PhoenixBev

THIRST FOR THE BEST. FIRST FOR YOU.

2024

INTEGRATED REPORT

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ABOUT THIS REPORT

Dear Shareholder,

This Integrated Report covers the strategy, activities and performance of Phoenix Beverages Limited (PhoenixBev or the Group) for the twelve months from 1 July 2023 to 30 June 2024. It includes the activities of our operations in Mauritius and Réunion Island, in line with the reporting boundary for the financial statements. The report provides information about the matters most material to the Group's ability to create value in the short, medium and long term.

The report's contents and presentation are informed by the IFRS Foundation's Integrated Reporting <IR> Framework, which promotes transparent communication on both financial and non-financial performance. The Corporate Governance Report that starts on page 75 is guided by the National Code of Corporate Governance for Mauritius (2016). The financial statements comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004, and are prepared in accordance with the International Financial Reporting Standards (IFRS).

The financial statements have been externally audited and the unmodified opinion of the independent auditors is presented in their report on pages 108 to 111.

No previously disclosed information was restated that affects comparability with previous periods.

The Board of Directors acknowledges its responsibility to ensure the integrity of the Integrated Report. In the Board's opinion, the 2024 Integrated Report addresses all material matters and presents fairly the Group's integrated performance. This Report was approved by the Board on 26 September 2024.

On behalf of the Board of Directors of PhoenixBev, we invite you to join us at the Annual Meeting of the Company which will be held on 29 November 2024 at 10:00 am at IBL House, Caudan Waterfront, Port Louis.

We look forward to seeing you.

Sincerely,

Arnaud Lagesse
Chairperson

Bernard Theys
Chief Executive Officer

FORWARD LOOKING STATEMENTS

This Integrated Report (IR) contains forward-looking statements that express PBL's current expectations and assumptions regarding its strategy, financial position, operational outcomes, anticipated developments, and other relevant factors. Statements that are not based on historical facts may be classified as forward-looking. These statements are typically identified by terms such as "expect," "intend," "estimate," "anticipate," "project," "outlook," "target," "will," and similar expressions, indicating they are not historical in nature.

Although these statements are grounded in management's current expectations and assumptions, they do not serve as guarantees of future performance. Various known and unknown risks and uncertainties may influence these statements, which could lead to actual results that differ materially from those projected. Many of these risks arise from factors beyond PBL's control or precise forecasting.

Furthermore, market share estimates referenced in this report are based on external sources, including specialised research institutions, as well as management's own estimates. PBL accepts no responsibility for the accuracy or completeness of these external sources.

Readers are therefore advised to use caution when interpreting these forward-looking statements, as they do not guarantee future performance.

CASE STUDIES

The RenaiChance Hub - promoting community health

PhoenixEarth INITIATIVE

In August 2023, PhoenixBev unveiled its revitalised warehouse in Sainte-Croix, transforming it into a recreational center designed to enrich both body and mind. Renamed to the RenaiChance Hub, this project is part of the PhoenixEarth Initiative, developed in collaboration with the Government of Mauritius and supported by the Municipality of Port Louis.

PhoenixBev envisions the Hub as a space for personal development, enhanced well-being, and community engagement, fostering both individual fulfilment and stronger community cohesion. The recreation center features facilities for judo, boxing, tai chi, and other recreational sports, along with jogging tracks that run through a tranquil garden setting. Our goal is for the RenaiChance Hub to provide a place for sportsmen to develop their skills, discipline and perseverance, as well as a welcoming space where community members can come together to share, learn and encourage each other.

Reducing transport emissions

PhoenixBev is committed to reducing its carbon emissions and is exploring various strategies, including the introduction of more efficient vehicles. In July 2024, PhoenixBev renewed its fleet by leasing 128 new vehicles to improve efficiency, reduce fuel consumption, and enhance reliability. The new fleet includes 29 hybrid vehicles, which will help lower transport emissions, and we are also piloting two electric vehicles in our delivery fleet.

PhoenixEarth also sponsors the e-bus used at Azuri Ocean and Golf Village, promoting smooth and environmentally friendly transport in the community. Since the start of the sponsorship in 2023, approximately 25 000 passengers have used the electric shuttle, logging over 20 000 zero-emission kilometres.

CHAIRMAN'S MESSAGE

Dear Shareholder,

The global economy showed signs of recovery over the past year, against a backdrop of ongoing geopolitical tensions, inflationary pressures, tighter monetary policies and ongoing supply chain disruptions.

The economy in Mauritius stabilised, thanks in part to the recovery of tourism, which uplifted the hospitality industry and related sectors. Throughout, PhoenixBev remained focused on delivering happiness through our unmatched range of quality beverages that cater to diverse tastes.

"PhoenixBev has made significant strides towards realising our strategic vision of becoming the leading commercial beverage company in the Indian Ocean region. We are well-placed to accelerate our regional and international expansion plans."

AN EXCEPTIONAL PERFORMANCE IN A COMPLEX ENVIRONMENT

Despite the complexities in the operating environment, PhoenixBev achieved exceptional results, reporting a profit of over MUR 1 billion for the year. Supported by strong volume growth, Group revenue increased by 14.7% to MUR 12.2 billion (2023: MUR 10.6 billion), with revenue increasing by 14.0% in Mauritius and 15.3% in Réunion Island.

Group profit before tax grew by 55% for the second consecutive year, reaching MUR 1 314.0 million (2023: MUR 849.9 million) driven by strong operational performances in both Mauritius and Réunion Island.

Our foreign operations continue to make a noteworthy contribution, accounting for 16.7% and 19.5% of group turnover and group operating profit respectively in 2024.

The Board declared a total dividend of MUR 22.40 per share (2023: MUR 16.00). Over the last ten years, PhoenixBev has delivered annualised total shareholder returns (TSR) of 12.3%%, demonstrating the Group's resilience.

A YEAR OF IMPORTANT MILESTONES

In the first quarter of the financial year, PhoenixBev celebrated several milestones: a 70-year partnership with The Coca-Cola Company, 60 years of Phoenix Beer and 20 years since the rebranding of Phoenix Beverages Limited. In honour of these anniversaries, we awarded a special bonus to all team members in appreciation of their loyalty and contributions to the Company's success.

Over the past 18 months, PhoenixBev has taken significant steps towards realising our strategic vision to be the leading commercial beverage company in the Indian Ocean region. In the second half of last year, we secured the distribution licence for Pernod Ricard products on Réunion Island and acquired land and buildings to facilitate further expansion in the region.

In October 2023, PhoenixBev acquired a 28.15% stake in African Originals Limited, a UK-based company that holds 100% equity in Savannah Brands Limited, a beverage company in Kenya. While the Kenyan business is still in its early stages, it has significant growth potential, and we are considering increasing our investment to help accelerate this growth.

Looking forward, we are investing significantly in increasing capacity to meet future demand and support our regional goals. We have appointed external specialists to conduct a facility masterplan audit and establish a blueprint for the next phase of growth. We are also expanding our warehousing capacity to accommodate future production increases and streamline logistics.

ETHICS AND GOOD GOVERNANCE

Ethics and governance are fundamental to a company's ability to create long-term value and maintain trust with its stakeholders. Strong governance practices ensure transparency, accountability and responsible decision-making. These are critical to managing risks and promoting sustainable growth.

The Board is committed to good governance and ethical business practices. The Group has fully applied the principles of the National Code of Corporate Governance for Mauritius (2016).

Our Code of Ethics establishes the standards of behaviour we expect of everyone in the Group, and is aligned with international principles of human rights and local regulatory requirements. These are embedded in the Group's policies, procedures and practices.

RECOGNISING THE IMPORTANCE OF RESPONSIBLE BUSINESS

The increasing emphasis on ESG factors globally is particularly relevant for Mauritius and Réunion, two small island nations where the impacts of climate change are evident.

The Board recognises that responsible production and sustainable business practices are essential for the ability of the Group to create lasting value. Sustainability is one of the core pillars of our strategy, and we carefully monitor and mitigate our environmental impacts wherever possible. We also invest in projects that support and promote the wellbeing of our team members, communities and the wider public. The PhoenixEarth initiative is at the heart of many of these initiatives. Through it, we work with national authorities, NGOs and other stakeholders to address the issue of plastic waste and to build a circular economy. Together, we are building a sustainable future for all.

LOOKING AHEAD

Though challenges persist, the economic outlook for Mauritius remains positive, with robust growth forecast in key sectors. We are closely monitoring external factors that could affect our supply chain while continuing to enhance productivity. Capital investment in the next two years will further increase production to meet local and export demand while creating capacity for future growth. We remain focused on enlarging our portfolio and consolidating our presence in existing markets. We are confident that PhoenixBev has established a sound foundation for future growth in Mauritius and the surrounding region, and is well-placed to accelerate our regional and international expansion plans.

ACKNOWLEDGEMENTS

I would like to extend my heartfelt thanks to my fellow directors for their unwavering support and strategic insight throughout the year. Their guidance has been instrumental in navigating the challenges and seizing the opportunities that have come our way. I also wish to express my appreciation to the executives and management team, under the leadership of our CEO, Bernard Theys and our COO/ CFO, Patrick Rivalland, for their exemplary leadership and commitment to delivering on our strategic objectives.

To our dedicated team, your hard work, resilience and passion are the foundation of our success, and I am truly grateful for your continued contribution. Lastly, I would like to thank our valued stakeholders for their trust, collaboration, and confidence in our vision.

Arnaud Lagesse
Chairman
26 September 2024

HIGHLIGHTS 2024

Turnover	MUR 12 171M	14.7% ▲	2023: MUR 10 609M
Operating Profit	MUR 1 366M	53.4% ▲	2023: MUR 890M
EBITDA	MUR 1 950M	35.9% ▲	2023: MUR 1 435M
Sales Volume	2.61 M HL	7.1% ▲	2023: 2.44M HL
Net Profit After Tax	MUR 1 091M	49.0% ▲	2023: MUR 732M
Earnings per Share	MUR 66.33	49.1% ▲	2023: MUR 44.50
Shareholders' Fund	MUR 6 808M	12.2% ▲	2023: MUR 6 070M
Total Assets	MUR 10 067M	11.3% ▲	2023: MUR 9 048M
Gearing	–	8.4% ▼	2023: 8.4%
Free Cash Flow	MUR 1 575M	313.9% ▲	2023: MUR 380M
Capital Investment	MUR 581M	42.6% ▲	2023: MUR 407M
ROE	16.9%	4.3% ▲	2023: 12.6%
Dividends per Share	MUR 22.40	40.0% ▲	2023: MUR 16.00
Share Price at 30 June	MUR 490	7.5% ▼	2023: MUR 530
Market Capitalisation at 30 June	MUR 8 059M	7.5% ▼	2023: MUR 8 717M
Total Annual Shareholder Return	(3.3%)	5.7% ▲	2023: (9.0%)

Acquired 28.15% share in African Originals Limited (AOL), with operations in Kenya

PHOENIXBEV IN CONTEXT

- **+150** Distribution fleet trucks
- **+1 850** Team members
- **4** Production units
- **2** Operating countries
- **16** Bottling lines
- **7** Categories of Beverages
- **+50** Brands in our portfolio
- **+2 000** Shareholders Listed on the stock exchange of Mauritius
- **1** Glass recycling operation
- **+10 000** Customers
- **+57 000 m²** Warehousing capacity
- **9** Export countries

ABOUT US

WHO WE ARE

In 1953 we started manufacturing and marketing soft drinks in Mauritius. Ten years later, we launched Phoenix Beer, the island's first authentically Mauritian beer. Since then, PhoenixBev's customer-centric approach and commitment to excellence have seen the Company grow from strength to strength. For more than six decades, we have continued to invest in state-of-the-art equipment, grow our range of products, make strategic acquisitions, expand our operations locally and regionally, and create innovative and exciting flavours and variants.

Along the way, we have adapted to changes in our operating environment, celebrated many highlights, learned lessons from our setbacks and grown and deepened our partnerships. Today, our brewing, production, bottling and distribution sites in Mauritius and Réunion Island supply our products throughout the Southern Indian Ocean region, and further afield to Australia, China, France, the United Kingdom and Djibouti.

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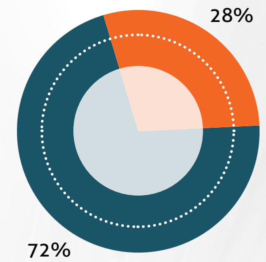
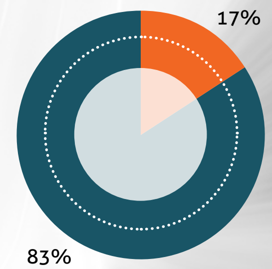
Holding	Company	Holding	Subsidiary
99.96%	Phoenix Beverages Overseas Ltd		
97.33%	Phoenix Distributors Ltd		
100%	Phoenix Foundation		
100%	Mauritius Breweries Investments Ltd		
100%	The (Mauritius) Glass Gallery Ltd	52%	Helping Hands Foundation
48%	Helping Hands Foundation		
100%	The Traditional Green Mill Ltd		
100%	Phoenix Camp Minerals Limited	100%	Phoenix Réunion SARL Réunion Island
100%	Edena S.A. Réunion Island	100%	Espace Solution Réunion SAS Réunion Island
		99%	SCI Edena Réunion Island (1% held by Espace Solution Réunion SAS)
30.36%	Crown Corks Industries Ltd		
28.15%	African Originals Limited Kenya	100%	Savannah Brands Limited Kenya
43%	SeaBrew Solar Ltd		

Our Geographical Performance at a Glance

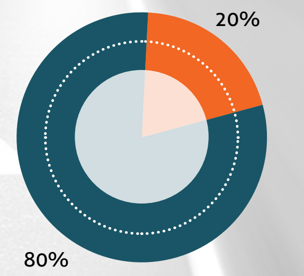
Sales Volume



Turnover



Operating profit



- Mauritius
- Foreign operations and export

Our Products

PhoenixBev distributes more than 50 brands in Mauritius and Réunion Island. Our main brands are all category leaders or perceived as high value brands.

