the SEM as an acquisition or realisation of assets (including securities) by a listed issuer or any of its subsidiaries where:

(a) the value of the assets being acquired or realised represents 50 per cent or more of the net assets or consolidated net assets, as the case may be, of the acquiring or realising group; or

(b) the net profit (after deducting all charges except taxation) attributable to the assets being acquired or realised as disclosed in the latest published audited accounts represents 50 per cent or more of such net profit of the acquiring or realising group; or

Substantial Transaction Circular

(c) the aggregate value of the consideration given or received represents 50 per cent or more of the net assets or consolidated net assets, as the case may be, of the acquiring or realising group; or

(d) the value of the equity capital issued as consideration by the acquiring issuer represents 50 per cent or more of the value of the equity capital previously in issue.

The Acquisition qualifies as a substantial transaction as:

(i) the net profit (after deducting all charges except taxation) attributable to the Targets as disclosed in the latest audited accounts represents more than 50 per cent of the net profit of the UBP Group; and

(ii) the aggregate value of the consideration payable by UBP for the Acquisition represents more than 50 per cent of the net assets or consolidated net assets of the UBP Group.

Listing Rule 13.15 requires UBP to send a substantial transaction circular to its shareholders containing the items of information as regards to UBP specified by Listing Rule 13.17.

6.3 Shareholder approval

Listing Rule 13.10 stipulates that a substantial transaction must be made conditional on approval by shareholders. Such approval may be obtained either by convening a meeting of UBP shareholders or by means of the written approval by a shareholder who holds, or shareholders who together hold, more than 50% in nominal value/value of shares giving the right to attend and vote at such meeting of shareholders.

The Acquisition does not qualify as a major transaction for the purpose of Section 130 of the Companies Act 2001. The Acquisition will be subject to a simple majority approval by way of an ordinary resolution to comply with the Listing Rules requirements.

The agenda of the special meeting of shareholders of UBP, scheduled to take place on 12 June 2024, will include the resolution to be passed by the shareholders of UBP for the purpose of approving the Acquisition.

The SEM will normally require that any shareholder must abstain from voting at a meeting of shareholders and will not accept the written approval of any such shareholder if such shareholder has a material interest in the substantial transaction.

Bazalt Group and the Sellers are independent to UBP. None of the Directors of UBP or their associates (as defined in Listing Rule 1.1) hold any interest in Bazalt Group or have a material interest in the Transaction.

As at the date of this Circular, none of the substantial shareholders of UBP hold any direct interest in Bazalt Group.

Pursuant to Listing Rule 13.10, the Board confirms that all the shareholders of UBP, registered on the record date, 14 May 2024, will be entitled to vote at the special meeting of shareholders of UBP, scheduled to take place on 12 June 2024, on the resolutions approving the Acquisition.

In accordance with Listing Rule 13.15, UBP notified the SEM of the proposed Transaction on 06 April 2022. The Circular has been approved by the Listing Division on 15 May 2024 in conformity with the Listing Rules.

6.4 Rationale of the Transaction

The proposed Transaction is in line with UBP's regional expansion strategy. The Transaction is expected to yield a number of key benefits to UBP, which are summarised below:

- A unique opportunity for UBP to diversify its operations and revenue streams in the region and thus mitigate its exposure to the Mauritian market.
- The similarity in the activities of UBP and the Bazalt Group makes the Bazalt Group an ideal target. Having an existing relationship and sharing core values with the Targets will equate to a smoother integration of the operations post-Transaction.
- The Targets have a strong capacity to develop innovative and differentiating products which are complementary to those currently manufactured by UBP. UBP will also draw on the technical and technological expertise of the Bazalt Group.
- This acquisition will enable both UBP and the Bazalt Group to benefit from synergies and create value for its stakeholders.

Substantial Transaction Circular

6.5 Financing of the Transaction

The Transaction will be funded by way of (i) debt facilities to be contracted by Bazalt Réunion for c. EUR53.4m and (ii) equity injection of c. EUR28.6m by Bazalt Limited and the Minority Shareholders on a pro rata basis.

As part of the Transaction, Bazalt Limited will subscribe for additional shares in Bazalt Réunion such that its equity stake will be 90.0% of the shareholding of Bazalt Réunion. The subscription for additional shares by Bazalt Limited will be fully funded via a loan facility entered by UBP with a reputable local bank for the tune of approximately MUR1.3bn which is equivalent to EUR25.7m. Furthermore, the loan facility will be almost fully repaid by the sale of some non-core assets of the Company.

6.6 Determination of transaction price

The final price for the Transaction ("Final Price") will be determined by a sum of the parts approach, by determining the Enterprise Value ("EV") and Net Debt of each Target.

The formula to determine the Final Price for the Transaction is set out below:

Final Price= $\sum (EV \pm Net Debt for each target) + lump sum$

Where,

- The EV of Bazalt Group will be computed by the sum of the EV of each Target, the latter being calculated for each Target by applying a multiple to its average normalised EBITDA for the years ended 31 December 2020, 31 December 2021 and 31 December 2022;
- The Net Debt of Bazalt Group will be determined as the sum of the Net Debt of each Target based on closing accounts; and
- The lump sum represents an agreed-upon amount intended to encompass value that is not factored in the pricing.

A Provisional Price of EUR82.0m was determined based on the Targets' accounts as at 31 December 2021. On Completion Date (as defined in Section 6.7), 60.0% of the Provisional Price will be paid to the Sellers. The Final Price for the Transaction will be determined based on closing accounts as at the Completion Date.

Within 90 days following the Completion Date, Bazalt Réunion will provide the Sellers with the Final Price consideration based on the closing accounts. Within 15 working days of approval of the Final Price by Bazalt Réunion and the Sellers, the difference between the Final Price and the 60.0% of the Provisional Price paid will be settled.

6.7 Timeline of the transaction

The proposed Transaction is expected to conclude during the quarter ending 30 June 2024 ("Completion Date").

6.8 Impact on UBP financial statements

If UBP had acquired 90.0% effective stake in Bazalt Group on 01 January 2022, the net profits before and after tax, prepared under IFRS, attributable to Bazalt Group in respect to the two financial years preceding the Transaction would have been as follows:

For financial year ended	31 December 2022	31 December 2023
Profit before tax	MUR513.1m	MUR647.0m
Profit after tax	MUR401.5m	MUR500.6m

The above profits before and after tax do not include acquisition related costs and the following funding costs of:

- MUR88.2m in the financial year ended 31 December 2022 as well as the financial year ended 31 December 2023, on a loan facility of approximately MUR1.3bn, which is equivalent to c. EUR25.7m, at the level of UBP to finance the equity contribution by Bazalt Limited in Bazalt Réunion, representing a 90.0% stake. The loan facility is assumed to come to maturity within a maximum period of 6 years, depending on the timing of the sale of some non-core assets of the Company; and
- MUR127.9m and MUR122.2m in the financial years ended 31 December 2022 and 31 December 2023 respectively on a term-loan of EUR53.4m with a maximum maturity of 7 years at the level of Bazalt Réunion.

Substantial Transaction Circular

Directors Information

7.1 Interest of Directors

The Directors of UBP having direct and/or indirect interest in the ordinary shares of UBP as at 31 March 2024 were as follows:

Directors	Direct In	terest	Indirect Interest		
	Number of shares	% Holding	Number of shares	% Holding	
Jean-Claude Béga	-	-	1,073	0.004	
Jan Boullé	-	-	11,484	0.043	
Stéphane Brossard	-	-	-	-	
Stéphane Lagesse	218	0.001	45,137	0.170	
Thierry Lagesse	2,136	0.008	45,137	0.170	
Christine Marot	-	-	-	-	
Christophe Quevauvilliers	600	0.002	12	0.000	
Aruna Radhakeesoon	-	-	-	-	
Kalindee Ramdhonee	-	-	-	-	
Stéphane Ulcoq	-	-	-	-	

As at 31 March 2024, the Directors did not hold any shares in subsidiaries.

7.2 Directors' service contracts

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

7.3 Remuneration and Benefits in kind of Directors

The total remuneration and benefits in kind paid to the Directors of UBP by all members of the UBP Group for the year ended 30 June 2023 amounted to MUR21.3m.

The estimated total remuneration and benefits in kind to be paid to the Directors of UBP by all members of the UBP Group for the year ending 30 June 2024 amounts to approximately MUR22.2m.

7

Substantial Transaction Circular

Financial Information

8.1 Financial highlight of Bazalt Group

The tables below summarise the performance of the Targets prepared under IFRS, for the financial years ended 31 December 2021, 31 December 2022 and 31 December 2023. Additional information is set out in Section 11 – Additional Financial Information.

		Anzemberg	J		Préfabéton			Soreco	
EUR(m)	2021	2022	2023	2021	2022	2023	2021	2022	2023
Revenue	12.0	17.2	22.0	14.9	16.1	18.0	11.3	11.2	12.9
EBITDA	1.2	2.5	3.4	3.1	3.2	3.9	4.6	4.6	5.6
Net income	0.8	1.7	2.2	2.0	2.3	2.4	2.8	2.9	4.5
Assets	11.7	14.9	13.0	19.7	18.3	18.2	17.7	16.5	16.8
Liabilities	4.2	6.8	6.4	4.9	3.7	8.1	6.8	5.7	7.2
Equity	7.5	8.1	8.6	14.8	14.6	10.0	10.9	10.8	9.5

		Sigemat			ALD			Incudine	
EUR(m)	2021	2022	2023	2021	2022	2023	2021	2022	2023
Revenue	14.5	15.0	12.1	0.5	0.5	0.7	1.6	0.5	0.4
EBITDA	2.3	2.5	2.1	0.0	0.0	0.0	0.2	0.1	0.1
Net income	1.5	1.9	1.3	0.0	0.0	0.0	(0.0)	(0.1)	(0.1)
Assets	10.6	9.9	8.3	0.1	0.1	0.2	1.7	1.0	0.9
Liabilities	4.9	3.8	3.5	0.1	0.1	0.1	0.9	0.3	0.3
Equity	5.7	6.1	4.8	0.0	0.0	0.1	0.8	0.7	0.6

Substantial Transaction Circular

8.2 UBP Group Statement of Financial Position

UBP Group's unaudited statement of financial position as at 31 December 2023 and unaudited pro-forma statement of financial position post-Acquisition as at 31 December 2023, based on the assumption that the Transaction occurred at 31 December 2023 are as follows:

	UBP Group Pre-Acquisition	New UBP Group Post-Acquisition
	Dec-23 Rs'000	Dec-23 Rs'000
ASSETS	1/2 000	K2 000
Non-current assets		
Property, plant and equipment	4,834,553	5,536,623
Right of use assets	341,889	457,470
Investment properties	121,858	121,858
Bearer biological assets	2,365	2,365
Intangible assets	255,353	2,560,063
Land conversion rights	27,242	27,242
Investment in subsidiaries	-	-
Investment in associates	70,158	70,158
Non-current financial assets	2,292	8,199
Deferred tax assets	19,288	23,606
Total non-current assets	5,675,000	8,807,584
Current assets		
Consumable biological assets	90,424	90,424
Inventories	1,253,464	1,990,444
Trade and other receivables	582,112	1,379,845
Income tax receivable	19,337	19,337
Cash at bank and on hand	111,845	585,698
	2,057,182	4,065,748
Assets classified as held for sale	-	
Total current assets	2,057,182	4,065,748
TOTAL ASSETS	7,732,182	12,873,332

Substantial Transaction Circular

	UBP Group Pre-Acquisition	New UBP Group Post-Acquisition
	Dec-23	Dec-23
	Rs'000	Rs'000
EQUITY AND LIABILITIES		
Equity		
Issued capital	265,100	265,100
Reserves	4,056,514	4,056,514
Equity attributable to shareholders of the parent	4,321,614	4,321,614
Non-controlling interests	54,797	194,837
Total equity	4,376,411	4,516,451
Non-current liabilities	4 0 6 4 40 0	4 647 20 4
Loans	1,064,498	4,613,204
Lease liabilities	277,186	375,677
Deferred tax liabilities	150,938	151,043
Employee benefit liabilities	286,804	304,127
Total non-current liabilities	1,779,426	5,444,051
Current liabilities		
Loans and bank overdrafts	996,186	1,400,046
Lease liabilities	80,303	100,913
Trade and other payables	488,848	1,400,862
Dividend payable	-	-
Income tax payable	11,008	11,008
	1,576,345	2,912,830
Liabilities directly associated with assets classified as held for sale	-	-
Total current liabilities	1,576,345	2,912,830
Total liabilities	3,355,771	8,356,881
TOTAL EQUITY AND LIABILITIES	7,732,182	12,873,332

Substantial Transaction Circular

Notes and assumptions to the pro-forma Statement of Financial Position of UBP Group

- The "Pre-Acquisition" financial position has been extracted without adjustment from the unaudited statement of financial position of UBP Group as at 31 December 2023.
- The "Post-Acquisition" pro-forma financial position assumes that:
 - a) Property, plant and equipment of Bazalt Group, comprising mainly land, buildings and plant and machinery, are consolidated at their net book values.
 - b) The intangible asset represents the goodwill arising upon consolidation of Bazalt Group.
 - c) Inventories of Targets, comprising mainly finished goods for Anzemberg, are net of provisions for obsolescence.
 - d) Trade receivables are net of provisions for overdue amounts.
- The "Post-Acquisition" financial position assumes the following bank facilities:
 - a) a loan facility of approximately MUR1.3bn, which is equivalent to c. EUR25.7m, at the level of UBP to finance the equity contribution by Bazalt Limited in Bazalt Réunion, representing a 90.0% stake; and
 - b) a term-loan of EUR53.4m with a maximum maturity of 7 years at the level of Bazalt Réunion.
- The statements of financial position of Bazalt Group have been extracted from the unaudited and unadjusted statements
 of financial position of Anzemberg, ALD, Préfabéton, Soreco, Sigemat and Incudine prepared under IFRS as set out in
 Section 11 Additional Financial Information.
 - a) The unaudited and unadjusted accounts are based on the audited financial statements of Soreco, Sigemat, Préfabéton and Anzemberg and the unaudited financial statements of ALD and Incudine for the financial year ended 31 December 2023, prepared under the French-GAAP.
 - b) The French-GAAP accounts were translated to IFRS by HDM Réunion Mayotte and reviewed by EXA Réunion for the preparation of the above pro-forma accounts.
- The financial positions of Bazalt Group were reported in EUR and were translated to MUR at an exchange rate of 48.965 for the preparation of the above pro-forma accounts. The bank loans and the cash consideration for the Transaction were converted to MUR at an exchange rate of 48.965 for reporting purposes.
- The Directors are not aware of any other matters or circumstances arising subsequent to 31 December 2023 that require any additional disclosure or adjustment to the pro-forma consolidated statement of financial position.

