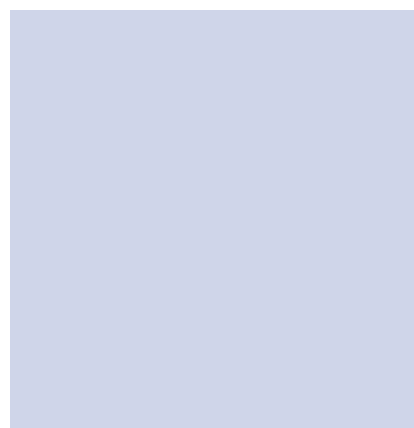
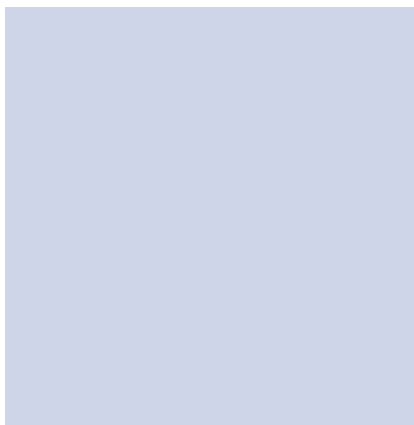
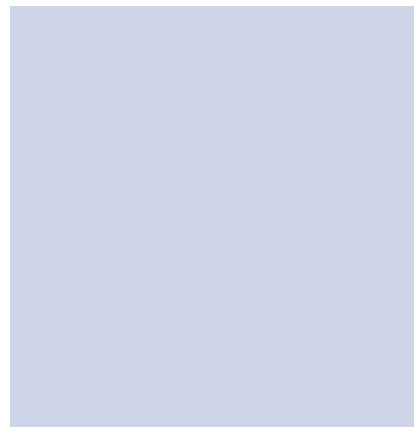


phoenix
beverages



Annual Report

2015

Dear Shareholder,

Your Board of Directors is pleased to present the Annual Report of Phoenix Beverages Limited ("PBL" or the "Company") for the year ended June 30, 2015. This report was approved by the Board on September 21, 2015.

On behalf of the Board of Directors of Phoenix Beverages Limited, we invite you to join us at the Annual Meeting of the Company which will be held:

Date: Wednesday, December 2, 2015
Time: 9.30 hours
Place: L'Ibéroise, 6th Floor, IBL House
Caudan Waterfront, Port Louis

We look forward to seeing you.

Sincerely,



Jean-Claude Béga
Chairman



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Corporate Information

HEAD OFFICE

Pont Fer, Phoenix,
Mauritius
BRN: C07001183
Tel: (230) 601 2000
Fax: (230) 686 6920
Email: pbl@pbg.mu
Website: www.phoenixbeveragesgroup.com

COMMERCIAL UNIT

Tel: (230) 601 2200
Fax: (230) 697 2967 (Sales, Marketing & Distribution)
(230) 696 0455 (Export)

FINANCE AND ADMINISTRATION

Tel: (230) 601 2000
Fax: (230) 697 6480 (Finance)
(230) 697 5028 (Procurement)
(230) 686 9204 (Information Technology)

TECHNICAL AND PRODUCTION

Tel: (230) 601 2000 (Brewery)
Tel: (230) 601 1800 (LIMO)

RODRIGUES OPERATIONS

Pointe L'Herbe
Rodrigues
Tel: (230) 831 1648
Fax: (230) 831 2181

REGISTERED OFFICE

4th Floor, IBL House
Caudan Waterfront
Port Louis, Mauritius

COMPANY SECRETARY

GML Management Ltée
4th Floor, IBL House
Caudan Waterfront
Port Louis
Mauritius

SHARE REGISTRY & TRANSFER OFFICE

If you are a Shareholder and have enquiries regarding your account, or wish to change your name or address, or have questions about lost share certificates, share transfers or dividends, please contact our Share Registry and Transfer Office:

Abax Corporate Administrators Ltd
6th Floor, Tower A
1 CyberCity
Ebène
Mauritius

AUDITORS

Deloitte
Chartered Accountants

BANKERS

AfrAsia Bank Limited
Barclays Bank PLC
State Bank of Mauritius Ltd
The Hong Kong and Shanghai Banking Corporation Ltd
The Mauritius Commercial Bank Ltd

Our Operational Subsidiaries

Phoenix Beverages Overseas Ltd

Pont Fer, Phoenix,
Mauritius
Tel: (230) 601 2000
Fax: (230) 686 6920

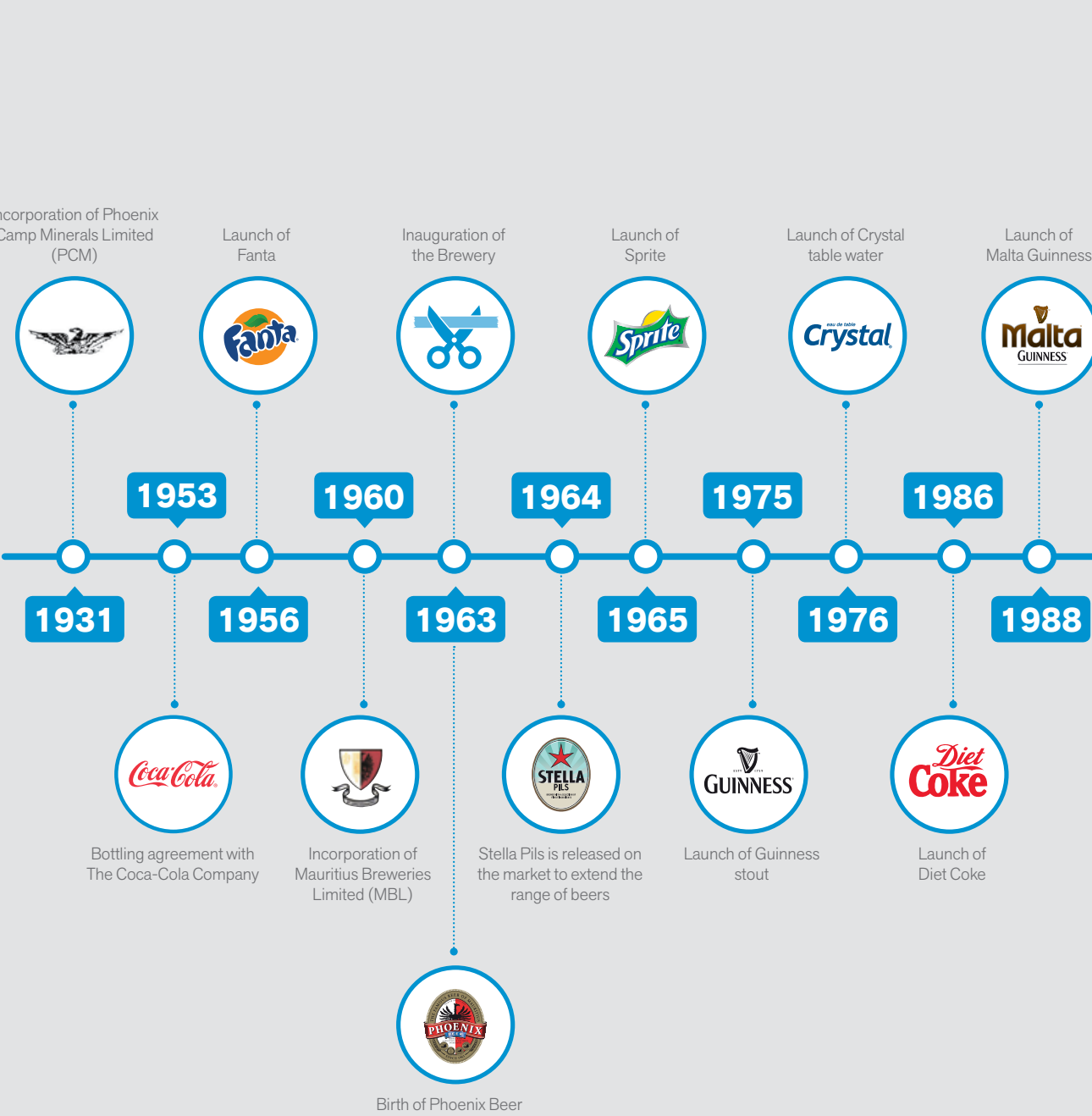
The (Mauritius) Glass Gallery Ltd

Pont Fer, Phoenix
Mauritius
Tel: (230) 696 3360
Fax: (230) 696 8116

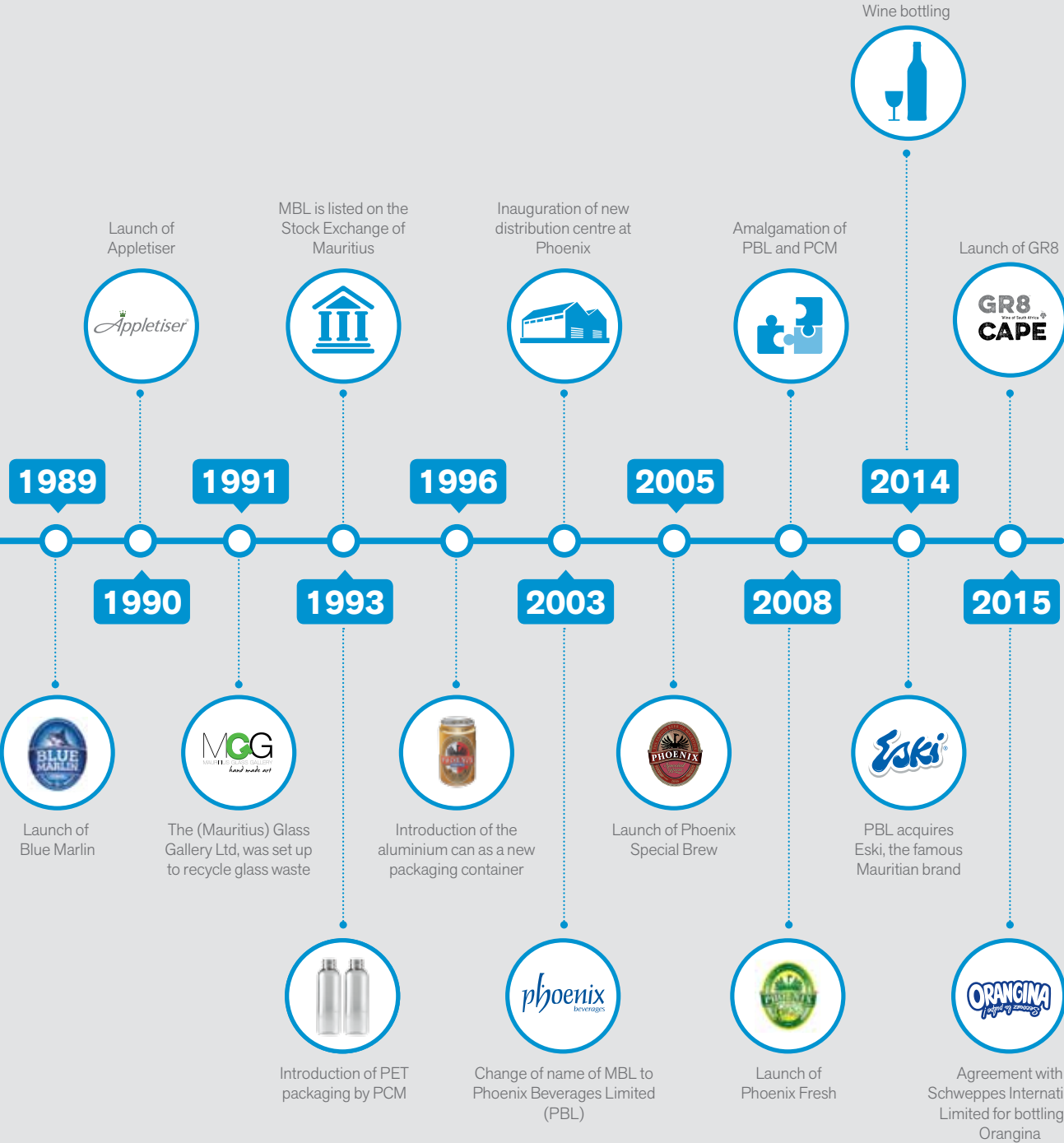
Phoenix Réunion SARL

7 rue de l'Armagnac, Z1 No1
97821 Le Port Cedex
Ile de La Réunion
Tel: (262) 262 241730
Fax: (262) 692 452972

Our Milestones



Our Milestones







Senior Managers’ Profiles

1. BERNARD THEYS

Chief Executive Officer

Bernard Theys, born in 1965 in Brussels, holds a diploma in Economic Science from Louvain University in Belgium. He also obtained a BBA in Business Tourism Management from ICP in 1991. He has completed several programmes of Executive & Business Education at l'Association Internationale Américaine de Management (MCE) in 1995 and at INSEAD Fountainebleau in France in 2008. Bernard Theys has had different General Management roles in the Brewery industry where he acquired great experience in the Fast Moving Consumer Goods industry.

2. PATRICK RIVALLAND

Chief Operating Officer and Chief Financial Officer

Patrick Rivalland, born in 1972, is a Fellow Member of the Chartered Association of Certified Accountants. Before joining Phoenix Camp Minerals Limited in 1999 as Finance and Administrative Manager, he worked successively for BDO & Co. and The Sugar Industry Pension Fund Board. He was appointed Group Senior Manager Finance and Administration in 2001 and Chief Operating Officer in 2014. He is a past President of the Association of Mauritian Manufacturers.

3. GERARD MERLE

Senior Manager Limo Operations

Gerard Merle, born in 1968, has worked in the manufacturing sector for more than 21 years. Before joining Phoenix Beverages Limited in January 2009 as Senior Manager Limo Operations, he worked for Boxmore Plastics International. He was appointed Senior Manager Engineering and Limo Operations in 2014.

4. RAMA NARAYYA

Senior Manager Human Resources

Rama Narayya, born in 1967, has 26 years of experience in the HR function in diverse industries ranging from Hotels, Bottling and Hypermarkets to Textiles and Airlines. He has studied Occupational Health & Safety, Human Resources Management at the University of Mauritius and Business Administration from the University of Surrey. Rama joined the Group as Senior Manager Human Resources in September 2014

5. GERVAIS RAMBERT

Head Brewer

Gervais Rambert, born in 1956, joined the Brewery in 1977. He is the holder of a Certificate from the Brewing School of Diageo in Park Royal, London and from St James Gate, Dublin. He also holds a Diploma from 'L'Ecole Nationale Supérieure d'Agronomie et des Industries Alimentaires' in France and from VLB Institute and Research of Berlin. He worked in several breweries in Europe, namely Guinness Park Royal in London, Le Pêcheur, Meteor and Kronenbourg Breweries in France. He has been the Group's Head Brewer since 1992.