Our Values

Our activities and behaviour are guided by our following values:

LEAD BY EXAMPLE
Walk the talk & influence people positively

CONSISTENCY & FAIRNESS
Respect & impartiality are essential for a healthy work environment

VALUE ONE ANOTHER
Recognition & appreciation of each and everyone's input lead to greater engagement

STAND AS A TEAM
Working together is success

TRUSTWORTHINESS
Realibility & integrity drive our actions

NURTURE CREATIVITY & EMBRACE INNOVATION
Fresh minds & new ways of working keep our business moving

BEERS

CARBONATED SOFT DRINKS

BOTTLED WATER

READY TO DRINK (RTD)

STILL BEVERAGES

ENERGY DRINKS

WINES & SPIRITS

OUR GROUP THROUGH THE YEARS

START HERE

- **1931** Incorporation of Phoenix Camp Minerals Limited (PCM)
- **1953** Bottling agreement with The Coca-Cola Company
- **1956** Launch of Fanta
- **1960** Incorporation of Mauritius Breweries limited (MBL)
- **1963** Inauguration of the Brewery
- **1963** Birth of Phoenix Beer
- **1964** Stella Pils released on the market to extend the range of beers
- **1965** Launch of Sprite
- **1975** Launch of Malta Guinness
- **1976** Launch of Crystal table water
- **1979** Launch of Pearona
- **1986** Launch of Diet Coke
- **1988** Launch of Guinness stout
- **1989** Launch of Blue Marlin
- **1990** Introduction of PET packaging by PCM and Launch of Appletiser
- **1991** The (Mauritius) Glass Gallery Ltd, set up to recycle glass waste
- **1993** MBL listed on the Stock Exchange of Mauritius
- **1996** Introduction of the aluminium can as a new packaging container
- **2003** Change of name of MBL to Phoenix Beverages Limited (PBL)
- **2003** Inauguration of new distribution centre at Phoenix
- **2005** Launch of Phoenix Special Brew
- **2008** Launch of Phoenix Fresh
- **2008** Amalgamation of PBL and PCM
- **2009** Phoenix Réunion SARL (incorporated in Réunion Island set up)
- **2010** Launch of Phoenix Cider
- **2014** Acquisition of Eski, the famous Mauritian brand
- **2014** Installation of wine bottling line
- **2015** Launch of GR8 Cape wine
- **2015** Agreement with Schweppes International Limited for bottling of Orangina
- **2016** Corporate rebranding
- **2016** Launch of Gister premium beer
- **2016** Acquisition of Edena S.A. (incorporated in Réunion Island)
- **2016** Commissioning of new production unit in Nouvelle France
- **2017** Launch of Fuze Tea and 5 Alive
- **2017** Launch of the new Crystal Eco-Twist Bottle
- **2018** Launch of Phoenix Can 500 ml
- **2019** Launch of Crystal Jar 11.3 Lt
- **2020** Relaunching of Cidona
- **2020** Launch of Phoenix Keg 5lt
- **2022** Launch of Manawa and Phoenix Panaché
- **2023** Launch of Salitos Tequila Beer
- **2024** Investment in Kenya

OUR STRATEGY

Our strategy is to entrench PhoenixBev's position as the leading commercial beverage company in the Indian Ocean region, 'Providing happiness through beverages' with our unmatched portfolio of leading alcohol and non-alcohol brands.

Our success is built on our commitment to world-class execution in all aspects of our business, most importantly production and distribution, health and safety, resource use efficiency and waste management. This ensures availability and affordability of quality products in our chosen markets. We continually research and develop new and innovative products and package sizes to meet the changing needs of consumers and customers, and invest in developing the valuable brands in our portfolio.

Responsible business practices are the foundation of PhoenixBev's long-term profitability and sustainability. Our five chosen UN SDGs align with our activities and goals as the areas where we can have the most impact.

OUR VISION

Provide happiness through beverages

OUR GOAL

Commercial beverage leader in the Indian Ocean Region

OUR FOUNDATIONS

Achieve world-class execution through availability and affordability of our products locally and regionally.

Build strong, valuable and meaningful brands.

Build a sustainable and profitable business through our five chosen SDGs.

OUR MAIN BRANDS

The Group commercialise a diverse portfolio of high-quality brands across both alcoholic and non-alcoholic beverages, which sets us apart and drives our success.This range reflects our commitment to excellence and innovation, meeting the varied preferences of our consumers.
(see page 10 for our brands)

ENABLERS

Our facilities (page 49), natural resources (page 57), team members (page 53) and processes (page 19).

BARRIERS

Competition, social pressure and regulatory constraint (page 29).

OUR APPROACH TO SUSTAINABILITY

PhoenixBev is actively incorporating sustainability across its business operations. As part of its core strategy, PhoenixBev has worked with IBL Group in collaboration with Embedding Project to identify emerging environmental, social and governance (ESG) factors relevant to our business, and to deepen our understanding of:

- Our potential impacts on the business and its value chain.
- Our potential impacts of the business and its value chain on communities and the environment.

CASE STUDIES

Establishing the Sustainable Strategy

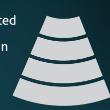
The Embedding Project (https://embeddingproject.org/) Prioritisation Radar process, used by the IBL Group, was undertaken to assess our Double Materiality.

The Radar process considers key sustainability issues which are in line with the expectations of bodies such as ISSB, GRI and CSRD, which created the major reporting standards currently used. We considered financial materiality, establishing the impact of social and environmental issues on our business, as well as impact materiality, to evaluate our impact on the planet and people.

Eight materiality factors are assessed, namely: Rights and Wellbeing at Work, Rights and Resilience in Communities, Governance and Ethics, Pollutants, Materials and Wastes, Ecosystems, Water and Climate. PhoenixBev's Radar results were received in May 2024 and highlighted three main areas of focus: Climate, Rights and Resilience in Communities, and Materials and Waste.

Subsequently, PhoenixBev is devising a road map, channelling its efforts and resources to these materiality issues and aligning them to its core sustainability strategy.

Relevance
1 Minor or well-mitigated
2 Moderate or uncertain
3 Significant
4 Critical or systemic



← Strategic Relevance to the Business
← Operational Impacts
← Value Chain Impacts
← Our Potential for Broader System Influence

OUR SUSTAINABLE DEVELOPMENT GOALS

These focus areas complement the five SDGs PhoenixBev identified as most relevant to the Group and its stakeholders, and where we can have the biggest impact. Our focus areas and contribution to these SDGs are discussed in the pages that follow.

OUR SUSTAINABLE DEVELOPMENT GOALS

Good health and wellbeing

Our contribution	Focus areas
PhoenixBev's health and safety programme promotes safe working conditions (page 53), provide health support for team members and plan logistics to manage driver fatigue to reduce road accidents. We promote responsible alcohol consumption and our products include lower calorie soft drinks to reduce sugar consumption. The environmental management systems at our facilities ensure responsible management of waste streams and emissions (page 57), and align with all regulations to minimise pollution. Our corporate social investment programme (page 51) supports projects that promote community health and well-being. We participate in and promote many initiatives to improve plastic recovery and recycling (page 57) to reduce plastic pollution.	• **Enhance facilities at our operations to improve efficiency, increase productivity and promote the well-being of team members.** • **Ensuring a safe and healthy workplace for all employees.** • **Promoting employee wellness programs to improve physical and mental health.**

Decent work and economic growth

Our contribution	Focus areas
Our strategic focus on achieving world-class execution and constant innovation requires that we use key inputs efficiently, including natural ingredients, water and energy. We provide jobs for more than 1 850 team members and our products help our customers to grow their businesses. PhoenixBev pays a significant amount in taxes and make a positive contribution to economic growth (page 65). Our ethical approach to business and sustainable supply chain practices include measures to support human and labour rights.	• **Build resilience to survive financial and economic risks, based on our past track record and sustainable development initiatives in place.** • **Provide training, learning and development tools to ensure adherence to required standards.**

Industry, innovation and infrastructure

Our contribution	Focus areas
PhoenixBev's responsible approach to business aligns with the goals of sustainable and inclusive industrialisation. Our ongoing investment in upgrading our production facilities improves efficiencies, increases productivity, enhances employee well-being and reduces our environmental footprint (page 49). By helping our customers and business partners to grow their businesses, we promote entrepreneurism and business development.	• **Implement an internal innovation process.** • **We are currently evaluating options to enhance our IT system for improved efficiency and performance.** • **Improving production and distribution infrastructure to increase capacity and promote sustainability and resilience.**

Responsible consumption and production

Our contribution	Focus areas
Our quality and environmental management systems embed sustainable management and efficient use of natural resources, supporting our commitment to achieving world-class execution. We manage our waste streams responsibly by reducing waste production and promoting recycling, reuse and valorisation where possible (page 57). We promote responsible alcohol consumption and our products include lower calorie soft drinks to reduce sugar consumption. PhoenixBev participates in collaborative projects to promote waste management and raise awareness in communities and society (pages 58).	• **Implement new technologies, equipment and systems to improve water and energy usage in the production process to minimise environmental impact.** • **Keep up with the highest international standards for product quality.** • **Strengthen tools for data monitoring and evaluation on waste management.** • **Innovate with products with reduced sugar options.** • **Enhancing consumer awareness by encouraging responsible consumption of beverages.**

Climate action

Our contribution	Focus areas
We have commenced a project to quantify our carbon footprint as part of our commitment to reduce our carbon emissions and play our part to address climate change. Upgrades to our equipment and production facilities improve operational efficiency and resource-use efficiency, and reduce our environmental footprint. We are implementing projects to increase our use of renewable energy and piloting electric and hybrid vehicles to reduce transport emissions. Regular awareness sessions sensitise team members about environmental impacts and climate change, and we support external initiatives to raise awareness in society (see page 57).	• **Improve facilities at our operations to reduce our environmental footprint.** • **Measure our carbon footprint.** • **Promote a circular economy for plastics to reach the point where all of our primary packaging can be collected, recycled and reused.** • **Increase the number of sorting bins across Mauritius.**

OUR INVESTMENT CASE

STRONG AND GROWING PORTFOLIO

- PhoenixBev manufactures and markets a portfolio of more than 50 strong local and international brands.
- We continually develop new products and product categories to satisfy evolving customer needs and tastes.
- Strong brand loyalty provides the Group with a competitive advantage in maintaining and growing its customer base.

SOLID MARKET BASE

- More than 70 years of experience, with strong market shares in Mauritius and Réunion Island.
- Diversified customer base.
- Well-established distribution channels.

COMMITMENT TO SUSTAINABLE DEVELOPMENT

- We are committed to good governance and responsible business practices.
- PhoenixEarth Initiative is our sustainability pole, driving sustainability in the Group and inspiring progress through the five priority SDGs embedded in our strategy.
- We act with integrity, guided by our values, social conscience and customer-centric mindset.

REGIONAL EXPANSION OPPORTUNITIES

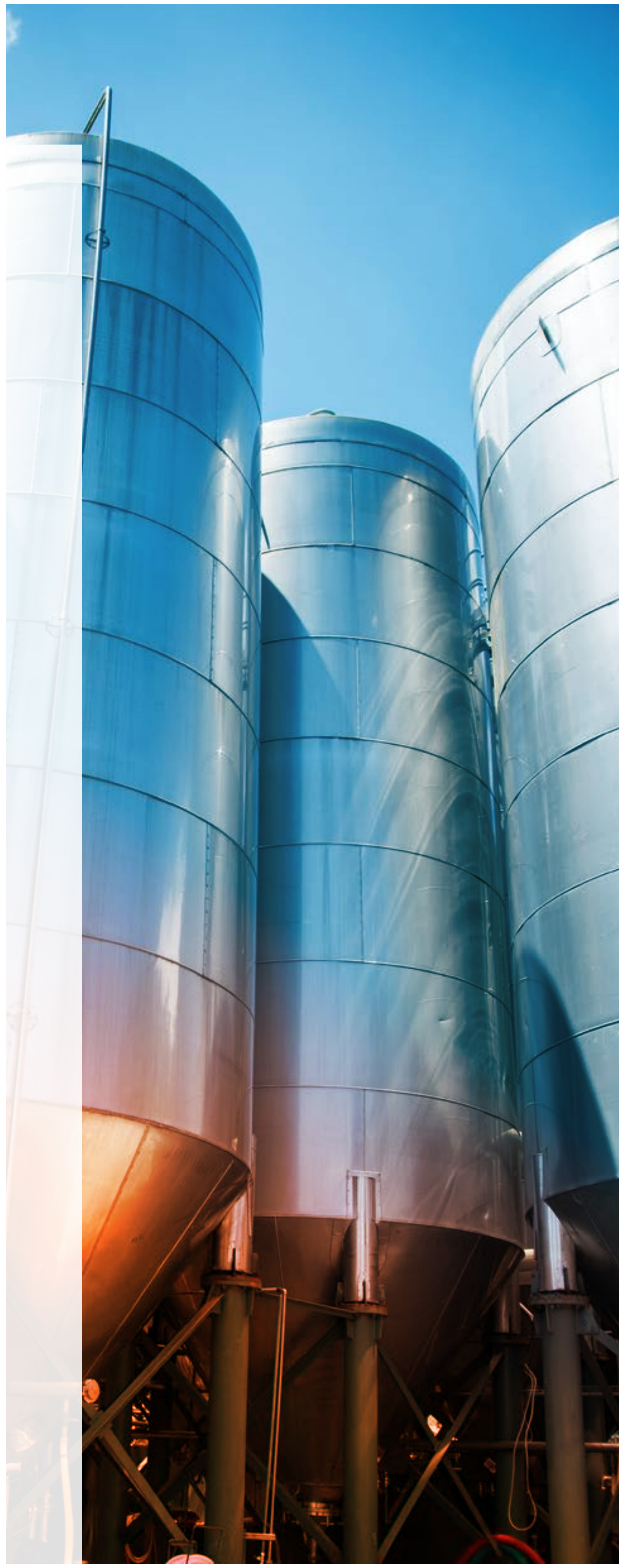
- Multi-site production, with three production units in Mauritius and one in Réunion Island.
- Brand representation beyond our local markets includes the Seychelles, Mayotte, mainland Africa, Australia, China, France, the United Kingdom and Djibouti.
- Strategic regional expansion across the Western Indian Ocean region and beyond, driven by a coherent brand portfolio.
- Increasing regional diversification, production flexibility and economies of scale.

SKILLED AND MOTIVATED TEAM MEMBERS

- An employer of choice providing a safe and inspiring work environment.
- Excellent mix of new talent and experience to drive the business to new heights.
- Strong performance culture supported by ongoing talent development and a proven ability to capitalise on market opportunities and optimise operating efficiency.

FINANCIAL STRENGTH

- Attractive growth strategy supported by strong cash generation.
- Sound balance sheet and well-balanced gearing.
- Significant ongoing capital investment to increase production capacity, flexibility and efficiency.
- Continued focus on cost and operational efficiencies.
- The Group's investments in sustainable practices are aligned with global trends and consumer expectations.
- Ability to consistently distribute dividends reflects strong cashflow generation and solid financial health.

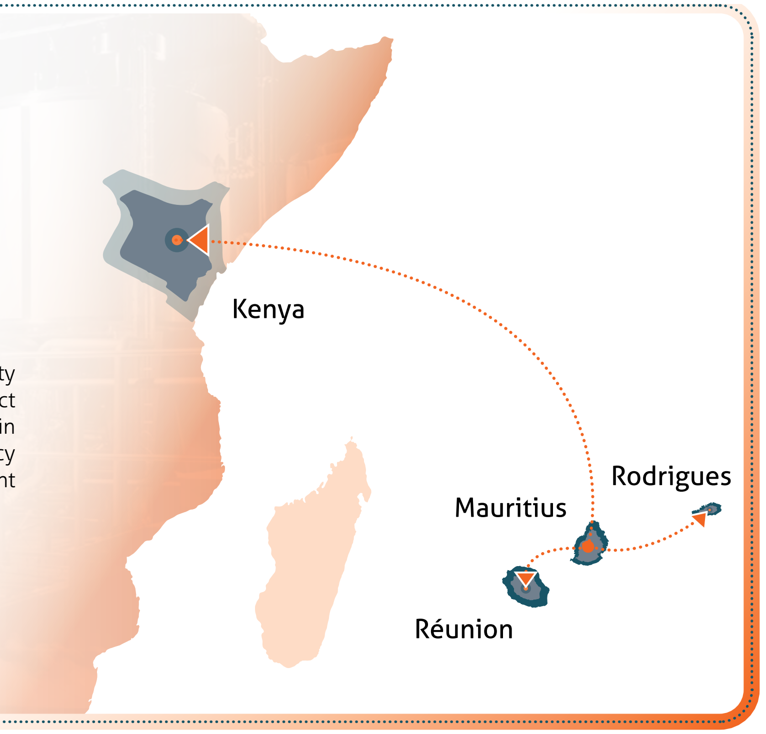


OPPORTUNITY FOR SHAREHOLDERS

A solid strategic platform in place to support our growth plans	Business expansion opportunities	Share price appreciation	Average pay-out ratio of 40.0% over the past ten years	Compound annual total shareholders' return of 12.3% over the past ten years	Ongoing contribution to social and economic development in the regions where we operate	Transparent communication and open engagement between management and investors

STRONG brand representation in the region

PhoenixBev presents a compelling investment opportunity based on its strong market position, diversified product portfolio, robust financial position and growth potential in both local and regional markets. With a solid dividend policy and room for further expansion, it is an attractive investment for both income seeking and growth-oriented investors.