Substantial Transaction Circular

8.3 Financial and Trading Prospect

Financial performance of UBP Group

The revenue of UBP Group for the half year ended 31 December 2023 increased by 5.8% (+MUR146.3m) compared to that of the same period in 2022, mainly attributable to the core business activity segment. Unlike in 2022, FAST (Flacq Associated Stonemasters Limited), has been consolidated as a subsidiary for the period under review and has contributed MUR87.4m to the revenue increase for the period.

The operating profit of UBP Group increased from MUR145.9m for the period ended 31 December 2022 to MUR181.1m for the six months ended 31 December 2023. The local core business performance for the period was positively impacted by an increase in selling prices thereby offsetting the effects of inflation on costs and the drop in sales volumes.

The retail segment's revenue for the half year period ended 31 December 2023 was comparable to that of the same period last year with an operating profit down by MUR20.2m largely attributable to an increase in staff costs and other operating expenses. The agricultural segment revenue was down by MUR49.3m while the operating profit was lower than in 2022 by MUR34.8m due to an exceptional profit of MUR30.2m realised on the sale of agricultural land included in 2022 figures.

The share of results from associates for the half year period ended 31 December 2023 was comparable to that of the same period in 2022. Finance costs increased significantly due to an increase in borrowings and interest rates.

The net result of UBP Group increased from a profit of MUR97.7m (including the exceptional profit of MUR30.2m realised on the sale of agricultural land) for the half year period ended 31 December 2022 to a profit of MUR100.2m for the half year period ended 31 December 2023. Earnings per share likewise increased from MUR3.41 in 2022 to MUR3.48 for this period.

The future performance of UBP relies on close cost control and improved efficiency as well as on the level of investment in property development projects and on the timely realization of infrastructure projects announced in the Public Sector Investment Programme spanning over financial years 2022/23 to 2024/25.

Trading Prospects of the Targets

Given the nature and similarity between UBP and the Bazalt Group, the acquisition of the Targets offers prospects for materialisation of synergies and cross fertilisation.

UBP and the Bazalt Group share strong values having been business partners since 2018. Given this prior experience of working together, UBP expects to build upon its own culture to boost efficiency and inculcate a more performance-driven attitude amongst its managers.

The Bazalt Group has streamlined its processes by digitalizing and automating its operations. By drawing from the Bazalt Group's technical expertise, UBP would also be able to undergo its digital transformation by benefiting from the well-established digital mindset in force at the target companies.

UBP's recent acquisition of Premix Ltd in Mauritius would offer synergistic prospects with regards to technical know-how with some of the target companies' operations and ultimately deploy on Réunion Island.

From a financial and risk-monitoring point of view, this acquisition is a very good opportunity for UBP to expand its revenue base outside Mauritius and therefore mitigate the risk linked to operating only on the Mauritian market and generating revenues only in Mauritian Rupees.

Substantial Transaction Circular

8.4 Statement of indebtedness of UBP Group

The analysis of consolidated borrowings as at 31 March 2024 is as follows:

MUR'000	As at 31 March 2024	Security
Bank loans and overdrafts	1,877,141	Secured
Unsecured loans	150,270	Unsecured
Lease liabilities	343,203	Secured
Long Term Secured Promissory Note	90,814	Secured
Total	2,461,428	

The total borrowings are made up of:

- 1. c. MUR1.9bn bank loans and overdrafts which are secured by fixed and floating charges on the Group's assets and bear interest between +6.0% and +8.9% per annum;
- 2. c. MUR150.3m unsecured loans which are repayable at call, the rate of interest per annum at 31 March 2024 was 6.0%; and
- 3. c. MUR90.8m as Long Term Secured Promissory Note which bear interest at key rate +1.0% and is fully repayable in April 2024. This note is secured by a floating charge on the Group's assets.

As at 31 March 2024, the Group and the Company had contingent liabilities of MUR214.4m in respect of bank guarantees, MUR62.1m in respect of net current liabilities of one of its subsidiaries and MUR33.0m in respect of severance allowances and voluntary retirement schemes, all arising in the ordinary course of business from which it is anticipated that no material liabilities would arise.

Substantial Transaction Circular

Risk factors

The risk factors specific to the UBP Group pre-Acquisition are elaborated in the Risk Report (see pages 44 to 55) of the Integrated Report of UBP for the financial year ended 30 June 2023, published on UBP's website: https://integratedreport.ubp.mu/2023/

The major risks associated with the Transaction have been identified and assessed. The major risks relating to this Transaction and the mitigating steps, where applicable, are as detailed below:

Risk	Impacts and Opportunities	Mitigation
Commercial (execution) risk	-Risk of potentially adverse effects due to improper timing of entry and/or poor execution of acquisition strategy. -Opportunity to acquire knowledge on acquisition operations.	-The acquisition process is being assisted by external consultants.
Country risk (political/economic/ social)	 Risk of adverse effects on Group profitability caused by developments in the political, economic, and social environment. Opportunity to reduce overall Group exposure via geographical diversification brought about by the new acquisition. 	-A systematic monitoring of the socio-economic landscape will be done to determine any adverse movement.
Foreign exchange risk	-Effect of translation exposure during the consolidation process. -Effect of transaction exposure during sales operations beyond borders.	-An appropriate hedging strategy will be devised.
Regulatory risk (laws/taxes/ licenses and permits/compliance environment)	-Risk of fines/penalties/sanctions arising out of non-compliance with European/French laws and regulations due to a lack of understanding. -Opportunity to draw knowledge from European norms and standards.	The Company Secretary and the Compliance function will ensure compliance with prevailing laws and regulations through a regular reporting and monitoring mechanism.
Cross-cultural risk	 Risk of conflicts due to differences in: Working practices; Negotiation patterns; Decision-making styles; Ethical practices and values; and Leadership styles/ actions. 	-The Management team in place prior to the acquisition will be maintained to ensure a smooth transition.
Financial risk	 Risk of improper valuation. Risk of adverse effect on Group profitability and goodwill if the future performance of the Targets fall below expectations. Opportunity to increase Group profitability. 	 -An adequate due diligence exercise on the financials of Targets has been performed. -A systematic reporting and monitoring of the performance of Targets. -The sale of non-core assets to repay debts.
Market risks	-Impact on market positioning, market share and brand image. -Opportunity to generate growth and enter new markets.	-The execution and monitoring of a sales strategy to ensure renewal of existing contracts and winning of new clients.

9

Substantial Transaction Circular

Information Technology risks	 Lack of integration of IT systems. Inadequate reporting to suit the requirements of the Group. Opportunity to acquire knowledge on a different IT infrastructure. 	-A proper planning for the integration of IT systems. -The communication and understanding of IT systems for reporting requirements.
Human Resource risks	-Failure to retain key employees. -Opportunity to acquire new talents.	-A clear retention strategy and communication plan may be devised. -A thorough due diligence of the HR aspects to be conducted.
Risk governance	-Absence or inadequate risk management framework.	-Establishing a risk management framework for the identification, assessment, and monitoring of risks. -Establishing adequate reporting lines.

Substantial Transaction Circular

10 Additional Disclosures

10.1 Statement from the Public Accountant

EXA Réunion, an independent audit firm, holds no shareholding in any member of the UBP Group, Bazalt Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares in any member of the UBP Group or Bazalt Group.

EXA Réunion has consented and has not withdrawn its consent to the issue of this Circular and to the inclusion herein of the information set out in Section 8.1 and its report dated 15 April 2024 in Section 11.

10.2 Material Contracts

UBP or any member of the UBP Group have not entered into any material contracts, other than contracts entered into in the ordinary course of business, in the two years immediately preceding the publication of the Circular.

There are no contracts or arrangements entered into by UBP in which its Directors are materially interested and which are significant in relation to the business of the UBP Group.

10.3 Legal or Arbitration Proceedings

Below are the legal claim contingencies as at 31 March 2024:

- (i) Legal action has been initiated by former employees against the UBP Group in respect of unpaid severance allowances. The estimated payout is MUR2.3m, should the action be successful. The trial is ongoing and therefore it is not practicable to state the timing of payment, if any. The UBP Group has been advised by its legal advisers that it is only possible, but not probable, that the actions will succeed. Accordingly, no provision for any liability has been made in the financial statements.
- (ii) Legal action has been initiated by beneficiaries of the Voluntary Retirement Scheme against the UBP Group in respect of unpaid benefits. The estimated payout is MUR28.2m, should the action be successful. Trials are ongoing and therefore it is not practicable to state the timing of payment, if any. The UBP Group has been advised by its legal advisers that it is only possible, but not probable, that the action will succeed. Accordingly, no provision for any liability has been made in the financial statements to date.

10.4 Documents available for inspection

For a period not less than twenty-one (21) days prior to the special meeting of shareholders to be held on 12 June 2024, the following documents will, when published, be available for inspection during normal business hours (Saturdays, Sundays and public holidays excepted) at UBP Registered Office, Trianon, Quatre Bornes, Mauritius:

- The constitution of UBP dated 01 December 2004;
- The original SPA between UBP and the Sellers;
- The original Circular to the shareholders of UBP;
- The audited financial statements and Integrated Report of UBP for the years ended 30 June 2021, 2022, and 2023;
- The unaudited financial statements of UBP for the 6 months ended 31 December 2023;
- The audited financial statements of Soreco, Sigemat, Préfabéton and Anzemberg, prepared under French-GAAP for the financial years ended 31 December 2021, 2022, and 2023;
- The unaudited financial statements of Incudine and ALD, prepared under French-GAAP for the financial years ended 31 December 2021, 2022, and 2023;
- The unaudited financial statements of the Targets, prepared under IFRS, for the financial years ended 31 December 2021, 2022, and 2023; and
- The original Accountant's Report and Consent letter from EXA Réunion.

Substantial Transaction Circular

11

Accountant's Report



Société de commissaires aux comptes Membre de la Compagnie Régionale de Saint-Den Société anonyme au capital de 40 000 € 4 rue Monseigneur Mondon 97400 Saint-Denis

ANZEMBERG PREFABETON SORECO SIGEMAT ANZEMBERG LOGISTIQUE DISTRIBUTION INCUDINE

ACCOUNTANT'S REVIEW REPORT

To the shareholders of the United Basalt Products Limited



Substantial Transaction Circular



Société de commissaires aux comptes Membre de la Compagnie Régionale de Saint-Denis Société anonyme au capital de 40 000 € 4 rue Monseigneur Mondon 97400 Saint-Denis

ACCOUNTANT'S REVIEW REPORT ON THE FINANCIAL STATEMENTS

The Board of Directors The United Basalt Products Ltd Head Office, Trianon, Quatres Bornes, Mauritius

Dear Madam, Dear Sir,

For the financial years ended 31st December 2021, 2022 and 2023, prepared under International Financial Reporting Standards ("IFRS"), we have reviewed the statement of financial position, the statement of profit or loss, the statement of cashflows, the statement of change in equity, the accounting policies and the statement of indebtedness (together the "financial statements") of the following entities on a standalone and consolidated basis as described hereunder:

- consolidated financial statements of SAS ANZEMBERG: ٠
- consolidated financial statements of SAS PREFABETON; standalone financial statements of SAS SORECO (SOCIETE REUNIONNAISE DE CONCASSAGE); consolidated financial statements of SAS SIGEMAT (SITA GERARD MATERIAUX); .
- standalone financial statements of SAS INCUDINE ٠
- standalone financial statements of SARL ANZEMBERG LOGISTIQUE DISTRIBUTION:

(together referred to as the "Companies").

Management of each of the above Companies has provided the audited financial statements of the above Companies and their subsidiaries, prepared under French-GAAP. These financial statements were then converted to IFRS by the companies' charted accountant and reviewed by EXA.

These financial statements have been prepared in connection with the acquisition process of the above Companies by the United Basalt Products Ltd.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not give a true and fair view of the results for the different periods reported on and of the assets and liabilities at the end of each of these periods, in accordance with the IFRS.

..../....

Substantial Transaction Circular



Société de commissaires aux comptes Membre de la Compagnie Régionale de Saint-Denis Société enonyme au capital de 40 000 € 4 rue Monseigneur Mondon 97400 Saint-Danis

BASIS OF CONCLUSION

While the procedures performed in this review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing, our work comprised primarily of reviewing the financial statements using inquiries and analytical procedures. We do not express an audit opinion on these financial statements.

For the period starting 1st January 2021 to the date of our report and in accordance with the Code de commerce and the Independent Auditor's Code of ethics, we conducted our review in compliance with independence rules applicable to us. EXA is neither an associate of any Directors nor of any shareholders holding more than 5% of the issued share capital of the above Companies.