6. PATRICE SHEIK BAJEET

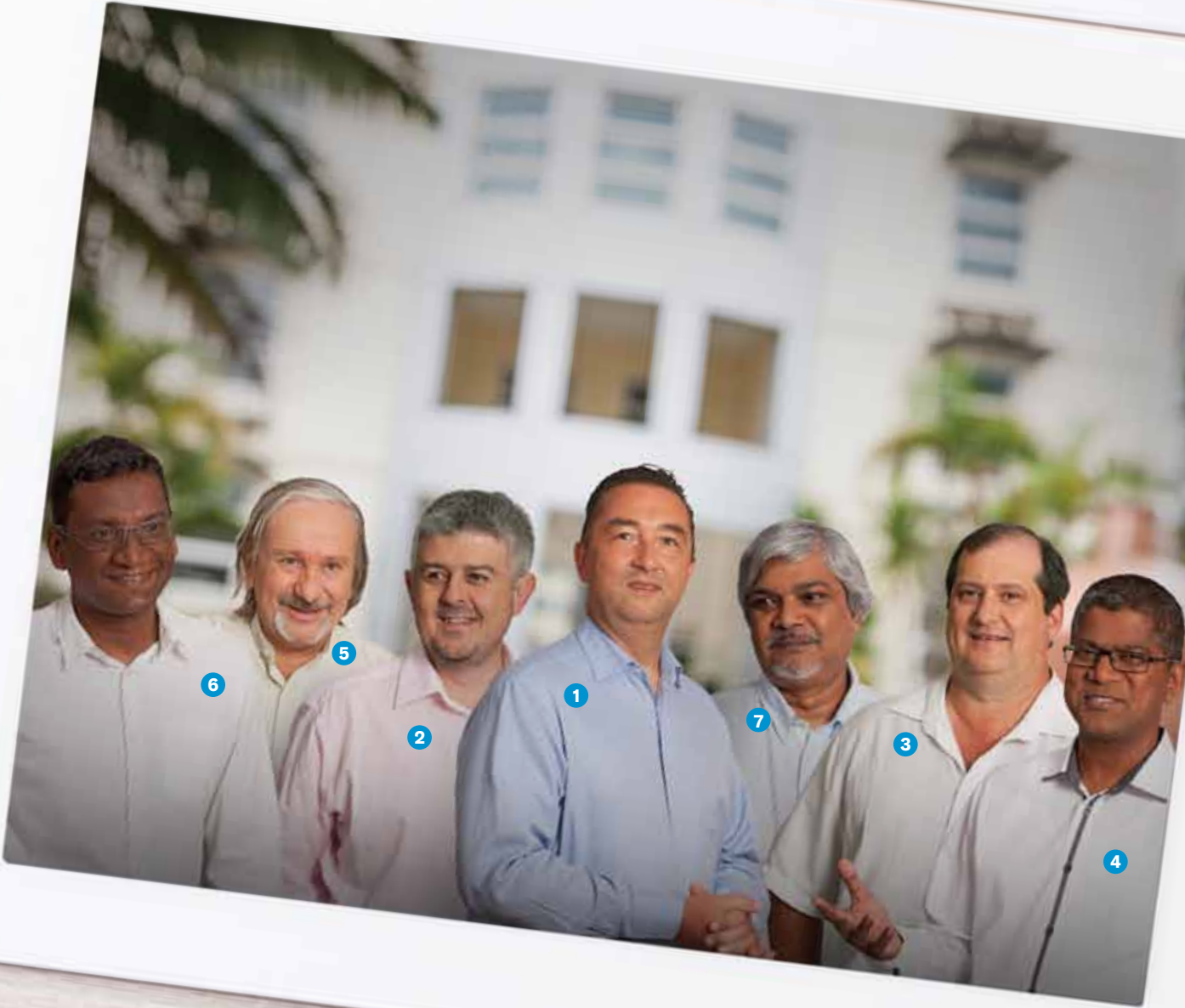
Senior Manager Marketing

Patrice Sheik Bajeet, born in 1974 is the holder of a BSc Management Degree from the University of Mauritius. After 12 years in the cellular operations industry and leading the Marketing of Emtel, he spent 4 years at the Coca-Cola Company regional office. He is also the founder of the first Digital and Trade Marketing agencies on the island. He joined Phoenix Beverages Group in January 2015 as Senior Manager Marketing.

7. ANTIS TREEBHOOBUN

Senior Manager Business Systems

Antis Treebhoobun, born in 1959, is the holder of a BA in Computer Science from the University of Iowa. During the period 1987 to 1991, he worked in the USA as Software Engineer on contract for Boeing Avionics Corp. and from 1991 to 2001, he was the Senior IT Manager for Rogers Aviation & Tourism. He joined the Group in 2001 as Senior Manager Business Systems.



Key Performance Highlights

We delivered a **solid financial performance** showing the resilience of our strategy, and maintain our track record of growing Shareholder's value.

TURNOVER
MUR 5,061m

2014: MUR 4,820m

EARNINGS
PER SHARE
MUR 19.52

2014: MUR 39.83*

DIVIDENDS
PAID PER
SHARE
MUR 9.00

2014: MUR 8.40

OPERATING
PROFIT
MUR 390m

2014: MUR 356m

NET ASSETS
MUR 3,202m

2014: MUR 3,014m

FREE
CASH FLOW
MUR 3,202m

2014: MUR 3,014m

NET PROFIT
AFTER TAX
MUR 320m

2014: MUR 578m*

SHARE PRICE
AT JUNE 30
MUR 325

2014: MUR 195

TOTAL SALES
1,352KHL

2014: 1,297KHL

EBITDA
MUR 601m

2014: MUR 865m*

MARKET
CAPITALISATION
MUR 5,345m

2014: MUR 3,207m

FULL TIME
EMPLOYEES
1,168

2014: 1,146

*2014 results were higher, reflecting the impact of exceptional gain on disposal of PBL's investments in Madagascar.

Key Performance Highlights

	2015	2014	2013	2012	2011
			(Restated)	(Restated)	(Restated)
Statements of profit or loss and other comprehensive income (Rs m)					
Turnover	5,061	4,820	4,501	4,228	3,747
Excise & other specific duties	1,643	1,523	1,382	1,209	908
Profit before taxation	385	712	262	260	218
Profit attributable to Shareholders	320	578	99	202	165
Depreciation and amortisation	211	208	203	194	180
Net interest paid	5	21	27	26	29
EBITDA	601	941	492	480	427
Statements of financial position (Rs m)					
Total assets	4,087	3,987	3,817	3,249	3,027
Net indebtedness	-	-	331	365	313
Working capital	1,617	696	110	313	225
Shareholders' fund	3,204	3,014	2,589	2,067	2,037
Net asset value per share (Rs)	194.69	183.23	157.41	125.67	123.83
Cash flow (Rs m)					
Net cash generated from operating activities	527	533	377	293	353
Investment in fixed assets	314	186	207	215	183
Performance ratio					
Earnings per share (Rs.)	19.52	39.83	13.95	12.26	10.01
Net return on equity (%)	12.02	23.63	10.12	12.22	7.54
Net profit margin (%)	6.32	11.99	2.20	4.75	4.38
Liquidity & gearing ratio					
Current ratio (%)	217.88	216.65	112.96	137.09	132.37
Net borrowings to equity (%)	-	-	12.80	17.66	14.32
Interest cover (times)	78.00	34.57	10.78	11.00	8.65
Dividends					
Dividends declared (Rs m)	148.02	138.16	131.58	123.35	110.19
Dividends per share (Rs)	9.00	8.40	8.00	7.50	6.70
Dividend yield (%)	2.77	4.31	3.95	3.66	3.22
Dividend cover (times)	2.17	4.19	0.75	1.63	1.49
Market data					
Market price per share (Rs)					
High	325.00	205.00	216.00	210.00	220.00
Low	190.00	185.00	200.00	190.00	151.00
Closing (30 June)	325.00	195.00	202.50	205.00	208.00
Market Capitalisation (Rs Bn)	5.35	3.21	3.33	3.37	3.42
P/E ratio (times)	16.65	4.90	14.52	16.72	20.78





Dear Shareholder,

I am pleased to report that your Company, Phoenix Beverages Limited (PBL), finished the financial year ended June 30, 2015 once again on a positive note. Your Company's overall sales volume has increased by 4.2% and the strong balance sheet position has been consolidated. However, the adverse impact of currency translation has resulted in an increase in most of our raw materials input cost, thus reducing our gross profit margin in 2015. Despite the unfavourable movement in exchange rates during the year, PBL has managed to contain costs and increase profit before finance costs by 9.3%, to reach Rs 389.6m at June 2015.

Remarkably, despite the challenging economic environment, your Company highlights point towards a business that is delivering long term financial performance. Strong dependable cash flow has led to steadily increasing dividends year on year. Full year dividends paid rose to Rs 9.00, a 7.14% increase from last year. PBL's share price on the Stock Exchange of Mauritius, which was at Rs 195.00 on July 1, 2014, ended the year at Rs 325 and further increased to reach Rs 400.00 at October 15, 2015.

Even if our results reflect the fundamental financial strength of our Company, it is important to break out of our comfort zone and continue to look for ways to develop and ensure our long term sustainability.

Our strategy is to consolidate our position on the local market and use our strength to grow our business regionally. The year 2014/15 has been a particularly busy and exciting year for preparing our future, during which we made excellent progress towards our strategic objectives.

“ Even if our results reflect the fundamental financial strength of our Company, it is important to break out of our comfort zone and continue to look for ways to develop and ensure our long term sustainability ”

In September 2014, we successfully concluded the acquisition of the famous Mauritian Eski brand and its commercialisation started in December 2014. The rejuvenation of the brand is underway and we are confident that the revival of Eski will make a more meaningful contribution to the Group's profitability alongside our other brands.

Orangina is another popular brand that joined our portfolio this year. Our negotiation with Schweppes International Ltd was fruitful and we have been designated bottler of Orangina products in Mauritius. I take this opportunity to thank our new partner for its confidence in entrusting the "most daring and admired brand" to PBL.

“ In September 2014, we successfully concluded the acquisition of the famous Mauritian Eski brand ”

Meanwhile, our passion for beverages and the consumer insights which drive our innovation platform remained stronger than ever. In August 2015, we introduced our luxurious, elegant, casual but more affordable, new PBL branded wine, GR8 Cape. GR8 Cape is the result of long and fruitful research and development to identify the wine which best responds to the expectations of Mauritians in terms of taste, quality and affordability. We are very pleased with the success of GR8 Cape and it clearly demonstrates our ability to constantly execute and innovate while maintaining tight control over costs. The accomplishment of GR8 Cape also owes a great deal to the outstanding effort of our experienced Head Brewer, Mr Gervais Rambert, and his talented team to whom I would like to extend my sincere appreciation.

Other emerging opportunities include our negotiation to acquire 100% shares in Edena and its subsidiaries. Edena is incorporated in Reunion Island and is the leader in bottled spring water on the Reunion market. This strategic perspective motivates us to look at our regional development in fresh ways and our potential for growth in Reunion Island will therefore not be limited to beer and spirits. Beyond the potential synergies that this acquisition will generate, our investment will also widen our beverage production network to enable us to further diversify our product portfolio as a total regional beverages company. Certainly, this inorganic growth will provide options to our business, which has strong fundamentals in cultural integration, to stimulate external ideas and innovations.

“ Our passion for beverages and consumer insights which drive our innovation platform remains stronger than ever ”

Our focus this year has also been on new opportunities with regard to emerging consumer trends that are driving growth in the non-sparkling segment. Across the entire spectrum of categories that PBL is offering, we continue our effort to expand our beverage portfolio to meet our consumers' evolving needs and preferences, with beverages for every lifestyle and every occasion. In this respect, the Board has approved the investment in a new non-carbonated beverages production unit which will be situated in our newly-acquired site at Nouvelle France. This is another challenging objective in an extremely competitive environment, but I am confident that PBL has the capacity, capability and willingness to succeed in this segment. This major investment further demonstrates our commitment to creating shared value in Mauritius and generating positive impacts for all stakeholders.

I firmly believe that our commitment to good financial performance needs to be aligned with continued focus on being a responsible Company, by working with integrity and delivering sustainable business development. The mark of a great company is a company that rewards its Shareholders and this can only be sustained if it also looks after its employees, suppliers, environment, communities and the country in which it does business. We place significant value on working together with our stakeholders and 2014/15 has seen some exciting developments in this regard (see page 21). However, progress can still be made in the mind-set of public administration towards a more effective and collaborative approach, rather than an imbalanced fiscal policy. It is encouraging to observe that PBL contributes considerably to the economic development of Mauritius, either directly through the creation of jobs and wealth or indirectly through local and national taxes which drive investment in health, education and

community infrastructure. We are delighted to reflect that PBL is not simply a total beverages company that brews, blends and bottles beverages, but more a Company that, through its passion, brings happiness to all its stakeholders.

Outlook

The world economy is still struggling to gain momentum and the economic situation in Mauritius remains fragile and challenging. The Government has set up its Economic Mission Statement 2030 and it is encouraging to note that concerted action between public and private sectors will be one of the pillars of shaping a new Mauritius.

Today, we are definitely at a crossroads and facing a time of substantial and all-encompassing change. In the excitement and effort of driving great change, we must remain conscious of our long term shareholder value and ensure that what is good for our business must be good for society and ultimately good for our planet. The PBL Management team and the Board are fully aware that our decisions must stand the test of time and constantly deliver outstanding results. We are confident that we can overcome the challenges that we will face as we stay positive, focusing on our vision to be a leading total beverages company in Mauritius, the region and beyond. Our vision has been, and will continue to be, our guiding principle as we reinforce our capabilities to stay ahead of our competition amidst uncertain global economic circumstances.

Acknowledgements

On behalf of the Board, I would like to express my profound thanks to PBL's Management team and employees for their commitment and contribution during the year. Because of you, we were able to meet and exceed the goals we set for last year. I also wish to express my deep gratitude to our consumers, Shareholders and all our stakeholders for their continued trust in PBL. Last, but not least, a big thank you to the members of the Board of Directors for the wise counsel and contributions which they shared from their wealth of experience and expertise. It is a great honour to lead this Company and to help write the next chapter in its proud history.


Jean-Claude Béga
Chairman

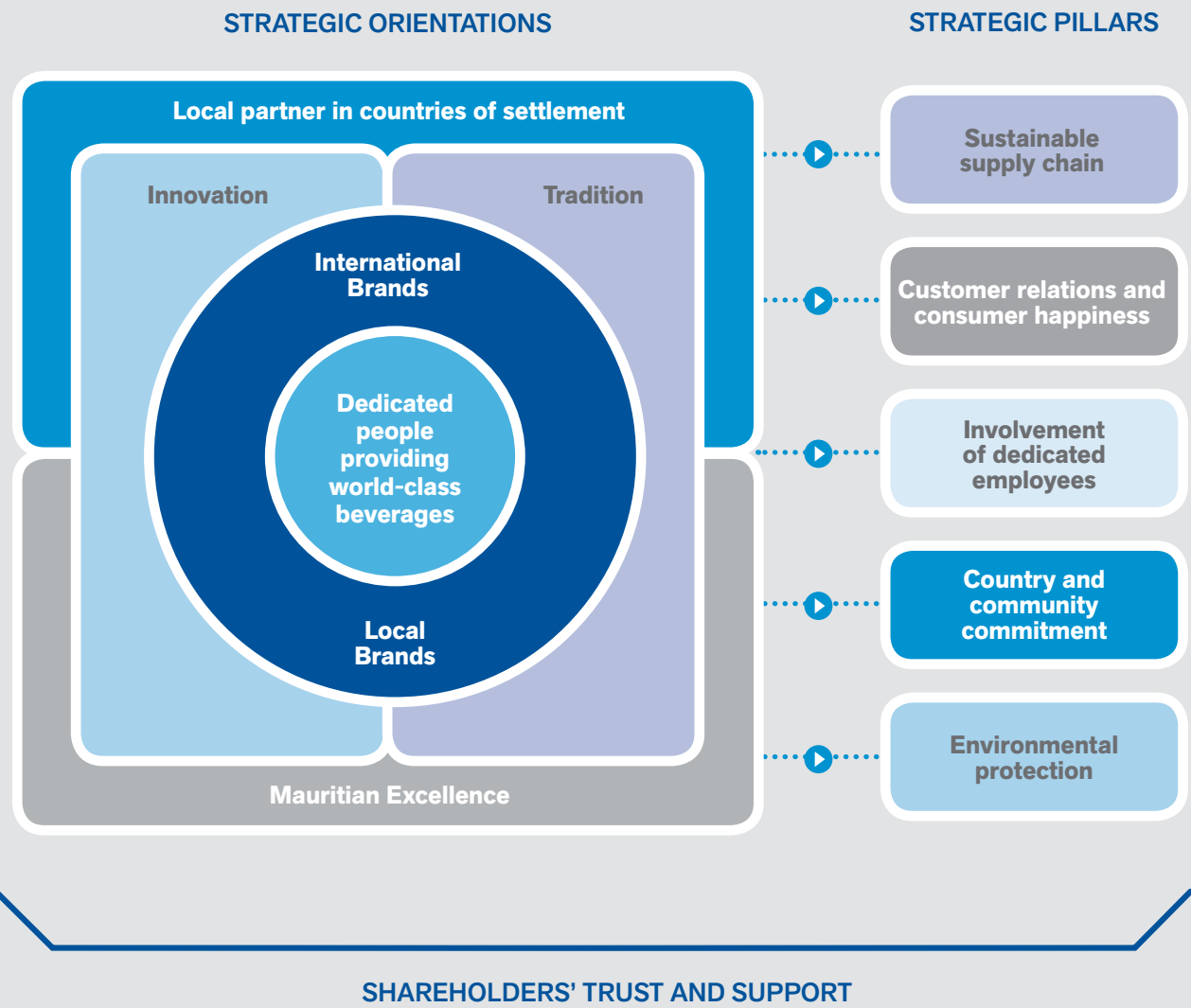
Our Mission and Values

Our mission is based on core values such as innovation, customer service, adaptability, honesty and trustworthiness. They guide our actions and help us to evolve proactively, thus fostering the production and sales of our beverages.

These values are detailed in a Code of Ethics that encourages living them with integrity and in compliance with the law. This Code of Ethics, signed by employees, defines the Group's commitments towards both our stakeholders and the environment. It also states the fair and transparent behaviour that we promote amongst ourselves while fulfilling those commitments.