OUR BUSINESS MODEL

CAPITAL INPUTS

Intellectual Capital

Our strong brands and proprietary recipes. The skills and experience of management and team members, and the expertise of our brewing team members.

Manufactured Capital

Our production facilities, equipment, warehouses, trucks and offices. **MUR 417 million** capital investment in upgrades to our facilities, including upgrading electrical infrastructure and creating capacity for future growth.

Human Capital

Our **1 850+** valued team members in Mauritius and Réunion Island. **MUR 10.8 million** was invested in training and development.

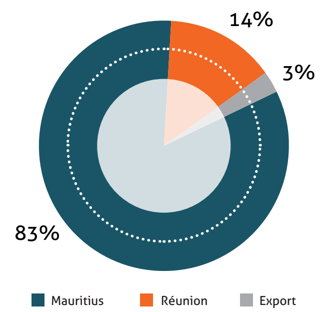
Social Capital

More than **10 000** outlets supplied in Mauritius and Réunion Island. Strong relationships with authorities, suppliers, partners and consumers. International partnerships with The Coca-Cola Company, Suntory Beverage and Food Europe, Diageo, Grand Chais de France and Pernod-Ricard. Collaborative engagements with government, NGOs, communities and industry players.

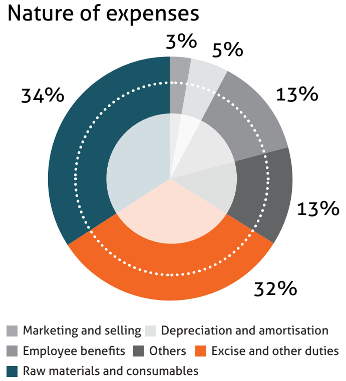
Our operating context

- GDP grew 7.0% in 2023 and is forecast to reach 6.5% in 2024. Annual tourist visits have returned to pre-Covid levels.
- Inflation has declined since its peak in the first quarter of 2023, but remains at relatively high levels, affecting the cost of raw materials and production, as well as consumers' disposable income.
- Challenges in the global supply chain continue to affect the timing and cost of imported inputs, and we have increased stockholdings in response.
- The depreciation of the MUR against other currencies increased import costs.

Revenue split



Nature of expenses



Natural Capital

Key natural inputs for our beverages, includes fresh water, GMO-free hops and malt, fruit pulp, sugar and CO_2, electricity throughout the business, heavy fuel oil and coal for heating in the production process. **190 142 GJ** of energy and **1.02 million m³** of water were consumed.

Financial Capital

Financial resources available to fund our activities including equity and debt funding.

CAPITAL OUTPUTS

Our strategy and values guide everything we do – from the allocation of resources to the way we conduct our operations and activities, and deliver on our outcomes. .

Procurement

Our procurement process optimises resource use and maximises value creation through training and development, supplier management and negotiation, analytical skills and enhanced communication.

Production

We produce a wide range of alcoholic and non-alcoholic beverages from three production plants in Mauritius and one in Réunion Island.

Bottling and packaging

We bottle more than **300** different types of stock keeping units (SKUs) under our own and international brands.

Sales and distribution

We distribute our beverages to more than **10 000** wholesale and retail customers throughout Mauritius and Réunion Island. Consumers can also buy directly through our online retail platform and at our four physical shops.

Recycling

We use recyclable material for most of our product packaging and collect around a significant proportion of our used PET packaging to be recycled by outsourced recycling providers and reused for internal operations and external initiatives.

Outputs

2.56
million hectolitres of alcoholic and non-alcoholic beverages produced in Mauritius and Réunion Island.

14.7%
increase in turnover

49.0%
increase in profit after tax

Capital outcomes

Manufactured Capital

Increased efficiency and ongoing optimising of our production lines with increased capacity for future growth.

Intellectual Capital

Strengthened brands and continued research into new products and packaging.

Human Capital

Increased skills and experience of team members. **MUR 1 414 million** paid in salaries, wages and other benefits.

Social Capital

Deepened relationships with key stakeholders including partners, customers, consumers and communities.

Natural Capital

82% of wastes including plastic, wood, glass, cartons are recycled.

Financial Capital

14.7% increase in turnover to MUR 12 171 million, return on equity of **16.9%** and a **49.1%** increase in earnings per share to MUR 66.33.

CAPITAL TRADE-OFFS

During the course of our activities, we are mindful of their impacts on the interconnected capitals available to us and how these are enhanced, preserved or eroded. We ensure that we understand these trade-offs, that these remain aligned with our values and principles and that they support sustainable long-term value creation for stakeholders over time.

Significant trade-offs during the year include:

- **Our ongoing investment in enhancing our production lines and warehouses transforms financial capital into manufactured capital that supports future sales increases as we accelerate our regional expansion plans.**
- **In an extremely tight labour market, we are having to spend more to attract and retain the key skills embedded in our human capital that we require to support production and expansion.**
- **Our investment in sustainability initiatives through PhoenixEarth reduces financial capital, but contributes to natural and social capital.**
- **The new Corporate Climate Responsibility levy will also divert financial capital towards projects that aim to address the impacts of climate change (natural capital).**

CASE STUDIES

Our investment in Kenya

As part of its growth strategy, in October 2023, PBL acquired a 28.15% stake in African Originals Limited, a UK-based company that holds 100% equity in Savannah Brands Limited, a beverage company in Kenya. Founded in 2019, African Originals (AO) has steadily increased its market presence in Kenya's competitive beverage industry and is now the cider market share leader in supermarkets. The company primarily produces cider, gin, RTDs, and iced tea under three brands - Kenyan Originals, 5.8 Spirits, and African Originals.

Alexandra Chappatte, the founder and current CEO, is a former marketing executive with notable experience in major international beverage companies, bringing expertise gained from her work in regions like West Africa and the UK. Under her leadership, AO has won several local and international awards, including the winner of 'Brand Innovator' of the Year at the Icons of Gin Awards and 'Best Beverage' at the World Innovation Awards, reflecting its growing reputation.

AO remains deeply connected to Kenyan culture by utilizing local ingredients and traditional recipes that resonate with consumers. All products are made with real Kenyan ingredients and processed fresh. Products feature popular local fruits such as mangoes and pineapples. In addition to supporting local farmers through the use of these ingredients, AO promotes sustainability by implementing eco-friendly practices.

The brand has cultivated a vibrant African visual identity, drawing inspiration from traditional Kenyan art and textiles, including patterns and motifs that celebrate the local culture. PhoenixBev is confident in AO's potential growth and remains committed to increasing its stake further to help accelerate this growth.

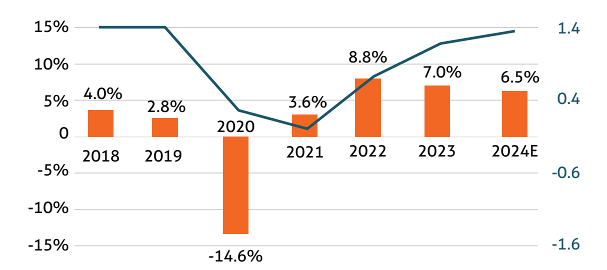
OUR OPERATING CONTEXT

OUR OPERATING CONTEXT

Mauritius's **GDP** growth slowed slightly, reaching 7.0% in 2023, and is projected to decline to **6.5%** in 2024. The tourism industry, a cornerstone of the Mauritian economy, generated **MUR 88.7 billion** for the year ending June 2024, a **44%** increase compared to the same period in 2019, prior to the COVID-19 pandemic.

Our customers' businesses in the hotel, restaurant, and café (Horeca) sector are highly reliant on tourism. Tourist arrivals have gradually increased, from nearly one million in 2022 to **1.3 million** by June 2024, steadily approaching the pre-COVID-19 level of 1.4 million tourist arrivals.

GDP growth (%) and international tourist arrivals (m)

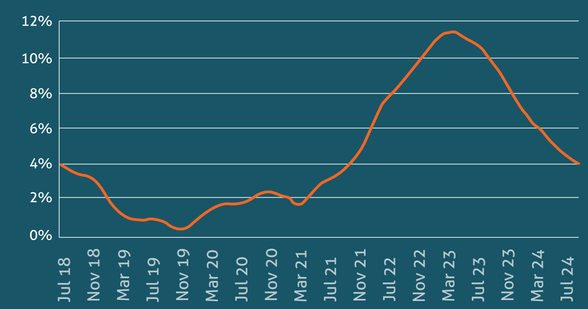


Source: Statistics Mauritius

Headline inflation peaked in 2023 and is now on a downward trend, although it remains high compared to historical levels. This continues to pressure consumers' disposable incomes, our customers' businesses, production costs, and the prices of raw materials.

The Monetary Policy Committee of Mauritius has maintained a high key rate of 4.5% since June 2023 to push down the inflation rate further.

Headline inflation

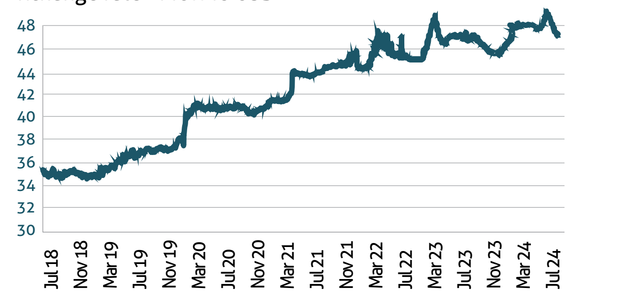


Source: Statistics Mauritius

Currency depreciation contributes to inflation in the cost of imported goods. The Mauritian Rupee has depreciated against hard currencies since 2018 due to high inflation and a decrease in foreign currency brought into the country by tourists. At 30 June 2024, the Mauritian Rupee was 4.2% weaker against the US Dollar and the average rate for PhoenixBev's 2024 financial year was 1.2% weaker compared to June 2023.

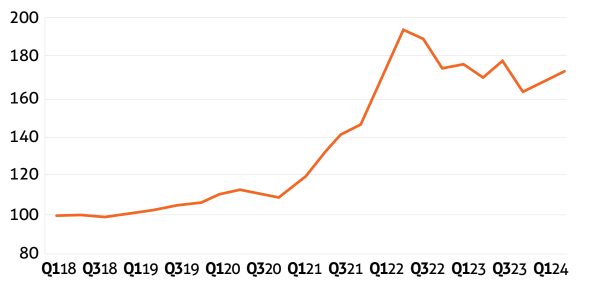
The **price of imported goods** has steadily increased since the start of 2021, driven by the impact of global inflation and depreciation of the Mauritian Rupee against the US Dollar and Euro. While the import price index peaked in the second quarter of 2022, the cost of PhoenixBev's imported inputs remains high.

Exchange rate - MUR vs USD



Source: Mauritius Commercial Bank

Import Price Index (2018=100)



Source: Statistics Mauritius

CASE STUDIES

The PhoenixEarth Initiative

The PhoenixEarth Initiative is PhoenixBev's sustainability pole, bringing together all of the Group's social and environmental responsibility projects to create a sustainable future for Mauritius and the broader Indian Ocean region. The initiative drives sustainability within the Group and aims to create a sustainable ecosystem around PhoenixBev. It builds on our ethical and sustainable foundation to ensure that our local engagements continue to inspire progress through our chosen Sustainable Development Goals (SDGs).

It also serves as a communication tool to showcase our strategies and to partner with internal and external stakeholders to create positive impacts. These include environmental training and awareness campaigns to deepen the sustainability culture in the Group and ensure that all team members and planned projects consider our chosen SDGs and the broader ESG impacts of our activities.

Fighting food waste

PhoenixBev partners with Foodwise to join the fight against food waste. In the 2024 financial year, PhoenixBev's donations to this initiative helped to save 26 754kg of food, enabling more than 107 000 meals to be donated to 44 NGOs.

foodwise

26 754
Kg of food rescued

107 000
Meals distributed

44
Receiving NGOs

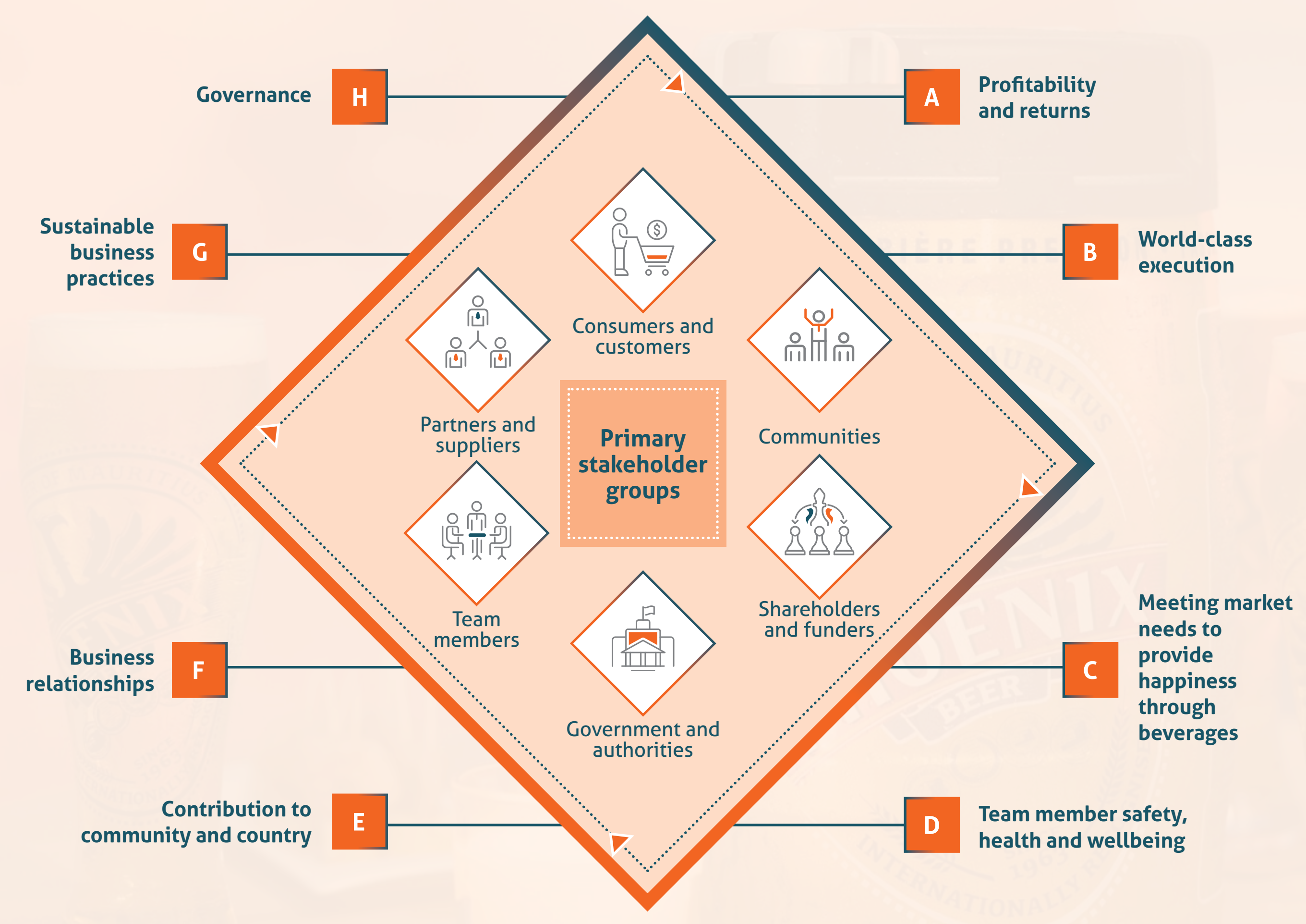
OUR MATERIAL MATTERS

Our material matters are those factors that could most materially affect our ability to create value over the short, medium and long term. These are identified by assessing financial and non-financial factors that could affect our strategy, performance and prospects. Material matters are reviewed at least annually.