RESPONSIBILITY OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

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

THE RESPONSIBILITY OF THE PUBLIC ACCOUNTANT FOR THE REVIEW OF THE FINANCIAL STATEMENTS

It is our responsibility to express a conclusion on the forementioned financial statements.

We conducted our review in accordance with professional standards applicable in France. A review of the financial statements is a limited assurance engagement and not an audit. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. EXA is the auditor of:

- ANZEMBERG
- PREFABETON
- SIGEMAT
- SORECO
- INCUDINE for the financial year ending 31st December 2021.

CONSENT

We consent to the inclusion of this Accountants' Report and the references thereto, in the form and context in which they appear in the Circular. We confirm that we will not withdraw our consent prior to the issue of the Circular.

Substantial Transaction Circular



Based upon the procedures we performed, we did not identify any subsequent events that may require adjustment to, or disclosure in, the financial statements.

Saint-Denis, on the 15th of April 2024 The public accountant

1.

Loïc DRIEUX





IFRS 2021 - 2022 - 2023

Index

.3	Balance sheet	5
4	Equity	6
Corp	orate information	. 7
1	Basis of preparation	7
.2	Accounting policies and methods	7
State		10
	.1 .2 .4 Corp Acco .1 .2	2 Statement of Cash flow. 3 Balance sheet. 4 Equity Corporate information Accounting policies

1 Financial statement

1.1 Statement of net income

Statement of net income	2023	2022	2021
		.=	
Revenue	22 004 796	17 228 161	12 032 952
Purchases consumed	(15 599 196)	(11 973 109)	(8 473 568)
External expenses	(2 101 040)	(1 914 714)	(1 603 517)
Staff costs	(826 637)	(656 661)	(701 247)
Taxes	(80 914)	(82 507)	(59 094)
Net depreciation, amortization and provisions	(483 955)	(216 839)	(227 436)
Other current operating income and expenses	(15 117)	(209 615)	(12 530)
Current operating income	2 897 938	2 174 715	955 560
Non-current operating income	105 991	181 247	119 994
Non-current operating expenses	(71 528)	(111 668)	(130 694)
Other non-current operating income and expenses	34 463	69 579	(10 700)
Operating income	2 932 401	2 244 294	944 861
Cash and cash equivalents	MISSAIRES AUX COMPTES	(3 474)	10 917
Interest costs Por	ridentification (58 199)	(37 414)	(32 711)
Cost of net financial indebtedness	(57 476)	(40 888)	(21 793)
Other financial income			112 476
Financial result	(57 476)	(40 888)	90 682
Income taxes	(736 436)	(548 502)	(242 501)
Net income group	2 138 490	1 654 904	793 042
Minority interest in profit or loss	(20 282)	5 204	47 090
Net income	2 158 772	1 649 700	745 951
Basic earnings per share	470,01	359,18	162,41

1.2 Statement of cash flow

Description	2023	2022	2021
Profit	2 138 490	1 654 904	793 042
Income tax	736 436	548 502	242 501
Profit before tax	2 874 926	2 203 406	1 035 543
Net amortisation, allowance and depreciation	413 745	401 311	354 112
Profit on disposal PPE	(28 778)	(20 909)	(92 534)
Finance income	()	()	(112 476)
Finance cost	58 199	37 414	32 711
Cash and cash equivalents	(724)	3 474	(10 918)
Other non-cash items	((16 746)	(,
Cash flow after cost of financial debt	3 317 368	2 607 949	1 206 438
Working capital Societe de commissanes aux comptes Pour identification	1 618 636	(2 942 392)	(1 435 401)
Cash received/paid to associates	(1 511 984)	1 511 984	(*********
Interest paid	(54 119)	(37 964)	(34 912)
Interest income	(,	(5 476
Income tax paid	(893 026)	(372 185)	(77 503)
NET CASH FLOW FROM OPERATING ACTIVITIES	2 476 875	767 392	(335 902)
Purchase of property, plant and equipment	(201 651)	(127 001)	(114 214)
Proceeds from disposal of PPE	34 300	29 064	105 492
Proceeds/disposal of financial assets	(14 499)	208 349	162 016
Dividend received from other equity investment			107 000
Impact of changes in scope		(12 016)	(21 147)
CASH FLOW FROM INVESTING ACTIVITIES	(181 850)	98 396	239 147
Loans issues			30 000
Repayment of term loans	(48 737)	(85 915)	(1 090 558)
Repayment of lease liabilities	(289 930)	(272 875)	(1050 555)
Dividends paid by the main parent entity	(525 600)	(990 000)	(180 000)
CASH FLOW FROM FINANCING ACTIVITIES	(864 267)	(1 348 790)	(1 508 915)
	(00+207)	(1040700)	(1000010)
Increase (decrease) in cash equivalents and exchange difference	724	(3 474)	10 918
NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS	1 431 482	(486 476)	(1 594 753)
		,,	,
Cash : Opening	360 155	846 631	2 441 384
Cash : Closing	1 791 637	360 155	846 631

1.3 Balance sheet

Description	2023	2022	2 021
Goodwill	68 902	85 648	67 221
Intangible assets			
Property, plant and equipment	338 677	261 758	269 970
Right of use assets	1 515 636	1 010 604	1 278 639
Investment property			
Other financial assets	75 644	60 395	62 960
Deferred tax assets	20 384	17 519	20 000
Non current assets	2 019 244	1 435 925	1 698 790
Other current financial assets	300	1 050	206934
Inventories	6 848 856	7 513 490	5 441 840
Clients receivables	3 830 003	4 492 012	2 684 528
Others trade receivables	489 985	1 119 580	784 881
Cash and cash equivalents	1 793 436	361 678	847 831
Current assets	12 962 579	13 487 809	9 966 013
Total Assets	14 981 822	14 923 734	11 664 804
SOCETE DE COMME	SSARES AUX COMPTES		
Share capital	lentification 300 000	300 000	300 000
Share premiums			
Reserves	6 087 266	6 151 375	6 371 580
Profit for the year	2 158 772	1 649 700	745 951
Other reserves			
Equity - Group	8 546 038	8 101 075	7 417 531
Non-controlling interests	10 055	30 338	52 166
Total Equity	8 556 093	8 131 412	7 469 697
Employee benefit liability	37 220	27 159	30 570
Employee benefit liability			
Deferred tax liability			
Loans	3 823	35 476	84 212
Leases lialibilities	1 273 297	787 609	1 051 738
Other liabilities			
Non-current liabilities	1 314 340	850 243	1 166 521
Current provisions			
Loans and bank overdraft	39 358	52 086	89 491
Leases lialibilities	280 767	264 130	272 875
Suppliers - accounts payables and related debts	2 707 758	3 481 601	2 050 478
Other trade payables	2 083 506	2 144 262	615 741
Current liabilities	5 111 389	5 942 079	3 028 586
Total Equity and Liabilities	14 981 822	14 923 734	11 664 804
וטנמו בקטונץ מווע בומטווונוכא	14 901 822	14 323 / 34	11 004 004

1.4 Equity

Description	Issued capital	Share premium Retained earnings	Net profit or loss	Total	Minoritary interest in profit or loss
2020	300 000	6 439 570	111 734	6 851 304	(1 080)
Allocation of profit / loss N-3		111 734	(111 734)		
Dividends		(180 000)		(180 000)	
Profit for the year			745 951	745 951	47090
Others		358		358	104
Scope variation		(83)		(83)	6053
2021	300 000	6 371 580	745 951	7 417 531	52 166
Allocation of profit / loss N-2		745 952	(745 952)		
Dividends		(990 000)		(990 000)	
Profit for the year			1 649 700	1 649 700	5 204
Scope variation					
Others		7 112		7 112	34
2022	300 000	6 151 375	1 649 700	8 101 075	30 338
SOCIETE DE COMMISSAIRES AUX COM Pour identification	PIES				
Allocation of profit / loss N-1		1 649 699	(1 649 699)		
Dividends		(1 695 000)		(1 695 000)	
Profit for the year			2 158 772	2 158 772	(20 282)
Others		(18 808)	(0)	(18 809)	(0)
2023	300 000	6 087 266	2 158 772	8 546 038	10 055

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31,2021, 2022, 2023

2 Corporate information

The main activities of the companies Anzemberg, Dimatechniques and Austral Conseil Maintenance (ACM) are the distribution of networks and pipes for building and public works professionals (VRD), the supply and installation of industrial products (Dimatechniques), the technical assistance in wastewater, drinking water and environmental trades (Acm).

3 Accounting policies

The accounting policies are consistent with those applied for the preparation of last year's financial statements.

3.1 Basis of preparation

The financial statements have been prepared in accordance with the IFRS standards.

The IFRS referential includes the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) as well as the International Financial Report Interpretation Committee (IFRIC)

The financial years ending December 31st, 2021, 2022 and 2023 have a duration of 12 month.

The financial statements are presented in euros.



3.2 Accounting policies and methods

Intangible and tangible fixed assets

Intangible and tangible fixed assets are carried at cost less accumulated amortization and any impairment losses. Amortization is recognized as an expense on a straight-line basis over the useful life of the asset. The carrying amounts of intangible and tangible assets are reviewed at each balance sheet date in order to identify any impairment losses on each of the assets in question.

Intangible assets

Intangible fixed assets consist mainly of software amortized on a straight-line basis over a period of 2 to 5 years.

Fixed assets

Property, plant and equipment are valued at their acquisition cost (purchase price, ancillary costs, excluding acquisition and borrowing costs, net of discounts, rebates or rebates) or their cost of production. They have not been re-evaluated.

Leases (IFRS 16)

Leases of property, plant and equipment under which the company retains substantially all the economic risks and rewards associated with the use of the asset and the ability to control the use of that asset have been identified and restated as follows:

- Recognition in property, plant and equipment of right-of-use assets under leases meeting the capitalization criteria defined by IFRS 16;
- Recognition of a financial debt in respect of the obligation to pay rent during the term of these contracts;
- Recognition of an expense for the amortization of the right to use the asset and a financial expense relating to interest on the lease debt which partly replaces the operating expense previously recorded in respect of leases. The amortization period of the right of use is determined on the basis of the duration of the contract, taking into account a renewal or termination option when its exercise is reasonably certain:

o In the cash flow statement, debt repayment payments affect financing flows.

The discount rate used to calculate the lease debt is determined, for each asset, according to the marginal rate of indebtedness on the date of the start of the contract. This rate corresponds to the interest rate that the lessee would obtain, at the start of the lease, to finance the acquisition of the leased asset.

The amounts recognized as assets under rights of use and financial debts mainly relate to real estate leases of land and administrative premises.

The two exemptions provided for by IFRS 16 which allow not to be recognized on the balance sheet have been retained: short-term contracts (less than or equal to 12 months) and contracts relating to low-value assets (annual lease payment less than or equal to 5 000 euros).

Assets are subject to depreciation plans determined according to the probable duration of use. The depreciation method is the linear method.

Financial assets

They mainly include loans, security deposits/guarantees and other receivables. Depreciation is recorded if their value in use falls below their book value.

Inventories



Inventories are valued at weighted average cost. The gross value of goods and supplies includes the purchase price and incidental costs. A provision is made when the inventory value is lower than the book value.

Manufactured products are valued at production cost including consumption, direct and indirect production costs, provision of goods contributing to production. The cost of the sub-activity is excluded from the inventory value. Interest is excluded for inventory valuation.

Trade receivables and other receivables

Current assets are recorded at their face value. A provision is made when a loss appears probable.

Cash and cash equivalents

Cash and cash equivalents recognized in the balance sheet include cash in the bank and the caisse and monetary investments.

Provisions

A provision is recognized when there is an obligation (legal, regulatory or contractual) resulting from past events, when it is probable or certain that it will result in an outflow of resources for at least no consideration and that the amount can be measured reliably.

The amount recognized as a provision is the best estimate of the risk at the balance sheet date. Provisions are presented at their nominal undiscounted value.

Employee benefits and pension commitments (IAS 19)

Commitments under defined benefit pension plans relate to active employees.

In June 2021, the IAS Board validated the position presented by the IFRIC relating to the method for allocating rights to periods of service in the context of the measurement of employee benefits (IAS 19).

The plans concerned are those with defined benefits that cumulatively satisfy the following conditions:

- the allocation of rights, paid in the form of a single benefit at the time of retirement, is conditional on the presence of the employee in the company at the time of this retirement;
- the rights are based on seniority in the company at the time of retirement and are capped from a certain number of years of seniority.

This method leads to the constitution of a provision for employees only after a certain number of years of service and to changes in the provision on a straight-line basis until the employee's retirement date.

The company uses the projected unit credit method to determine the value of its defined benefit obligation and assuming voluntary departure.

The amount of future payments is assessed on the basis of assumptions of retirement age, turnover rate, salary increase, mortality, then reduced to their present value. The commitment thus calculated is subject to discounting at the rate of 0,98% (FY21),3,7% (FY22) and 3,2% (FY23).

Deferred taxes

Deferred taxes are recorded as assets or liabilities in the net position by tax entity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date

The tax losses from ACM have been activated.

Goodwill

If the acquisition cost of a company's shares differs from the share of equity on the date of acquisition, the positive goodwill is posted to the assets of the balance sheet under the heading "Goodwill".

Positive goodwill is no longer amortized if there is no foreseeable limit to its useful life. They are then subject to an impairment test at least once per fiscal year.

When the calculation of the goodwill results in a negative difference (in the case of an acquisition carried out under advantageous conditions), the acquiring company recognizes the entire profit in the result.

