

QUALITY BEVERAGES LIMITED

ABRIDGED AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	<u>31 December 2022</u>	<u>31 December 2021</u>	<u>31 December 2022</u>	<u>31 December 2021</u>
	<u>(Audited)</u>	<u>(Audited)</u>	<u>(Audited)</u>	<u>(Audited)</u>
	Rs	Rs	Rs	Rs
ASSETS				
Non-current assets	1,191,925,103	1,150,962,119	1,198,118,775	1,154,389,247
Current assets	780,947,822	597,303,599	764,889,180	564,147,081
TOTAL ASSETS	Rs 1,972,872,925	1,748,265,718	1,963,007,955	1,718,536,328
EQUITY AND LIABILITIES				
Capital and reserves				
Total Equity	703,650,047	557,073,026	696,615,590	554,206,568
Non-current liabilities	518,107,556	569,909,834	515,060,875	566,873,154
Current liabilities	751,115,322	621,282,858	751,331,490	597,456,606
TOTAL EQUITY AND LIABILITIES	Rs 1,972,872,925	1,748,265,718	1,963,007,955	1,718,536,328

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

	THE GROUP		THE COMPANY	
	<u>Year ended</u>	<u>Year ended</u>	<u>Year ended</u>	<u>Year ended</u>
	<u>31 December 2022</u>	<u>31 December 2021</u>	<u>31 December 2022</u>	<u>31 December 2021</u>
	<u>(Audited)</u>	<u>(Audited)</u>	<u>(Audited)</u>	<u>(Audited)</u>
	Rs	Rs	Rs	Rs
Revenue from contracts with customers	2,045,630,899	1,490,784,932	1,725,555,889	1,250,570,163
Operating Profit	95,902,347	23,560,759	91,169,555	19,973,628
Finance costs	(27,016,215)	(18,552,707)	(27,411,344)	(18,217,328)
Profit before taxation	68,886,132	5,008,052	63,758,211	1,756,300
Taxation	(16,077,931)	(376,307)	(14,761,939)	(381,607)
Profit for the year	Rs 52,808,201	4,631,745	48,996,272	1,374,693
Other comprehensive income for the year	93,768,820	159,002,940	93,412,750	158,005,280
Total comprehensive income for the year	Rs 146,577,021	163,634,685	142,409,022	159,379,973
Basic and diluted earnings per share	Rs 1.44	0.13	-	-

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

	THE GROUP		THE COMPANY	
	<u>Year ended</u>	<u>Year ended</u>	<u>Year ended</u>	<u>Year ended</u>
	<u>31 December 2022</u>	<u>31 December 2021</u>	<u>31 December 2022</u>	<u>31 December 2021</u>
	<u>(Audited)</u>	<u>(Audited)</u>	<u>(Audited)</u>	<u>(Audited)</u>
	Rs	Rs	Rs	Rs
Balance at 1 January	557,073,026	393,438,341	554,206,568	394,826,595
Profit for the year	52,808,201	4,631,745	48,996,272	1,374,693
Other comprehensive income for the year	93,768,820	159,002,940	93,412,750	158,005,280
Total comprehensive income for the year	146,577,021	163,634,685	142,409,022	159,379,973
Balance at 31 December	Rs 703,650,047	557,073,026	696,615,590	554,206,568

QUALITY BEVERAGES LIMITED
CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

	THE GROUP		THE COMPANY	
	Year ended	Year ended	Year ended	Year ended
	<u>31 December 2022</u>	<u>31 December 2021</u>	<u>31 December 2022</u>	<u>31 December 2021</u>
	(Audited)	(Audited)	(Audited)	(Audited)
	Rs	Rs	Rs	Rs
NET CASH GENERATED FROM OPERATING ACTIVITIES	87,229,664	71,601,561	66,493,625	52,131,449
NET CASH USED IN INVESTING ACTIVITIES	(68,536,061)	(156,651,030)	(66,753,014)	(156,651,033)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(116,100,999)	143,260,653	(70,701,551)	160,058,187
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(97,407,396)	58,211,184	(70,960,940)	55,538,603
EFFECTS OF CURRENCY TRANSLATION	(2,355,504)	850,009	(2,355,511)	775,577
CASH AND CASH EQUIVALENTS-OPENING	28,380,283	(30,680,910)	5,297,834	(51,016,346)
CASH AND CASH EQUIVALENTS-CLOSING	Rs (71,382,617)	28,380,283	(68,018,617)	5,297,834

SEGMENTAL INFORMATION - GROUP

	THE GROUP	
	Year ended	Year ended
	<u>31 December 2022</u>	<u>31 December 2021</u>
	(Audited)	(Audited)
	Rs	Rs
Revenue		
Manufacturing and trading	2,030,939,320	1,481,203,209
Advertising	14,691,579	9,581,723
Rs	2,045,630,899	1,490,784,932
Segment Results		
Manufacturing and trading	67,496,641	4,396,819
Advertising	1,389,491	611,233
Rs	68,886,132	5,008,052
Taxation	(16,077,931)	(376,307)
Rs	52,808,201	4,631,745

NOTES:

The audited condensed financial statements for the year ended 31 December 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

Group net revenue crossed the Rs 2.0Billion mark in 2022, up by 37% vs prior year. This was mainly driven by volume growth across our key core food and beverage categories as well as increase in our non-manufacturing distribution activities through the consolidation of our snacks business following the launch of Lays and Doritos and the introduction of Ceres juices and Quaker Oats Cereals. 2022 was a challenging year though, affected by continuous disruption in our supply chain, lingering effects from COVID-19 during the first half of the year, increased cost of raw materials and the depreciation of the Mauritian rupee against all major currencies. For Quality Beverages Limited, it has been a year of portfolio consolidation, expansion into new "better for you" categories and rethinking our supply chain for the future.

Top line growth and a positive impact from Retirement Benefit Obligations remeasurements has resulted in improved profitability in 2022. As a result, the Group ended the year with a profit before tax of Rs 68.9 million compared to Rs 5.0million prior year.

PROSPECTS

Current macroeconomic environment will most likely remain volatile in the near future. The economic consequences of the Russia-Ukraine conflict will continue to be prominent. Additionally, a rise in local electricity tariffs, food price increases and pressure on the Mauritian Rupee since the beginning of 2023 may cause high inflation to persist. As a result, a reduced disposable income may lead consumers to adjust their preferential purchases and focus on affordability, which may put pressure on staples future demand while for its part, the Group will face added pressure on its margins. In this complex and volatile operating environment, the Group will continue to drive and adjust as needed its strategic priorities to reach its long-term business goals and deliver sustainable growth over time.

By order of the Board

Currimjee Secretaries Limited
Secretary

Dated this: 30 March 2023

The Board of Directors of Quality Beverages Limited accepts full responsibility for the accuracy of the information contained in these condensed audited 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 18

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.