Factors assessed in determining these matters and their relative ranking include:

- matters identified at SDG workshops attended by management and team members.
- top risks and opportunities identified through our risk management process.
- stakeholder expectations.
- relevant guidelines and frameworks.
- applicable legislation.
- industry initiatives.

Those disclosed last year, remain relevant and are discussed below:



Related risks

1	Geographical constraints
2	International conflicts and wars
3	Climate - related physical risks
4	Pandemic/ epidemic
5	Digital challenges and cyber risks
6	Constraining regulatory and policy context
7	Environmental and transition risks
8	Team capabilities and needs
9	Changing societies and consumer preferences
10	Strategic stakeholder relationships

OUR MATERIAL MATTERS (CONTINUED)

A

Profitability and returns

Aspects

- Cost control
- Capital expenditure and depreciation
- Cash flow
- Profitability
- Shareholder returns

Impact on value creation

We require access to sufficient financial capital in the short term to fund operations and to invest in future growth and opportunities. A profitable business with attractive returns creates short-term funds and ensures that further capital can be secured from funders and investors. War in Ukraine and the Middle East, global inflation and supply chain disruptions continue to impact demand and affect production and operations. Information on our operating context and financial performance is available on pages 25 and 66.

Primary stakeholders affected

Related SDGs

8 Decent work and economic growth; 9 Industry, innovation and infrastructure

Related risks

1 2 3 4 10

B

World-class execution

Aspects

- Product quality and safety
- Maintenance and improvement of facilities and process efficiencies
- Portfolio diversification

Impact on value creation

Operational excellence in production, distribution and management ensures that we meet the needs of our customers and consumers, achieve our financial targets and minimise our environmental impacts. More information on our investments in facilities and initiatives to ensure product quality and safety is available on page 49.

Primary stakeholders affected

Related SDGs

8 Decent work and economic growth; 9 Industry, innovation and infrastructure

Related risks

1 2 3 4 7

C

Meeting market needs to provide happiness through beverages

Aspects

- Portfolio diversification
- Quality of our brands
- Product trademarks and copyrights
- Business ethics and compliance
- IT infrastructure

Impact on value creation

We continually develop new products, product categories and packaging sizes to ensure that these stay relevant to evolving tastes and emerging trends.

Building and sustaining our strong brand portfolio keeps us relevant to consumers and supports expansion in the region.

PhoenixBev's commitment to ethical and responsible business practices, and our focus on promoting responsible consumption, support the Group's reputation and its relationship with government and society. More information on our products, brands and governance is available on page 10.

Primary stakeholders affected

Related SDGs

9 Industry, innovation and infrastructure

Related risks

5 9 10

D

Team member safety, health and well-being

Aspects

- Driving a high-performance culture
- Skills development and talent management
- Team diversity and inclusion
- Ethics and human rights
- Health, safety and well being

Impact on value creation

PhoenixBev's dedicated team members are essential to achieve our strategic goals. Our human resources practices aim to attract, develop and retain team members with the right skills to drive operational excellence. Systems are in place to support safe working conditions, good health and well-being, and fair treatment for all team members. More information on our human capital is available on page 53.

Primary stakeholders affected

Related SDGs

3 Good health and well-being

Related risks

4 8

OUR MATERIAL MATTERS (CONTINUED)

E

Contribution to community and country

Aspects

- Customer and consumer satisfaction
- Our contribution to society

Impact on value creation

Our commitment to operational excellence in production and distribution aims to ensure customer and consumer expectations are met. PhoenixBev invests in socio-economic initiatives in local communities, promotes waste collection and a circular economy, and supports national priorities. More information on these initiatives is available on pages 57 and 58.

Primary stakeholders affected

Related SDGs

3 Good health and well-being; 8 Decent work and economic growth; 12 Responsible consumption and production

Related risks

6 | 7 | 9

F

Business relationships

Aspects

- International partnerships
- Supply chain management
- Authorities

Impact on value creation

We partner with some of the world's leading brands to manufacture and market their products. Ensuring that we retain strong relationships with these business partners is essential to achieve our strategy. We recognise our duty to manage our supply chain responsibly to ensure suppliers align with our ethical and responsible approach to doing business. Refer to page 51 for more information.

Primary stakeholders affected

Related SDGs

8 Decent work and economic growth; 12 Responsible consumption and production

Related risks

2 | 3 | 4 | 9 | 10

G

Sustainable business practices

Aspects

- Water use and management
- Recyclability of packaging
- Waste management
- Carbon emissions

Impact on value creation

Our commitment to world-class execution and responsible business practices includes ensuring that we use natural resources responsibly, comply with all relevant legal requirements and minimise environmental impacts as far as possible. More information on our environmental practices and impacts is available on page 57.

Primary stakeholders affected

Related SDGs

12 Responsible consumption and production; 13 Climate action

Related risks

7 | 9 | 10

H

Governance

Aspects

- Good governance
- Compliance with regulations and guidelines
- Human rights

Impact on value creation

We are committed to ethical and responsible business practices. The principles of good governance are entrenched throughout the Group and reflected in our business activities. Our governance framework and focus areas for the year are available in the Corporate Governance section starting on page 75.

Primary stakeholders affected

Related SDGs

3 Good health and well-being; 8 Decent work and economic growth; 9 Industry, innovation and infrastructure; 12 Responsible consumption and production; 13 Climate action

Related risks

6 | 7 | 10

ENGAGING WITH OUR STAKEHOLDERS

PhoenixBev respects the interests of its stakeholders and is committed to constructive engagements with them, in line with the recommendations of the National Code of Corporate Governance for Mauritius (2016). The Board is responsible for ensuring timely and comprehensive communication to all stakeholders regarding significant events, and is regularly updated about significant engagements and developments regarding stakeholder interests.

Engaging with our key stakeholders help us to understand their legitimate needs and interests, and provides an opportunity to provide information on developments in the Group. These engagements provide valuable insight into developing trends, emerging risks and opportunities and material matters, and informs leadership discussions and strategy.

Engagements with stakeholder groups happen through channels most relevant to the stakeholders. For example, shareholders and funders are engaged at an executive or Board level, while engagements with employee groups primarily take place through the human resources function.

The section below discusses PhoenixBev's primary stakeholder groups, how we engage with them, their main concerns and how we address these.

Shareholders and funders

How we engage	Stakeholder expectations	Related Risks
• Annual and Board meetings • Business reviews • Corporate communication, including webcasts • Quarterly financial reports, investor presentations	• Profitability and growth • Business ethics and compliance • Contribution to society • Economic impact • Sustainable business practices • Fair labour practices • Human rights • Product quality and safety	1, 2, 3, 4, 5, 6, 7, 8, 9, 10

How we address their primary concerns

- PhoenixBev's business model (page 19) aims to deliver long-term value for our shareholders, aligned to a clear strategy and defined course of action.
- Our ongoing investment in value-generating assets supports future growth and expansion.
- We continue to investigate opportunities for growth.
- We are committed to ethical and responsible business practices, including compliance with all applicable laws and regulations.
- Our contribution to society includes tax and excise payments that fund government priorities, local employment, our CSR activities and our work with NGOs and other partners to promote the circular economy, social upliftment, environmental protection and other national events.

Consumers and customers

How we engage	Stakeholder expectations	Related Risks
• Creative media in English, French and Creole • Events and sponsorships • Focus groups • Market surveys • Social media • Customer Response Unit • PR activities • Websites, including the PhoenixEarth and Lespri Zil websites	• Products at competitive prices • Business ethics and compliance • Sustainable business practices • Excellent service • Product quality and safety • Entertaining and informative content	2, 3, 4, 5

How we address their primary concerns

- Cost-effective package sizes contain costs across our value chain.
- PhoenixBev is committed to ethical business practices, including environmental and social responsibility.
- Joint projects and business planning with customers aligns our interests and activities.
- Team members interact directly with customers to ensure excellent service.

Partners and suppliers

How we engage	Stakeholder expectations	Related Risks
• Consultations and meetings • Requests for proposals • Site visits, operation and quality audits • Workshops and brand summits	• Business ethics and compliance • Contribution to society • Economic impact • Sustainable business practices • Excellent service • Fair labour practices • Human rights • Product quality and safety	2, 3, 4, 7, 9, 10

How we address their primary concerns

- We are committed to ethical and responsible business practices, which include compliance with all applicable laws, regulations and the fundamental principles of human rights, including those drawn up by the International Labour Organisation, and the relevant laws and conventions in our countries of operation.
- Our contribution to society includes tax and excise payments that fund government priorities, local employment, our CSR activities and our collaboration with NGOs and other partners to promote the circular economy, social upliftment, environmental protection and other national events.
- Strict quality assurance processes are in place from the start of the product life cycle.
- Management systems align with international quality and food safety management standards, and are regularly audited by key partners against industry best practice.

ENGAGING WITH OUR STAKEHOLDERS (CONTINUED)

Team members

How we engage

- Communication during day-to-day business activities
- Inclusion in the decision-making process through the Comité d'entreprise
- Meetings with team member representatives
- Performance management process
- Workshops and meetings

Stakeholder expectations

- Fair labour practices
- Business ethics and compliance
- Contribution to society
- Economic impact
- Sustainable business practices
- Human rights
- Profitability

Related Risks

4 8

How we address their primary concerns

- PhoenixBev is committed to ethical and responsible business practices, which include compliance with all applicable laws and regulations, including labour laws, as well as respect for the fundamental principles of human rights.
- Programmes are in place to support the health, safety and well-being of our team members.

Communities

How we engage

- Creative media in English, French and Creole
- Events, CSR and PR activities
- Involvement in decision-making process through consultations and meetings
- Site visits

Stakeholder expectations

- Contribution to society
- Business ethics and compliance
- Sustainable business practices
- Fair labour practices
- Human rights

Related Risks

5 7 8

How we address their primary concerns

- Our commitment to ethical and responsible business practices includes compliance with all applicable laws and regulations, and prioritises positive social impact and the reduction of our environmental footprint.
- Our contribution to society includes tax and excise payments that fund government priorities, local employment, our CSR activities and our collaboration with NGOs and other partners to promote the circular economy, social upliftment, environmental protection and other national events.
- We partner with NGOs and other industry representatives to promote social upliftment and environmental protection, and actively contribute to national events.
- Strong support to cultural development throughout the island.
- Support for diversity and ocean life considerations.

Government and authorities

How we engage

- Interactions with authorities in Mauritius and Réunion Island
- Participation in national workshops on relevant topics
- PR activities

Stakeholder expectations

- Business ethics and compliance
- Contribution to society
- Economic impact
- Sustainable business practices
- Fair labour practices
- Human rights
- Product quality and safety
- Reduction of environmental footprint
- Affordable prices

Related Risks

4 6 7 9

How we address their primary concerns

- PhoenixBev's commitment to ethical and responsible business practices includes compliance with all applicable laws and regulations, and in particular those concerning the prevention and detection of bribery and corruption.
- Human resources practices align with local labour laws and we respect the fundamental principles of human rights.
- Our values and strategy aims to reduce our environmental footprint and we are committed to creating positive social impact.
- PhoenixBev contributes to wealth creation in Mauritius, the region and beyond by creating direct and indirect employment, by contributing to the government fiscus through tax and excise payments and by supporting entrepreneurship and business development.
- We engage with NGOs to promote social upliftment and environmental protection, and are active in contributing to national events.
- Our waste management strategy emphasises reducing, recycling or reusing waste and we have dedicated programmes focused on recycling PET bottles and glass.
- We promote safe and healthy consumption of our products to customers and consumers on packaging and through media communication.

RISK REPORT

Effective and timely risk management mitigates the risks inherent in value creation to acceptable levels while maximising opportunities. The Board sets the Group risk appetite and ensures that risks are managed within these parameters. It also monitors the adequacy of risk management practices and internal controls, as described in our Corporate Governance Report on page 90.

The risk identification and evaluation process proactively identifies, evaluates and manages risks and opportunities. External risks and opportunities are identified through PESTEL analysis, which assesses factors arising from the political, economic, social, technology, environment and legal contexts.

Internal factors are derived by evaluating strengths, weaknesses, opportunities and threats (SWOT analysis). Risks are classified into external risks, over which we have little or no control, and internal risks where we have more control.

The risk identification and evaluation process

Identify external factors affecting the business context (PESTEL) → Identify internal factors affecting operations (SWOT) → Identify and evaluate risks through the risk evaluation matrix → Define mitigating actions based on risks and opportunities → Regular review of residual risk assessments

SEVERITY

LIKELIHOOD	Insignificant	Minor	Moderate	Significant	Severe
Very Likely					
Likely		8 9 10	3 4 5 6	1 2	
Possible			7		
Unlikely					
Very Unlikely					

Risk significance Low | Low Medium | Medium | Medium High | High

Our top risks

The Group's top risks are shown in the table that follows, together with their potential impact on the Group, the related opportunities and how we mitigate these risks to an acceptable level.

RISK REPORT (CONTINUED)

1 Geographical constraints (External)

Risk	Impacts and opportunities	Mitigation Measures
The limited size, small population, and geographic isolation of Mauritius lead to a strong dependence on imports for raw materials, manufactured goods, equipment, spare parts, and foreign technical expertise, placing the Group at a disadvantage compared to international multinational players.	**Potential impact** • Constraints in scaling operations and achieving economies of scale. • Challenges in maintaining international competitiveness in a demanding global market. • Limited ability to expand our market reach. • Rising costs associated with sourcing raw materials, equipment, spare parts, and technical support. **Associated opportunities** • Expanding into new regional and international markets by capitalising on our flexibility and distinctive value proposition. • Leveraging our unique Indian Ocean location to foster regional growth, aligning our products with the "Island Spirit" ethos.	• Enhancing operational performance through a focused operational excellence program. • Exploring new market expansion opportunities. • Strengthening demand forecasting for materials, maintaining higher stock levels to buffer against disruptions. • Building relationships with backup suppliers for raw materials, packaging, equipment, and technical support, with a focus on geographic risk diversification. • Innovating with new products that utilise locally sourced ingredients. • Deploying qualified technicians on-site and securing access to remote support for immediate issue resolution.

2 International conflicts and wars (External)

Risk	Impacts and opportunities	Mitigation Measures
Significant international conflicts and wars can critically disrupt the Group's operational and commercial activities.	**Potential impact** • International conflicts can result in trade restrictions, sanctions, or tariffs on specific countries or products, potentially limiting PBL's access to crucial supply chains and markets. • Imbalances between rising costs and revenue stability. • Inflationary pressures, increased taxes, and depreciation of the Mauritian Rupee. • Limited access to foreign currencies for supplier payments. • Rising insurance premiums and difficulty obtaining coverage for businesses operating in or trading with high-risk areas. • Tourism, a significant sector in Mauritius, may decline. This can have a ripple effect on local businesses that rely on tourism-related demand. **Associated opportunities** • Win new regional and international markets through our flexibility and unique value proposition.	• Execute a comprehensive business continuity plan. • Strengthen demand forecasting and maintain higher stock levels for essential materials. • Build relationships with backup suppliers for raw and packaging materials, emphasising geographic risk mitigation. • Offer a product range with cost-effective options and packaging that align with customer needs. • Implement strict cost control measures, limiting discretionary operating and capital expenses. • Maintain close monitoring of cash flows, receivables, and conduct regular financial forecasting. • Engage regularly with suppliers and authorities and review contracts, costs, and pricing for potential adjustments.

