

QUALITY BEVERAGES LIMITED

ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2024

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

On the 2nd February 2024, the Company completed the remaining acquisition of 9.7% of the shares of Soap and Allied Industries Ltd (SAIL), a manufacturer and distributor of laundry and toilet soaps, detergents and cosmetics as well as distributor of imported fast-moving consumer goods. SAIL is now a wholly owned subsidiary of the Company and part of the Group. The Group figures for quarter ended 31 March 2023 do not include SAIL figures while the Group figures for the period 31 December 2023 on the consolidated and Separate Statements of Financial Position are inclusive of SAIL and are comparable.

	THE GROUP		THE COMPANY	
	<u>31 March 2024</u>	<u>31 December 2023</u>	<u>31 March 2024</u>	<u>31 December 2023</u>
	<u>(Unaudited)</u>	<u>(Audited)</u>	<u>(Unaudited)</u>	<u>(Audited)</u>
	Rs	Rs	Rs	Rs
ASSETS				
Non-current assets	1,422,185,813	1,436,400,725	1,249,555,534	1,249,654,368
Current assets	1,074,867,263	1,182,763,260	699,619,900	758,290,942
TOTAL ASSETS	Rs 2,497,053,075	2,619,163,985	1,949,175,434	2,007,945,310
EQUITY AND LIABILITIES				
Capital and reserves				
Owner's interest	789,843,413	780,064,219	731,068,433	718,133,870
Non-controlling interest	-	15,082,210	-	-
Non-current liabilities	840,552,461	808,797,235	632,614,457	600,843,317
Current liabilities	866,657,201	1,015,220,321	585,492,544	688,968,123
TOTAL EQUITY AND LIABILITIES	Rs 2,497,053,075	2,619,163,985	1,949,175,434	2,007,945,310

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

	THE GROUP		THE COMPANY	
	<u>Quarter ended</u>	<u>Quarter ended</u>	<u>Quarter ended</u>	<u>Quarter ended</u>
	<u>31 March 2024</u>	<u>31 March 2023</u>	<u>31 March 2024</u>	<u>31 March 2023</u>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>
	Rs	Rs	Rs	Rs
Revenue from contracts with customers	771,493,103	514,875,023	516,597,087	440,639,186
Operating Profit	17,325,778	(4,390,674)	25,082,202	(4,092,528)
Finance costs	(13,413,935)	(9,863,026)	(10,390,941)	(10,184,057)
Profit before taxation	3,911,843	(14,253,700)	14,691,260	(14,276,584)
Taxation	(1,667,974)	2,451,437	(1,756,697)	2,397,343
Profit for the period	Rs 2,243,869	(11,802,263)	12,934,563	(11,879,241)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	Rs 2,243,869	(11,802,263)	12,934,563	(11,879,241)
Basic and diluted earnings per share	Rs 0.06	(0.32)	-	-

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

	THE GROUP		THE COMPANY	
	<u>Quarter ended</u>	<u>Quarter ended</u>	<u>Quarter ended</u>	<u>Quarter ended</u>
	<u>31 March 2024</u>	<u>31 March 2023</u>	<u>31 March 2024</u>	<u>31 March 2023</u>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>
	Rs	Rs	Rs	Rs
Balance at 1 January	795,146,672	703,650,047	718,133,870	696,615,590
Profit for the period	2,243,869	(11,802,263)	12,934,563	(11,879,241)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	2,243,869	(11,802,263)	12,934,563	(11,879,241)
Acquisition of subsidiary	(7,547,128)	-	-	-
Balance at 31 March	Rs 789,843,413	691,847,784	731,068,433	684,736,349

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

	THE GROUP		THE COMPANY	
	Quarter ended	Quarter ended	Quarter ended	Quarter ended
	<u>31 March 2024</u>	<u>31 March 2023</u>	<u>31 March 2024</u>	<u>31 March 2023</u>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>
	Rs	Rs	Rs	Rs
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	117,123,037	(17,944,363)	96,134,127	(20,118,252)
NET CASH USED IN INVESTING ACTIVITIES	(29,313,048)	(9,788,019)	(27,823,251)	(8,887,847)
NET CASH USED IN FINANCING ACTIVITIES	(52,835,171)	(10,384,201)	(45,717,637)	(10,116,832)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	34,974,818	(38,116,583)	22,593,239	(39,122,932)
EFFECTS OF CURRENCY TRANSLATION	72,496	6,703,815	72,496	6,703,815
CASH AND CASH EQUIVALENTS-OPENING	(133,472,909)	(71,382,615)	(6,765,961)	(68,018,615)
CASH AND CASH EQUIVALENTS-CLOSING	Rs (98,425,595)	(102,795,383)	15,899,774	(100,437,732)

SEGMENTAL INFORMATION - GROUP

	THE GROUP	
	Quarter ended	Quarter ended
	<u>31 March 2024</u>	<u>31 March 2023</u>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>
	Rs	Rs
Revenue		
Manufacturing and trading	767,098,747	512,329,654
Advertising	4,394,356	2,545,370
Rs	771,493,103	514,875,023
Segment Results		
Manufacturing and trading	4,133,882	(14,699,863)
Advertising	(222,039)	446,163
Rs	3,911,843	(14,253,700)
Profit before taxation		
Taxation	(1,667,974)	2,451,437
Rs	2,243,869	(11,802,263)

NOTES:

The unaudited condensed financial statements for the period ended 31 March 2024 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 2023.

RESULTS

The Company had a strong first quarter performance. Revenue stood at Rs516.6Million, up by 17% compared to prior year fuelled by notable volume growth from our core beverage categories, which largely helped to overcome the slow performance from our food manufacturing sector. Gross Profit margin increased by 7.6% on the back of improved volume, and a more effective production and supply chain. As a result, net profit before tax ended at Rs14.7Million compared to a loss of Rs14.3Million prior year.

Group revenue for the quarter stood at Rs771.5Million, up by +50% compared to prior year. This was mainly driven by the additional revenue from the newly acquired subsidiary (SAIL), which came on top of the Company strong revenue growth during the quarter. Group Profit before tax stood at Rs3.9Million for the quarter.

PROSPECTS

Looking ahead, our efforts will be to drive the synergies expected to arise from the newly acquired subsidiary and raise our productivity as a result. Additionally, we will remain focused in a continuous improvement on how we execute in the marketplace and accelerate growth from our food division, following the removal of the mandatory mark-up on the retail margarine and spreads effective April 2024. In spite of a volatile global geopolitical environment, we remain optimistic about the future and the opportunities that lie ahead.

By order of the Board

Currimjee Secretaries Limited
Secretary

Dated this: 09 May 2024

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.