This is the way we operate to achieve our main strategic orientations, such as servicing renowned local and international brands and producing and distributing beverages. Both these roles rely upon traditions as well as contemporary expertise and trendy innovations.

This focus enables us to develop unique skills in Mauritius aligned with international standards.



Engaging with Stakeholders

This year, we actively engaged dialogue with our stakeholders through various channels - interviews, meetings and surveys. This endeavour gave us a better understanding of how we interact with them and what is expected from us. This help us to stay focused on what matters most.

Main stakeholders	Their main expectations
Customers	<ul style="list-style-type: none">• Stronger customer relations• Support local businesses• Better customer services
Consumers	<ul style="list-style-type: none">• Health and wellness considerations• Product innovation• Better communication on sustainable development• Waste logistic and disposal
Employees	<ul style="list-style-type: none">• Better communication and dialogue• Health and safety at work• Fair treatment and equal opportunities• Labour conditions
Employee representatives	<ul style="list-style-type: none">• Dialogue with stakeholders• Labour conditions
NGOs	<ul style="list-style-type: none">• Responsible consumption awareness• Poverty alleviation• Promoting social, sports and education• Consumers' health
Regulators and business institutions	<ul style="list-style-type: none">• Business ethics• Law compliance• Community investment• Labour conditions• Environmental impact
Partners and subcontractors	<ul style="list-style-type: none">• Business ethics• Profitability• Labour conditions• Health and safety• Sustainable sourcing
Investors	<ul style="list-style-type: none">• Business governance• Profitability• Local footprint
Public administration	<ul style="list-style-type: none">• Business ethics• Law compliance• Economic impact• Waste logistic and disposal• Community investment• Living environment of local residents• Environmental impact

An action plan has been defined to provide our best possible solutions to meet the above expectations, as disclosed on page 65.



COMPLIANCE

The Board of Phoenix Beverages Limited is of the opinion that Corporate Governance is a key tool for achieving an efficient management of the Group, while providing an effective system to monitor the Company's activities, consistent with the objectives of creating value for the Shareholders and protecting the interests of all stakeholders.

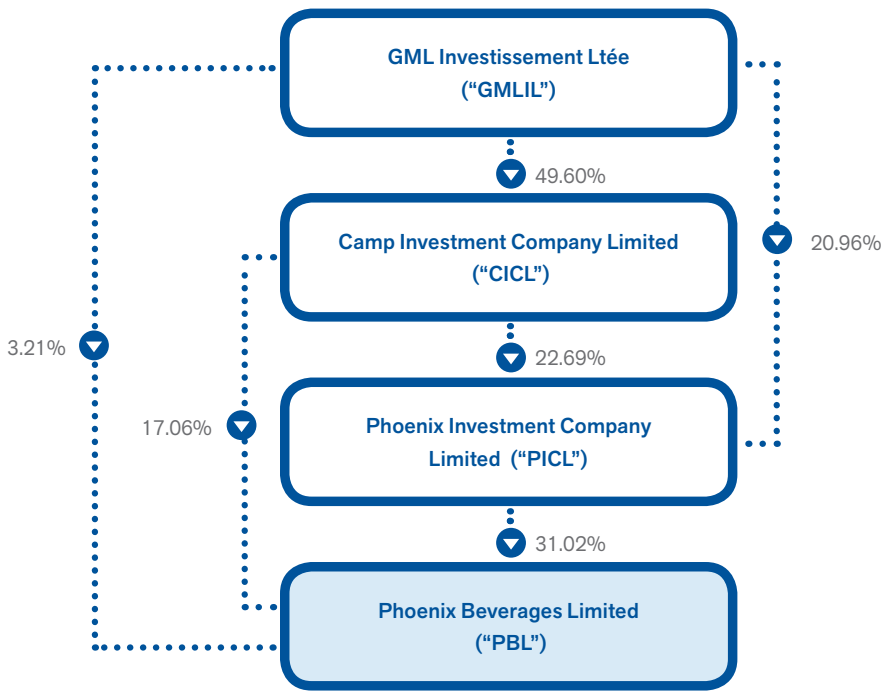
The Corporate Governance structure adopted by Phoenix Beverages Limited, through the Board of Directors, Committees and Management, is based on the guidelines set out in the Code of Corporate Governance for Mauritius as it believes that having a well-structured governance system is

a pre-requisite for maximum efficiency and also ensures greater levels of transparency, thus increasing investor confidence in the Company.

CASCADE HOLDING STRUCTURE

Phoenix Beverages Limited is listed on the Official Market of the Stock Exchange of Mauritius Ltd and, at the date of this Annual Report, the Company has 16,447,000 ordinary shares of Rs 10 each in issue and 1887 Shareholders on its registry.

The cascade holding structure is as follows:



COMMON DIRECTORS

The Directors of the Company who also sit on the Boards of the above-mentioned holding companies are:

Directors	PBL	PICL	CICL	GMLIL
Jean-Claude Béga	✓*	✓*	✓*	
Jan Boullé	✓	✓	✓	✓*
François Dalais	✓	✓	✓	
Guillaume Hugnin	✓	✓**	✓	
Arnaud Lagesse	✓	✓	✓	✓
J. Cyril Lagesse	✓	✓	✓	✓
Thierry Lagesse	✓	✓	✓	✓
George Wiehe	✓	✓		

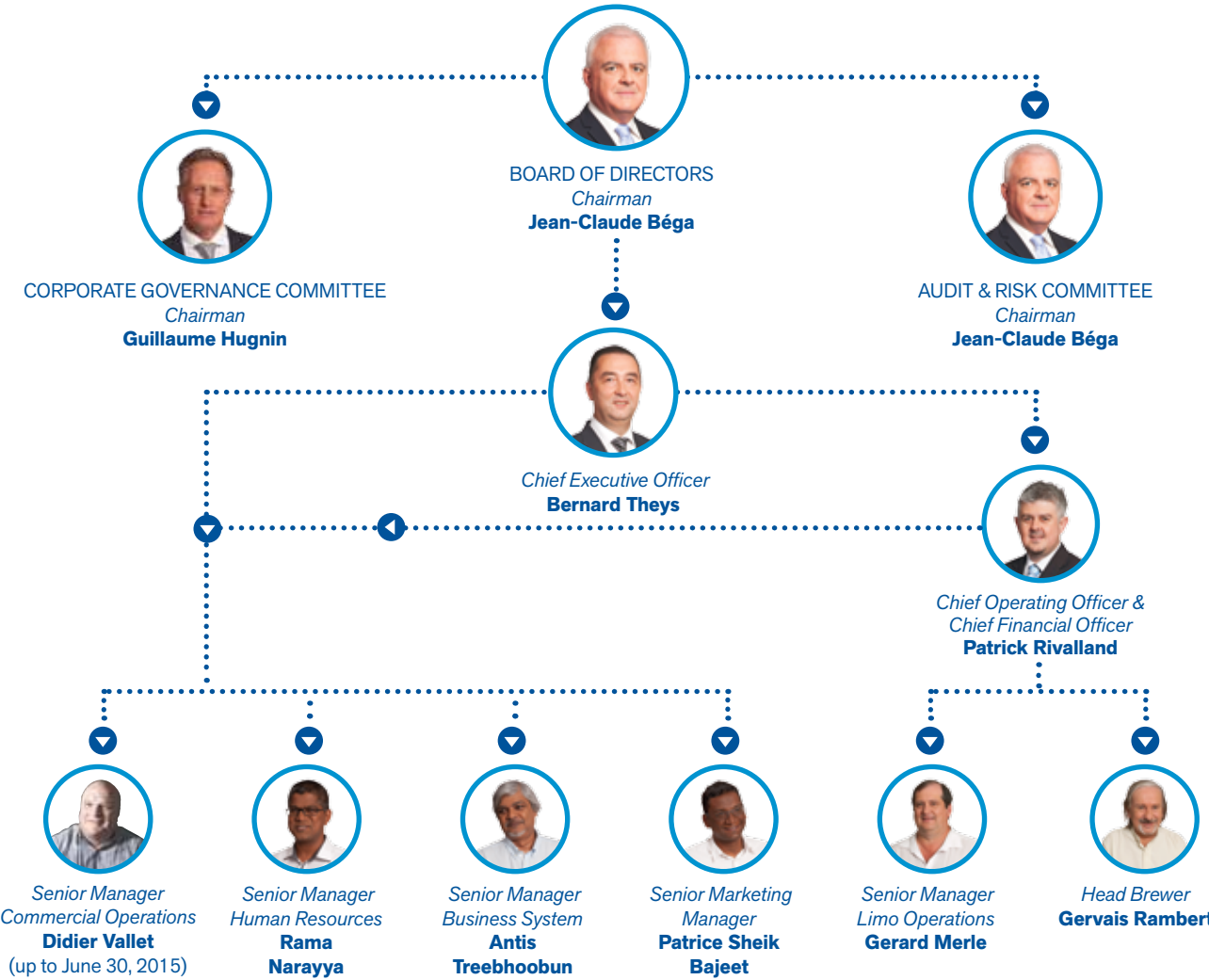
* Chairman

** Alternate Director

COMPANY'S GENERAL ORGANISATION STRUCTURE

The Board of Phoenix Beverages Limited is guided in its activities by the Terms of Reference of its sub-committees which are updated for any applicable latest developments in Governance.

At the date of this Report, the general organisation structure of PBL is as follows:



Board Composition

Directors:

Jean-Claude Béga
Jan Boullé
François Dalais
Guillaume Hugnin
Didier Koenig
Arnaud Lagesse
J. Cyril Lagesse
Thierry Lagesse

Patrick Rivalland
Seewoocoomar Sewraz
Bernard Theys
George Wiehe

Alternate Directors:

Jean Pierre Dalais
Marguerite Hugnin

Audit & Risk Committee Composition

Members:

Jean-Claude Béga
Jan Boullé
Didier Koenig
Georges Wiehe

Corporate Governance Committee Composition

Members:

Guillaume Hugnin
J. Cyril Lagesse
Seewoocoomar Sewraz
Bernard Theys

THE ROLE OF THE BOARD

The Group's principal decision-making body is the Board of Directors and its task is to manage the Company's affairs on behalf of the Shareholders. The Board members are elected by the Shareholders at the Annual General Meeting (AGM) for the period up until the next AGM.

In addition to laws and recommendations, Phoenix Beverages' Board works to create long term sustainable value for the Group's Shareholders, focusing on strategic leadership, performance management, risk management, investors' relations and governance. Each of these areas forms a key part of the Board's agenda and enables it to plan meetings appropriately, giving sufficient time to focus on the schedule of objectives. The work is distributed between the Board, its committees and the Management.

The Board's ultimate responsibility is for the supervision of the Group. It has the following principal duties:

- providing entrepreneurial leadership of the Company and direction for the Management;
- setting strategy;
- setting the Company's values and standards;
- approving the Group's investment plans, budgets and forecasts;
- reviewing of reports submitted to the Board for approval;
- reviewing of the business operations of the Group;
- establishing sound accounting and financial control principles, as well as principles of financial planning;
- conducting the business in a proper way for the benefit of Shareholders;
- ensuring compliance with legal and ethical standards by facilitating the setting up of appropriate corporate governance structures for the management of the business operations; and
- ensuring that the members of the Senior Management team are competent, and that an effective succession strategy and plan is adopted for the Group's senior executive positions.

Other specific responsibilities are delegated to Board committees which report regularly to the Board and make recommendations thereof for approval.

Board members have unrestricted access to the records of the Company and also have the right to seek independent professional advice, at the expense of the Company, to enable them to discharge their responsibilities effectively.

Board of Directors

The Board of Phoenix Beverages Limited is chaired by Mr Jean-Claude Béga and at the year end, consisted of 12 Directors, of whom 2 are Executive Directors, 8 are Non-Executive Directors and 2 are Independent Non-Executive Directors and all of them with deep knowledge and experience in core and diverse business sectors within local and international markets. Their profiles are set out on pages 30 and 31. The Board is of the view that it is of the right size to meet the business requirements. The size and composition of the Board is kept under the control of the Corporate Governance Committee. Furthermore, the Board does not believe that its members should be prohibited from serving on boards of other organisations and has not adopted any guidelines limiting such activities. Each Director has a duty to act in the best interests of the Company and is expected to ensure that his or her other responsibilities do not impinge on his or her responsibilities as a Director of Phoenix Beverages Limited. The Directors have made the requisite disclosures regarding their directorships in other listed companies.

Up to now, all the Directors have submitted themselves for re-election at the Annual Meeting of the Company every year. However the Corporate Governance Committee has proposed to the Board that each year, 3 of the Directors be re-elected by rotation. The Directors who will retire will be those who have been longest in office since their last election. All the retiring Directors shall be re-eligible. The Executive Directors have, based on the Company's policies, formal employment contracts with Phoenix Management Company Ltd.

Board's Governance

There is a clear division of responsibilities between the running of the Board and the executive responsibility for the running of the business. The Chairman's and Chief Executive Officer's roles are separate and there is a division of responsibilities that is clearly established and agreed by the Board to ensure that no one person has unfettered powers of decision. The Chairman is a Non-Executive Director selected by the Board.

The Chairman of the Board

The Chairman conducts Board proceedings in a manner that ensures, inter alia, that:

- effective participation of both Executive and Non-Executive Directors is secured;
- all Directors are encouraged to make an effective contribution, within their respective capabilities, for the benefit of the Company and of the Group; and
- the Board is completely aware and in control of the Company's and Group's affairs, and alert to their obligations to all Shareholders and other stakeholders.

The Chief Executive Officer

Mr Bernard Theys, the Chief Executive Officer of Phoenix Beverages Limited, is responsible for the day-to-day running of the Company's operation and the implementation of management strategy and policy.

He is also responsible for:

- overseeing, developing and recommending to the Board annual business plans and budgets that support the Group's long-term strategy and vision;
- ensuring continuous improvement in the quality and value of the products;
- ensuring that the Group has an effective management team, actively participating in the development of management and succession planning;
- promoting a corporate culture that promotes ethical practices, offers equal opportunities, encourages individual integrity and fulfils social responsibility objectives and imperatives; and
- serving as the chief spokesman for the Group on all operational and day-to-day matters.

Directors' Appointment

The Board through the Corporate Governance Committee in its role as Nomination Committee, follows a formal, rigorous and transparent procedure to select and appoint new Board members. The Corporate Governance Committee leads the process according to the Company's Constitution and makes recommendation to the Board, either to fill a casual vacancy or as addition to the existing Directors, but the total number of Directors shall not at any time exceed the number of twelve fixed by the Constitution. However, newly-appointed Directors are subject to election by Shareholders at the Company's Annual Meeting in their first year of appointment.

Upon appointment to the Board and/or its Committees, Directors receive a complete induction pack from the Company Secretary, as well as a leaflet on her/his duties and responsibilities as Director. In addition, newly-appointed Directors are invited to meet members of the Senior Management in order to rapidly acquire a comprehensive view of the Company's operations, risks and strategy.

Furthermore, Phoenix Beverages Limited being listed on the Stock Exchange of Mauritius, every newly-appointed Director must submit to this authority, through the Company Secretary, a complete "Declaration of Understanding" questionnaire and a declaration of his interests in the Company.

The Company Secretary will subsequently submit a copy of the declaration of the Director's interests to the Financial Services Commission.

Finally, at the next Annual Meeting to be held on December 2, 2015, the Board of Directors will propose, following the recommendation of the Corporate Governance Committee, the re-election of Mr J. Cyril Lagesse as Director of the Company, and the re-election of Mrs Marguerite Hugnin as Alternate Director of Mr Guillaume Hugnin, under Section 138(6) of the Companies Act 2001.



Directors'

Profiles



Corporate Governance

(continued)

DIRECTORS' PROFILES

The names of all Directors and Alternate Directors, their categories and profiles and the list of their directorships in other listed companies are provided hereunder.

1. JEAN-CLAUDE BÉGA

Non-Independent Chairman - first appointed to the Board in 2011 and as Chairman on August 14, 2013

Jean-Claude Béga is a Fellow of the Association of Chartered Certified Accountants. He joined GML in 1997 and is the Chief Financial Officer of GML Management Ltée. He is Director of a number of companies including Alteo Limited, Lux Island Resorts Ltd, AfrAsia Bank Limited, The Emerging Africa Infrastructure Fund Limited and is the Non-Executive Chairman of Phoenix Beverages Limited, Phoenix Investment Company Limited, Camp Investment Company Limited and Phoenix Management Company Ltd. Jean-Claude Béga is also the Chairman of the Audit and Risk Committee of the Company given his strong financial expertise.