3 Climate - Related physical risk (External)

Risk	Impacts and opportunities	Mitigation Measures
• Islands, like Mauritius, often face higher risks from natural disasters, such as cyclones and rising sea levels that pose significant risks to our operations. • Disasters in countries where we source key raw materials and other inputs could also affect our business.	**Potential impact** • Disrupt supply chain, damage manufacturing facilities and create logistical delays. • Mismatches between escalating costs and revenue stability. • Higher taxes, depreciation of the Mauritian Rupee or availability of foreign currencies to pay suppliers. • Water scarcity or groundwater contamination may adversely impact our operations. • Reduced crop yields or quality, affecting availability and prices of raw materials. **Associated opportunities** • Strengthen relationships with team members, customers, communities, and government agencies by supporting relief efforts and fostering resilience.	• Execute a robust business continuity plan. • Strengthen demand forecasting for materials and maintain higher stock levels to ensure supply chain resilience. • Establish backup suppliers for raw and packaging materials, with a focus on geographic diversification. • Tighten cost controls and reduce discretionary operating and capital expenditures. • Engage consistently with authorities, reviewing and renegotiating contracts, costs, and pricing to adapt to changing conditions. • Invest in green energy and sustainability initiatives to address the long-term impacts of climate change.

4 Pandemic/ epidemic (External)

Risk	Impacts and opportunities	Mitigation Measures
Pandemics pose a major public health risk and can severely impact local, regional, and global economies due to measures taken to control their spread. The timing, pace, and nature of economic recovery are unpredictable.	**Potential impact** • Adverse effects on team members, leading to operational disruptions. • Social distancing and restrictions on gatherings may lead some customers to close their businesses. • Prolonged recovery dampens consumer demand for our products. • Imbalances between rising operational costs and revenue. • Resource shortages and supply chain delays for essential supplies, including raw and packaging materials, energy, spare parts, and services. • Increased inflation, interest rates, taxes, and depreciation of the Mauritian Rupee. • Limited foreign currency availability for supplier payments. • Lockdowns and border closures. **Associated opportunities** • Strengthening relationships with team members, customers, and communities through support initiatives. • Collaborating with customers to create safe spaces for consumer interaction, fostering recovery at industry and societal levels..	• Implement robust health, safety, and hygiene protocols, building on insights gained during COVID-19. • Execute a comprehensive continuity plan to manage crisis situations. • Support customers in maintaining operations, expand our online consumer platform, and develop direct-to-consumer channels. • Provide cost-effective product and packaging options tailored to customer needs. • Enforce strict cost controls, reducing discretionary spending and capital expenditures. • Closely monitor cash flows, receivables, and conduct regular financial forecasting. • Engage consistently with suppliers and authorities to review and renegotiate contracts, costs, and pricing. • Optimise foreign exchange management practices. • Enhance demand planning for raw materials and maintain increased stock levels. • Develop backup suppliers for critical raw materials to ensure supply chain resilience.

RISK REPORT (CONTINUED)

5 Digital challenges and cyber risks (External and Internal)

Risk

- Potential threats posed by digital challenges, including cyber risks and data security breaches.
- Rapid changes in technological advancement.
- Increasing power of social media in shaping public perceptions of our brands.

Impacts and opportunities

Potential impact

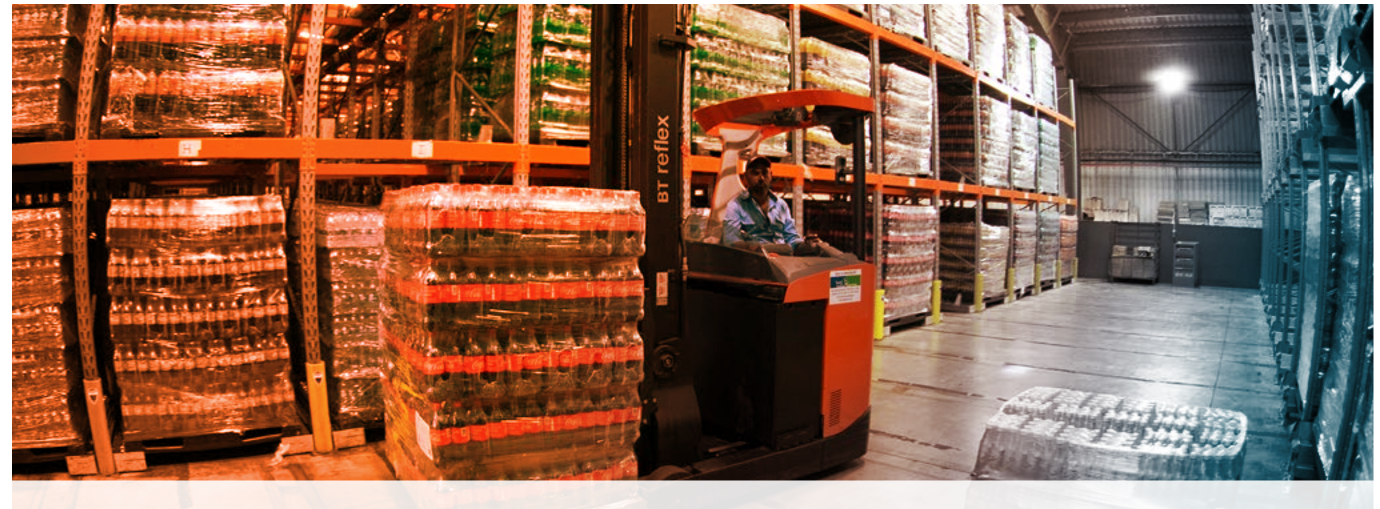
- Challenges in meeting IT demands necessary to support business growth.
- Increased exposure to cyberattacks, IT disruptions, and data breaches.
- Unauthorised disclosure of the Group's confidential information to third parties, leading to data loss and a breach of confidentiality.
- Social media's virality can quickly spread both positive and negative information, including misleading content and impersonation risks, making it challenging for PBL to manage its image effectively.
- Growing skills gap relative to rapidly evolving AI and digital technology.
- System failures can disrupt business continuity, lead to financial losses, and harm stakeholder trust.
- Rapid evolution of technology can render existing products and processes obsolete

Associated opportunities

- Enhancing efficiency, accelerating digital offerings to market, and reducing servicing costs.
- Leveraging increased connectivity to boost brand visibility and collect real-time customer feedback.
- Utilising social media to grow brand awareness through organic engagement and community-building.
- Common IT platforms as key enablers of group synergies.
- Using AI tools for enhanced market insights and intelligence.

Mitigation Measures

- Establish robust IT governance and develop a comprehensive IT roadmap across the Group to ensure consistent, secure services, protecting against cyber threats and potential disruptions.
- Implement strong data protection protocols and conduct regular security awareness training.
- Provide team members with training on AI, cybersecurity, and data privacy, led by the IT department.
- Implement strong social media communication plans to mitigate the risks of misinformation.
- Subcontract social media management to a specialised PR agency for effective control and risk management.
- Conduct an ongoing review of our enterprise resource management (ERM) system to enhance operational efficiency and security.



6 Constraining regulatory and policy context (External)

Risk

- Need to understand, interpret, and comply with varying regulatory requirements across multiple jurisdictions.
- Potential challenges posed by restrictive or rapidly changing regulations and policies that may impact the Group's operations.

Impacts and opportunities

Potential impact

- Stringent duties and taxes, environmental laws, labour regulations, and trade policies can limit flexibility, increase compliance costs, or hinder operational efficiency.
- Unpredictable policy changes complicate business planning.
- Discriminatory taxes and regulations targeting our products may arise, including those related to consumer health, packaging, and waste recovery.
- Fines, claims, and reputational damage resulting from failure to comply.
- Loss of essential licences, potentially leading to major production setbacks.
- Management time diverted to resolving legal issues.
- Non-compliance complicates securing insurance and may lead to higher premiums.
- Non-compliance erodes customer trust and diminishes business opportunities.
- Regulatory violations may result in shutdowns or operational restrictions.
- Failure to meet data protection standards can increase legal and financial risks due to security vulnerabilities.

Associated opportunities

- Strengthen PBL's position as a responsible leader in the local and regional beverage markets by supporting a fair legal framework that benefits consumers and citizens alike.
- Enhance product reputation by complying with consumer health regulations and offering reduced-calorie and non-alcohol options.
- Differentiate through a unique value proposition that reflects our commitment to compliance and social responsibility.

Mitigation Measures

- Ongoing proactive dialogue with policy makers on proposed regulatory changes to ensure fair and equal treatment for all parties.
- Strong compliance and audit program in place. Regular review of licensing requirements and compliance checklists.
- Foster transparency and proactive communication with stakeholders.
- Collaborate with insurance providers to ensure coverage reflects compliance efforts.
- Implement strong data protection procedures and conduct regular security assessments.

RISK REPORT (CONTINUED)

7 Environmental and transition risks (External and Internal)

Risk	Impacts and opportunities	Mitigation Measures
• Difficulties in achieving sustainable financial performance in a challenging trading environment. • Difficulties in shifting towards a low carbon economy	**Potential impact** • Increased demand for eco-friendlier products and packaging. • Pressure to reduce waste and minimise production impact. • Potential production disruptions due to raw material shortages resulting from climate change. • Increased vulnerability to energy price fluctuations. • Higher compliance regulations on water conservation, biodiversity, and waste management. • There are urgent requirements for compliance with ESG materiality matters, and failure to meet sustainable environmental targets may result in penalties. **Associated opportunities** • Position PBL as a leader in sustainable practices through resource conservation, waste reduction, energy optimisation and community engagements.	• Promote environmental and social responsibility through PhoenixEarth Initiative aligned with UN SDGs, embedding sustainability in our business strategy. • Collaborate regularly with regulators and industry to advance responsible packaging practices. • Evaluate and reduce our carbon footprint . • Identify opportunities for recycling and upcycling, through our subsidiary Mauritius Glass Gallery . • Recycle PET bottles and use returnable glass bottles to reduce waste. • Invest in water-and energy-efficient equipment and explore renewable energies and eco-friendly cooling solutions. • Maintain environment management system certification (ISO 14001:2015) across our operational sites. • Maintain strong partnerships with government, communities, and industry for responsible waste management.

8 Team capabilities and needs (Internal and External)

Risk	Impacts and opportunities	Mitigation Measures
• Potential challenges related to maintaining a skilled, adaptable, and motivated workforce that can meet evolving business needs.	**Potential impact** • Loss of essential expertise, impacting product innovation and market growth. • Challenges in adopting advanced technologies due to skill shortages. • Difficulties in attracting and retaining skilled talent, potentially affecting safe and sustainable operations. • Reduced productivity due to the physical and mental impact on team members. • Erosion of trust among team members, affecting our reputation as an employer. • Industrial unrest can halt manufacturing processes, disrupt supply chains, and lead to inefficiencies in logistics. • A high rate of absenteeism leading to operational inefficiencies and disruptions. **Associated opportunities** • Build a robust pipeline of skilled and experienced team members to ensure readiness for leadership and technological advancements. • Strengthen our reputation by promoting fair treatment, equal opportunities, and a safe work environment that prioritises health and well-being.	• Explore talent acquisition from other markets to secure required skills. • Set-up of performance management system to develop and nurture team members at all levels. • Implement strategies to ensure continuity by preparing successors for key roles. • Provide training aligned with PBL's skill needs to keep up with industry standards. • Conduct regular surveys to identify and address emerging issues that may impact retention and morale. • Provide continuous training to reinforce safety practices and reduce operational risks. • Undertake periodic meetings with team representatives to proactively address concerns and foster open dialogue. • Install GPS-enabled fleet monitoring to optimise routes, reduce driver fatigue, and enhance safety.

9 Changing societies and consumer preferences (External)

Risk	Impacts and opportunities	Mitigation Measures
• Evolving societal values and shifting consumer preferences may impact demand, brand perception, and consumer loyalty.	**Potential impact** • Speed and unpredictability of changes may result into reduced sales, market share, and customer loyalty, as consumers increasingly favour brands that align with their values. • Shifting preferences towards healthier options poses a risk to PBL's market share and profitability, especially for products perceived as less healthy. • Increase in regulatory pressure, leading to potential taxes, labelling requirements, or restrictions on ingredients deemed unhealthy. • Competitive disadvantage as health-focused brands gain traction in the market. **Associated opportunities** • Develop new categories that align with consumers' health-conscious choices. • Strengthen relationships with customers by providing transparent, detailed product information. • Promote initiatives to encourage responsible alcohol consumption.	• Regular analysis of market survey data to stay updated on emerging preferences and requirements. • Maintain consistent communication with customers across multiple channels to enhance their retail experience. • Gradually reduce calorie content across product offerings to meet health-oriented preferences. • Ensure that products are offered at the right price, in the right format, and through the appropriate channels. • Improve product transparency with clear and informative labelling. • Engage with government, NGOs, and health specialists to support responsible consumption. • Equip our sales teams with in-depth knowledge of product ingredients, enabling them to serve as informed brand ambassadors. • Explore and expand into new product lines to cater to evolving consumer needs. • Rewarding program for customers.

10 Strategic stakeholder relationships (External and Internal)

Risk	Impacts and opportunities	Mitigation Measures
• Our strategic stakeholder relationships may be impacted by the potential loss of a key partner or supplier.	**Potential impact** • Termination of agreements or unfavourable renewal terms could lead to significant adverse effects on profitability. • Weak or ineffective partnerships may result in missed opportunities for growth and innovation. **Associated opportunities** • Continued collaboration with international partners can facilitate the rapid achievement of strategic goals and the expansion of our product portfolio and markets. • Utilising partnerships to amplify social and environmental contributions can enhance brand reputation and stakeholder trust.	• Maintain a strong management focus on regular interactions and open communication with strategic partners to foster trust and collaboration. • Actively participate in joint projects and strategic business planning sessions that address key growth issues and opportunities. • Ensure participation in senior management forums to reinforce commitment to partnerships and share insights. • Implement strict monitoring protocols to ensure compliance with the quality, safety, and environmental standards set by our international strategic partners. • Diversification of supplier base.

OUR PERFORMANCE

CEO'S REVIEW

Dear Shareholder,

Business conditions improved somewhat over the past year, but a number of challenges remained. These included a weaker currency and the ongoing shortage of foreign currency to pay international suppliers, supply chain complexity that delayed or disrupted deliveries of vital inputs, fluctuating freight costs, rising energy costs and high interest rates.

We have successfully implemented strategies to mitigate supply chain disruptions caused by raw material shortages and foreign exchange issues. However, the labour market remains extremely tight, particularly for technical skills, and we continue to explore ways to secure the necessary skills to support production and expansion.

"We are advancing plans to enhance our facilities, significantly increase production capacity and expand our warehouses to support future growth. We face a busy year ahead as we execute our expansion plans and launch a number of exciting new products."

STRONG MARKET DEMAND DROVE GOOD GROWTH IN VOLUMES AND PROFITS

With the recovery in tourism and increased spending by consumers, market demand grew strongly, driving 9.1% growth in sales volumes in Mauritius and a 7.1% increase at the Group level. Our focus on managing costs saw gross profit margin increase from 26.8% in 2023 to 30.5% in 2024.

