

QUALITY BEVERAGES LIMITED

ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

| | THE GROUP | | THE COMPANY | |
|-------------------------------------|-------------------------|-------------------------|----------------------|-------------------------|
| | <u>30 June 2022</u> | <u>31 December 2021</u> | <u>30 June 2022</u> | <u>31 December 2021</u> |
| | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| | Rs | Rs | Rs | Rs |
| ASSETS | | | | |
| Non-current assets | 1,119,319,103 | 1,150,962,119 | 1,125,723,299 | 1,154,389,247 |
| Current assets | 578,262,501 | 597,303,599 | 538,175,084 | 564,147,081 |
| TOTAL ASSETS | Rs 1,697,581,604 | 1,748,265,718 | 1,663,898,383 | 1,718,536,328 |
| EQUITY AND LIABILITIES | | | | |
| Capital and reserves | | | | |
| Total Equity | 569,730,523 | 557,073,026 | 567,591,914 | 554,206,568 |
| Non-current liabilities | 584,539,645 | 569,909,834 | 580,943,618 | 566,873,154 |
| Current liabilities | 543,311,436 | 621,282,858 | 515,362,851 | 597,456,606 |
| TOTAL EQUITY AND LIABILITIES | Rs 1,697,581,604 | 1,748,265,718 | 1,663,898,383 | 1,718,536,328 |

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | THE GROUP | | | | THE COMPANY | | | |
|--|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Quarter ended | Quarter ended | 6 months ended | 6 months ended | Quarter ended | Quarter ended | 6 months ended | 6 months ended |
| | <u>30 June 2022</u> | <u>30 June 2021</u> | <u>30 June 2022</u> | <u>30 June 2021</u> | <u>30 June 2022</u> | <u>30 June 2021</u> | <u>30 June 2022</u> | <u>30 June 2021</u> |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| | Rs | Rs | Rs | Rs | Rs | Rs | Rs | |
| Revenue from contracts with customers | 489,053,809 | 323,844,334 | 916,323,942 | 642,346,761 | 410,125,122 | 268,909,138 | 780,466,287 | 534,941,540 |
| Operating Profit | 22,117,496 | (24,367,293) | 32,805,746 | (40,522,132) | 21,664,532 | (24,817,779) | 32,984,065 | (39,586,575) |
| Finance costs | (5,892,996) | (4,223,486) | (11,842,744) | (8,045,993) | (5,953,539) | (4,158,934) | (11,897,195) | (7,795,934) |
| Profit/(Loss) before taxation | 16,224,500 | (28,590,778) | 20,963,002 | (48,568,125) | 15,710,992 | (28,976,713) | 21,086,870 | (47,382,509) |
| Taxation | (3,300,674) | 4,815,695 | (8,305,506) | 8,323,201 | (2,678,565) | 4,805,898 | (7,701,524) | 7,972,509 |
| Profit/(Loss) for the period | Rs 12,923,827 | (23,775,083) | 12,657,497 | (40,244,924) | 13,032,428 | (24,170,815) | 13,385,347 | (39,410,000) |
| Other comprehensive income for the period | - | (759,963) | - | (759,963) | - | (759,963) | - | (759,963) |
| Total comprehensive income for the period | Rs 12,923,827 | (24,535,046) | 12,657,497 | (41,004,887) | 13,032,428 | (24,930,778) | 13,385,347 | (40,169,963) |
| Basic and diluted earnings per share | Rs 0.35 | (0.65) | 0.34 | (1.09) | - | - | - | - |

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

| | THE GROUP | | THE COMPANY | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | <u>6 months ended</u> | <u>6 months ended</u> | <u>6 months ended</u> | <u>6 months ended</u> |
| | <u>30 June 2022</u> | <u>30 June 2021</u> | <u>30 June 2022</u> | <u>30 June 2021</u> |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| | Rs | Rs | Rs | Rs |
| Balance at 1 January | 557,073,026 | 393,438,341 | 554,206,568 | 394,826,595 |
| Profit/(Loss) for the period | 12,657,497 | (40,244,924) | 13,385,347 | (39,410,000) |
| Other comprehensive loss for the period | - | (759,963) | - | (759,963) |
| Total comprehensive income/(loss) for the period | 12,657,497 | (41,004,887) | 13,385,347 | (40,169,963) |
| Balance at 30 June | Rs 569,730,523 | 352,433,454 | 567,591,914 | 354,656,632 |