Directorship in other listed companies on the Official Market of the Stock Exchange of Mauritius Ltd:

- Alteo Limited
- Lux Island Resorts Ltd

2. JAN BOULLÉ

Non-Executive Director - first appointed to the Board in 2000

Jan Boullé is currently Head of Development and Project at Constance Group. He joined The Constance and La Gaïeté Sugar Estates Co. Ltd in 1984. He is an "Ingénieur Statisticien Economiste (France)" and holds a diploma of "3^{ème} cycle, Sciences Economiques" Université Laval, (Canada). Jan Boullé is a member of the Board of Directors of several of the country's major companies. Furthermore, he has also been appointed as Non-Executive Chairman of GML Investissement Ltée since August 12, 2013. Jan Boullé is also a member of the Audit and Risk Committee of the Company.

Directorship in other listed companies on the Official Market of the Stock Exchange of Mauritius:

- Alteo Limited
- Belle Mare Holding Limited

3. FRANÇOIS DALAIS

Non-Executive Director - first appointed to the Board in 1992

François Dalais holds a Diploma in Business Administration (London). He is the founder and Director of the Mauritius Freeport Development Ltd, Sugarex Ltd, Tropical Cubes Co. Ltd, Atlas Communications International Ltd and Financière Marine International Ltd. François Dalais also sits on the Board of a number of companies in Mauritius.

4. GUILLAUME HUGNIN

Non-Executive Director - first appointed to the Board in 2009

Guillaume Hugnin studied at the University of Cape Town in South Africa where he graduated as Bachelor of Arts in Economics and Post-Graduated with Honours in Economics. He completed his studies in 1997 by obtaining an MBA from the University of Surrey, United Kingdom. Guillaume Hugnin worked in South Africa and Australia for several years before joining the Food and Allied Group of Companies in 1993. He is currently the Group Export Manager of the Food and Allied Group. He has directorships in the hotel industry and is the past Chairman of the Mauritius Exporters Association (MEXA). He has also acted as Council member of the Joint Economic Council (JEC). Guillaume Hugnin is currently the Chairman of the Corporate Governance Committee of the Company.

5. DIDIER KOENIG

Independent Non-Executive Director - first appointed to the Board in 2001

Didier Koenig is currently the Accountant of Domaine de Labourdonnais Limitée. He is a past auditor of De Chazal Du Mée & Co. Didier Koenig is a member of the Audit and Risk Committee of the Company.

6. ARNAUD LAGESSE

Non-Executive Director - first appointed to the Board in 1998

Arnaud Lagesse, appointed as Non-Executive Director of the Company on March 30, 1998, holds a 'Maîtrise de Gestion' from the University of Aix-Marseille III, France and is a graduate of 'Institut Supérieur de Gestion', France. He also completed an Executive Education Program at INSEAD, Fontainebleau, France, and an Advanced Management Program (AMP180) at Harvard Business School, Boston, USA. He joined GML in 1993 as Finance and Administrative Director before becoming its Chief Executive Officer in August 2005. He also participated in the National Corporate Governance Committee as a member of the Board. He is a member of the Board of Directors of several of the country's major companies and is the Chairman of Ireland Blyth Limited, BlueLife Limited, Lux Island Resorts Ltd, inter alia. Arnaud Lagesse is an ex-president of the Mauritius Chamber of Agriculture, the Mauritius Sugar Producers Association and the Sugar Industry Pension Fund. He is also the Chairman of GML Fondation Joseph Lagesse since July 2012. He has also recently been appointed as Chairman of the National Committee on Corporate Governance.

Directorship in other listed companies on the Official Market of the Stock Exchange of Mauritius:

- Alteo Limited
- Ireland Blyth Limited
- Lux Island Resorts Ltd
- BlueLife Limited
- The United Basalt Products Ltd

Corporate Governance (continued)

7. J. CYRIL LAGESSE

Non-Executive Director - first appointed to the Board in 1960 and Chairman from 1975 to 2007

J. Cyril Lagesse, well-known entrepreneur born in 1932, took over his father's business in 1969 (Mon Loisir S.E) and set up the GML Investissement Ltée in the early 1970's, to take advantage of the diverse investment opportunities that arose while Mauritius moved towards greater industrialisation. Since then, GML has expanded and is now the major shareholder of other well-established firms. J. Cyril Lagesse also sits on the Board of several of the country's most prestigious companies, some of which are listed on the Stock Exchange of Mauritius. J. Cyril Lagesse is a member of the Corporate Governance Committee of the Company.

Directorship in other listed companies on the Official Market of the Stock Exchange of Mauritius Ltd:

- Ireland Blyth Limited
- Lux Island Resorts Ltd

8. THIERRY LAGESSE

Non-Executive Director - first appointed to the Board in 1998 and Chairman up to August 14, 2013

Thierry Lagesse was appointed Director on February 23, 1998. He holds a 'Maîtrise des Sciences de Gestion' from the University of Paris Dauphine. He was the Non-Executive Chairman of GML, Ireland Blyth Limited, Alteo Limited, Phoenix Beverages Limited and The United Basalt Products Ltd up to August 13, 2013 and a Director of several other companies quoted on the Stock Exchange of Mauritius Ltd. He is also the Executive Chairman and founder of Palmar Group of Companies and Executive Chairman of Parable Réunion SA.

Directorship in other listed companies on the Official Market of the Stock Exchange of Mauritius:

- Alteo Limited
- Ireland Blyth Limited
- The United Basalt Products Ltd

9. PATRICK RIVALLAND

Executive Director - first appointed to the Board on September 2, 2013

Patrick Rivalland, born in 1972, is a Fellow member of the Chartered Association of Certified Accountants. Before joining Phoenix Camp Minerals Limited in 1999 as Finance and Administrative Manager, he worked successively for BDO & Co. and The Sugar Industry Pension Fund Board. He was appointed as Group Senior Manager Finance and Administration in 2001. He is a past President of the Association of Mauritian Manufacturers.

10. SEEWOOOOMAR SEWRAZ

Independent Non-Executive Director - first appointed to the Board in 1982

Seewoooomar Sewraz is a member of the Institute of Book-keepers in the UK and holds the higher stage of London Chamber of Commerce. He has more than 30 years of work experience in the wholesale business. He is a member of the Board of Directors

of several companies. Seewoooomar Sewraz is a member of the Corporate Governance Committee of the Company.

11. BERNARD THEYS

Executive Director - first appointed to the Board on July 1, 2013

Bernard Theys, born in 1965 in Brussels, holds a diploma in Economic Science from Louvain University in Belgium. He also obtained a BBA in Business Tourism Management from ICP in 1991. He has completed several programmes of Executive & Business Education at "l'Association Internationale Américaine de Management" (MCE), in 1995 and at INSEAD Fontainebleau in France in 2008. Bernard Theys had different General Management roles in the brewery industry where he acquired substantial experience in the Fast Moving Consumer Goods industry.

12. GEORGE WIEHE

Non-Executive Director - first appointed to the Board in 1994

George Wiehe holds a Bachelor in Agricultural Management and a Diploma in Business Management. He is currently the Managing Director of Société Rouillard Frères & Cie. George Wiehe is also a member of the Audit and Risk Committee of the Company.

ALTERNATE DIRECTORS' PROFILES

13. JEAN-PIERRE DALAIS

Alternate Director - first appointed as Alternate Director in 1999

Jean Pierre Dalais, is the Alternate Director of François Dalais since October 1999. After obtaining his MBA from the International University of America, San Francisco, in 1988, he began his career with Arthur Andersen in Mauritius and France before joining CIEL in 1990. Jean-Pierre Dalais is an Executive Director of CIEL Limited, an important industrial and investment company with interests in a number of companies operating in different sectors of the Mauritian economy. He also sits on the Board of a number of well-known Mauritian companies involved in tourism, financial services, textile and healthcare.

Directorship in other listed companies on the Official Market of the Stock Exchange of Mauritius:

- Alteo Limited
- CIEL Limited
- IPRO Growth Fund Ltd
- Sun Resorts Limited

14. MARGUERITE HUGNIN

Alternate Director - first appointed to the Board in 1998 and as Alternate Director in 2009

Marguerite Hugnin studied Secretariat and Management in Paris. She is a past Chairman of the 'Alliance Française de l'Ile Maurice'. Marguerite Hugnin has served as Director since 1998 and was a member of the Corporate Governance Committee of the Company. She resigned in July 2009.

Corporate Governance (continued)

BOARD EVALUATION

The Board of Directors should annually evaluate its work according to a structured process to get a view of the performance of the Board, areas of improvements and areas for development. An evaluation was done in 2014 and the outcome showed that the Board is well-organised, understands its role and responsibilities. However, a few areas show that there could still be room for improvement. This assessment will now be used as a basis for the Corporate Governance Committee's work and the exercise will be repeated in 2016 through a written survey to all member of the Board that will be presented to the entire Board.

DIRECTORS' ATTENDANCE

It is the responsibility of the Directors to attend meetings. A Director of Phoenix Beverages Limited is expected to spend the time and effort necessary for him or her to properly discharge his/her responsibilities. The Non-Executive Directors have the responsibility for ensuring that the business strategies proposed are fully discussed and critically reviewed, thus enabling to promote the success of the Company for the benefit of all its stakeholders. They are also responsible for overseeing the operational performance of the business.

A Director who is unable to attend a meeting is expected to notify either the Company Secretary or the Chairman of the Board or the Chairman of the appropriate Committee, in advance of such meeting.

The attendance of the Directors at meetings is set out on page 38 of the Annual Report.

BOARD MEETINGS

The Board meets at least 4 times in a financial year to consider the performance of the Group's business segments, strategy developments and to receive reports from its sub-committees. Each Board Meeting includes one or more business or strategy presentations. The Board also actively communicates relevant information informally in order to keep abreast of changes affecting or potentially impacting the interests of the Group and its stakeholders. In addition to regular Board meetings, there have been a number of other meetings to deal with specific matters.

At the beginning of each financial year, the Board, in consultation with the Chief Executive Officer, sets reasonable financial and non-financial targets, in line with the short, medium and long-term objectives of the Company and the Group.

Board Meetings are convened by giving appropriate notice after obtaining the approval of the Chairman and the Chief Executive Officer. As a general rule, detailed agenda, management reports and other explanatory statements are circulated in advance amongst the Directors to facilitate meaningful, informed and focused decisions at the meetings. In order to address specific urgent business needs, meetings are, at times, called at shorter notice.

The minutes of each Board Meeting, recorded by the Company Secretary, are entered in the Minutes Book and are submitted for confirmation at its next meeting and signed by the Chairman and the Company Secretary.

Directors unable to attend a meeting are advised on matters to be discussed and given the opportunity to make their own views known to the Chairman or the Chief Executive Officer prior to and/or after the meeting.

According to the Constitution of the Company, a quorum of 6 Directors is currently required for a Board meeting. The Chairman has a casting vote in case of an equal number of votes. In addition to Directors, key management personnel and outside consultants are invited to attend Board meetings when necessary.

BOARD ACTIVITIES IN 2014/2015

During the year under review, the Board met 5 times and meetings lasted 2 hours on average.

During its meetings, the Board considered, appraised and approved, amongst other items:

- the commercial performance of the Group both in local and overseas markets which is reviewed throughout the year;
- the changes made in the organisation structure of the Company;
- the annual financial statements at June 30, 2014 and the relevant abridged audited consolidated results for publication;
- the operating and capital expenditure budget for 2014/2015;
- the contents of the Annual Report 2014;
- the acquisition of the brand Eski and the licence for bottling Orangina;
- the implementation of a new wine bottling line;
- the unaudited quarterly and half-yearly and nine months' consolidated results for publication;
- the declaration of an interim and a final dividend for the year ended June 30, 2015;
- the recommendations of the Audit and Risk Committee and of the Corporate Governance Committee.

BOARD COMMITTEES

The Board has, for assistance in its functions, established a Corporate Governance Committee and an Audit and Risk Committee, each of which has formal terms of reference approved by the Board of Directors. These committees report regularly to the Board and make recommendations thereof for approval.

In order to fulfil the duties and responsibilities vested with each of the sub-committees, the Board Committees are authorised to obtain, at the Company's expense, professional advice both within and outside the Company.

The Company Secretary acts as secretary to the Board Committees. The minutes of each Board Committee meeting are submitted for consideration and approval at the following meeting and are then signed by the Chairman of the Board Committee and the Company Secretary. Each member of the Board has access to the minutes of Board Committee meetings, regardless of whether the Director is a member of such Board Committee.

Corporate Governance (continued)

CORPORATE GOVERNANCE COMMITTEE

The composition of the Corporate Governance Committee at the date of this Report is as follows:

Members	Category
Guillaume Hugnin - Chairman	Non-Executive Director
J. Cyril Lagesse	Non-Executive Director
Seewoooomar Sewraz	Independent Non-Executive Director
Bernard Theys	Executive Director

The Corporate Governance Committee comprises 3 Non-Executive Directors of whom one is an Independent Director and one is an Executive Director, Mr Bernard Theys, the CEO of the Company. Even though the Code recommends that the Corporate Governance Committee be chaired by an Independent Non-Executive Director, the Committee members have nominated Mr Guillaume Hugnin, a Non-Executive Director, to chair this Committee.

The Corporate Governance Committee operates under the terms of reference set by the Board of Directors and the Board has decided that this Committee also acts as Nomination Committee.

The mandate of the Corporate Governance Committee is to assist the Board in fulfilling its responsibilities towards the application of the principles of good corporate governance and to ensure that the Group follows prevailing corporate governance practices.

In its role as Nomination Committee, the Corporate Governance Committee is responsible for reviewing the structure, size and composition of the Board of Directors and to ascertain whether the combined knowledge and experience of the Board matches the strategic demands facing the Company and the Group. It is also responsible for making recommendations thereof on matters relating to the appointment or reappointment of Directors, succession planning for Directors and the assessment of the independence of the Independent Non-Executive Directors. Following recommendation by the Nomination Committee, appointments to the Board are approved by the Board subject to the ratification by the Shareholders at the following Annual Meeting.

During the year under review, the Committee met once with an attendance rate of 100%. A quorum of two members is currently required for a Corporate Governance Committee meeting. Decisions were also taken by way of resolutions in writing, agreed and signed by all members of the Committee then entitled to receive notice of the meeting.

During its meetings, the Corporate Governance Committee has:

- approved the Corporate Governance section of the Annual Report 2014;
- recommended to the Board and to the Shareholders of the Company at the Annual Meeting of November 25, 2014, the election as Directors of the Company of two Board members who have been nominated by the Board;
- recommended to the Board and to the Shareholders of the Company at the Annual Meeting of November 25, 2014, the re-election of a Board member in accordance with Section 138(6) of the Companies Act 2001;

- recommended to the Board and to the Shareholders of the Company at the Annual Meeting of November 25, 2014, the re-election of an Alternate Director in accordance with Section 138(6) of the Companies Act 2001;
- made recommendations to the Board for the re-election of the other Directors of the Company through separate resolutions at the Annual Meeting of November 25, 2014;
- assessed the various policies and procedures implemented within the Company and the Group relating to the setting up of a Risk Register;
- ensured and monitored compliance with the recommendations to the CCM regarding the policy for fridge displays;
- examined corporate governance issues.
- implemented the Board's appraisal exercise.

The Corporate Governance Committee confirms that it has assumed its responsibilities for the year under review, in compliance with its terms of reference.

Audit and Risk Committee

Even if the Code recommends that the Audit and Risk Committee be chaired by an Independent Non-Executive Director, Mr Jean-Claude Béga even though being Non-Independent, acted as such in view of his qualifications, experience and knowledge. Furthermore, the Corporate Governance Committee acting as Nomination Committee has approved that Mr Béga acts as Chairman of the Board and of the Audit and Risk Committee.

The Board of Directors is of the view that the members of the Audit and Risk Committee have sufficient financial management expertise and experience to discharge its responsibilities properly.

The composition of the Audit and Risk Committee is as follows:

Members	Category
Jean-Claude Béga - <i>Chairman</i>	Non-Executive Chairman of the Board
Didier Koenig	Independent Non-Executive Director
Jan Boullé	Non-Executive Director
George Wiehe	Non-Executive Director

The Chief Executive Officer, Mr Bernard Theys and the Chief Operating Officer – Chief Financial Officer, Mr Patrick Rivalland also attend these meetings. In addition, the External Auditors, Deloitte and the Internal Auditors BDO & Co. attend these meetings when deemed appropriate.

The Audit and Risk Committee operates under the terms of reference set by the Board and under a formally approved Audit Committee Charter, modelled closely with the provisions of the Code. The Committee meets at least once each quarter and reports on its activities to the Board.