PhoenixBev contributed MUR 3.4 billion as excise duties, an increase of 16.4% on 2023 and representing 33.1% of turnover at company level. Following the Mauritian government's budget announcement in June 2024, the Group will also be liable to contribute an additional 2% of taxable income to the new Corporate Climate Responsibility levy to fund climate change initiatives.

The growth in volumes pushed our facilities to nearly full capacity and, where necessary, production was switched to flagship brands to ensure that we could continue to meet demand. We are advancing our plans to enhance our facilities, significantly increase production capacity and expand our warehouses to support future growth.

The Financial Capital section on page 59 provides a detailed analysis of the Group's financial performance and position.

BRAND AND PRODUCT PERFORMANCE

We continue to see strong interest in healthy and functional beverages, with growth in both affordable and premium product lines. Our mission is to ensure that everyone has access to refreshing beverages that satisfy their needs on every level. During the year, we released a unique collectors' edition aluminium Phoenix bottle in honour of Phoenix's 60th anniversary, alongside a Collector Season campaign celebrating artists who have had a significant impact on the Mauritian music industry. We also introduced the new Phoenix Panaché low-alcohol portfolio, launched Fanta Pineapple and released three seasonal variants of our craft beer, Manawa.

Our water and stills business saw good growth from consumers who appreciate the high quality and health benefits of these beverages. Marketing efforts continue to focus on establishing brands that are perceptive and responsive, with campaigns that resonate with consumers and their values.

Our traditional distribution channels were well served during the year and are complemented by our online platform, www.shop.phoenixbev.mu, as well our four Phoenix Bev Wines and Spirits shops across Mauritius.

INVESTING IN THE WELLBEING OF OUR TEAM MEMBERS AND DEVELOPING FUTURE SKILLS

Our team members are crucial to the Group's success and we prioritise their wellbeing and growth. Our comprehensive safety and health programmes aim to achieve excellence in safety, health and wellness. Our goal is to achieve an injury-free workplace and we offer extensive medical monitoring and assistance to support wellbeing.

PhoenixBev invested MUR 10.8 million in training and development to build operational job-related skills, analytical and technical competencies, leadership skills and service excellence. We partner with technical and educational institutions to develop the technical talent pool and position PhoenixBev as an employer of choice in the market.

CATALYSING PROGRESS TOWARDS THE SDGS

As a proudly Mauritian company with a long history of responsible and ethical business practices, PhoenixBev is committed to building on this sustainable foundation as we expand. PhoenixEarth was established as the sustainability pole of the Group to drive our ESG initiatives and create a sustainable ecosystem in and around the Group, aligned with the global social and environmental aspirations in our priority SDGs. Several of PhoenixEarth's projects during the year are highlighted in the case studies throughout this report.

As part of our drive for world-class execution, we seek to minimise our environmental impacts. Our investments in upgrading and expanding our production facilities include a focus on improving water and energy efficiency, and reducing waste. We are making progress in introducing renewables into our energy mix and improvements in waste tracking over the past few years have seen a high proportion of appropriate waste streams being recycled, reused or valorised.

Water is an essential ingredient of our products and we are committed to stewarding water resources responsibly. Water conservation efforts include recovery and reuse of water within the production process and rainwater harvesting systems.

PhoenixEarth is active in the community, working with business partners and NGOs to promote collection, recycling, upcycling and re-use of plastic packaging by educating consumers and promoting the circular economy.

We face a busy year ahead as we accelerate our expansion plans and launch a number of exciting new products. We look forward to continuing to satisfy the evolving tastes of consumers, serve our customers and deliver returns for our shareholders, while demonstrating our commitment to sustainability and responsible business.

Bernard Theys
Chief Executive Officer
26 September 2024

MANUFACTURING CAPITAL

Manufacturing facilities

PhoenixBev continually invests to maintain and modernise its manufacturing facilities to ensure consistent product quality, increase operational efficiency, enhance customer satisfaction, support team members' well-being and reduce our environmental footprint.

During the year, we conducted a facility masterplan audit to enable planning for expansions for the next decade. We also upgraded electrical infrastructure and production lines to create capacity for future growth. In the year ahead, planned projects include upgrades to the brewery cleaning station, additional fermenters for the craft beer plant and installations of a new pasteuriser and palletiser on one of our glass line.

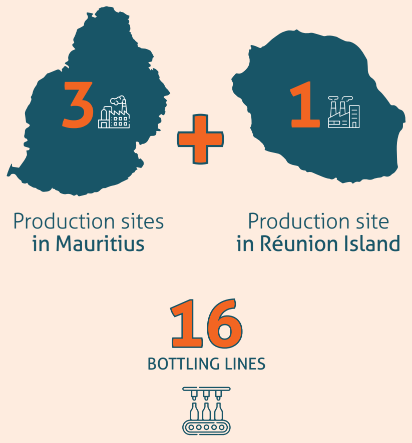
Product quality, food safety and responsible production

Stringent quality and food safety measures and controls are in place at the production sites, supplemented by internal audits and quality assurance processes to ensure all elements, from inputs to waste, meet required standards and traceability.

All three production sites in Mauritius are certified in terms of ISO 9001 (quality management), ISO 14001 (environmental management) and ISO 45001 (occupational health and safety management) under an integrated management system, as well as FSSC 22000 (food safety management).

Regular audits by our key international partners, including The Coca-Cola Company, Diageo and Schweppes International Limited, check adherence to their requirements in the areas of food safety, quality, occupational safety, environmental and human rights standards.

PhoenixBev plans to invest in its equipment over the next two years to boost production capacity and efficiency, aligning with its international expansion strategy. This investment will focus on modernising key production lines, optimising energy use, and enhancing sustainability practices to meet growing demand. Additionally, PhoenixBev aims to leverage these improvements to streamline operations, reduce costs, and increase output quality, thus positioning itself competitively.



	Certification	Brewery	Limonaderie	Nouvelle France
International Standards	FSSC 22000 V6	✓	✓	✓
	ISO 9001: 2015	✓	✓	✓
	ISO 14001: 2015	✓	✓	✓
	ISO 45001: 2018	✓	✓	✓
	ISO/IEC 17025: 2017	N/A	✓	N/A
Partners Standards	The Coca-Cola Company KORE-QSE	✓	✓	✓
	The Coca-Cola Company SGP Human Rights	✓	✓	✓
	Suntory Beverage & Food Europe-QSE	N/A	✓	N/A
	Diageo TPO Supplier Assessment	✓	N/A	N/A
	Label Made in Moris	✓	✓	✓
	The Embedding Project - Double Materiality Assessment	Radar of Materiality issues - May 2024. Action plan in progress.		
	Carbon Footprint Assessment	Results - Mid Oct 2024. Action plan in progress.		
	Source Water Vulnerability Assessment			

CASE STUDIES

Green innovation: Contributing to a greener future for Mauritius by investing in innovative and environmentally friendly solutions.

As part of its modernisation process, PhoenixBev upgraded the electrical network in the brewery. With an input voltage of 22 000 volts, a critical function of the switchgears in the network is to extinguish arcs during switching, which can cause substantial damage, harm, fire or injury. Standard switchgear systems use sulphur hexafluoride (SF6) to prevent arcs, however SF6 has 23 500 times the global warming potential of CO2.

In line with our commitment to innovation and reducing our environmental impact, PhoenixBev invested in SM AirSeT™ switchgears from Schneider Electric, which use a combination air and vacuum to prevent arcs. Compared to SF6 switchgears, the new switchgears represent a reduction in carbon emissions of 15 725 kg of CO2 over their service life.

The upgrade also included a switch to dry-type transformers which do not rely on transformer oil, reducing the risk of oil leaks or spills and contributing to a cleaner environment. The choice of dry-type transformers represents a further reduction of 17.8 kg of CO2 over their service life.

In total, PhoenixBev committed more than MUR 21.5 million to these upgrades to reduce the Group's environmental impacts. The upgrade was officially launched on 25 July 2024 in the presence of the Minister of Environment, Solid Waste Management and Climate Change, The Honourable Kavydass Ramano at the PhoenixBev headquarters in Pont Fer.

MUR 21.5 million

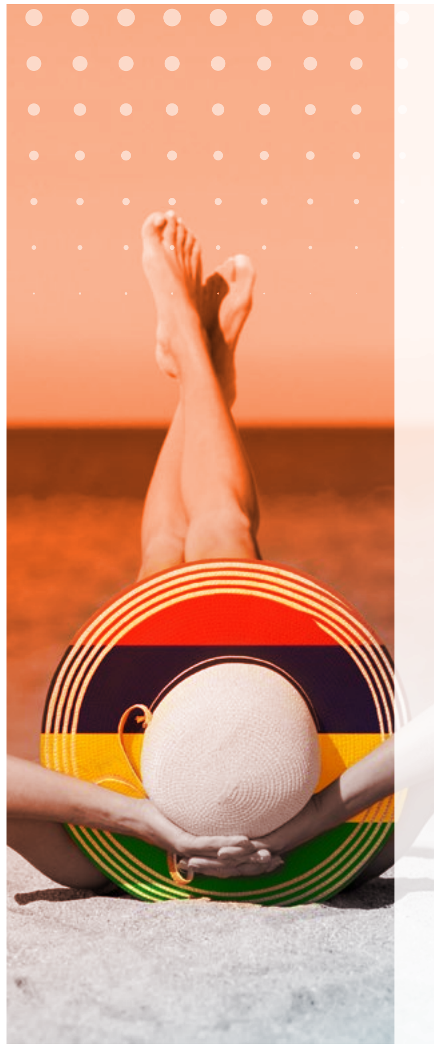
Upgrades to reduce the Group's environmental impacts

SOCIAL CAPITAL

PhoenixBev's ability to achieve our vision to "Provide happiness through beverages" depends on how well we meet the expectations of our customers and consumers, as well as the quality of our relationships with our partner brands, suppliers and other stakeholders.

PhoenixBev's contribution to society

Since 1931, the Group has been a significant contributor to the economy, culture and people of Mauritius. In the financial year to 30 June 2024, PhoenixBev created **MUR 7,658 million** in value, distributed **MUR 6,710 million** to stakeholders and reinvested **MUR 948 million** into the Group. The value-added statement on page 65 provides more information on value created and distributed during the year.



Partner relationships

We choose our partner brands carefully, ensuring that they fit in our current portfolio and match our brand reputation, quality standards and commitment to sustainability. Our partners include some of the world's leading beverage brands, such as The Coca-Cola Company, Diageo, Schweppes International Limited, Suntory, Monster Energy Limited, Les Grands Chais de France and Pernod Ricard.

We buy locally where Mauritian products are available that meet the quality and other criteria required by our standards and the requirements of our partner brands. Other inputs are imported from around the world. Effective supply chain management ensures consistent quality and availability.

Suppliers undergo annual formal assessments and we conduct regular audits of strategic suppliers to ensure that they operate sustainably and ethically, and align with our values. Suppliers of certain key inputs are also accredited by our key international partners.

Customer satisfaction

Customer satisfaction is measured from feedback gathered at customer visits and from targeted surveys. The Customer Response Unit monitors this feedback and investigates any complaints.

Our operations meet international quality and food safety management standards to ensure high-quality products. Our strong relationships with our business partners provide input and external benchmarking for operating processes, quality control, as well as global best practices in the international beverages industry.

PhoenixBev works closely with government, NGOs and specialists to promote responsible alcohol consumption. Product development includes reduced-sugar beverages and lower alcohol content beers to increase options for consumers and meet the demand for healthier alternatives.

Corporate social responsibility

PhoenixBev's corporate social responsibility (CSR) program aligns with our sustainability platform PhoenixEarth and our priority SDGs. The CSR strategy supports projects that make a significant contribution to local communities and broader society by inspiring people to make environmentally friendly and socially responsible choices. Priorities areas include promoting PET recycling, returnable glass bottles, responsible consumption, sports and education.

CSR initiatives encourage employee participation and during March 2024, PhoenixBev organised a blood donation drive in which 114 employees participated.

Cancer screening in Rodrigues

During the year, PhoenixBev sponsored a breast and prostate cancer awareness and screening campaign in Rodrigues, in partnership with Link to Life. The campaign aimed to raise awareness and reduce stigma around these cancers, promote early detection and thereby reduce mortality rates through timely intervention.

Awareness initiatives included radio spots, Facebook posts and videos, information sessions and the distribution of educational flyers and pamphlets.

Over the four days of the campaign, more than 600 participants attended talks on cancer in four regions around Rodrigues, with 500 women undergoing screening for breast cancer and 441 men enrolling for prostate cancer screening. Patients showing adverse results were referred to hospitals and specialists for further investigation and follow up.

HUMAN CAPITAL

PhoenixBev's 1 850 dedicated and committed team members are the foundation of the Group's success. Our human resources initiatives aim to create a safe and inclusive work environment, and to ensure that all team members are treated with equal dignity and respect. Engagements with team members include regular Comité d'entreprise meetings, performance reviews, newsletters, audio-visual presentations and updates on the e-Board in communal areas.

Health, safety and well-being

PhoenixBev's health and safety initiatives aim to create a culture of safety and an environment where everyone feels protected and valued. We are committed to excellence in safety and health by working towards an injury-free workplace through continuous risk assessments and capacity building.

Common potential hazards associated with PhoenixBev's activities include exposure to chemicals, minor cuts due to handling broken glass, handling heavy objects, operating industrial machinery and equipment, and road accidents.

The safety programme aligns with ISO 45001 (the international occupational health and safety management standard) and the Brewery, Limonaderie and Nouvelle France units are certified in terms of the standard. Continuous risk assessments, safety awareness campaigns and ongoing safety training embed safe working practices and enhance safety knowledge and skills.

Accidents are thoroughly investigated, with all incidents reported in a corrective action plan that facilitates structured follow-up. Best practices and learnings from accidents and near misses are shared across sites.

Regular audits ensure ongoing compliance with health and safety standards, including audits in terms of ISO 45001, KORE (Coca Cola's Operating Requirements) and external audits commissioned by the IBL Group.

There were 146 work accidents reported at operations in Mauritius, Rodrigues, and Réunion Island (2023: 130) and 702 man days lost to injury (2023: 474). Despite our concerted effort, we experienced an isolated incident involving an employee whose extended recovery time contributed to an increase in our loss work days for the year.

A comprehensive medical surveillance programme supports health and wellness and the occupational health doctor is also available to provide medical advice. The Group encourages and supports participation in various sporting activities and events to promote a healthy lifestyle.

Skills retention and development

The labour market in Mauritius remains extremely tight and we are assessing various options to attract and retain technical skills.

Our skills development programme focuses on building analytical and technical competencies to address both immediate operational job-related skills and long-term strategic requirements. Personal development plans and an accelerated program support skills development and succession planning.

PhoenixBev's training centre is registered with the Mauritius Qualifications Authorities, allowing it to provide accredited training and issue certificates.

We successfully launched the second year of our Leadership Development Journey with 60 managers and senior supervisors benefitting from prescribed online courses and prework, masterclasses and group coaching in key areas essential for effective leadership. Team members also attended workshops and courses on cyberbullying, violence at work, gender bias and effective communication with Gen-Z.

The third year of the Service Excellence Programme, run in collaboration with the IBL Training Academy, was rolled out during the year. Satisfaction rates and complaints handling showed marked improvement in a follow up customer service survey.

The Company's investment in training and development was MUR 10,8 million in 2024 (2023: MUR 9.7 million).

We engage technical and educational institutes to develop the pool of technical talent and position PhoenixBev as an employer of choice in the market. The Group's partnerships with the Mauritius Institute of Training and Development (MITD), University of Mauritius, Youth Employment Programme, Dual Training Programme and Trainee Engineer scheme saw 57 trainees enrol as apprentices in the Production, Refrigeration, Laboratory, Brand Management and Engineering departments to increase the technical talent pool.