QUALITY BEVERAGES LIMITED**CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS**

| | THE GROUP | | THE COMPANY | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 6 months ended | 6 months ended | 6 months ended | 6 months ended |
| | 30 June 2022 (Unaudited) | 30 June 2021 (Unaudited) | 30 June 2022 (Unaudited) | 30 June 2021 (Unaudited) |
| | Rs | Rs | Rs | Rs |
| NET CASH GENERATED FROM OPERATING ACTIVITIES | 67,675,098 | 17,213,089 | 53,125,880 | 10,598,884 |
| NET CASH USED IN INVESTING ACTIVITIES | (24,887,146) | (77,586,156) | (24,941,146) | (77,586,156) |
| NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES | (18,878,844) | 151,164,066 | (5,354,086) | 164,498,231 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 23,909,108 | 90,790,998 | 22,830,648 | 97,510,959 |
| EFFECTS OF CURRENCY TRANSLATION | 1,666,044 | 2,187,823 | 1,666,044 | 2,187,824 |
| CASH AND CASH EQUIVALENTS-OPENING | 28,380,283 | (30,680,908) | 5,297,834 | (51,016,346) |
| CASH AND CASH EQUIVALENTS-CLOSING | Rs 53,955,435 | 62,297,913 | 29,794,526 | 48,682,436 |

SEGMENTAL INFORMATION - GROUP

| | THE GROUP | | | |
|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | Quarter ended | Quarter ended | 6 months ended | 6 months ended |
| | 30 June 2022 (Unaudited) | 30 June 2021 (Unaudited) | 30 June 2022 (Unaudited) | 30 June 2021 (Unaudited) |
| | Rs | Rs | Rs | Rs |
| Revenue | | | | |
| Manufacturing and trading | 486,145,527 | 321,830,778 | 911,382,455 | 638,482,898 |
| Advertising | 2,908,283 | 2,013,556 | 4,941,487 | 3,863,863 |
| Rs | 489,053,809 | 323,844,334 | 916,323,942 | 642,346,761 |
| Segment Results | | | | |
| Manufacturing and trading | 15,694,529 | (28,481,458) | 20,968,321 | (48,223,672) |
| Advertising | 529,971 | (109,320) | (5,318) | (344,453) |
| Rs | 16,224,500 | (28,590,778) | 20,963,002 | (48,568,125) |
| Taxation | (3,300,674) | 4,815,695 | (8,305,506) | 8,323,201 |
| Rs | 12,923,827 | (23,775,083) | 12,657,497 | (40,244,924) |

NOTES:

The unaudited condensed financial statements for the six months ended 30 June 2022 are prepared in accordance with International Financial Reporting Standard and on the same basis as the accounting policies set out in the audited statutory financial statements for the year ended 31 December 2021.

RESULTS

Our strategic priorities defined in 2021 have begun to deliver results despite the challenges from high inflation and significant supply chain disruptions. For the first half of the year, Group revenue increased by 43% and ended at Rs 916.3 M compared to Rs 642.3 M prior year. This was mainly driven by core volume growth from our existing food and beverage brands following the re-opening of the economy and the addition of new juice and cereal brands to our portfolio, in line with our goal of expanding our consumer offerings.

The Group ended the first half of the year with a profit before tax of Rs 21.0 M compared to a loss before tax of Rs 48.6 M prior year.

PROSPECTS

Notwithstanding the improved results of the first half of the year 2022, we remain cautious for the next 6 months given that inflation is expected to remain high during the second half of the year and the global macroeconomic environment will stay uncertain. This complex set of conditions has resulted in surging food, commodity and energy prices as well as continuous disruptions in our supply chain. The future of the Mauritian economy remains volatile as a result and consumer confidence low. As we look ahead, the Group will remain focused with the implementation of its long-term strategic plan while at the same time securing the supply of key raw materials, increasing stock levels to minimise risks of shortages and taking a stringent cost reduction approach.

By order of the Board

Currimjee Secretaries Limited
Secretary

Dated this: 9 August 2022

The Board of Directors of Quality Beverages Limited accepts full responsibility for the accuracy of the information contained in these condensed unaudited financial statements prepared in accordance with International Financial Reporting Standards.

Copies of the report are available to the public, free of charge, at the registered office of the Company: 38, Royal Street, Port Louis.

These Financial Statements are issued pursuant to DEM Rule 17 and Rule 8 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.

The statement of direct and indirect interests pursuant to the rule 8(2)(m) of the Securities Act (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request from the Company Secretary, Currimjee Secretaries Limited.