The Audit and Risk Committee has the following distinct responsibilities:

- to oversee that management has established effective systems of internal controls;
- to report to the Board on decisions taken, including approval of the annual financial statements;
- to make recommendations to the Board regarding the nomination of external auditors to be appointed by the Shareholders;

- to discuss audit procedures, including the proposed scope and results and findings of procedures performed by external auditors;
- to ensure that the external auditors findings are adequately addressed; and
- to create the environment and the structures for risk management to operate effectively.

The Audit and Risk Committee also has the authority to conduct or authorise investigations into any matters within its scope of responsibilities. It has full access to all management personnel and can call upon any member of management and staff or any member of the Board to attend its meetings.

The Committee met 4 times during the year under review with an attendance rate of 70%. Meetings lasted two hours on average. A quorum of two members is currently required for an Audit and Risk Committee meeting.

During the financial year ended June 30, 2015, the Audit and Risk Committee has, amongst other matters:

- reviewed and recommended to the Board for approval, the annual financial statements at June 30, 2014 and the relevant abridged audited consolidated results for publication;
- reviewed the management letter submitted by the external auditors and followed up on their recommendations;
- reviewed and recommended to the Board for approval, the unaudited quarterly and three months' consolidated results at September 30, 2014 for publication;
- examined the reports of the internal auditors on internal control systems arising from the fieldwork performed by them and ensured that their recommendations are implemented. The fieldwork performed during the year under review was based exclusively on audit exercises at Company level and comprises:
 - the procurement cycle; and
 - the refrigeration cycle;
- reviewed the Risk Register;
- reviewed and recommended to the Board for approval, the unaudited quarterly and half-yearly consolidated results at December 31, 2014 for publication;
- reviewed and recommended to the Board for approval, the unaudited quarterly and nine months consolidated results at March 31, 2015 for publication; and
- reviewed the fees of the internal and external auditors.

The Audit and Risk Committee confirms that, in accordance with its terms of reference, it has fulfilled its responsibilities for the year under review.

Messrs Deloitte have been appointed as the Group's external auditors since the year ended June 30, 2009. They were subsequently reappointed at the Company's Annual Meeting on November 25, 2014. Upon the recommendation of the Audit and Risk Committee, Shareholders will be asked at the forthcoming Annual Meeting to approve the reappointment of Messrs Deloitte as external auditors and to authorise the Board of Directors to fix the remuneration of the auditors for the ensuing year.

In 2015/2016, the Audit and Risk Committee will maintain its focus on the continued examination and review of the internal control environment and risk management system within the Group.

INTERNAL AUDIT FUNCTION

The Audit and Risk Committee oversees the internal audit function. The Committee is responsible for the mission and scope, accountability, independence, responsibilities and authority of internal audit.

The mission of internal audit is to:

- ensure the adequacy and effectiveness of the internal control framework;
- help in the improvement of the processes by which risks are identified and managed;
- assist in the strengthening of the organisation's internal control framework.

The internal audit function has been outsourced to BDO.

Internal Auditors work an audit plan agreed with the Audit Committee. In addition, special reviews and assignments are also made at the request of management or the Audit and Risk Committee, as required.

The Internal Auditors provide regular reports on areas audited and completion status on corrective action plans. These reports are also shared with External Auditors.

The Internal Auditors have full, free and unrestricted access to the Audit and Risk Committee and to all functions, records, property and personnel of the Group.

INTERNAL CONTROL

Phoenix Beverages Limited has in place processes for identifying, classifying and managing significant risks. The effectiveness of the internal control systems is reviewed by the Audit and Risk Committee and provides the Board with reasonable assurance that the assets are safeguarded, that operations are carried out effectively and efficiently, that the financial controls are reliable and comply with applicable laws and regulations.

The Board is responsible for the Group's system on internal controls and for reviewing its effectiveness. However, an internal control system, no matter how well-conceived and operated, can provide only reasonable - not absolute - assurance to Management and the Board regarding achievement of the Group's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems.

To date, no material financial problems, which would have an impact on the results as reported in these financial statements, have been identified. The Board confirms that if significant weaknesses had been identified during this review, the Board would have taken the necessary steps to remedy them.

RISK MANAGEMENT

At Phoenix Beverages Limited, Risk Management is a part of doing business – it is a responsibility of the Chief Executive Officer and his team to establish and maintain a risk management system. Risk Management falls under the supervision of the Audit and Risk Committee and subsequently the Board of Directors of Phoenix Beverages Limited.

Production shortfall

Risk: With high market shares in 3 major drink segments, any shortfall in production can affect sales, market share and reputation.

Actions:

- The Company maintains a preventive maintenance programme for key machinery on both production sites, utilising external expertise from Original Equipment (OE) suppliers.
- Stock holding capacity is closely monitored to cater for adequate stock levels during peak periods.

FINANCIAL RISK MANAGEMENT

For the financial risk management, please refer to page 93 – Notes to the Financial Statements.

Statement of Remuneration Philosophy

In accordance with the Constitution of the Company, Directors are granted fees for holding office. This remuneration fee consists of a fixed fee and an attendance fee per Board Meeting. Any changes brought to the remuneration of Directors are submitted to the Shareholders of the Company for approval at the Annual Meeting of Shareholders. However, the Executive Directors are not granted Directors' fees.

Directors who are also Board Committee members receive a fixed fee and Chairmen of these Board Committees perceive a higher remuneration fee. The Board Committees' fees are approved by the Board of Directors.

The Board and Board Committees' fees at June 30, 2015 were as follows:

Board	Meeting Fees
Annual Director's fee	Rs 150,000
Attendance fee	Rs 10,000
Corporate Governance Committee	
Chairman's fee	Rs 50,000
Member's fee	Rs 35,000
Audit and Risk Committee	
Chairman's fee	Rs 75,000
Member's fee	Rs 50,000

In addition, the Executive Directors and key management personnel of the Company are remunerated by Phoenix Management Company Ltd further to a management contract between the latter and Phoenix Beverages Limited. The remuneration package takes into consideration the financial performance of Phoenix Beverages Limited, individual performance and market norms and best practice.

Management Contract

Phoenix Management Company Ltd, in accordance with a management contract, provides the companies of the Group with a range of services including, administrative, financial, commercial, technical, marketing and communication. Phoenix Management Company Ltd employs and remunerates the executive personnel of the Group.

Please refer to pages 12 to 13 of the Annual Report for the Senior Managers' profiles.

The management fee paid by Phoenix Beverages Limited during the year under review amounted to Rs 97.0m (2014: Rs 112.6m) while expenses incurred by Phoenix Management Company Ltd in providing the above-mentioned services amounted to Rs 70.1m (2014: Rs 67.3m) for the corresponding period.

Attendance Report and Directors' Remuneration and Benefits

The attendance report of the Directors and their remuneration and benefits for the year ended June 30, 2015 are set out in the table below:

Directors	Board	Audit and Risk Committee	Corporate Governance Committee	Annual Meeting of Shareholders (held on November 25, 2014)	Remuneration and Benefits received from the Company (MUR)
Jean-Claude Béga	5 of 5	4 of 4		Yes	275,000
Jan Boullé	3 of 5	2 of 4		No	230,000
François Dalais	5 of 5			No	200,000
Guillaume Hugnin	3 of 5		1 of 1	Yes	230,000
Didier Koenig	3 of 5	3 of 4		No	230,000
Arnaud Lagesse	4 of 5			Yes	190,000
J. Cyril Lagesse	5 of 5		1 of 1	Yes	235,000
Thierry Lagesse	4 of 5			No	190,000
Patrick Rivalland	5 of 5	*4 of 4		Yes	N/A
Seewoocomar Sewraz	5 of 5		1 of 1	Yes	235,000
Bernard Theys	5 of 5	*4 of 4	1 of 1	Yes	N/A
George Wiehe	5 of 5	2 of 4		Yes	250,000
Alternate Directors	Board	Audit and Risk Committee	Corporate Governance Committee	Annual Meeting of Shareholders (held on November 25, 2014)	Remuneration and Benefits received from the Company
Marguerite Hugnin	1 of 5			Yes	10,000
In attendance					
BDO & Co. - Internal Auditors		1 of 4		No	
Deloitte - External Auditors		1 of 4		Yes	

**In attendance – not a member.*
(1) Messrs Bernard Theys and Patrick Rivalland are employed and remunerated by Phoenix Management Company Ltd, the management company of Phoenix Beverages Limited.

The Directors of Phoenix Beverages Limited did not receive any remuneration and benefits either from the Company's subsidiaries or from companies on which the Directors serve as representatives of Phoenix Beverages Limited.

Please refer to page 72 – Statutory Disclosures.

Directors' and Officers' Insurance and Indemnification

The Directors and Officers of Phoenix Beverages Limited benefit from an indemnity insurance cover for liabilities incurred while performing their duties to the extent permitted by law.

Directors' and Officers' Interest in Shares of Phoenix Beverages Limited

In accordance with the Companies Act 2001, written records of the interests in shares of Phoenix Beverages Limited of the Directors and their related parties are kept in a Register of Directors' Interests. Consequently, as soon as a Director becomes aware that he or she is interested in a transaction, or that his or her holdings or his or her associates' holdings have changed, the interest should be reported to the Company in writing. The Register of Interests is updated with any subsequent transactions entered into by the Directors and persons closely associated with them.

All newly appointed Directors are required to notify, in writing, to the Company Secretary their direct and indirect holdings in shares of Phoenix Beverages Limited. According to the Company's Constitution, a Director is not required to hold shares in the Company.

Phoenix Beverages Limited is registered as a reporting issuer under the Securities Act 2005 administered by Financial Services Commission ("FSC"). As such, the Company ensures that it abides by all relevant disclosure requirements. The Company keeps a Register of its Insiders and the said register is updated upon receipt of the notification of interest in securities by the Directors, the officers and the other insiders of Phoenix Beverages Limited.

The Directors and Officers of Phoenix Beverages Limited having direct and/or indirect interests in the ordinary shares of the Company at June 30, 2015 were as follows:

	Direct Interest		Indirect Interest
Directors	No. of Shares	%	%
Guillaume Hugnin	3,500	0.02	-
Arnaud Lagesse	-	-	0.20
J. Cyril Lagesse	-	-	0.01
Patrick Rivalland	3,057	0.02	-
Georges Wiehe	2,051	0.01	-
Alternate Director			
Marguerite Hugnin	47,509	0.29	1.75
Officer			
Didier Vallet	2,000	0.01	-

None of the Directors and Officers had any interest in the equity of subsidiaries of Phoenix Beverages Limited.

Directors' and Officers' Dealings in Shares of Phoenix Beverages Limited

The Directors of Phoenix Beverages Limited endeavour to abide by the absolute prohibition principles and notification requirements of the Model Code on Securities Transactions by Directors as stipulated in Appendix 6 of the Listing Rules of the Stock Exchange of Mauritius Ltd.

Phoenix Beverages Limited has set up the appropriate procedure whereby any Director wishing to deal in the shares of the Company should first notify the Chairman of the Company and receive a dated written acknowledgement. In case the Chairman of the Company decides

to deal in the shares of the Company, he should notify the Board at a Board Meeting and receive a dated written acknowledgement prior to undertaking such dealing.

The Directors and officers of the Company are prohibited from dealing in the shares of Phoenix Beverages Limited at any time when they are in possession of unpublished price-sensitive information, or for the period of one month prior to the publication of the Company's quarterly and yearly results and the announcement of dividends and distributions to be paid or passed, as the case may be, and ending on the date of such publications/ announcements.

Moreover, Directors and Officers of Phoenix Beverages Limited are also required to comply with the insider trading laws at all times, even when dealing in securities within permitted trading periods. During the year under review, none of the Directors dealt with the shares of the Company.

The Company Secretary

The Company Secretary, GML Management Ltée, acts as Secretary to the Board of Directors and to Board Committees. In addition, the Company Secretary is responsible for:

- assisting the Chairman in ensuring that all Directors have full and timely access to all relevant information;
- ensuring that correct Board procedures are followed and advising the Board on corporate governance matters;
- convening Boards, attending and drafting minutes of all Board meetings, specialised Committee meetings and Shareholders' meeting;
- providing guidance to the Directors with regard to their duties, responsibilities and powers and
- administrating the procedure under which Directors can, where appropriate, obtain independent professional advice at the Company's expense.

Besides, the Company Secretary is the primary channel of communication between the Company and the Stock Exchange of Mauritius Ltd.

Shareholders' Communication

The Board of Directors of Phoenix Beverages Limited places great importance on a clear, open and transparent channel of communication with all its Shareholders. It endeavours to keep them regularly informed on matters pertaining to and affecting the Company by official press announcements, disclosures in the Annual Report and at the Annual Meeting of Shareholders, which all Board members and Shareholder, are encouraged to attend.

The Company's Annual Meeting provides an opportunity for Shareholders to raise and discuss matters with the Board relating to the Company and its performance. The Chairman of the Audit and Risk Committee and Corporate Governance Committee are normally available at the meeting to answer any questions relating to the work of these Board Committees. The external auditors are also present. Shareholders attending the Annual Meeting can be kept up to date with the Group's strategy and goals.

In line with good Corporate Governance practices, the Chief Executive Officer and the Chief Operating Officer – Chief Financial Officer regularly meet institutional investors and fund managers to discuss on the state of affairs of the Company, its subsidiaries and associates.

Main Shareholders

The largest Shareholders of the Company at June 30, 2015 were as follows:

Main Shareholders	Number of Shares Owned	% Holding
Phoenix Investment Company Limited	5,101,137	31.02
Camp Investment Company Limited	2,805,428	17.06
National Pensions Fund	757,642	4.61
GML Investissement Ltée	527,659	3.21
The Anglo-Mauritius Assurance Society Ltd	413,525	2.51
Guinness Overseas Limited	316,370	1.92
Hugnin Frères Ltée	291,464	1.77
SSB Kimberlite Frontier Africa Master Fund L.P.R. CKM	185,866	1.13
Allan Gray Africa Ex-SA Equity Fund Ltd	184,600	1.12
Mr Christian Marie François Ledoux	169,600	1.03

Shareholding Profile

The share ownership and categories of Shareholders at June 30, 2015 are set out below:

Number of Shareholders	Size of Shareholders	Number of Shares Owned	% of Total Issued Shares
1,041	1 - 500 shares	160,351	0.98
219	501 - 1,000 shares	171,798	1.05
380	1,001 - 5,000 shares	874,619	5.32
98	5,001 - 10,000 shares	708,897	4.31
125	10,001 - 50,000 shares	2,571,227	15.63
11	50,001 - 100,000 shares	825,789	5.02
6	100,001 - 250,000 shares	921,594	5.60
3	250,001 - 500,000 shares	1,021,359	6.21
4	Over 500,000 shares	9,191,366	55.88
1,887		16,447,000	100.00

Number of Shareholders	Size of Shareholders	Number of Shares Owned	% of Total Issued Shares
1,712	Individuals	3,833,045	23.31
11	Insurance and Assurance Companies	577,763	3.51
37	Pension and Provident Funds	1,448,671	8.81
21	Investment and Trust Companies	8,493,247	51.64
106	Other Corporate Bodies	2,094,274	12.73
1,887		16,447,000	100.00

Number of Shareholders	Size of Shareholders	Number of Shares Owned	% of Total Issued Shares
1,848	Local	15,649,784	95.15
39	Foreign	797,216	4.85
1,887		16,447,000	100.00

Shares in Public Hands

In accordance with the Listing Rules of the Stock Exchange of Mauritius Ltd, at least 25% of the shareholding of Phoenix Beverages Limited is in the hands of the public.

Share Registry and Transfer Office

The Company's Share Registry and Transfer Office is administered by Abax Corporate Administrators Ltd.

Share Price Information

The share price of Phoenix Beverages Limited increased by 66,7% over the past year from Rs 195.00 at June 30, 2014 to Rs 325.00 at June 30, 2015, while the SEMDEX decreased by 5.0% over the same period.

To date, September 21,2015, the share of Phoenix Beverages Limited is quoted at Rs 400.00 on the Official Market of the Stock Exchange of Mauritius Ltd.

Date	Price (Rs)	Yearly Change (%)
June 30, 2011	208.00	37.7
June 30, 2012	205.00	(1.0)
June 30, 2013	202.50	(1.2)
June 30, 2014	195.00	(3.7)
June 30, 2015	325.00	66.7

For additional information on the Company's share data, please refer to page 15 of the Annual Report.