Diversity and inclusion

PhoenixBev respects and values diversity. The Diversity and Inclusion Policy embodies our commitment to creating an environment where everyone is valued and respected, providing equal opportunities and eliminating unfair discrimination. We aim to maintain a workplace that is free from all forms of unfair discrimination in hiring, promotion and work supervision. Reports of harassment, discrimination or unethical behaviour are promptly investigated, with appropriate action taken when necessary.

Building the technical skills pool of the future

PhoenixBev participated in the MITD's annual job fair in November 2023 to make trainees aware of opportunities at the Group when they complete their training at the end of the year. The Human Resources and Technical Operations teams also welcomed 33 MITD students in October for an industrial visit of the Brewery. Six students opted to perform their industrial placement at PhoenixBev in November and December 2023.

INTELLECTUAL CAPITAL

Building strong, valuable and meaningful brands

PhoenixBev's strong and diverse portfolio of more than 50 leading or high-value local and international brands (see page 10) is the foundation of our success as a major beverage Group in the Indian Ocean region.

The success of our brands depends on our ability to continually meet customers' expectations in terms of product quality while creating unique new beverages that meet evolving consumer tastes. We develop new products and flavours through internal testing panels, research from our innovation function and the insights we derive from our direct-to-consumer channels.

We build long-term affinity with our customers and consumers by aligning ourselves with their priorities, favouring organic word-of-mouth community-driven campaigns that promote our products in our chosen markets. Our brands align with our chosen SDGs to ensure that we operate sustainably and in line with our values, including by promoting responsible consumption and providing lower alcohol and reduced sugar options.

Our main focus over the last year was continuing the celebration of the 60-year anniversary of our flagship brand Phoenix. This included the launch of a unique collectors' edition aluminium Phoenix bottle in three designs representing strong dimensions of this iconic brand – Nou Zistwar (Our History), Nou Kiltir (Our Culture) and Nou Fitir (Our Future). This was supported by a Collector Season campaign on Kafé Kiltir, PhoenixBev's main communication platform, which celebrated 60 artists who have had a significant impact on the Mauritian music industry.

We leveraged the increasing popularity of low-alcohol beverages to introduce the Phoenix Panaché portfolio around the island in three flavours – Lemon, Red Fruit and Peach. The overwhelming response from the market led to a full campaign planned for the coming year. We also launched three seasonal variants of our craft beer, Manawa, namely Triple Malt, Summer Breeze and Cherry Bomb. The success of the launch will soon see the new flavours more widely available in retail outlets. In the soft drink category, we launched Fanta Pineapple in May 2024.

We are exploring synergies in Kenya through our investment in African Originals and developing the new Pernod Ricard portfolio in Réunion Island.

CASE STUDIES

PhoenixBev invests in the BiobiN™ - an innovative sustainable organic waste management system

PhoenixBev is committed to being at the forefront of environmentally friendly solutions that not only benefit our company, but also contribute positively to the environment in Mauritius and the Region. In pursuit of this goal, PhoenixBev installed a state-of-the-art $7m^3$ bio-waste management system at the start of April 2024.

The BiobiN™ creates green compost from the Group's biodegradable household waste that would otherwise be dumped in local landfills.

BiobiN™ fits perfectly with PhoenixBev's green business vision by creating a natural fertilising compound called humus that naturally enriches soil with valuable nutrients without causing unwanted odours thanks to its air recirculation system. BiobiN™ can also convert organic residue such as charcoal, wood chips or sawdust without needing additional microorganisms or chemicals to create humus.

The humus produced will be used to enrich the vegetable gardens of our catering kitchen service provider. It will also help to encourage team members to make greener choices in how they manage organic waste in the workplace and at home. PhoenixBev continues to investigate other sustainable solutions to further accelerate our environmental initiatives to reduce carbon emissions and promote the transition to a circular economy.

NATURAL CAPITAL

PhoenixBev's commitment to responsible business practices underlies our approach to monitoring, managing and mitigating our impact on natural resources. Through the PhoenixEarth Initiative, the sustainability pole of PhoenixBev, we participate in collaborative solutions to address environmental challenges facing Mauritius. Aligned with our priority SDGs, our operational environmental focus areas are water, energy and waste management.

All our production sites are certified in terms of ISO 14001: 2015, the international environmental management system standard. Ongoing upgrades to our production facilities include new equipment that improves water and energy efficiency, and reduces waste.

During the year, key management and staff received training in carbon footprint assessment and attended a workshop on the implementation of the new National Waste Management Strategy.

Water usage and management

Water is an essential ingredient of our products and is also used to clean and sanitise bottles and equipment. Our facilities withdraw water mainly from local aquifers and constantly monitor abstraction rate, water quality and ground water recharge. The operating requirements of our partners, The Coca-Cola Company Operating Requirements (KORE) necessitates detailed quantitative and qualitative water analyses, including source vulnerability assessments (SVAs) every five years, which update our source water protection plan. A geotechnical expert company carried out SVAs at our 3 production facilities period Q2-Q3 2024, following which our water management plans will be updated.

A number of initiatives are underway to recover and reuse water within the production process, including backwash, cleaning and reverse osmosis water recovery.

Rainwater harvesting at the Phoenix and Nouvelle France sites reduce pressure on local aquifers. The Nouvelle France system reduces the use of groundwater by an estimated 3 600 m^3 a year. Similar projects are currently being investigated at other sites.

PhoenixBev withdrew **1 016 969 m^3** of water (2023: 1 016 799 m^3) which amounts to **0.40 m^3** per hectolitre of production (2023: 0.42m^3).

Carbon emissions and energy

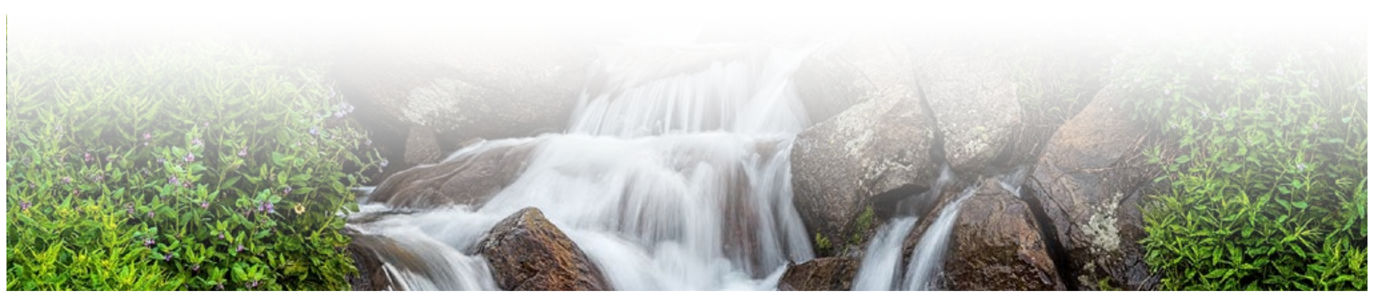
Energy used at our operations includes electricity from the public grid, coal and heavy fuel oil for heating in the production processes, and diesel and LPG for transport and logistics. While energy use is the main source of carbon emissions at our sites, our largest source of emissions relates to sourcing raw materials.

We continue to investigate opportunities to implement renewable energy systems at our facilities.

In August 2024, PhoenixBev joined a project led by IBL Energy in partnership with the Central Electricity Board to participate in a Solar Farm project to increase access to renewable energy and reduce carbon emissions.

A project to assess PhoenixBev's carbon footprint across its operations in Mauritius, Rodrigues and Reunion Island commenced at the end of June 2024. The study, sponsored by Cap Business Océan Indien, is being managed by Carbone Ingénierie. It encompasses all operations of PhoenixBev in Mauritius and Rodrigues, addressing Scope 1, Scope 2, and Scope 3 emissions. The preliminary results of Mauritius and Rodrigues operations are expected in October 2024. A workshop will then animated by Carbone Ingénierie, with Senior Management & Management teams to identify actionable strategies for mitigating the carbon emissions. Additionally, the carbon footprint assessment for Edena Boissons in Réunion Island is currently underway, covering the same three scopes. By December 2024, PhoenixBev aims to achieve a holistic understanding of consolidated carbon emissions data across all its operations. Following this, a training session will be organised for all internal stakeholders involved in the implementation and maintenance of the mitigation plan.

PhoenixBev consumed **190 142 GJ** of energy in 2024 (2023: 120 026GJ) which amounts to **0.074 GJ** per hectolitre of production (2023: 0.049 GJ).



Waste management

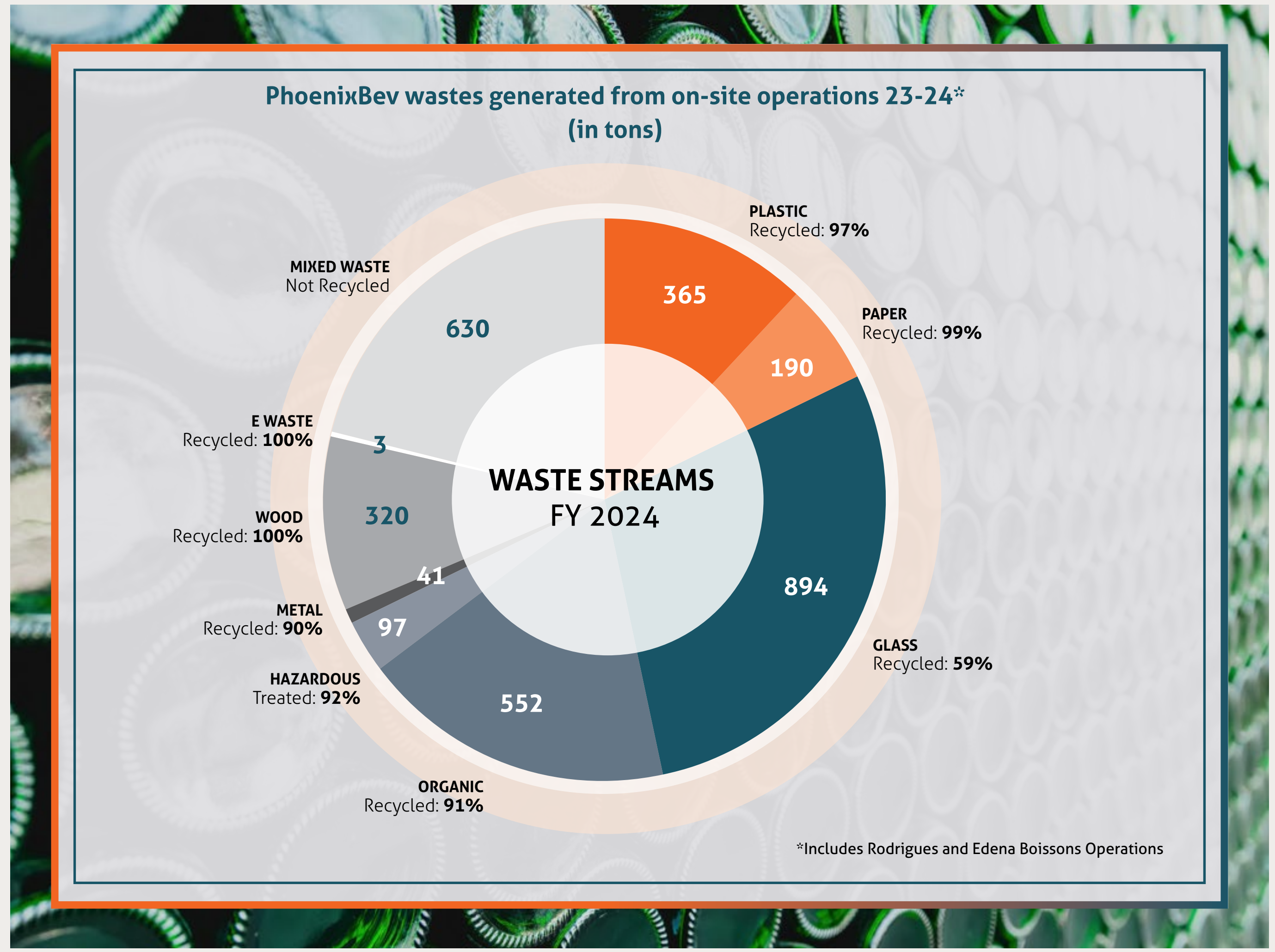
Within our internal operational framework, our primary waste streams are effluent water, emissions to air and solid waste. Wastewater is treated at wastewater plants to required standards and discharged into the public sewerage system. Gaseous emissions from the thermal energy plants are monitored to ensure these are within permissible standards. Air quality is monitored annually.

We have a "Reduce, Reuse & Recycle" policy to minimise waste to landfill. Solid waste is segregated at the production facilities and waste streams are captured and reported in a waste dashboard system to improve monitoring and identify opportunities for reuse or recycling. Hazardous waste streams comprise used oil, batteries and fluorescent lamps. Used oil is recycled by an external company and other hazardous wastes are disposed of at a licenced facility.

Where possible, waste is sold for reuse or recycling. Waste sold during the year included spent grain, wooden pallets, carton sheets, empty pails, stretch films, aluminium cans, brewing tanks and scrap metal.

The chart below illustrates an overview of our waste streams, detailing the volume generated and the percentage recycled in 2024.

PhoenixBev has light weighted preforms used for bottles manufacture, reducing virgin resin requirements. All coloured PET bottles have been changed to clear bottles to improve recyclability. In October 2023, PhoenixBev obtained a PET export permit and has ordered a waste compactor/baler to centralise recyclable waste from the operations and compact it for exporting.



FINANCIAL CAPITAL

In 2023/24, Phoenix Beverages Limited maintained its growth trajectory, driving resilience and value creation in a challenging and competitive landscape. Through disciplined financial management, strategic investments, and an expanding portfolio, we strengthened our market presence while prioritising shareholder returns and sustainable value. Our performance was further supported by the positive economic climate in Mauritius, fuelled by a strong tourism sector, public investment, and policies that improved purchasing power, thus stimulating consumer demand.

Despite this favourable environment, we faced headwinds from global supply chain disruptions, limited foreign currency availability, elevated shipping costs, a tight labour market, and persistent inflationary pressures. These factors required adaptive strategies to ensure consistent delivery and cost management.

Strategic Responses to Challenges

- **Shipping Freight Costs Management:** During Q2 and Q3 of FY 2023/24, freight costs temporarily decreased, only to rise again in Q4. To manage these fluctuations, we diversified our sourcing for materials such as aluminium cans, opting for suppliers from regions with lower shipping costs. This approach minimised the impact of imported inflation and supported our cost-containment efforts.
- **Currency Risk Management:** We continue our efforts to negotiate with foreign suppliers for contracts in Mauritian Rupee (MUR) or in foreign currencies with higher market availability. These agreements provide greater flexibility and resilience against currency fluctuations and availability.
- **Production Capacity Optimisation:** Rising demand across key product lines highlighted limitations in our current production capacity. To enhance efficiency, we streamlined production workflows and scheduled longer production runs, yielding significant improvements in our line efficiency.
- **Labour Solutions:** Labour shortages and wage pressures were significant challenges. We addressed these by enhancing employee training, refining incentive programs, and where necessary, recruiting foreign workers to ensure we could meet production and service targets. These initiatives allowed us to support increased demand during the year.
- **Product Portfolio Expansion:** In FY 2023/24, PBL expanded and strengthened its product offerings. Notably, our water segment experienced substantial growth, and our new partnership with Pernod Ricard in Réunion Island positioned us to tap into new market segments.