ANZEMBERG noted positive goodwill on ACM shares when acquiring a 34% stake in 2019 (\in 40 K), 21% in 2021 (\in 27 K) and 10% in 2022 (\in 2 K) i.e., a total goodwill of 69 K \in at 31/12/2022. It now owns 100% of ACM.

ANZEMBERG noted badwill on DIMATECHNIQUES securities when it acquired a 10% stake in 2022, which amounts to € 16,746. It now owns 100% of DIMATECHNIQUES.

4 Statement of indebtedness

Description	2 023	Y+1	Y+2	Y+3	Y+4	Y+5	Beyond
Long-term borrowing from credit institutions	35 475	31 652	3 823	SOCIETE DE COMMISSA Pour identit			
Lease debts	1 554 064	280 767	250 097	257 249	264 652	185 122	316 177
Accrued interests on loans	5 907	5 907					
Bank overdrafts debts	1 799	1 799					
Borrowings, leasig debts and bank overdrafts	1 597 245	320 125	253 920	257 249	264 652	185 122	316 177





IFRS 2021 - 2022 - 2023

Index

1		ncial statement	
	1.1	Statement of net income	
	1.2	Statement of Cash flow	
	1.3	Balance sheet	. 5
	1.4	Equity	.6
2	Corp	orate information	7
3		ounting policies	
	3.1	Basis of preparation	.7
		Accounting policies and methods	
4	State	ement of indebtedness	10

1 Financial statement

1.1 Statement of net income

Statement of net income	2023	2022	2021
T	17 001 100	40,400,000	44 007 400
Turnover	17 961 499	16 123 932	14 897 123
Purchases consumed	(8 143 291)	(6 336 736)	(6 053 669)
External expenses	(3 513 461)	(3 044 369)	(2 985 072)
Staff costs	(2 826 115)	(3 052 324)	(2 943 454)
Taxes	(80 059)	(64 669)	(84 351)
Net depreciation, amortisation and provisions	(896 744)	(531 753)	(856 854)
Other current operating income and expenses	461 366	(465 150)	105 112
Current operating income	2 963 194	2 628 931	2 078 836
Non-current operating income	79 359	183 051	379 297
Non-current operating expenses	(81 122)	(189 401)	(174 630)
Other non-current operating income and expenses	(1 764)	(6 350)	204 666
Operating income	2 961 430	2 622 581	2 283 502
SOCIETE DE COMMISSAIRES AUX COMPTES			
Cash and cash equivalents	35 053	17 802	213 453
Finance costs	(30 891)	(29 813)	(37 097)
Cost of net financial indebtedness	4 161	(12 011)	176 356
Other financial income	47 862	247 154	130 473
Financial result	52 024	235 144	306 828
Income taxes	(617 698)	(565 959)	(545 345)
Earnings share of associated companies			
Net income	2 395 756	2 291 765	2 044 985
Basic earnings per share	645,58	617,56	551,06

1.2 Statement of cash flow

Description	2023	2022	2021
Profit	2 395 756	2 291 765	2 044 985
Income tax	617 698	565 959	545 345
Profit before tax	3 013 454	2 857 724	2 590 330
Net amortisation, allowance and depreciation	804 323	821 189	859 987
Profit on disposal of PPE	(7 857)	7 108	(17 479)
Finance income	(47 862)	(247 154)	(130 473)
Finance cost	30 891	29 813	37 097
Cash and cash equivalents	(35 053)	(17 802)	(213 453)
Other non-cash items		(5 721)	(,
Cash flow before tax	3 757 896	3 445 157	3 126 009
Working capital	783 713	(129 234)	(519 662)
Interest paid	(31 135)	(30 177)	(41 101)
Interest income	35 556	50 692	60 530
Income tax paid	(585 198)	(798 765)	(250 237)
NET CASH FLOW FROM OPERATING ACTIVITIES	3 960 832	2 537 672	2 375 696
SOCIETE DE COMMISSAIRES AUX COMPTES			
Pour identification Pour identification Pour identification	(264 321)	(582 809)	(836 518)
Proceeds from disposal of PPE	17 500	87 466	57 397
Proceeds/Disposal of financial assets	(56 108)	1 623 906	(936 288)
Investment grant	111 490	205 310	123 349
Dividends paid	12 306	196 462	69 943
NET CASH FLOW USED IN INVESTING ACTIVITIES	(179 132)	1 530 336	(1 522 116)
Proceeds from borrowings			820 000
Repayment of term loans	(675 854)	(802 288)	(3 039 050)
Repayment of lease liabilities	(52 156)	(53 618)	(52 558)
Dividends paid	(2 597 280)	(2 523 480)	(742 200)
NET CASH FLOW FROM FINANCING ACTIVITIES	(3 325 290)	(3 379 386)	(3 013 808)
Increase/Decrease in cash equivalents and exchange difference	35 053	17 802	213 453
MOVEMENT IN CASH AND CASH EQUIVALENTS	491 462	706 424	(1 946 775)
Cash : Opening	3 779 210	3 072 786	5 019 717
Cash : Closing	4 270 672	3 779 210	3 072 786

1.3 Balance sheet

Description	2023	2022	2021
Goodwill			
Intangible assets	792	1 437	25 635
Property, plant and equipment	4 863 348	5 413 666	5 759 101
Right of use assets	325 249	68 266	119 333
Other financial assets	2 134	2 134	1 704 444
Deferred tax assets	46 500	41 223	50 444
Non current assets	5 238 023	5 526 725	7 658 957
Other recurrent financial assets	2 015 403	1 959 295	1 880 891
Inventories	3 869 970	3 269 517	3 492 960
Clients receivables	2 336 140	3 409 248	2 884 959
Other trade receivables	419 240	402 568	732 344
Cash and cash equivalents	4 284 996	3 780 503	3 074 078
Current assets	12 925 749	12 821 131	12 065 232
Total Assets	18 163 772	18 347 857	19 724 189
SOCIETE DE COMMISSARES AUX COMPTES			
Pour identification	222 660	222 660	222 660
Share premiums	735 640	735 640	735 640
Reserves	6 682 415	11 375 201	11 825 745
Profit for the year	2 395 756	2 291 765	2 044 985
Total equity	10 036 472	14 625 266	14 829 031
Employee benefit liability	182 048	160 683	194 926
Provisions	102 040	100 000	134 320
Deferred tax liability			
Loans	451 259	824 578	1 503 105
Leases liabilities	286 790	38 212	72 353
Other liabilities	200.00	00 212	12000
Non-current liabilities	920 097	1 023 473	1 770 384
Provisions			
Loans and bank overdrafts	392 287	682 034	806 158
Leases liabilities	41 141	34 141	53 618
Suppliers - accounts payables and related debts	1 518 562	1 133 333	1 474 713
Other trade payables	5 255 213	849 609	790 284
Current liabilities	7 207 204	2 699 118	3 124 773
Total Equity and Liabilities	18 163 772	18 347 857	19 724 189

1.4 Equity

Description	Issued capital	Share premium	Retained earnings	Net profit or loss	Total
2020	222 660	735 640	11 220 071	1 337 384	13 515 754
Allocation of profit / loss N-3			1 337 384	(1 337 384)	
Dividends			(742 200)		-742200
Profit for the year				2 044 985	2 044 985
others			10 491		10491
2021	222 660	735 640	11 825 745	2 044 985	14 829 031
Allocation of profit / loss N-2			2 044 985	(2 044 985)	
Dividends			(2 523 480)		(2 523 480)
Profit for the year				2 291 765	2 291 765
Others			27 950		27 950
2022	222 660	735 640	11 375 201	2 291 765	14 625 266
Allocation of profit / loss N-1	SOCIETE	DE COMMISSAIRES AUX COMPTES	2 291 765	(2 291 765)	
Dividends		Pour (CentralCasion	(6 976 680)		(6 976 680)
Profit for the year				2 395 756	2 395 756
Others			(7 871)	(0)	(7 871)
2023	222 660	735 640	6 682 415	2 395 756	10 036 472

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31,2021, 2022, 2023

2 Corporate information

The main activities of the company are the prefabrication of concrete elements for roads, building and public works.

3 Accounting policies

The accounting policies are consistent with those applied for the preparation of last year's financial statements.

3.1 Basis of preparation

The financial statements have been prepared in accordance with the IFRS standards.

The IFRS referential includes the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) as well as the International Financial Report Interpretation Committee (IFRIC)

The financial years ending December 31st, 2021, 2022 and 2023 have a duration of 12 month.

The financial statements are presented in euros.



3.2 Accounting policies and methods

Intangible and tangible fixed assets

Intangible and tangible fixed assets are carried at cost less accumulated amortization and any impairment losses. Amortization is recognized as an expense on a straight-line basis over the useful life of the asset. The carrying amounts of intangible and tangible assets are reviewed at each balance sheet date in order to identify any impairment losses on each of the assets in question.

Intangible assets

Intangible fixed assets consist mainly of software amortized on a straight-line basis over a period of 2 to 5 years.

Fixed assets

Property, plant and equipment are valued at their acquisition cost (purchase price, ancillary costs, excluding acquisition and borrowing costs, net of discounts, rebates or rebates) or their cost of production. They have not been re-evaluated.

Leases (IFRS 16)

Leases of property, plant and equipment under which the company retains substantially all the economic risks and rewards associated with the use of the asset and the ability to control the use of that asset have been identified and restated as follows:

- Recognition in property, plant and equipment of right-of-use assets under leases meeting the capitalization criteria defined by IFRS 16;
- o Recognition of a financial debt in respect of the obligation to pay rent during the term of these contracts;
- Recognition of an expense for the amortization of the right to use the asset and a financial expense relating to interest on the lease debt which partly replaces the operating expense previously recorded in respect of leases. The amortization period of the right of use is determined on the basis of the duration of the contract, taking into account a renewal or termination option when its exercise is reasonably certain:

o In the cash flow statement, debt repayment payments affect financing flows.

The discount rate used to calculate the lease debt is determined, for each asset, according to the marginal rate of indebtedness on the date of the start of the contract. This rate corresponds to the interest rate that the lessee would obtain, at the start of the lease, to finance the acquisition of the leased asset.

The amounts recognized as assets under rights of use and financial debts mainly relate to real estate leases of land and administrative premises.

The two exemptions provided for by IFRS 16 which allow not to be recognized on the balance sheet have been retained: short-term contracts (less than or equal to 12 months) and contracts relating to low-value assets (annual lease payment less than or equal to 5 000 euros).

Assets are subject to depreciation plans determined according to the probable duration of use. The depreciation method is the linear method.

Dispute regarding the lease for a portion of land at SAINT-PAUL, rue Henri Cornu - CAMBAIE

The company has renewed the lease regarding a portion of land at CAMBAIE for new period of 9 years as from the 1st of October 2023. However, the company disputes the amount of the new rent and is currently negotiating.

As of consequence, the company maintained in its books the amount of the prior rent. The application of IFRS 16 regarding this contract is therefore based on the historical rent and the new period of contract. If the disputed level of rent was to be implemented, the actual assets and liabilities of the company would be understated by respectively \leq 400 K \leq and \leq 353 K.

Financial assets



They mainly include loans, security deposits/guarantees and other receivables. Depreciation is recorded if their value in use falls below their book value.

Inventories

Inventories are valued at weighted average cost. The gross value of goods and supplies includes the purchase price and incidental costs. A provision is made when the inventory value is lower than the book value.

Manufactured products are valued at production cost including consumption, direct and indirect production costs, provision of goods contributing to production. The cost of the sub-activity is excluded from the inventory value. Interest is excluded for inventory valuation.

Trade receivables and other receivables

Current assets are recorded at their face value. A provision is made when a loss appears probable.

Cash and cash equivalents

Cash and cash equivalents recognized in the balance sheet include cash in the bank and the caisse and monetary investments.

Provisions

A provision is recognized when there is an obligation (legal, regulatory or contractual) resulting from past events, when it is probable or certain that it will result in an outflow of resources for at least no consideration and that the amount can be measured reliably.

The amount recognized as a provision is the best estimate of the risk at the balance sheet date. Provisions are presented at their nominal undiscounted value.

Employee benefits and pension commitments (IAS 19)

Commitments under defined benefit pension plans relate to active employees.

In June 2021, the IAS Board validated the position presented by the IFRIC relating to the method for allocating rights to periods of service in the context of the measurement of employee benefits (IAS 19).

The plans concerned are those with defined benefits that cumulatively satisfy the following conditions:

- the allocation of rights, paid in the form of a single benefit at the time of retirement, is conditional on the presence of the employee in the company at the time of this retirement;
- the rights are based on seniority in the company at the time of retirement and are capped from a certain number of years of seniority.

This method leads to the constitution of a provision for employees only after a certain number of years of service and to changes in the provision on a straight-line basis until the employee's retirement date.

The company uses the projected unit credit method to determine the value of its defined benefit obligation and assuming voluntary departure.

The amount of future payments is assessed on the basis of assumptions of retirement age, turnover rate, salary increase, mortality, then reduced to their present value. The commitment thus calculated is subject to discounting at the rate of 0,98% (FY21),3,7% (FY22) and 3,2% (FY23).

Deferred taxes

Deferred taxes are recorded as assets or liabilities in the net position by tax entity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised.



Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date

4 Statement of indebtedness

Description	2 023	Y+1	Y+2	Y+3	Y+4	Y+5	Beyond
Long-term borrowing from credit institutions - current	827 252	375 993	221 022	130 237	50 000	50 000	
Lease debts	342 119	41 141	42 810	37 345	33 823	33 058	139 753
Accrued interests on loans	1 970	1 970					
Bank overdrafts treasury	12 219	12 219					
Bank overdrafts debts	2 105	2 105	SOCIETE DE COMMISSAIRES AUX O Pour identification	COMPTES			
Borrowings, leasing debts and overdrafts	1 843 495	433 428	263 832	167 582	83 823	83 058	139 753





IFRS 2021 - 2022 - 2023

Index

1	Finar	ncial statement	
	1.1	Statement of net income	
	1.2	Statement of Cash flow4	
	1.3	Balance sheet	
	1.4	Equity	
2		orate information7	
3	Acco	unting policies	
		Basis of preparation7	
	3.2	Accounting policies and methods	
4	State	ment of indebtedness	
		SOCIETE DE COMMISSARIES AUX COMPTES Pour literitation	

1 Financial statement

1.1 Statement of net income

Statement of net income	2023	2022	2021
Turnover	12 875 969	11 184 332	11 289 303
Purchases consumed	(3 331 162)	(3 139 432)	(2 993 164)
External expenses	(2 509 464)	(2 342 574)	(2 636 750)
Staff costs	(1 418 453)	(1 248 673)	(1 275 703)
Taxes	(194 283)	(186 019)	(200 405)
Net depreciation, amortization and provisions	219 347	(918 540)	(1 092 753)
Other current operating income and expenses	150 682	328 367	417 392
Current operating income	5 792 636	3 677 462	3 507 920
Non-current operating income	40 042	59 334	104 663
Non-current operating expenses	(2 072)	(41 676)	(63 170)
Other non-current operating income and expenses	37 970	17 658	41 493
Operating income D	5 830 607	3 695 120	3 549 413
SOCIETE DE COMMISSAIRES AUX COMPTES Pour identification			
Cash and cash equivalents	(1 404)	962	6 509
Interest costs	(44 381)	(34 744)	(39 262)
Cost of net financial indebtedness	(45 785)	(33 782)	(32 754)
Other financial income	26 740	44 756	50 628
Financial result	(19 045)	10 974	17 874
Income taxes	(1 346 199)	(803 804)	(812 230)
Net income	4 465 363	2 902 290	2 755 057
Basic earnings per share	811,88	527,69	500,92

1.2 Statement of cash flow

Description	2023	2022	2021
Net profit	4 465 363	2 902 290	2 755 057
Income tax	1 346 199	803 804	812 230
Profit before tax	5 811 562	3 706 094	3 567 287
Net amortisation, allowance and depreciation	(257 313)	998 486	1 067 462
Profit on disposal of PPE	(9 428)	(58 219)	14 341
Finance income	(17 540)	(44 756)	(50 628)
Finance cost	44 381	34 744	39 262
Cash and cash equivalents	1 404	(962)	(6 509)
Cash flow before tax	5 573 066	4 635 387	4 631 215
Working capital	(203 547)	(1 939 286)	(375 615)
Interest paid	(45 351)	(35 356)	(40 331)
interest income	17 540	44 756	50 628
Income tax paid	(840 324)	(1 058 559)	(519 761)
NET CASH FLOW FROM OPERATING ACTIVITIES	4 501 384	1 646 942	3 746 136
SOCIETE DE COMMISSAIRES AUX COMPTES			
Purchase of property, plant and equipment Pour identification	(1 882 707)	(1 664 104)	(1 099 486)
Proceeds from disposal of PPE	11 500	58 219	34 500
Proceeds/Disposal of financial assets	323 075	1 740 304	(1 126 278)
Investment grant	220 554	223 121	323 346
NET CASH FLOW USED IN INVESTING ACTIVITIES	(1 327 578)	357 541	(1 867 917)
Descends form harmonicae		400.000	790 000
Proceeds from borrowings	(1 100 685)	400 000	
Repayment of term loans Repayment of lease liabilities	(1 190 685) (32 374)	(1 130 388) (20 619)	(961 677) (13 180)
Dividends paid	(2 982 300)	(2 970 000)	(13 180)
	(2 982 300) (4 205 359)	(2 970 000) (3 721 007)	(1 009 857)
	(4 203 339)	(3721007)	(1009037)
Increase/Decrease in cash equivalents and exchange difference	(1 404)	962	6 509
MOVEMENT IN CASH AND CASH EQUIVALENTS	(1 032 958)	(1 715 562)	874 871
	(, , , , , , , , , , , , , , , , , , ,	, , ,	
Cash : Opening	2 992 178	4 707 740	3 832 869
Cash : Closing	1 959 220	2 992 178	4 707 740

1.3 Balance sheet

Description	2023	2022	2021
Goodwill			
Intangible assets	3 213	8 385	9 212
Property, plant and equipment	6 887 788	5 575 185	4 934 765
Right of use assets	590 314	522 456	493 507
Other financial assets	12 976	13 826	795 794
Deferred tax assets		16 207	16 092
Non current assets	7 494 292	6 136 059	6 249 370
Other current financial assets	1 005 832	1 328 057	2 286 393
Inventories	2 361 098	2 197 765	1 173 689
Clients receivables	1 597 740	1 603 522	1 524 465
Others trade receivables	2 354 589	2 284 615	1 729 148
Cash and cash equivalents	1 960 328	2 992 864	4 708 506
Current assets	9 279 588	10 406 823	11 422 201
Total Assets	16 773 879	16 542 882	17 671 571
EA			
SOCIETE DE COMMISSARIES AUX COMPTES Pour identification Pour identification	110 000	110 000	110 000
Share premiums	140 000	140 000	140 000
Reserves	4 823 637	7 644 021	7 848 998
Profit for the year	4 465 363	2 902 290	2 755 057
Total equity	9 539 000	10 796 311	10 854 055
Employee benefit liabilities	58 560	48 430	51 887
Provisions			45 000
Deferred tax liabilities	2 149		
Loans	576 753	1 281 440	1 965 108
Leases liabilities	577 942	506 958	492 595
Other liabilities			
Non-current liabilities	1 215 404	1 836 828	2 554 590
Provisions	735 000	1 848 013	1 629 358
Loans and bank overdrafts	895 097	1 095 365	1 142 778
Leases liabilities	32 401	30 966	13 444
Suppliers - accounts payables and related debts	923 981	778 286	1 234 072
Liabilities financial instruments	020 001	110 200	1 204 012
Other trade payables	3 432 997	157 113	243 273
Current liabilities	6 019 475	3 909 743	4 262 926
Total Equity and Liabilities	16 773 879	16 542 882	17 671 571

1.4 Equity

Description	Issued capital	Share premium	Retained earnings	Net profit or loss	Total
2020	110 000	140 000	6 770 726	1 892 922	8 913 648
Allocation of profit/loss N-3			1 892 922	(1 892 922)	
Dividends			(825 000)		(825 000)
Profit for the year				2 755 057	2 755 057
			10 350		10 350
2021	110 000	140 000	7 848 998	2 755 057	10 854 055
Allocation of profit/loss N-2			2 755 057	(2 755 057)	
Dividends			(2 970 000)		(2 970 000)
Profit for the year				2 902 290	2 902 290
Others			9 964		9 964
2022	110 000	140 000	7 644 019	2 902 290	10 796 309
Allocation of profit/loss N-1	SOCIETE DE COMMISSAIRES AUX COMPTES		2 902 290	(2 902 290)	
Dividends	Pour identification		(5 720 000)		(5 720 000)
Profit for the year				4 465 363	4 465 363
Others			(2 671)	0	(2 674)
2023	110 000	140 000	4 823 637	4 465 363	9 538 997

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31,2021, 2022, 2023

2 Corporate information

The main activities of the company are the crushing operations and the manufacturing and selling of agglomerates and aggregates.

3 Accounting policies

The accounting policies are consistent with those applied for the preparation of last year's financial statements.

3.1 Basis of preparation

The financial statements have been prepared in accordance with the IFRS standards.

The IFRS referential includes the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) as well as the International Financial Report Interpretation Committee (IFRIC)

The financial years ending December 31st, 2021, 2022 and 2023 have a duration of 12 month.

The financial statements are presented in euros.



3.2 Accounting policies and methods

Intangible and tangible fixed assets

Intangible and tangible fixed assets are carried at cost less accumulated amortization and any impairment losses. Amortization is recognized as an expense on a straight-line basis over the useful life of the asset. The carrying amounts of intangible and tangible assets are reviewed at each balance sheet date in order to identify any impairment losses on each of the assets in question.

Intangible assets

Intangible fixed assets consist mainly of software amortized on a straight-line basis over a period of 2 to 5 years.

Fixed assets

Property, plant and equipment are valued at their acquisition cost (purchase price, ancillary costs, excluding acquisition and borrowing costs, net of discounts, rebates or rebates) or their cost of production. They have not been re-evaluated.

Leases (IFRS 16)

Leases of property, plant and equipment under which the company retains substantially all the economic risks and rewards associated with the use of the asset and the ability to control the use of that asset have been identified and restated as follows:

- Recognition in property, plant and equipment of right-of-use assets under leases meeting the capitalization criteria defined by IFRS 16;
- o Recognition of a financial debt in respect of the obligation to pay rent during the term of these contracts;
- Recognition of an expense for the amortization of the right to use the asset and a financial expense relating to interest on the lease debt which partly replaces the operating expense previously recorded in respect of leases. The amortization period of the right of use is determined on the basis of the duration of the contract, taking into account a renewal or termination option when its exercise is reasonably certain:

o In the cash flow statement, debt repayment payments affect financing flows.

The discount rate used to calculate the lease debt is determined, for each asset, according to the marginal rate of indebtedness on the date of the start of the contract. This rate corresponds to the interest rate that the lessee would obtain, at the start of the lease, to finance the acquisition of the leased asset.

The amounts recognized as assets under rights of use and financial debts mainly relate to real estate leases of land and administrative premises.

The two exemptions provided for by IFRS 16 which allow not to be recognized on the balance sheet have been retained: short-term contracts (less than or equal to 12 months) and contracts relating to low-value assets (annual lease payment less than or equal to 5 000 euros).

Assets are subject to depreciation plans determined according to the probable duration of use. The depreciation method is the linear method.

Financial assets

They mainly include loans, security deposits/guarantees and other receivables. Depreciation is recorded if their value in use falls below their book value.

Inventories

Inventories are valued at weighted average cost. The gross value of goods and supplies includes the purchase price and incidental costs. A provision is made when the inventory value is lower than the book value.

Manufactured products are valued at production cost including consumption, direct and indirect production costs, provision of goods contributing to production. The cost of the sub-activity is excluded from the inventory value. Interest is excluded for inventory valuation.

Trade receivables and other receivables sources

Current assets are recorded at their face value. A provision is made when a loss appears probable.

Cash and cash equivalents

Cash and cash equivalents recognized in the balance sheet include cash in the bank and the caisse and monetary investments.

Provisions

A provision is recognized when there is an obligation (legal, regulatory or contractual) resulting from past events, when it is probable or certain that it will result in an outflow of resources for at least no consideration and that the amount can be measured reliably.

The amount recognized as a provision is the best estimate of the risk at the balance sheet date. Provisions are presented at their nominal undiscounted value.

Provision for rehabilitation of quarries

The company recognizes a provision for rehabilitation of quarries each year.

Quarry subject to an authorisation procedure (Rivière des Galets: HOARAU land)

In the perspective of obtaining from the local authorities an authorisation to exploit the quarry at La Rivière des Gallets, GEOPLUS (Study office, Quarries, Mines and ICPE) drafted a note addressed to La DEAL on the 30th of June 2019. This note allows the company to validate the regulatory framework before the filing of the official demand to the authorities.

A reply from the DEAL was received in November 2020 defining additions to be made to its request for prefectural authorization.

An additional file is pending, and management believes that the lack of material in the west of the island plays in its favour and that therefore, the application has a good chance of success. Furthermore, this quarry is in the process of being registered in the GPE (potentially exploitable quarries) of the new SRC (Regional Quarry Scheme) which will be in force in 2025.

A preliminary sale agreement on this land was signed with Mr HOARAU in December 2023.

In this context, no impairment was recognised in the balance sheet for the following items:

		2023	2022	2021
Tangible fixed assets in progress		€ 170 K	€ 170 K	€ 169 K
Advances and down payments to suppliers		€ 857 K	€ 675 K	€ 559 K
Prepaid expenses		€ 82 K	€ 100 K	€ 118 K
Total	SOCIETE DE COMMISSAIRES AUX COMPTES Pour identification	€ 1 109 K	€ 945 K	€ 846 K

Quarry in operation in Pierrefonds

Two prefectural decrees were obtained, in November 2022 and in November 2023. The 2023 prefectural decree takes up the previous decrees (2016 and 2022), validates the extension of quarry A (known as DIJOUX) by adding to it quarry B (known as NOUCAMA), extends the authorisation to exploit the quarry (A and B) to the 28th of March 2036 and modifies the company's obligations relating to the rehabilitation of the quarry.

As a result, the provision for the rehabilitation of the quarry was revised in 2023 taking into account the new obligations.

Provision regarding the rehabilitation of the quarry

In 2023, the provision was calculated according to the following obligations:

- slope backfilling and berms for € 517 K
- backfilling of the bottom of the quarry for € 262 K
- landscaping for € 128 K

Total cost estimated (quarry A): € 907 K. Completion : 81% Provision : € 734 K.

The 2022 provision of € 1.848 K was reversed and the portion of unused provision impacting the accounts amounts to a total of € 1,097 K.

Purchase of quarries

In 2022, the company acquired part of the quarry at Pierrefond (ARHEL).

The inventory value of this quarry was :

- ✓ on the 31st of December 2023, estimated at 744 K€ (1.7 €/m3);
- ✓ on the 31st of December 2022, estimated at 843 K€. (1.7 €/m3).