Total Shareholder's Return

The total return for the Shareholder over the last 5 years is shown below:

	2015	2014	2013	2012	2011
Share price at June 30 - current year (Rs)	325.00	195.00	202.50	205.00	208.00
Share price at June 30 - previous year (Rs)	195.00	202.50	205.00	208.00	151.00
Increase/(decrease) in PBL share price (Rs)	130.00	(7.50)	(2.50)	(3.00)	57.00
Dividend - current year (Rs)	9.00	8.40	8.00	7.50	6.70
Total return per share (Rs)	139.00	0.90	5.50	4.50	63.70
Total return based on previous year share price	71.3%	0.4%	2.6%	2.2%	42.2%

Dividend Policy

No formal dividend policy has been determined by the Board. Dividend payments are determined by the profitability of the Company, its cash flow, its future investments and growth opportunities.

As from the financial year 2013/2014, the Board of Directors of Phoenix Beverages Limited has decided that, based on management forecasts and the Group's profitability, an interim dividend was paid in December and a final dividend paid in June. Each dividend paid was subject to the satisfaction of the solvency test.

An interim dividend of Rs 3.30 per ordinary share was declared in November 2014 and a final dividend of Rs 5.70 per ordinary share was declared in May 2015, bringing the total amount of dividend declared for the financial year under review at Rs 9.00 per ordinary share.

Key dividend information over the past 5 years is shown below:

	2015	2014	2013	2012	2011
Dividend per share (Rs)	9.00	8.40	8.00	7.50	6.70
Dividend cover (Number of times)	2.17	4.19	0.75	1.63	1.49
Dividend yield (%)	2.77	4.31	3.95	3.66	3.22

To date, a small number of cheques remain outstanding. Shareholders who have not yet received their dividend cheques are requested to contact Abax Corporate Administrators Ltd, the Company's Share Registry and Transfer Office.

Shareholders' Agreement

At the date of this Annual Report and to the Company's knowledge, there exists no Shareholders' agreement between its Shareholders.

Calendar of Forthcoming Events

November 2015	Publication of first quarter results to September 30, 2015
November 2015	Declaration of interim dividend
December 2015	Annual Meeting of Shareholders
December 2015	Payment of interim dividend
February 2016	Publication of half-year results to December 31, 2015
May 2016	Publication of third quarter results to March 31, 2016
May 2016	Declaration of final dividend
June 2016	Payment of final dividend
August 2016	Publication of abridged end-of-year results to June 30, 2016

Company's Constitution

The Constitution of Phoenix Beverages Limited is in conformity with the provisions of the Companies Act 2001 and Appendix 4 of the Listing Rules of the Stock Exchange of Mauritius Ltd.

Its salient features are:

- the Company has wide objects and powers;
- the Company may acquire and hold its own shares;
- fully paid up shares are freely transferable;
- there are no pre-emptive rights attached to the shares;
- the Board may authorise a distribution by the Company if it is satisfied on reasonable grounds that the Company will satisfy the solvency test immediately after the distribution;
- the quorum for a Shareholders' meeting is 5 Shareholders present or represented and holding at least 50% of the share capital of the Company;
- the Board of Directors shall consist of not less than 10 or not more than 12 Directors;
- a quorum for a meeting of the Board shall be fixed by the Board and if not so fixed shall be 6 Directors;
- in case of equality of votes at either a Board meeting or a Shareholders' meeting, the Chairman of the meeting has a casting vote;
- the Directors have the power to appoint any person to be a Director, either to fill a vacancy arising or as an addition to the existing Directors but so that the total number of Directors shall not at any time exceed the number fixed in accordance with the Constitution. Any Director so appointed shall hold office only until the next following Annual Meeting of Shareholders and shall then be eligible for re-election;
- a Director is not required to hold shares in the Company; and
- the Company may indemnify and/or insure any Director or employee of the Company or a related company.

A copy of the Company's Constitution is available upon request in writing to the Company Secretary at the registered office of the Company, 4th Floor, IBL House, Caudan Waterfront, Port Louis.

Code of Ethics

Phoenix Beverages Limited believes that it is essential that all its employees act in a professional manner and extend the highest courtesy to co-workers, visitors, vendors, clients and all other stakeholders.

As such, the Phoenix Beverages Group adopted a Code of Ethics during the previous year. The Code is based on the important principle of respect. This fundamental principle applies to the consumers, customers, employees, Shareholders and the community in which the Group operates.

Moreover, the Code provides guidance to employees as to how to behave both in the immediate internal environment as well as for external interactions. It also defines what is regarded as acceptable and not acceptable for the Group as a whole.

All employees are aware and have signed the Phoenix Beverages Group's Code of Ethics and comply with it. The compliance is continuously monitored by the HR Manager.

Safety, Health and Work Environment Practices

The Group firmly believes that the security and health of its employees is a sine-qua-non obligation. As in previous years, a number of training initiatives have been carried out for employees and other persons on the Group's sites to enhance the level of safety and health in the workplace. The Group's policy also covers safety precautions and guidelines, which all contractors working on site are required to observe.

Corporate Social & Environmental Responsibility

Please refer to page 64 for information on the Group's Corporate Social & Environmental Responsibility.

Charitable donations

Please refer to page 72 of the Annual Report.

Political Contributions

The Company believes in the essential contribution of appropriate representatives and delegates to govern the country. It believes in the need for free and fair elections to be held at regular intervals. During the course of the last financial year, general elections were held in Mauritius. The Company made a contribution of Rs 4 million to political parties it deemed able to fulfil political responsibilities.

Please refer to page 72 of the Annual Report.

Employee Share Option Plan

Phoenix Beverages Limited has no employee share option plan.

Provision for pension benefits

The details of the total amount of provisions booked or otherwise recognised by the Company for payment of pensions are provided on page 119 - Notes to the Financial Statements.

Related Party Transactions

For details on related party transactions, please refer to page 129 - Notes to the Financial Statements.


Jean-Claude Béga
Chairman

September 21, 2015


Bernard Theys
Director

Statement of Compliance

(Section 75 (3) of the Financial Reporting Act)

Name of PIE: Phoenix Beverages Limited

Reporting Period: June 30, 2015

We, the Directors of Phoenix Beverages Limited, confirm that to the best of our knowledge, the Company has complied with most of its obligations and requirements under the Code of Corporate Governance except for Section 3.9.1 and Section 3.9.2, the Chairmanship of the Audit and Risk Committee and the Corporate Governance Committee. Please refer to the first paragraphs of page 35 "Corporate Governance Committee" and page 35 "Audit and Risk Committee" respectively.



Jean-Claude Béga
Chairman



Bernard Theys
Director

September 21, 2015

Statement of Directors' Responsibilities

The Directors are responsible for the preparation of financial statements which give a true and fair view of the financial position, financial performance and cash flows of the Group and the Company and comply with the Companies Act 2001 and International Financial Reporting Standards.

They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Other main responsibilities of the Board of Directors include assessment of the management team's performance relative to corporate objectives, overseeing the implementation and upholding of good corporate governance practices, acting as the central coordination body for the monitoring and reporting of sustainability performance of the Group and ensuring timely and comprehensive communication to all stakeholders on events significant to the Group.

Accounting records to be kept

The Board of Directors shall cause accounting records to be kept that:

- correctly record and explain the transactions of the Company;
- shall at any time enable the financial position of the Company to be determined with reasonable accuracy; and
- enable the Directors to prepare financial statements that comply with the Companies Act 2001 and International Financial Reporting Standards.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether or not the Companies Act 2001 and International Financial Reporting Standards have been adhered to and explain material departures thereto; and
- prepare these financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Board acknowledges its responsibility for ensuring the preparation of the annual financial statements in accordance with International Financial Reporting Standards and the responsibility of external auditors to report on these financial statements. The Board also acknowledges its responsibility for ensuring the maintenance of adequate accounting records and an effective system of internal controls and risk management. The Board has appointed a firm of accountants as Internal Auditors to ensure the adequacy and effectiveness of the internal control framework.

The Board of Directors confirms that it endeavours to implement Corporate Governance best practice.

Nothing has come to the Board's attention, to indicate any material breakdown in the functioning of the internal controls and systems during the period under review, which could have a material impact on the business. The financial statements are prepared from the accounting records on the basis of consistent use of appropriate accounting policies supported by reasonable and prudent judgements and estimates that fairly present the state of affairs of the Group and the Company.

The Board of Directors confirms that it is satisfied that Phoenix Beverages Limited has adequate resources to continue in business for the foreseeable future. For this reason, it continues to adopt the going concern basis when preparing the financial statements.



Jean-Claude Béga
Chairman



Bernard Theys
Director

September 21, 2015



The risks for Phoenix Beverages Group are grouped into two main categories: structural and operational.

Structural Risks

The regulation risk

The local ban on alcohol advertising is a real constraint for our Group. It limits our ability to keep our local brands alive in the minds of our consumers, while international brands and new drinking trends are still being promoted through international magazines and television.

The market risk

The Mauritian market is in itself a constraint, due to its size and maturity. This situation has encouraged the Group to seek new opportunities in the region.

There are other risks that appear on the market:

Changing consumer trends: We see the emergence of two remarkable patterns. On the one hand, consumers are becoming more informed and educated, leading to changes towards healthier diets. On the other hand, the younger generation driven by sensory pleasure and modernity seems to increasingly favour alcopops to the detriment of a more traditional and natural alcohol, like beer.

Competition from imported beverages: Free circulation on some African markets facilitates the importation of beverages that are produced on a large scale on the continent and at very competitive cost.

The contract risk

Our strategic partnerships with international leaders (The Coca-Cola Company, Diageo Plc., Schweppes International Limited) are essential to our business. They are applied within a contractual framework that sets the minimum standards of our operations, with these standards being among the highest on the market. As an example, our lemonade (LIMO) factory was the first bottler in the Indian Ocean to comply with the FSSC 22000 (Food Safety Systems Certification), as required by The Coca-Cola Company. The lemonade factory is additionally certified to the requirements of ISO 9001 Quality Management System. The Brewery is certified HACCP (Hazard Analysis Critical Control Point) and the FSSC 22000 certification audit is scheduled for October 2015. We are also audited several times per year by our partners. We continuously strive to maintain this high level of excellence.

The fiscal risk

Our Company is a key player in the beverage sector, as well as a major tax payer subject to a host of taxes under the Excise Duty Act. However, the fiscal configuration, as indicated in the table below, is such that it alters the conditions of competition and is not conducive to a level playing field, thus representing a risk to our financial performance. In this connection, we are making representations to the authorities to review the fiscal framework.

Excise duties as applicable on PBL's products			
	Tax as applicable on PBL products	Other Commodities with similar specification	Comments
Plastic packaging	Excise duty of MUR 2 per PET bottle Over and above the PET tax, PBL spends some Rs 10m per year on PET recycling.	Other Plastic containers like HDPE, LDPE, PVC, PP, PS etc.. which are used either in beverage or non-beverage products are not taxed. Additionally, these containers pose a greater environmental hazard than PET bottles. PET recycling is not imposed on importers of beverages in PET containers.	We consider that a new framework to better protect the environment is required whereby: <ul style="list-style-type: none">Costs incurred in recycling PET be deducted from PET tax payable.Review the definition of plastic bottles and other containers to include plastic materials which pose a greater environmental hazard than PET bottles.Establish a level playing field in which the recycling burden be extended to all users of plastic bottles, including importers of plastic bottles.
Aluminium Cans	Excise duty of MUR 2 per unit.	No tax imposed on other similar packaging, for example "Tetra Packs" where recycling is even more challenging.	We consider a revision of the law for a more inclusive tax policy where everyone will be on a level playing field.
Sugar	Excise duty of 3 cents per gm of sugar content in soft drinks.	Not all beverage containing sugar are taxed.	We consider the legal framework regarding application of the sugar tax be reviewed to encompass all beverages containing sugar to ensure a level playing field.
Alcohol	MUR 35.90/L of beer amounting to Rs 718 per L of absolute alcohol (based on 5% alcohol).	Based on an absolute alcohol basis, beer is among the most taxed alcoholic beverage in Mauritius (refer to table on page 49).	We believe that beer is unfairly taxed as compared to other products having higher alcohol contents as shown in the table on page 49. The establishment of a level playing field in terms of taxation would steer people towards lower alcoholic drinks.

ALCOHOLIC PRODUCTS (Produced and/or bottled in Mauritius)	ASSUMED ALCOHOL %	CALCULATED ABSOLUTE ALCOHOL RATE PER LITRE IN 2015	AS A % OF BEER
Wine of grapes in bulk for bottling	12%	797.50	111%
Spirit cooler	6%	745.00	104%
Beer	5%	718.00	100%
Made wine	12%	495.83	69%
Rum & Cane Spirits	39%	471.00	66%
Liqueur	15%	320.00	45%
Fruit wine	12%	231.67	32%

For operational risks please refer to page 36.



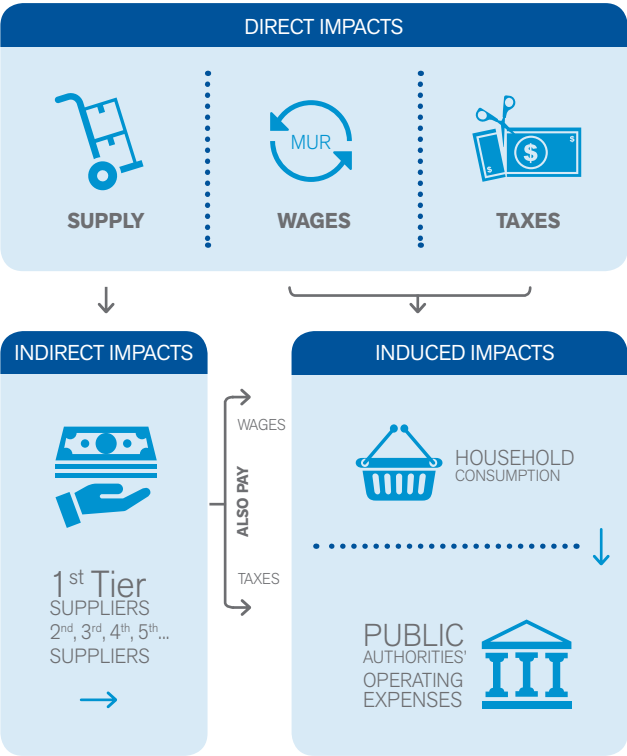
Local Footprint

Wealth Creation and Distribution: The Local Footprint of Phoenix Beverages

Phoenix Beverages Group plays an important role in the economic and social activities of Mauritius. This is due to being both a local producer and an importer of drinks. Moreover our distribution network involves and supports numerous small businesses across the country.

57% of Phoenix Beverages' purchases are made from Mauritian companies.

We recently assessed the Company's social and economic impacts in Mauritius and its surroundings, using the Local Footprint Model. This impact assessment methodology is based on the value added statement. It adds together the Company's **direct impacts** to the **indirect impacts** that are generated by its supply chain. Wages and taxes paid by the Company and its supply chain create the **induced impacts** (activities supported by household consumption and public administration expenditures) that are also summed up through this assessment.



The direct wealth that the Group creates for Mauritius includes a range of different taxes, duties and levies. PBL remains one of the largest corporate contributors for the country's tax based.

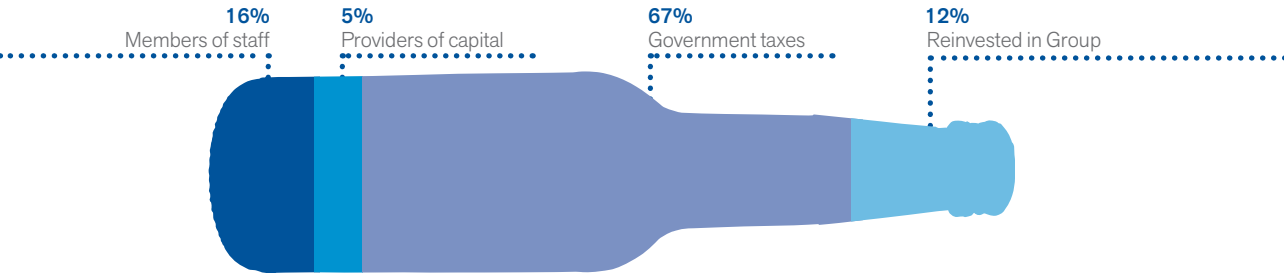
Tax Paid in Mauritius		
	2014/15	2013/14
	Rs 000	Rs 000
Excise taxes and other Specific duties	1,642,658	1,523,002
Income taxes	51,334	50,738
Customs duties	29,474	50,350
Net value added tax	401,891	419,188
Total	2,125,357	2,043,278

Value Added Statement				
	2015	%	2014	%
	Rs'000		Rs'000	
Turnover including Value Added Tax	5,470,776		5,242,888	
Less : Paid to suppliers for materials and services	(2,153,612)		(2,213,714)	
Value added	3,317,164		3,029,174	
Other operating income	30,193		40,687	
Gain on disposal of securities	-		376,895	
Total wealth created	3,347,357		3,446,756	

Distributed as follows:				
Members of Staff				
Remuneration and Benefits	550,033	16	498,268	14
Providers of capital				
Dividends	148,023		138,155	
Interest	4,732		21,206	
	152,755	5	159,361	5
Government Taxes				
Excise, customs & other specific duties	1,772,162		1,660,329	
Net value added tax	409,803		422,730	
Taxation	65,311		57,964	
	2,247,276	67	2,141,023	62
Reinvested in the Group				
Depreciation and amortisation	211,262		208,147	
Retained profit	186,031		439,957	
	397,293	12	648,104	19
Total distributed and retained	3,347,357	100	3,446,756	100

Local Footprint

Distribution of Wealth Created



The study reveals that 66% of our value generation stays in Mauritius and 60% of the jobs that our activities sustain are localised in the country.