In 2023, the company acquired another part of the quarry at Pierrefond (DIJOUX). The inventory value of this quarry was, on the 31st of December 2023, estimated at 76 K€ (1.7 €/m3).

Employee benefits and pension commitments (IAS 19)

Commitments under defined benefit pension plans relate to active employees.

In June 2021, the IAS Board validated the position presented by the IFRIC relating to the method for allocating rights to periods of service in the context of the measurement of employee benefits (IAS 19).

The plans concerned are those with defined benefits that cumulatively satisfy the following conditions:

- the allocation of rights, paid in the form of a single benefit at the time of retirement, is conditional on the presence of the employee in the company at the time of this retirement;
- the rights are based on seniority in the company at the time of retirement and are capped from a certain number of years of seniority.

This method leads to the constitution of a provision for employees only after a certain number of years of service and to changes in the provision on a straight-line basis until the employee's retirement date.

The company uses the projected unit credit method to determine the value of its defined benefit obligation and assuming voluntary departure.

The amount of future payments is assessed on the basis of assumptions of retirement age, turnover rate, salary increase, mortality, then reduced to their present value. The commitment thus calculated is subject to discounting at the rate of 0,98% (FY21),3,7% (FY22) and 3,2% (FY23).

Deferred taxes

Deferred taxes are recorded as assets or liabilities in the net position by tax entity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised.



Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date

4 Statement of indebtedness

Description	2023	Y+1	Y+2	Y+3	Y+4	Y+5	Beyond
Long-term borrowing from credit institutions	1 469 090	892 337	373 526	140 780	62 447		
Lease debts	610 344	32 401	18 634	8 318	8 484	8 654	533 853
Accrued interests on loans	1 652	1 652					
Bank overdrafts debts	1 108	1 108		B			
Borrowings, leasing debts and bank overdrafts	2 082 194	927 498	18 634	SOCIETE DE COMMISSAI Pour identif	RES AUX COMPTES		





IFRS 2021 - 2022 - 2023

Index

1	Fina	ncial statement	3
	1.1	Statement of net income	
	1.2	Statement of Cash flow	.4
	1.3	Balance sheet	. 5
	1.4	Equity	.6
2	Corp	orate information	7
3		ounting policies	
		Basis of preparation	
	3.2	Accounting policies and methods	.7
4	State	Accounting policies and methods	10

1 Financial statement

1.1 Statement of net income

Statement of net income	2023	2022	2021
	10 100 70 1		
Revenue	12 120 724	14 956 059	14 465 482
Purchases consumed	(5 466 278)	(6 708 528)	(6 837 610)
External expenses	(2 691 255)	(3 304 481)	(3 265 036)
Staff costs	(2 188 527)	(2 263 712)	(2 100 866)
Taxes	(44 017)	(51 902)	(56 485)
Net depreciation, amortisation and provisions	(528 966)	(186 393)	(476 649)
Other current operating income and expenses	307 930	(109 699)	67 970
Current operating income	1 509 611	2 331 345	1 796 807
Non-current operating income	61 702	33 393	191 178
Non-current operating expenses	(24 097)	(23 259)	(131 551)
Other non-current operating income and expenses	37 605	10 133	59 627
Operating income	1 547 216	2 341 478	1 856 434
SOCIETE DE COMMISSARES AUX COMPTES Pour identification			
Cash and cash equivalents			
Finance costs	(8 454)	(13 198)	(16 062)
Cost of net financial indebtedness	(8 454)	(13 198)	(16 062)
Other financial income	7 759	22 233	13 737
Financial result	(695)	9 034	(2 325)
Income taxes	(280 574)	(481 113)	(386 391)
Net income	1 265 947	1 869 399	1 467 719
Basic earnings per share	2 301,72	3 398,91	2 668,58

1.2 Statement of cash flow

Description	2023	2022	2021
Profit	1 265 947	1 869 399	1 467 719
Income tax	280 574	481 113	386 391
Profit after tax	1 546 521	2 350 512	1 854 110
Net amortisation, allowance and depreciation	468 218	448 240	452 000
Profit on disposal of PPE	(11 903)	(2 519)	(38 381)
Finance income	(7 759)	(22 233)	(13 737)
Finance cost	8 454	13 198	16 062
Cash flow after cost of financial debt	2 003 531	2 787 199	2 270 053
Working capital	401 567	(1 458 794)	(330 876)
Interest paid	(8 608)	(13 486)	(18 807)
Interest income	7 759	22 233	13 737
Income tax paid	(384 159)	(646 065)	(246 218)
NET CASH FLOW FROM OPERATING ACTIVITIES	2 020 090	691 087	1 687 890
SOCIETE DE COMMISSAIRES AUX COMPTES Pour lidertification			
Purchase of property, plant and equipment	(344 016)	(336 051)	(484 695)
Disposals other financial assets	817 752	644 615	(1 403 501)
Proceeds/disposal of PPE	36 000	11 000	152 460
Investment grant	71 302	86 441	59 966
NET CASH FLOW USED IN INVESTING ACTIVITIES	581 038	406 005	(1 675 770)
Loans issues			1 479 596
Repayment of term loans	(905 986)	(953 238)	(1 512 139)
Repayment of lease liabilities	(19 211)	(19 334)	(18 952)
Dividends paid	(1 485 000)	(13 004)	(385 000)
NET CASH FLOW FROM FINANCING ACTIVITIES	(2 410 197)	(2 457 571)	(436 495)
increase.decrease in cash equivalents and exchange difference			
MOVEMENT IN CASH AND CASH EQUIVALENTS	190 931	(1 360 479)	(424 375)
Cash : Opening	1 357 317	2 717 796	3 142 171
Cash : Closing	1 548 248	1 357 317	2 717 796

1.3 Balance sheet

Description	2023	2022	2021
Goodwill			
Intangible assets	1 690		480
Property, plant and equipment	2 059 302	2 187 160	2 372 845
Right of use assets	83 403	68 823	88 257
Investments in subsidiaries	1	1	1
Other financial assets	1	1 150	794 819
Deferred tax assets	12 904	8 509	14 007
Non current assets	2 157 301	2 265 643	3 270 410
Other current financial assets	4 550	821 152	672 098
Inventories	1 789 149	2 002 219	1 295 167
Clients receivables	2 345 294	2 826 363	2 444 531
Others trade receivables	438 050	620 569	239 921
Cash and cash equivalents	1 548 831	1 357 922	2 718 826
Current assets	6 125 875	7 628 224	7 370 542
Total Assets	8 283 176	9 893 867	10 640 952
Pour identification			
Share capital	83 847	83 847	83 847
Share premiums			
Reserves	3 415 934	4 134 620	4 143 145
Profit for the year	1 265 947	1 869 399	1 467 719
Other reserves			
Total equity	4 765 728	6 087 866	5 694 711
Employee benefit liability	48 584	31 299	53 296
Provisions			
Deferred tax liability			
Loans	180 774	624 277	1 530 263
Lease liabilities	66 580	57 524	71 202
Non-current liabilities	295 939	713 100	1 654 761
Provisions			
Loans and bank overdratfs	444 719	907 378	955 342
Lease liabilities	19 425	13 678	19 334
Suppliers - accounts payables and related debts	1 267 076	1 616 137	1 638 225
Other trade payables	1 490 287	555 707	678 578
Current liabilities	3 221 507	3 092 900	3 291 479
Total Liabilities	8 283 173	9 893 867	10 640 952

1.4 Equity

Description	Issued capital Share premium	Retained earnings	Net profit or loss	Total
2020	83 847	3 579 546	953 540	4 616 933
Allocation of profit / loss N-3		953540	(953 540)	
Dividends		(385 000)		(385 000)
Profit for the year			1 467 719	1 467 719
others		4 941		4 941
2021	83 847	4 143 145	1 467 719	5 694 711
Allocation of profit / loss N-2		1 467 719	(1 467 719)	
Dividends		(1 485 000)		(1 485 000)
Profit for the year			1 869 399	1 869 399
others		8 756		8 756
2022	83 847	4 134 620	1 869 399	6 087 866
) S			
Allocation of profit / loss N-1	SOCIETE DE COMMISSAIRES AUX COMP Pour identification	TES 1 869 399	(1 869 399)	
Dividends		(2 585 000)		(2 585 000)
Profit for the year			1 265 947	1 265 947
Others		(3 086)		(3 086)
2023	83 847	3 415 934	1 265 947	4 765 728

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31,2021, 2022, 2023

2 Corporate information

The main activities of the company are the manufacturing of building materials, aggregates, manufacture of ready-mixed concrete.

3 Accounting policies

The accounting policies are consistent with those applied for the preparation of last year's financial statements.

3.1 Basis of preparation

The financial statements have been prepared in accordance with the IFRS standards.

The IFRS referential includes the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS as well as the International Financial Report Interpretation Committee (IFRIC)

The financial years ending December 31st, 2021, 2022 and 2023 have a duration of 12 month.

The financial statements are presented in euros.



3.2 Accounting policies and methods

Intangible and tangible fixed assets

Intangible and tangible fixed assets are carried at cost less accumulated amortization and any impairment losses. Amortization recognized as an expense on a straight-line basis over the useful life of the asset. The carrying amounts of intangible and tangible asset are reviewed at each balance sheet date in order to identify any impairment losses on each of the assets in question.

Intangible assets

Intangible fixed assets consist mainly of software amortized on a straight-line basis over a period of 2 to 5 years.

Fixed assets

Property, plant and equipment are valued at their acquisition cost (purchase price, ancillary costs, excluding acquisition and borrowin costs, net of discounts, rebates or rebates) or their cost of production. They have not been re-evaluated.

Leases (IFRS 16)

Leases of property, plant and equipment under which the company retains substantially all the economic risks and rewards associate with the use of the asset and the ability to control the use of that asset have been identified and restated as follows:

- Recognition in property, plant and equipment of right-of-use assets under leases meeting the capitalization criteria defined | IFRS 16;
- o Recognition of a financial debt in respect of the obligation to pay rent during the term of these contracts;
- Recognition of an expense for the amortization of the right to use the asset and a financial expense relating to interest on the lease debt which partly replaces the operating expense previously recorded in respect of leases. The amortization period of the right of use is determined on the basis of the duration of the contract, taking into account a renewal or termination option whe its exercise is reasonably certain:

o In the cash flow statement, debt repayment payments affect financing flows.

The discount rate used to calculate the lease debt is determined, for each asset, according to the marginal rate of indebtedness on the date of the start of the contract. This rate corresponds to the interest rate that the lessee would obtain, at the start of the lease, to finance the acquisition of the leased asset.

The amounts recognized as assets under rights of use and financial debts mainly relate to real estate leases of land and administrative premises.

The two exemptions provided for by IFRS 16 which allow not to be recognized on the balance sheet have been retained: short-term contracts (less than or equal to 12 months) and contracts relating to low-value assets (annual lease payment less than or equal to 5 000 euros).

Assets are subject to depreciation plans determined according to the probable duration of use. The depreciation method is the linear method.

Financial assets

They mainly include loans, security deposits/guarantees and other receivables. Depreciation is recorded if their value in use falls below their book value.

Inventories

Inventories are valued at weighted average cost. The gross value of goods and supplies includes the purchase price and incidental costs. A provision is made when the inventory value is lower than the book value

Manufactured products are valued at production cost including consumption, direct and indirect production costs, provision of goods contributing to production. The cost of the sub-activity is excluded from the inventory value. Interest is excluded for inventory valuation.

Trade receivables and other receivables

Current assets are recorded at their face value. A provision is made when a loss appears probable.

Cash and cash equivalents

Cash and cash equivalents recognized in the balance sheet include cash in the bank and the caisse and monetary investments.

Provisions

A provision is recognized when there is an obligation (legal, regulatory or contractual) resulting from past events, when it is probable or certain that it will result in an outflow of resources for at least no consideration and that the amount can be measured reliably.

The amount recognized as a provision is the best estimate of the risk at the balance sheet date. Provisions are presented at their nominal undiscounted value.

Employee benefits and pension commitments (IAS 19)

Commitments under defined benefit pension plans relate to active employees.

In June 2021, the IAS Board validated the position presented by the IFRIC relating to the method for allocating rights to periods of service in the context of the measurement of employee benefits (IAS 19).

The plans concerned are those with defined benefits that cumulatively satisfy the following conditions:

- the allocation of rights, paid in the form of a single benefit at the time of retirement, is conditional on the presence of the employee in the company at the time of this retirement;
- the rights are based on seniority in the company at the time of retirement and are capped from a certain number of years of seniority.

This method leads to the constitution of a provision for employees only after a certain number of years of service and to changes in the provision on a straight-line basis until the employee's retirement date.

The company uses the projected unit credit method to determine the value of its defined benefit obligation and assuming voluntary departure.

The amount of future payments is assessed on the basis of assumptions of retirement age, turnover rate, salary increase, mortality, then reduced to their present value. The commitment thus calculated is subject to discounting at the rate of 0,98% (FY21),3,7% (FY22) and 3,2% (FY23).

Deferred taxes

Deferred taxes are recorded as assets or liabilities in the net position by tax entity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised.



Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date

4 Statement of indebtedness

Description	2023	Y+1	Y+2	Y÷3	Y+4	Y+5	Beyond
			SOCIETE DE COMMISSAIRES A Pour identification				
Long-term borrowing from credit institutions	624 277	443 502	119 996	60 779			
Lease debts	86 006	19 425	19 816	20 216	20 623	5 926	
Accrued interests on loans	633	633					
Bank overdrafts debts	583	583					
Borrowings, leasing debts and bank overdrafts	711 499	464 143	139 812	80 995	20 623	5 926	





LOGISTIQUE DISTRIBUTION

IFRS 2021 - 2022 - 2023

Index

1	Fina	ncial statement
	1.1	Statement of net income
	1.2	Statement of cash flow4
	1.3	Balance sheet
	1.4	Equity
2		orate information
3	Acco	ounting policies
	3.1	Basis of preparation7
	The fina	ncial statements are presented in euros7
	3.2	Accounting policies and methods
4	State	ement of indebtedness

1 Financial statement

1.1 Statement of net income

Statement of net income	2023	2022	2 021
Revenue	655 750	528 500	542 500
Purchases consumed	(1 542)	(1 574)	(1 026)
External expenses	(81 051)	(16 966)	(23 949)
Staff costs	(543 776)	(473 806)	(495 759)
Taxes	(7 093)	(6 211)	(4 940)
Net depreciation, amortization and provisions	770	(13 149)	(5 429)
Other current operating income and expenses	(3)	638	15 931
Current operating income	23 054	17 431	27 329
Non-current operating income			319
Non-current operating expenses			
Other non-current operating income and expenses			319
Intra-group eliminations (operational result)			
Impairments of goodwill			
Operating income	23 054	17 431	27 648
SOCIETE DE COMMISSAIRES AUX COMPTES Pour identification			
Cash and cash equivalents			
Cost of net financial indebtedness			
Other financial income			3 616
Financial result			3 616
	(5 700)	(4.250)	(0.205)
Income taxes	(5 763)	(4 358)	(8 305)
Net income	17 291	13 073	22 959
Basic earnings per share	172,91	130,73	229,59

1.2 Statement of cash flow

Description	2023	2022	2021
Profit	17 291	13 073	22 959
Income tax	(5 763)	(4 358)	(8 305)
Profit before tax	23 054	17 431	31 264
Net amortization, allowance and depreciation	(770)	13 149	5 428
Finance income			(3 616)
Other non-cash items			
Cash flow before tax	22 284	30 580	33 077
Interest income			3 616
Income tax paid	(5 104)	(10 075)	(13 850)
Working capital	23 684	(52 476)	(12 936)
CASH GENERATED FROM OPERATIONS	40 864	(31 971)	9 907
Proceeds / disposals of financial assets			335 616
NET CASH FLOW USED IN INVESTING ACTIVITIES			335 616
Dividend paid			(400 000)
NET CASH FLOW FROM FINANCING ACTIVITIES			(400 000)
Increase/decrease in cash equivalents and exchange difference			
NET DECREASE/INCREASE IN CASH AND CASH EQUIVALENTS	40 864	(31 971)	(54 479)
Cash : Opening	3 019	34 990	89 467
Cash : Closing	43 883	3 019	34 990

1.3 Balance sheet

Description	2023	2022	2 021
Goodwill			
Intangible assets			
Property, plant and equipment		1 610	5 664
Right of use assets			
Deferred tax assets	6 844	6 977	7 136
Other non current assets			
Non current assets	6 844	8 587	12 799
Clients receivables	152 985	132 913	94 404
Other trade receivables	6 262	3 169	3 752
Cash and cash equivalents	43 950	3 079	35 055
Current assets	203 197	139 161	133 211
Total Assets	210 042	147 748	146 010
SOCIETE DE COMMISSARES AUX COMPTES Pour identification			
Share capital	10 000	10 000	10 000
Share premiums			
Reserves	35 334	23 647	(6 608)
Profit for the year	17 291	13 073	22 959
Other reserves			
Total equity	62 625	46 720	26 351
Employee benefit liability	27 377	27 909	28 542
Non-current liabilities	27 377		28 542 28 542
	21 311	27 909	20 542
Bank overdraft	67	60	65
Suppliers - accounts payables and related debts	35 764	5 251	7 206
Other trade payables	84 209	67 808	83 846
Current liabilities	120 040	73 119	91 117
Total Equity et Liabilities	210 042	147 748	146 010

1.4 Equity

Description	Issued capital Share premium	Retained earnings	Net profit or loss	Total
2020	10 000	373 307	14 111	397 418
Allocation of profit/loss N-3		14 111	(14 111)	
Dividend		(400 000)		(400 000)
Profit for the year			22 959	22 959
others		5 974		5 974
2021	10 000	(6 608)	22 959	26 351
Allocation of profit/loss N-2 Profit for the year	SOCIETE DE COMMISSARES AUX COMPTES Pour lidentification	22 959	(22 959) 13 073	13 073
Others		7 296		7 296
2022	10 000	23 647	13 073	46 720
Allocation of profit / loss N-1		13 073	(13 073)	
Profit for the year			17 291	17 291
Others		(1 386)		(1 386)
2023	10 000	35 334	17 291	62 625

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31,2021, 2022, 2023

2 Corporate information

The main activities of the company are the provision of staff and logistics operation.

3 Accounting policies

The accounting policies are consistent with those applied for the preparation of last year's financial statements.

3.1 Basis of preparation

The financial statements have been prepared in accordance with the IFRS standards.

The IFRS referential includes the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) as well as the International Financial Report Interpretation Committee (IFRIC)

The financial years ending December 31st, 2021, 2022 and 2023 have a duration of 12 month.

The financial statements are presented in euros.



3.2 Accounting policies and methods

Intangible and tangible fixed assets

Intangible and tangible fixed assets are carried at cost less accumulated amortization and any impairment losses. Amortization is recognized as an expense on a straight-line basis over the useful life of the asset. The carrying amounts of intangible and tangible assets are reviewed at each balance sheet date in order to identify any impairment losses on each of the assets in question.

Intangible assets

Intangible fixed assets consist mainly of software amortized on a straight-line basis over a period of 2 to 5 years.

Fixed assets

Property, plant and equipment are valued at their acquisition cost (purchase price, ancillary costs, excluding acquisition and borrowing costs, net of discounts, rebates or rebates) or their cost of production. They have not been re-evaluated.

Leases (IFRS 16)

Leases of property, plant and equipment under which the company retains substantially all the economic risks and rewards associated with the use of the asset and the ability to control the use of that asset have been identified and restated as follows:

- Recognition in property, plant and equipment of right-of-use assets under leases meeting the capitalization criteria defined by IFRS 16;
- o Recognition of a financial debt in respect of the obligation to pay rent during the term of these contracts;
- Recognition of an expense for the amortization of the right to use the asset and a financial expense relating to interest on the lease debt which partly replaces the operating expense previously recorded in respect of leases. The amortization period of the right of use is determined on the basis of the duration of the contract, taking into account a renewal or termination option when its exercise is reasonably certain:
- o In the cash flow statement, debt repayment payments affect financing flows.

The discount rate used to calculate the lease debt is determined, for each asset, according to the marginal rate of indebtedness on the date of the start of the contract. This rate corresponds to the interest rate that the lessee would obtain, at the start of the lease, to finance the acquisition of the leased asset.

The amounts recognized as assets under rights of use and financial debts mainly relate to real estate leases of land and administrative premises.

The two exemptions provided for by IFRS 16 which allow not to be recognized on the balance sheet have been retained: short-term contracts (less than or equal to 12 months) and contracts relating to low-value assets (annual lease payment less than or equal to 5 000 euros).

Assets are subject to depreciation plans determined according to the probable duration of use. The depreciation method is the linear method.

Financial assets

They mainly include loans, security deposits/guarantees and other receivables. Depreciation is recorded if their value in use falls below their book value.

Inventories

Inventories are valued at weighted average cost. The gross value of goods and supplies includes the purchase price and incidental costs. A provision is made when the inventory value is lower than the book value.

Manufactured products are valued at production cost including consumption, direct and indirect production costs, provision of goods contributing to production. The cost of the sub-activity is excluded from the inventory value. Interest is excluded for inventory valuation.

Trade receivables and other receivables



Current assets are recorded at their face value. A provision is made when a loss appears probable.

Cash and cash equivalents

Cash and cash equivalents recognized in the balance sheet include cash in the bank and the caisse and monetary investments.

Provisions

A provision is recognized when there is an obligation (legal, regulatory or contractual) resulting from past events, when it is probable or certain that it will result in an outflow of resources for at least no consideration and that the amount can be measured reliably.

The amount recognized as a provision is the best estimate of the risk at the balance sheet date. Provisions are presented at their nominal undiscounted value.

Employee benefits and pension commitments (IAS 19)

Commitments under defined benefit pension plans relate to active employees.

In June 2021, the IAS Board validated the position presented by the IFRIC relating to the method for allocating rights to periods of service in the context of the measurement of employee benefits (IAS 19).

The plans concerned are those with defined benefits that cumulatively satisfy the following conditions:

- the allocation of rights, paid in the form of a single benefit at the time of retirement, is conditional on the presence of the employee in the company at the time of this retirement;
- the rights are based on seniority in the company at the time of retirement and are capped from a certain number of years of seniority.

This method leads to the constitution of a provision for employees only after a certain number of years of service and to changes in the provision on a straight-line basis until the employee's retirement date.

The company uses the projected unit credit method to determine the value of its defined benefit obligation and assuming voluntary departure.

The amount of future payments is assessed on the basis of assumptions of retirement age, turnover rate, salary increase, mortality, then reduced to their present value. The commitment thus calculated is subject to discounting at the rate of 0,98% (FY21),3,7% (FY22) and 3,2% (FY23).

Deferred taxes

Deferred taxes are recorded as assets or liabilities in the net position by tax entity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date

4 Statement of indebtedness



Description	2023	Y+1	Y+2	Y+3	Y+4	Y+5	Beyond
Bank overdrafts debts	67	67					
Bank overdrafts							



IFRS 2021 - 2022 - 2023

Index

1	Finar	ncial statement	3
	1.1	Statement of net income	3
	1.2	Statement of Cash flow	4
	1.3	Balance sheet	5
	1.4	Equity	3
2	Corp	orate information	7
3	Acco	unting policies	7
		Basis of preparation	
	3.2	Accounting policies and methods	7
4	State	societe de commissaries aux compres Pour identification 10)

1 Financial statement

1.1 Statement of net income

Statement of net income	2023	2022	2021
_		170 700	4 0 40 0 40
Turnover	374 914	473 700	1 649 310
Purchases consumed	(175 776)	(221 964)	(1 183 895)
External expenses	(62 794)	(76 830)	(129 947)
Staff costs	(58 542)	(63 197)	(82 113)
Taxes	(8 076)	(16 176)	(17 820)
Net depreciation, amortisation and provisions	(162 729)	(164 849)	(255 123)
Other current operating income and expenses Current operating income	(44) (93 045)	2 016 (67 300)	2 093 (17 494)
	(93 043)	(87 300)	(17 494)
Non-current operating income	55 930		371
Non-current operating expenses	(78)	(187)	(261)
Other non-current operating income and expenses	55 853	(187)	110
		. ,	
Operating income	(37 193)	(67 487)	(17 384)
SOCIETE DE COMMISSARES AUX COMPTES			
Cash and cash equivalents	(16 237)	(5 149)	22 076
Finance costs	(3 069)	(6 157)	(16 585)
Cost of net financial indebtedness	(19 306)	(11 306)	5 491
Other financial income			
Financial result	(19 306)	(11 306)	5 491
	(2,420)	(4.000)	(720)
Income taxes	(2 428)	(1 998)	(738)
Net income	(58 927)	(80 790)	(12 632)
Basic earnings per share	-475,21	-651,53	-101,87

1.2 Statement of cash flow

Description	2023	2022	2021
Profit	(58 927)	(80 790)	(12 632)
Income tax	2 428	1 998	738
Profit before tax	(56 499)	(78 793)	(11 893)
Net amortisation, allowance and depreciation	162 729	164 849	255 123
Profit on disposal of PPE	(40 000)		
Finance cost	3 069	6 157	16 585
Cash and cash equivalents	16 237	5 149	(22 076)
Cash flow before tax	85 536	97 362	237 739
Working capital	(105 976)	(103 003)	385 761
Interest paid	(3 427)	(100 000)	(16 976)
Income tax refund	(0 (2))	16 076	(10 07 0)
Income tax paid			(15 377)
	(23 867)	3 742	591 147
	()		
Purchase of property, plant and equipment source pour identification			(31 356)
Debt on capital acquisitions		(2 000)	()
Proceeds from disposal of PPE	40 000	()	
Proceeds/Disposal of financial assets	(50)	(50)	1 500
NET CASH FLOW USED IN INVESTING ACTIVITIES	39 950	(2 050)	(29 856)
Repayment of term loans	(55 764)	(110 064)	(108 976)
Repayment of lease liabilities	(86 888)	(110 004) (84 747)	(166 978)
NET CASH FLOW FROM FINANCING ACTIVITIES	(142 652)	(194 812)	(188 971) (275 947)
Increase/Decrease in cash equivalents and exchange difference	(16 237)	(5 149)	22 076
MOVEMENT IN CASH AND CASH EQUIVALENTS	(142 806)	(198 269)	307 420
Cash : Opening	188 552	386 821	79 401
Cash : Closing	45 746	188 552	386 821

1.3 Balance sheet

Description	2023	2022	2021
Goodwill			
Intangible assets			
Property, plant and equipment	189 075	274 484	362 012
Right of use assets	70 877	148 198	479 187
Other financial assets	29 879	29 879	29 879
Deferred tax assets	2 611	5 039	7 037
Non current assets	292 443	457 600	878 114
Other current financial assets	100	50	
	182 082	41 041	132 485
Clients receivables	209 024	156 963	241 107
Otherits receivables	193 289	129 635	78 311
Cash and cash equivalents	45 835	129 635	386 983
Current assets	630 330	516 286	838 886
		010 200	
Total Assets	922 773	973 886	1 717 000
SOCIETE DE COMMISSARES AUX COMPTES			
Issued capital	12 400	12 400	12 400
Share premiums	177 600	177 600	177 600
Reserves	511 919	592 709	605 341
Profit for the year	(58 927)	(80 790)	(12 632)
Total equity	642 993	701 919	782 709
Employee benefit liabilities			
Provisions			
Deferred tax liabilities			
Loans			55 594
Leases liabilities		81 187	421 743
Other liabilities			421740
Non-current liabilities		81 187	477 337
Provisions			
Loans and bank overdrafts	224	56 301	111 426
Leases liabilities	81 187	86 888	84 747
Suppliers - accounts payables and related debts	189 359	40 658	82 385
Other trade payables	9 010	6 931	178 396
Current liabilities	279 781	190 779	456 954
Non-current liabilities held for sale - act abandonment.			
Total Equity and Liabilities	922 773	973 886	1 717 000

1.4 Equity

Description	Issued capital	Share premium	Retained earnings	Net profit or loss	Total
2020	12 400	177 600	555 006	50 336	795 341
Allegation of profit / loss N 2			50 336	(50 336)	
Allocation of profit / loss N-3 socie	TE DE COMMISSAIRES AUX COMPTES Pour identification		50 336	(12 632)	(12 632)
2021	12 400	177 600	605 341	(12 632)	782 709
2021	12 400	177 000	000 041	(12 002)	702 703
Allocation of profit / loss N-2			(12 632)	12 632	
Loss for the year				(80 790)	(80 790)
2022	12 400	177 600	592 709	(80 790)	701 919
Allocation of profit / loss N-1			(80 790)	80 790	
Loss for the year			. ,	(58 927)	(58 927)
2023	12 400	177 600	511 919	(58 927)	642 993

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31,2021, 2022, 2023

2 Corporate information

The main activities of the company are :

- Production, grinding, mixing, packaging and delivery of all hydraulic binders and all non-metallic mineral products.
- Manufacture and delivery of all types of adhesives and coatings intended for industry and construction.
- Purchase and packaging of mineral or synthetic raw materials intended to be resold as finished products.

3 Accounting policies

The accounting policies are consistent with those applied for the preparation of last year's financial statements.

3.1 Basis of preparation

The financial statements have been prepared in accordance with the IFRS standards.

The IFRS referential includes the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) as well as the International Financial Report Interpretation Committee (IFRIC)

The financial years ending December 31st, 2021, 2022, 2023 has a duration of 12 months.

The financial statements are presented in euros.

3.2 Accounting policies and methods

Intangible and tangible fixed assets

Intangible and tangible fixed assets are carried at cost less accumulated amortization and any impairment losses. Amortization is recognized as an expense on a straight-line basis over the useful life of the asset. The carrying amounts of intangible and tangible assets are reviewed at each balance sheet date in order to identify any impairment losses on each of the assets in question.

Intangible assets

Intangible fixed assets consist mainly of software amortized on a straight-line basis over a period of 2 to 5 years.

Fixed assets

Property, plant and equipment are valued at their acquisition cost (purchase price, ancillary costs, excluding acquisition and borrowing costs, net of discounts, rebates or rebates) or their cost of production. They have not been re-evaluated.

Leases (IFRS 16)

Leases of property, plant and equipment under which the company retains substantially all the economic risks and rewards associated with the use of the asset and the ability to control the use of that asset have been identified and restated as follows:

- Recognition in property, plant and equipment of right-of-use assets under leases meeting the capitalization criteria defined by IFRS 16;
- Recognition of a financial debt in respect of the obligation to pay rent during the term of these contracts;

- Recognition of an expense for the amortization of the right to use the asset and a financial expense relating to interest on the lease debt which partly replaces the operating expense previously recorded in respect of leases. The amortization period of the right of use is determined on the basis of the duration of the contract, taking into account a renewal or termination option when its exercise is reasonably certain:
- o In the cash flow statement, debt repayment payments affect financing flows.

The discount rate used to calculate the lease debt is determined, for each asset, according to the marginal rate of indebtedness on the date of the start of the contract. This rate corresponds to the interest rate that the lessee would obtain, at the start of the lease, to finance the acquisition of the leased asset.

The amounts recognized as assets under rights of use and financial debts mainly relate to real estate leases of land and administrative premises.

The two exemptions provided for by IFRS 16 which allow not to be recognized on the balance sheet have been retained: short-term contracts (less than or equal to 12 months) and contracts relating to low-value assets (annual lease payment less than or equal to 5 000 euros).

Assets are subject to depreciation plans determined according to the probable duration of use. The depreciation method is the linear method.

Financial assets

Inventories

They mainly include loans, security deposits/guarantees and other receivables. Depreciation is recorded if their value in use falls below their book value.



Inventories are valued at weighted average cost. The gross value of goods and supplies includes the purchase price and incidental costs. A provision is made when the inventory value is lower than the book value.

Manufactured products are valued at production cost including consumption, direct and indirect production costs, provision of goods contributing to production. The cost of the sub-activity is excluded from the inventory value. Interest is excluded for inventory valuation.

Trade receivables and other receivables

Current assets are recorded at their face value. A provision is made when a loss appears probable.

Cash and cash equivalents

Cash and cash equivalents recognized in the balance sheet include cash in the bank and the caisse and monetary investments.

Provisions

A provision is recognized when there is an obligation (legal, regulatory or contractual) resulting from past events, when it is probable or certain that it will result in an outflow of resources for at least no consideration and that the amount can be measured reliably.

The amount recognized as a provision is the best estimate of the risk at the balance sheet date. Provisions are presented at their nominal undiscounted value.

Employee benefits and pension commitments (IAS 19)

Commitments under defined benefit pension plans relate to active employees.

In June 2021, the IAS Board validated the position presented by the IFRIC relating to the method for allocating rights to periods of service in the context of the measurement of employee benefits (IAS 19).

The plans concerned are those with defined benefits that cumulatively satisfy the following conditions:

- the allocation of rights, paid in the form of a single benefit at the time of retirement, is conditional on the presence of the employee in the company at the time of this retirement;
- the rights are based on seniority in the company at the time of retirement and are capped from a certain number of years of seniority.

This method leads to the constitution of a provision for employees only after a certain number of years of service and to changes in the provision on a straight-line basis until the employee's retirement date.

The company uses the projected unit credit method to determine the value of its defined benefit obligation and assuming voluntary departure.

The amount of future payments is assessed on the basis of assumptions of retirement age, turnover rate, salary increase, mortality, then reduced to their present value. The commitment thus calculated is subject to discounting at the rate of 0,98% (FY21), 3,7% (FY22) and 3,2% (FY23).

The amount of retirement commitments is estimated at zero as of 12/31/2023.



Deferred taxes

Deferred taxes are recorded as assets or liabilities in the net position by tax entity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date

4 Statement of indebtedness

Description	2023	Y+1	Y+2	Y+3	Y+4	Y+5	Beyond
Long-term loans from credit institutions				ISSAIRES AUX COMPTES dentification			
Lease debts	81 187	81 187					
Accrued interests - liabilities	89	89					
Bank overdrafts debts	135	135					
Loans, leasing debts and bank overdrafts	81 412	81 412					



Trianon Quatre Bornes

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

Notice is hereby given that a Special Meeting of Shareholders of The United Basalt Products Limited ("UBP" or the "Company"), will be held at the registered office of the Company, Trianon, Quatre Bornes, on Wednesday 12 June 2024 at 15.00 hours to transact the following business in the manner required for the passing of Ordinary Resolutions.

Unless otherwise stated, for the Ordinary Resolutions to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person, by proxy or postal vote, is required.

ORDINARY RESOLUTIONS

FIRST RESOLUTION

"**That**, the acquisition of an effective stake of 90.0% in SAS J. Anzemberg and its subsidiaries, SARL Anzemberg Logistique Distribution, SAS Préfabéton and its subsidiary, SAS Société Réunionnaise de Concassage, SAS Sita Gérard Matériaux and its subsidiary and SAS Incudine by Bazalt Limited, a wholly owned subsidiary of the Company, for a cash consideration of EUR73.8million (the "Acquisition"), be and is hereby approved."

SECOND RESOLUTION

"That, subject to the passing of the **FIRST RESOLUTION**, the Board of Directors of the Company be and is hereby authorised to take all actions as may be required to implement the terms of the Share Purchase Agreement entered into by the Company."

By order of the Board

Christophe Quevauvilliers Company Secretary

To be circulated on 22 May 2024

Notes:

- 1. A shareholder of the Company entitled to attend and vote at this Special Meeting (the "Meeting") may appoint a proxy of his/her own choice (whether a shareholder or not) to attend and vote on his/her behalf or may cast his/her vote by post.
- 2. A Proxy and Casting of Postal Vote Form (the "Form") is enclosed and is also available on the Company's website www.ubp.mu and at the registered office of the Company, Trianon, Quatre Bornes.
- 3. The appointment of a proxy shall be made in writing by filling the relevant section of the Form. The instrument appointing a proxy or any general power of attorney, duly signed, shall be deposited at the registered office of the Company, Trianon, Quatre Bornes, not less than twenty-four (24) hours before the time fixed for the holding of the Meeting or else the instrument of proxy shall not be treated as valid.
- 4. The notice for casting a postal vote shall be made in writing by filling the relevant section of the Form and shall be deposited to the attention of Mr Christophe Quevauvilliers, the person authorised by the Board of Directors of the Company to receive and count the postal votes at the Meeting. The completed Form shall reach the registered office of the Company, Trianon, Quatre-Bornes, not less than forty-eight (48) hours before the time fixed for the holding of the Meeting or else the Form casting a postal vote shall not be treated as valid.
- 5. A vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes for and against the respective resolutions.
- 6. For the purpose of this 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 (the "Notice") and attend such Meeting shall be those shareholders whose names are registered in the share register of the Company as at 14 May 2024.
- 7. The Notice is circulated together with a Substantial Transaction Circular which provides the necessary information for the shareholders to vote on the Acquisition.
- 8. The minutes of proceedings of the Meeting to be held on 12 June 2024 at 15.00 hours shall be available for consultation by the shareholders during office hours at the registered office of the Company from 01 July 2024 to 05 July 2024.
- 9. This Notice is issued pursuant to Listing Rules 11.16 and 13.1 (c). The Board of Directors of the Company accepts full responsibility for the accuracy of the information contained in this Notice.



Trianon Quatre Bornes

PROXY / CASTING OF POSTAL VOTE FORM

APPOINTMENT OF PROXY*

(See notes 1, 2 and 3)

CASTING OF POSTAL VOTE*

and at any adjournment thereof.

(See notes 4 and 5)

I/We, of being a shareholder/shareholders of The United Basalt

Products Limited (the "Company"), desire my/our

vote(s) to be cast as indicated on the under-mentioned

resolutions at the Special Meeting of the Company to be held on Wednesday 12 June 2024 at 15.00 hours

, being a shareholder/shareholders of The United Basalt Products Limited (the "Company"), do hereby appoint of

I/We, of

failing him/her.....

of, or failing him/her the Chairman of the Special Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Special Meeting of the Company to be held on Wednesday 12 June 2024 at 15.00 hours and at any adjournment thereof.

I/We desire my/our vote(s) to be cast as indicated on the under-mentioned resolutions.

ORDINARY RESOLUTIONS	FOR	AGAINST	ABSTAIN
FIRST RESOLUTION "That, the acquisition of an effective stake of 90.0% in SAS J. Anzemberg and its subsidiaries, SARL Anzemberg Logistique Distribution, SAS Préfabéton and its subsidiary, SAS Société Réunionnaise de Concassage, SAS Sita Gérard Matériaux and its subsidiary and SAS Incudine by Bazalt Limited, a wholly owned subsidiary of the Company, for a cash consideration of approximately EUR73.8million (the "Acquisition"), be and is hereby approved."			
SECOND RESOLUTION "That, subject to the passing of the FIRST RESOLUTION , the Board of Directors of the Company be and is hereby authorised to take all actions as may be required to implement the terms of the Share Purchase Agreement entered into by the Company."			

Dated this2024.

Signature(s)

(*) please fill in either "Appointment of Proxy" or "Casting of Postal Vote" section, but not both.

Notes:

- 1. A shareholder of the Company entitled to attend and vote at this Special Meeting (the "Meeting") may appoint a proxy of his/her own choice (whether a shareholder or not) to attend and vote on his/her behalf by filling the "Appointment of Proxy" section of this form.
- Please mark in the appropriate box how you wish to vote. If no specific direction as to voting is given, the proxy shall exercise his/her discretion as to how he/ she votes.
- 3. The instrument appointing a proxy or any general power of attorney, duly signed, shall be deposited at the registered office of the Company, Trianon, Quatre Bornes, not less than twenty-four (24) hours before the time fixed for the holding of the Meeting or else the instrument of proxy shall not be treated as valid.
- 4. A shareholder of the Company entitled to attend and vote at this Meeting may cast his/her vote by post by filling the "Casting of Postal Vote" section of this form by marking in the appropriate box how he/she wishes to vote.
- 5. The form casting a postal vote, duly signed, shall be deposited to the attention of Mr Christophe Quevauvilliers (the person authorised by the Board of Directors of the Company to receive and count the postal votes at the Meeting) and shall reach the registered office of the Company, Trianon, Quatre Bornes, not less than forty-eight (48) hours before the time fixed for the holding of the Meeting or else the form casting a postal vote shall not be treated as valid.

6. A vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes for and against the respective resolutions.

THE UNITED BASALT PRODUCTS LIMITED

HEAD OFFICE Trianon, Quatre-Bornes Mauritius Tel: 454 1964

www.ubp.mu