66% of our value generation stays in Mauritius.

Our direct, indirect and induced impacts:

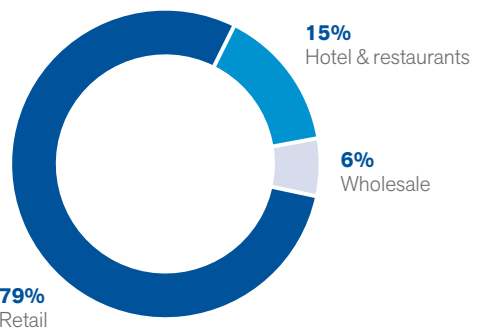
- Phoenix Beverages has a total GDP contribution of MUR 5,999m, that accounted for approximately 1.7% of Mauritius' GDP in 2014.
- Phoenix Beverages supports 11,597 jobs in Mauritius, representing approximately 2% of Mauritius' total working population¹.
- Due to its significant tax contribution, Phoenix Beverages supports the employment of 3,407 in the civil service.

Each MUR 100,000 spent on PBL products supports approximately 0.22 jobs in Mauritius and generates approximately MUR 114,435 of GDP.

The "catalytic impacts" of our activities

In addition, we can also consider the important number of outlets such as bars, restaurants and "tabagies" throughout the island whose economic activities are supported by the retail of Phoenix Beverages' products. There are about 10,000 of these types of outlets that are supplied by the Company. From the resale price of our products, we can assess the global revenues earned by these businesses. Therefore, and based on the proportion of net revenues dedicated to wages in the Mauritian trade sector, we can also assess the number of jobs that these revenues could support locally. The catalytic impact of Phoenix Beverages is estimated at 2,024 additional jobs supported in the wholesale, retail, and hotels & restaurants sectors in Mauritius.

Distribution of catalytic impacts across sectors

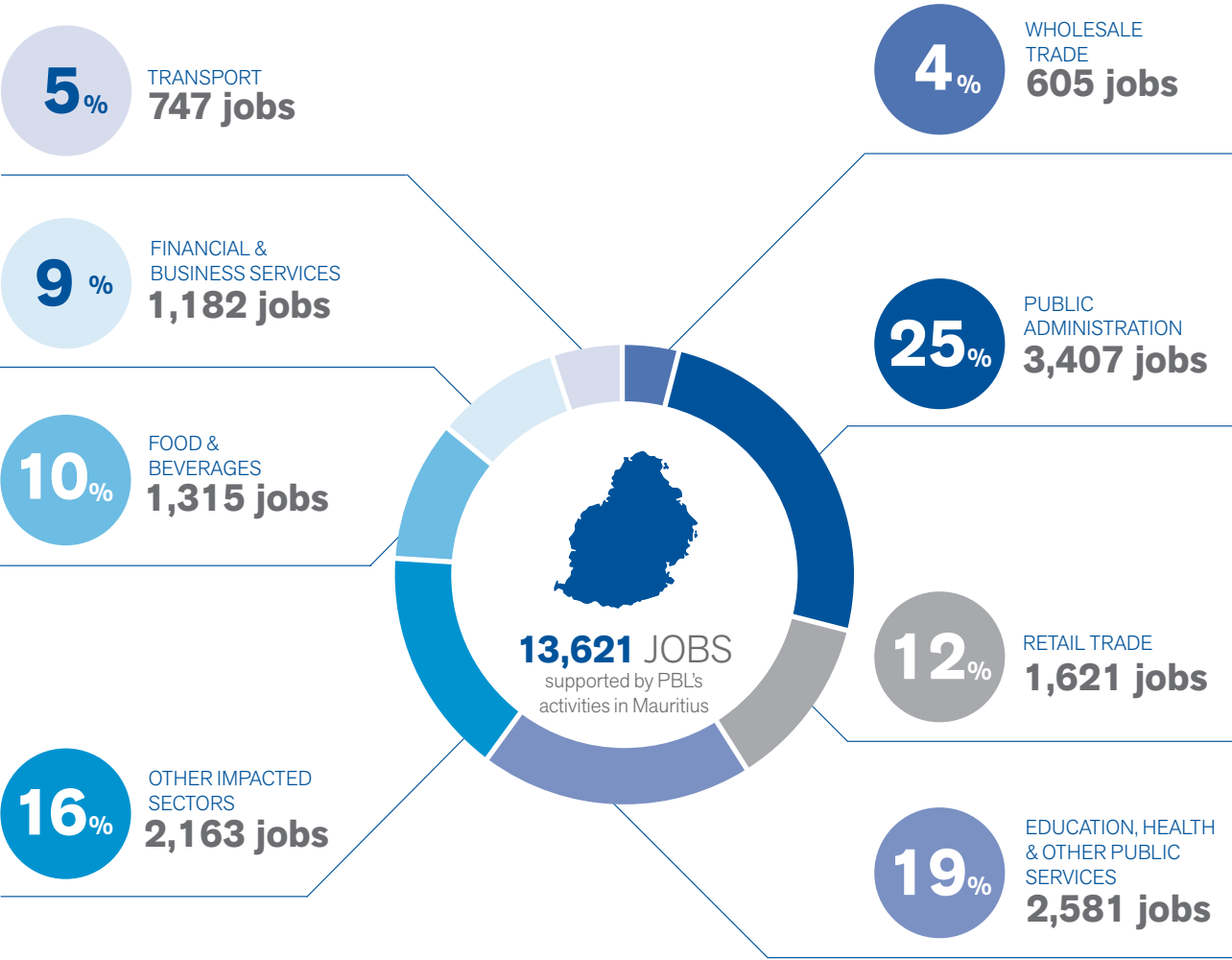


¹Source: Gender Statistics Report, 2014, Statistics Mauritius, Mauritius

2014 data - GDP in Mauritian Rupees (million)	MAURITIUS	REST OF THE WORLD	TOTAL IMPACTS
Direct impacts	2475m	-	2475m
Indirect impacts	913m	1322m	2235m
Induced impacts	2611m	1783m	4394m
TOTAL GDP IMPACTS	5999m	3105m	9104m
% of GDP contribution	66%	34%	100%

Local Footprint

Distribution of job impacts across sectors



These figures reflect the broadest scope of impact in relation to PBL activities, including not only its direct, indirect and induced impacts but also the catalytic impacts generated by the sales and business opportunities achieved by local retailers.

You can see more of our Local Footprint report on our Website www.phoenixbeverages.mu





Phoenix Beverages is market leader in its sector. Does the Company take an unfair advantage of its monopoly?

This is an unfortunate misconception. Phoenix Beverages does not have exclusivity contracts with any clients and neither are there any barriers for entering the market. I have, in the past, worked in countries where the market was 70% controlled by a single company and the share was enough to fix that market. In no way can one compare this with the situation in Mauritius. On the contrary, we are constantly innovating in response to customer and client expectations and the scale of our investments is proof of our ongoing need to react to market evolution. For the coming year alone, our capital expenditure in Mauritius will be MUR 600 million. Just to reiterate, it is a free market, we do not block any entry but we do expect the market to be a 'level playing field' and that the same conditions apply

to all players. However, certain current regulatory issues mean that local companies are less well protected than imported products.

How do you develop your marketing strategy in this context?

Our main priority is to develop our brands. Each of our brands has a role to play, a personality which offers a unique experience, a unique service, a unique product to Mauritians. So, we must identify the *raison d'être* of each of our brands and keep them alive. We must also develop our product categories so that we have a portfolio of products which match and even go beyond our consumers' needs and expectations. We also plan to extend our range of beers, although that is not an easy task.

Can you tell us about the purchase of the Eski brand?

Eski is an iconic Mauritian brand which must continue to flourish. For many of us it was an important part of our childhood, always served at parties and celebrations. We plan to rejuvenate and revitalize the brand, giving it a new lease of life as for all the other brands in our portfolio. This includes Orangina, which will soon become much more visible with its iconic orange shaped bottle.

A lot of your brands are often perceived in a rather negative light (alcohol, sugar contents, etc.). How do you counter these comments?

We are aware of these perceptions and are always ready to participate in any discussion on topics related to responsible consumption. It is important to highlight that we have an open and honest relationship with the relevant authorities and all our stakeholders on this issue. A frank, open and ongoing dialogue is vital to the well-being of the sector. This is what motivates us to invest in the development of new products, which will be launched during the year. And let's not forget our water. It is not just filtered, it is also enriched with minerals which gives it a more pleasant taste and added health benefits. Over and above product-related issues, we must also pay close attention to the overall service which we provide to our retailers. The feedback we receive ensures that we will continue with our objective to become a more quality-oriented business. We must be more open and accessible to our stakeholders.

Phoenix Beverages as a Company places a lot of importance on its Mauritian origins. The Company's corporate identity and some of its brands are based on the premise of "Mauritian excellence". Could you share your thoughts on this?

I have worked in a number of African countries, and when one speaks of development, I can tell from experience that it is very closely linked to people's attitudes, their education and the social framework of the country. Some of the countries in which I have worked had been completely destroyed. In the absence of state administration, it was the policies of the multinationals which became the new social structure and most of the time employee who left the company had no further point of reference. In the short time I have been in Mauritius, I can tell you that if tomorrow we plan to set up an industrial project in Africa, we would take Mauritians with us - for their management, initiative and adaptation skills. It is these skills which enable them to produce factories such as Phoenix Beverages which, by African standards, is "best in class". In addition, Mauritians are very good team players and their multicultural background allows them to integrate easily, which is a very important consideration in Africa,

Do you plan to export this 'savoir-faire'?

Today, our strategy is to look towards Africa, as we need to invest in emerging and profitable markets - with the proviso that our risks are mitigated at all times. We do know where to draw the line when talking about investment in Africa. From there, we must consider three essentials aspects: the generation of added value, a medium term view on the future success of the project and the existence of regional products. This third aspect is where the "Mauritian excellence" of our brands and products and the evolution of these comes into play. Our venture into Madagascar has not dampened our regional ambitions. Today, we are better equipped to build successful local partnerships. We will then be in a position to organise, develop and grow the Group into an enterprise that operates across multiple African countries.

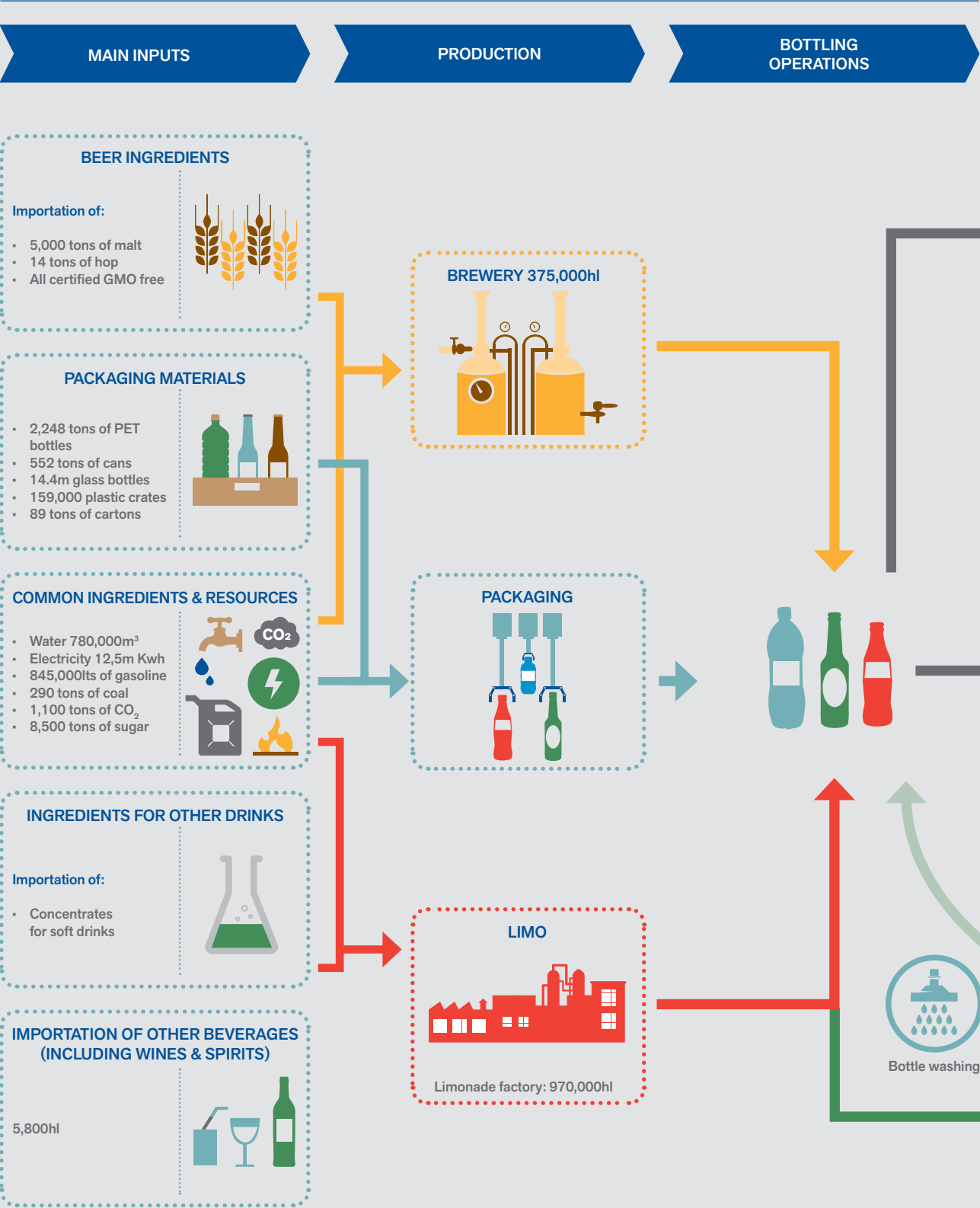
This year you wanted your Report to include issues concerning the sustainable development of your Company. Can you explain why?

We wanted to present an overall view of our Group, including both positive and negative impacts. It is this view, together with the current economic, social and environmental context, which will help us develop our strategies and make important decisions. Publishing this information also promotes better relationships with our stakeholders, since a company such as ours is always closely linked to the prevailing overall environment. It would be impossible for us to become a sustainable company if we did not do this in collaboration with our stakeholders. For example, only 57% of our purchases is made in Mauritius, which means that the remainder of our purchases are imported. This means that there are economic opportunities here in Mauritius for goods and services to be produced locally. It is this type of thinking that we can share with our local stakeholders and government to create a medium to long term masterplan. Sustainable development requires individual efforts, but its success rests on shared endeavour and ambition. There are other issues which should also be addressed on a collective basis, including the promotion of healthy drinks and the development and collection/recycling of packaging.

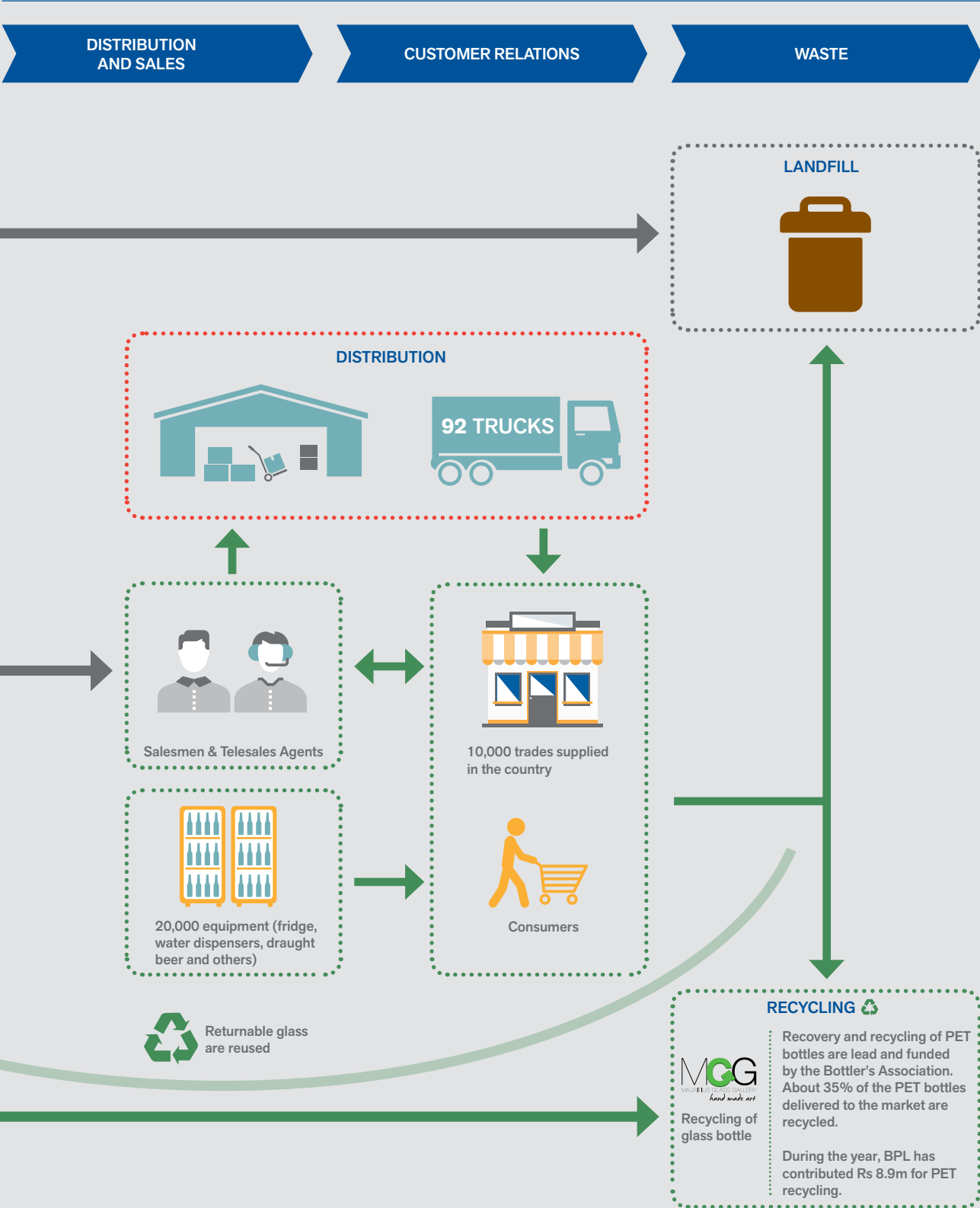
Bernard Theys
Chief Executive



Our Value Chain



Our Value Chain



Sustainable supply chain

Upstream

Our privileged partners (The Coca-Cola Company, Diageo Plc., Schweppes International Limited) are also key suppliers to our business (e.g. concentrates). These partnership contracts set our standards of operations that are often among the highest of the ISO and the FSSC (Food Safety System Certification). In respect of these frameworks, procurement is a core activity and many specific criteria are established to assess a supplier, not only on its product specifications, but also on its business ethics, human rights, social responsibility and environmental duties.

Ultimately, all PBL suppliers are expected to abide by the Supplier Guiding Principles of The Coca-Cola Company, even if the purchase is not directly involved in the production of carbonated soft drinks. Our main suppliers are assessed annually on set criteria and conditions, in line with our quality standards.

Downstream

Our contribution to the management of packaging waste in Mauritius amounted to **MUR 183.1m** in 2014/2015 as follows:

- **PET tax: MUR 122.8m**
- **PET recycling: MUR 8.9m**
- **Can Tax: MUR 51.4m**

The packaging of products supplied to retailers still has a life after they are sold and consumed all over the country. While glass bottles are reused, the PET bottles and cans are thrown away, resulting in potential waste. As a concerned producer and distributor of these packagings, the Company takes its share of responsibility; over and above the payment of a PET and Can tax of MUR 2 per unit, PBL also directly, participate though the Bottlers' Association, in the recovery and recycling of PET bottles. So far, we estimate that about 35% of PET bottles released on the market are recovered.

Quality products and services

Customer satisfaction

The satisfaction of our clients and other trade partners is key to maintaining our leadership position in the beverages landscape. We therefore make it a point to ensure fair practices in the trade and we are constantly consulting our vendors for feedback on how well we are conducting business with them.

Internal training is regularly given to our sales teams to ensure that these good practices are duly applied, and our Customer Response Unit (CRU) is geared to address any customer or consumer query relating to our products and services.

Consumer happiness

Ultimately our role is to make our consumers happy, whether functionally or emotionally. With this motto in mind, we strive to always offer the best

products in terms of intrinsic attributes, while ensuring that our consumers evolve and consume in the healthiest emotional context. We therefore use the best and safest ingredients in our drinks and we communicate in the most responsible way to consumers. We take consumer leadership in three main areas:

Guarantee the trustworthiness of our products

Our operations are regularly audited on best food standards (FSSC 22000, HACCP). The implementation of these standards also involves the training of subcontractors working on site. The next step will be to provide our laboratory with the ISO 17025 accreditation by December 2015. This will allow us to carry out analyses that are recognised internationally.

Carefully selected raw materials from around the world are at the heart of our product range. All the ingredients for the drinks we produce have sources for which we can certify the quality. This also applies to suppliers of concentrates who partner us with the same quality standards.

In respect of the import of cereals, we have had lasting relationships with malt and hops suppliers for decades. All these products are certified GMO-free with HACCP certification.

Development of new products

Our products are designed for specific consumer needs and drinking occasions. We constantly consult our consumers and worldwide trends to bring about innovation in beverages. Innovation in terms of product, packaging, service or communication platforms is the engine to our development. This year has been marked by major innovations in packaging – revamping of Blue Marlin, Phoenix Fresh cluster packaging, augmented reality on Appletiser and customised Coca-Cola labels. These are all projects developed to suit the growing need for innovation and modernity in beverages.

This year has also been marked by the re-introduction in trade of two major brands – Eski and Orangina. These brands have enriched PBL's soft drinks portfolio.

The history of our Group reflects our desire to always bring innovation to the forefront of the Mauritian market. This strategic direction remains fundamental and we intend to further invest this year in research and development of new products for the local and regional markets in relation to new and sensitised healthier trends.

Promote responsible consumption

Alcohol consumption per capita in Mauritius is far from being the highest in the world, but growing dependencies seem to come mainly in the spirits consumption of younger consumers (see info box on next page). While alcohol dependence rates remain at significant levels in some beverage categories, we are always encouraging responsibility in consumption. This equally applies to carbonated soft drinks, where we are continuously educating Mauritians about the importance of a healthy lifestyle with a balanced diet and physical activity. Through the 'Le Sport Ca Me Dit' campaign, we have been organising and actively promoting sporting activities across the island. These initiatives will be expanded in the future, with even more involvement from NGOs, health institutes and public administration.

Alcohol Consumption Patterns

Despite the advertising ban and the fiscal policy on alcohol, the Global Status Report on Alcohol and Health 2014, published in August 2015 by the World Health Organization (WHO) found no particular change in Mauritians' behaviour towards alcohol consumption, but neither has it worsened. This is also what is reported by the NATReSA (National Agency for the Treatment and Rehabilitation of Substance Abusers). However, the concerns is more about increasing consumption patterns within the young population aged less than 25 years, particularly with regards to spirits and shot drink, associated with heavy episodic drinking.

Improving employees' integration and development

Promoting Health and Safety

**RECORDED
INJURIES: 155**

2014: 109

**MAN DAYS
LOST: 499**

2014: 879

**INVESTMENTS
IN HEALTH AND SAFETY EQUIPMENT
MUR 1.5m**

2014: MUR 0.7m

The specificity and magnitude of our activities comprise some health and safety risks to our team members, especially those involved in production and distribution due to:

- the large fleet of vehicles
- the use of boilers
- the handling of chemicals
- the production environment

The Health and Safety of our team members is a priority for our Company. An important set of procedures is in place to ensure its management, including committees with employee and management representatives, follow-ups with supervisors and regular reporting to authorities. Our compliance with the Mauritian legal framework (OHSA 2005) is

automatically guaranteed through the application of the Health and Safety rules of both The Coca-Cola Company and Diageo Plc. which are even stricter, and include an audit every 6 months.

The Health and Safety rules are also extended to all subcontractors working on our sites. Thus, the contracted trucks together with the Company's trucks are inspected each morning before leaving our premises. Training in the field of Health and Safety are also provided to subcontractors, and include topics like defensive driving for drivers and food safety for caterers.

Nearly MUR 5.9 million was spent in training and awareness in 2015 and involved some 800 employees. With regards to safety equipment, an internal policy is in place to ensure that they all comply with specifications from the factory inspectorate and Standards Bureau.

The Personnel Development Plan

Our HR policy is evolving to bring stronger and sustainable support to our employees' development. Individual assessments are conducted annually to review areas of development together with new training needs, whether technical, managerial or soft skills. To date, only Managers and staff have been considered for this programme and we have taken cognisance of their aspirations for more job enhancement and development opportunities. This quest encourages us to extend this personal development programme to all employees, possibly through a more flexible framework. Amongst others, an equal opportunity policy will be included in our list of internal policies and procedures.



**INVESTMENT
IN TRAINING**
MUR 5.9m

(800 employees involved,
cumulating 7,900 hours of training)

2014: RS 3.5m (583 employees involved)

Focus on The (Mauritius) Glass Gallery Ltd

The (Mauritius) Glass Gallery Ltd (MGG) is a subsidiary of PBL that specialises in glass recycling and glass blowing. With some thirty employees, it is a proficient facility in Mauritius engaging in the recovery and recycling of glass bottles that are not reusable on product lines. Artisanal products manufactured by MGG are sold to individual customers and businesses.

Today, MGG's activity is subsidised by the Group. With a reuse of 48 tons of glass per year, it contributes to our efforts to reduce and recycle our waste. For this same reason, the MGG's oven operates with used cooking oil. About 100,000 litres of oil, mostly recovered from hotels, are burned each year. A new oven with better energy efficiency has been ordered from Italy to improve our plant and will be operational this year.

Committed to the environment

Waste management

Waste management is subject to continuous improvement and the Company has a management system in place that focuses on three aspects, namely waste monitoring, reduction and recycling.

These actions have enabled PBL to control the waste sent to landfill in 2015.

Water

PBL's water consumption for 2014/15 was 780,000 m³, sourced from our boreholes. This water is treated and used in the preparation of our beverages. Its quality and availability are essential to our business. We therefore keep a regular control with constant monitoring of the process.

PBL's production sites are all equipped with effluent treatment plants which allow the treatment of waste water as required by the Waste Water Management Authority.

Energy

Energy/Utilities within our production facilities consist of Steam and Electricity. Energy control, monitoring and optimisation through measurement in place, drive us to reduce steam and electricity consumption without altering performance. CO₂ emission from fermentation process is recovered and treated to the maximum for reuse in production, thus reducing the overall CO₂ emission of the plant.

Community Involvement

As part of the national CSR policy that requires companies to allocate 2% of their profits to philanthropic activities, our Group has assigned the management of these funds to two Special Purpose Vehicles, namely Phoenix Foundation and Fondation Joseph Lagesse.

Phoenix Foundation is a Special Purpose Vehicle created 4 years ago by PBL to manage the funding of various NGO projects.

During the year under review, the Phoenix Fondation had a funding capacity of MUR 3.16m and has allocated its donations to four main areas:

- Protection, health and social integration of vulnerable groups
- Poverty alleviation, community development and capacity building
- Education, welfare and development of vulnerable children
- Sports and culture



3.5m
Fondation
Joseph Lagesse



0.8m
Sports and
culture



1.1m
Education, welfare
and development of
vulnerable children



0.7m
Others (including
mainly sponsorship
to employees' family)



0.9m
Protection, health
and social integration
of vulnerable groups



0.4m
Poverty alleviation,
community development
and capacity building

The main beneficiaries this year were:

- Caritas Ile Maurice
- Vent d'un Rêve
- ANFEN
- Link to Life
- SOS Children's Village Mauritius
- Dis-Moi (Droits Humain Océan Indien)

The Company also contributed Rs 3.5m to Fondation Joseph Lagesse.

Our Sustainable Development Action Plan

Goals	Targets
Water consumption	The Company will continue to improve its water efficiency, reducing the quantity of water used to produce one litre of beverage. PBL continuously benchmarks its activities with figures disclosed by other international players and partners.
CO ₂ reduction	With energy consumption being our main source of emission, we are considering projects to improve the energy efficiency of our production line.
Other Greenhouse Gas emissions	This year we will complete an assessment on the possibility of recovering methane released by the effluent plant after the fermentation of beer and converting it into energy.
PET recycling	The PET recovery programme in which we are involved is important for our Group. We expect further progress in this endeavour and, through dialogue with the Ministry of Environment, we aspire to bring about more ambitious solutions over the course of the year.
Healthy products	In order to enlarge our proposals to consumers, we intend to develop new lines of alternative drinks by 2016. This will complement our existing range of products and will meet consumer expectations. We are also actively researching new substitutes to replace sugar, whilst keeping the same great taste and quality of our products.
Responsible consumption	<p>The health and well-being of consumers is paramount to our success and we welcome the opportunity to work with stakeholders to tackle alcohol abuse. We believe that drinking beer can be part of a balanced healthy lifestyle. However, when consumed at the wrong moment, for the wrong reason or in too large a quantity, it could result in a negative impact on the individual and society. PBL wants to drive a proactive approach to tackling the misuse of alcohol and position beer as the responsible choice. In this respect, we have already started discussions with the authorities to join forces in promoting responsible drinking and to consider possibilities for communicating publicly.</p> <p>Regarding our soft drinks, we will continue to develop and intensify our programmes like "Le Sport Ça Me Dit" and "Active Healthy Living (AHL) education campaign", which support an active, healthy lifestyle.</p>
Customer Satisfaction	With our enforced Action Plan to provide a better service to our customers, we also wish to bring stronger support to local businesses and intend to maintain an active dialogue with them. Our clients and consumers can also contact our Commercial Unit directly with any queries or suggestions. Tel: 601 2200



Financial Statements

Statutory Disclosures

JUNE 30, 2015

(Pursuant to Section 221 of the Companies Act 2001 and Section 88 of the Securities Act 2005)

PRINCIPAL ACTIVITIES

The principal activities of the Group consist of:

- brewing of beer, bottling and sale of beer, soft drinks, table water and alternative beverages; and
- manufacture and sale of glass-made products.

DIRECTORS

The names of the Directors of Phoenix Beverages Limited and its subsidiaries holding office as at June 30, 2015 were as follows:

	Phoenix Beverages Limited	Helping Hands Foundation	Mauritius Breweries International Ltd	MBL Offshore Ltd	Phoenix Beverages Overseas Ltd	Phoenix Camp Minerals Offshore Ltd	Phoenix Distributors Ltd	Phoenix Foundation	Phoenix Réunion SARL	The (Mauritius) Glass Gallery Ltd
Directors										
Jean-Claude Béga	•									•
Jan Boullé	•									
François Dalais	•		•	•	•		•			
Guillaume Hugnin	•									
Didier Koenig	•									
Arnaud Lagesse	•			•						
J. Cyril Lagesse	•									
Thierry Lagesse	•			•	•	•		•		
Charles Prettejohn										•
Patrick Rivalland	•	•						•		•
Paul Rose		•								
Seewoocoomar Sewraz	•									
Bernard Theys	•	•	•	•	•	•	•	•	•	•
George Wiehe	•									
Alternate Directors										
Jean Pierre Dalais	•									
(Alternate to François Dalais)										
Marguerite Hugnin	•									
(Alternate to Guillaume Hugnin)										
Arnaud Lagesse	•									
(Alternate to J. Cyril Lagesse)										

Directors' service contracts

One Director of Phoenix Beverages Limited has a service contract with an expiry term with Phoenix Management Company Ltd, a subsidiary of Camp Investment Company Limited.

One Director of Phoenix Beverages Limited has a service contract with no expiry term with Phoenix Management Company Ltd, a subsidiary of Camp Investment Company Limited.