By actively addressing these challenges and capitalising on Mauritius's economic recovery, PBL increased its group turnover by **14.7%**, from MUR 10.6 billion in 2022/23 to **MUR 12.2 billion** in 2023/24. Group profit after tax rose from MUR 732 million to **MUR 1 091 million**, driven by higher sales volumes, enhanced operational efficiencies, and effective cost management.

Improving Facilities and Capabilities

To support rising sales volumes in Mauritius and Réunion Island, PBL is investing in state-of-the-art equipment and facilities, enhancing both production capacity and sustainability. Planned upgrades to our warehousing facilities is also aligned with our comprehensive approach to efficient production, storage, and logistics management.

International Expansion

As part of our growth strategy, PBL acquired a 28.15% stake in African Originals Limited in October 2023. Based in the UK, African Originals holds a 100% equity stake in Savannah Brands Limited, a Kenyan beverage company with high growth potential. PBL is committed to increasing its stake to support Savannah Brands' growth trajectory in the East African market.

Dividends

Reflecting our strong financial position and commitment to shareholder value, we increased dividends distributed by 40%, from MUR 16.00 per share in FY 2022/23 to MUR 22.40 per share in FY 2023/24. This underscores our commitment to a balanced capital allocation strategy, rewarding shareholders while supporting future growth investments.

Looking Ahead

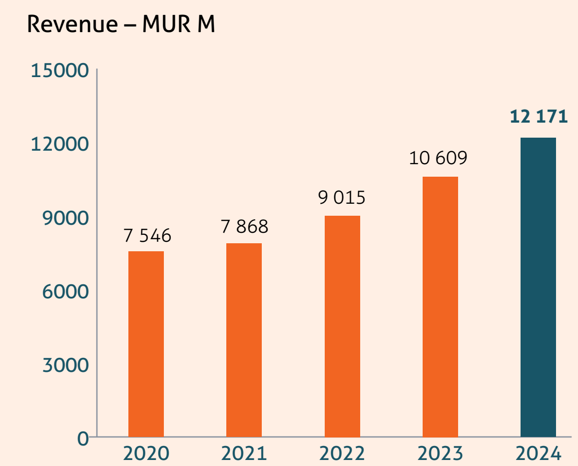
Phoenix Beverages is well-positioned for sustained growth, driven by a strategy centered on innovation, regional expansion, and operational excellence. As we navigate an evolving market with new challenges and opportunities, our productivity initiatives are designed to streamline costs and enhance efficiency. With a stable economic foundation and a prudent expansion plan, PBL remains committed to delivering lasting value and healthy returns for our shareholders.

Sales volume and revenue

Sales volume in Mauritius for the year ended 30 June 2024 increased by **9.1%** and that of Réunion Island decreased by **1.6%**. Overall, group sales volume for the year increased by **7.1%**.

Turnover at Company level increased by **14.0%** from MUR 9 050 million to **MUR 10 318 million**. In Réunion Island turnover increased from EUR 33.7 million (MUR 1 575 million) to **EUR 36.8 million (MUR 1 816 million)**. Group turnover increased by **14.7%** to **MUR 12 171 million**.

Foreign operations contributed **27.9%** (2023: 29.4%) to Group's total volume and **16.7%** (2023: 16.3%) to the Group's turnover.

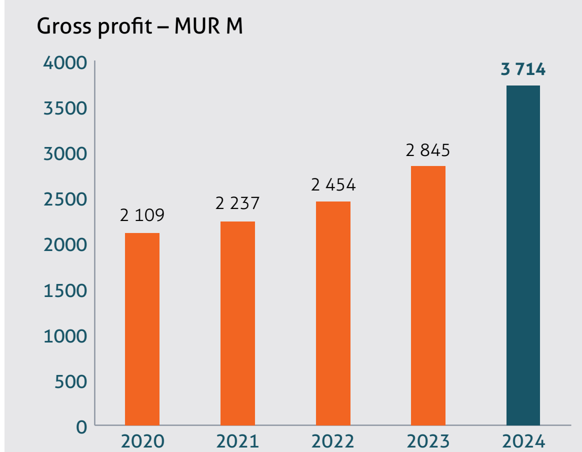


Cost of sales and gross profit

Cost of sales and gross profit were primarily influenced during the year by:

- **Higher Sales Volume:** Increased sales volume led to a rise in gross profit, supported by greater demand and operational efficiencies.
- **General Inflation:** Inflation drove up costs for raw materials, labour, and utilities, creating pressure on PBL to adjust selling prices to offset these rising expenses.
- **Increase in Excise Duties:** A 10% increase in excise duties on alcoholic products, effective June 2023.
- **Temporary Decline in Shipping Costs:** A temporary reduction in shipping costs during the year positively affected both cost of sales and gross profit.

Group gross profit increased at a compounded annual growth rate (CAGR) of **12.0%** from 2020 to 2024.



Marketing, warehousing, selling, distribution and administrative expenses (MWSDA)

MWSDA expenses increased by **17.2%** and **15.2%** at Group and Company level respectively. Increased volumes and prevailing inflationary pressures directly impacted both Company and Group expenses.

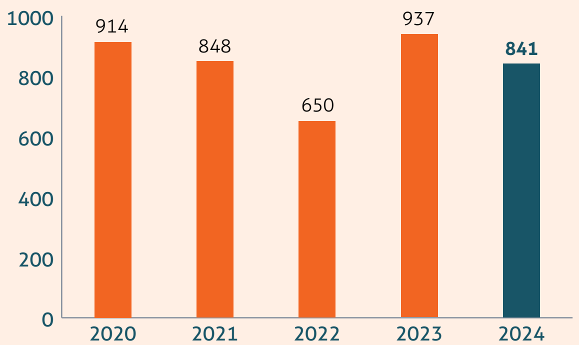
FINANCIAL CAPITAL (CONTINUED)

Borrowings and gearing

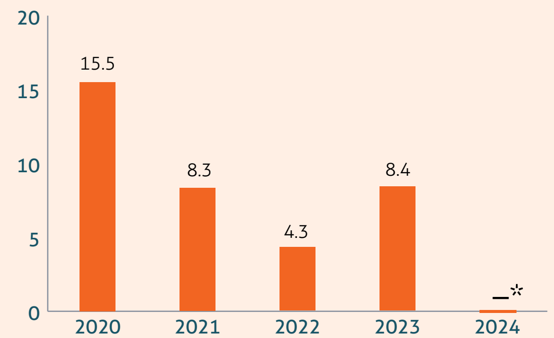
Our operations were fully funded through operating cash flows and bank overdraft facilities during the year. Group borrowings (including IFRS16) decreased from MUR 937 million to **MUR 841 million** in 2024.

59.3% of group gross-interest bearing debt at financial year end was denominated in Mauritian Rupees and **40.7%** in Euros.

Borrowings – MUR M



Gearing (%)



*Group gearing decreased to zero, as net cash exceeded debt at year end.

Earnings and EBITDA

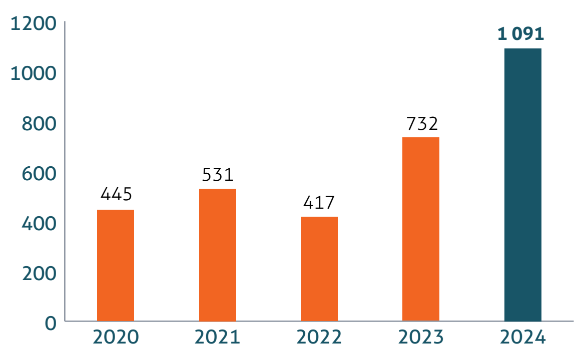
Group net profit for the year increased by **49.1%**, reaching **MUR 1 091 million**, with operations in Réunion Island contributing **MUR 172 million** (up from MUR 135 million in 2023). This substantial increase in profit is largely driven by improved operating performance in Mauritius, favourable exchange rate fluctuations on foreign operations, the full-year impact of our distribution partnership with Pernod Ricard in Réunion Island, and higher export volumes.

Group EBITDA grew significantly by **35.9%**, rising to **MUR 1 950 million** (2023: MUR 1 435 million), while at Company level, EBITDA saw a **44.9%** increase, reaching **MUR 1 646 million** (2023: MUR 1 136 million).

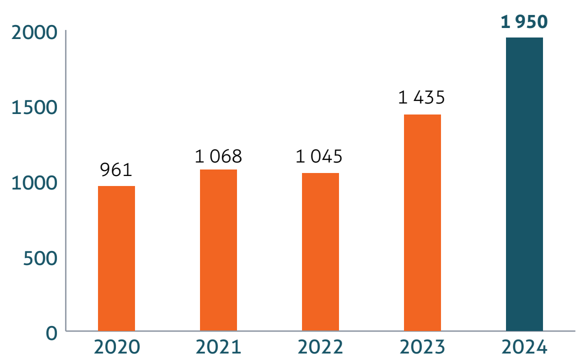
Group EBITDA increased at a CAGR of **15.2%** between 2020 and 2024..

During the year, **19.5%** (2023: 22.9%) of Group operating profit was derived from foreign operations.

Profit – MUR M



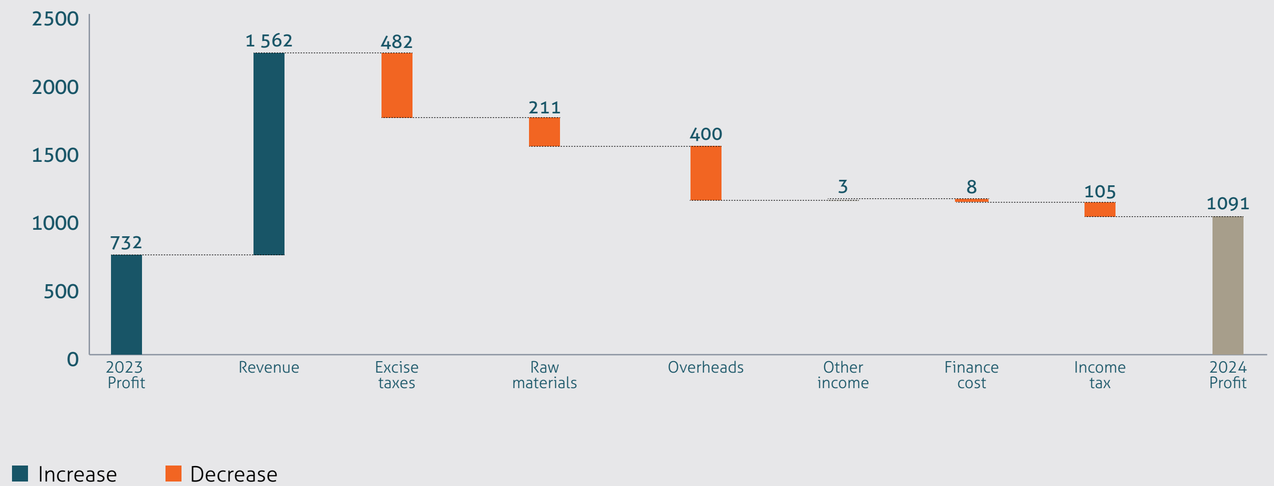
EBITDA – MUR M



Group net profit

The improvement in Group results was primarily due to improved economic growth and an excellent performance in both Mauritius and Réunion Island.

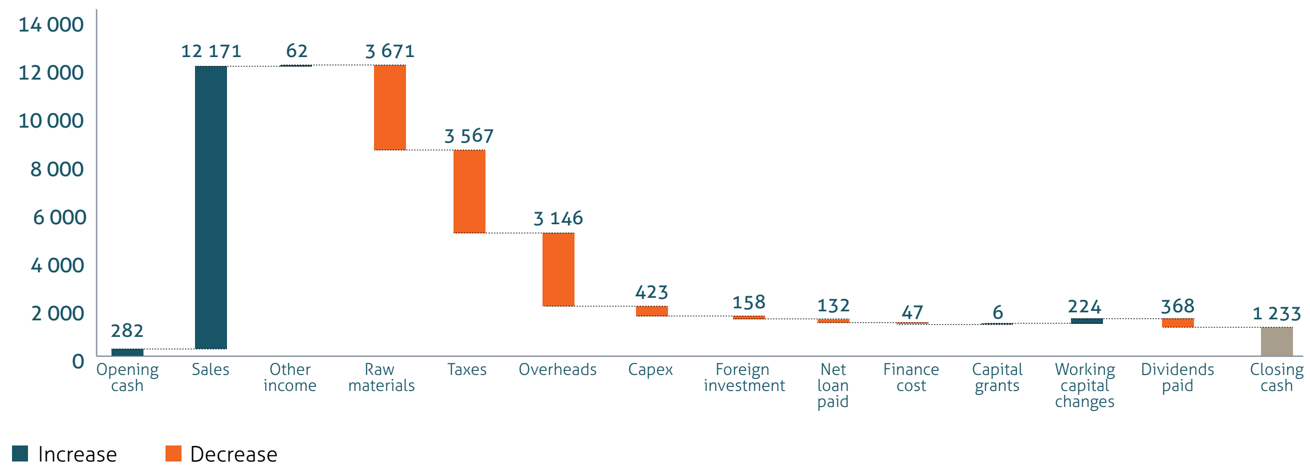
Net Profit reconciliation – MUR M



Cash flow and cash equivalents

Cash flow from operations at Company level increased to **MUR 1 788 million** from MUR 846 million in 2023. At Group level, cash flow from operations increased to **MUR 2 207 million** compared to MUR 1 011 million in 2023.

Cash Flow Highlights – MUR M



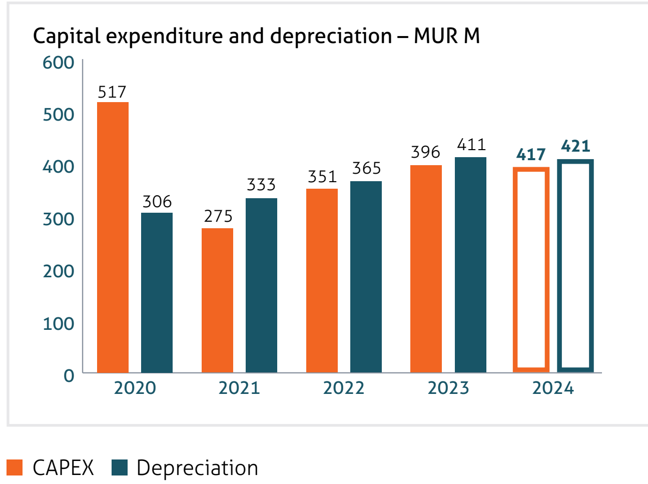
FINANCIAL CAPITAL (CONTINUED)

Capital expenditure and depreciation

The Group invested **MUR 417 million** in capital expenditure during FY2024, mainly in:

- bottles and crates
- improvements to existing equipment and machinery

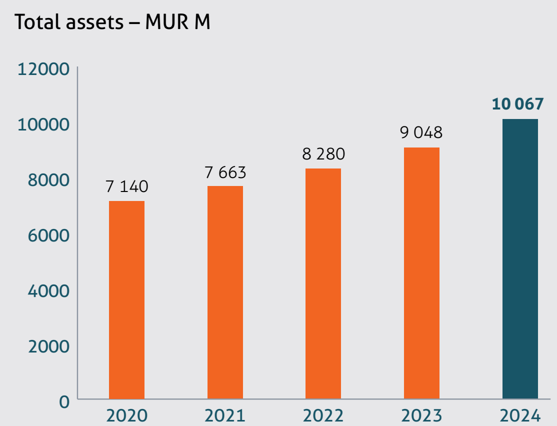
PhoenixBev plans to invest in its equipments for the next 2 years, to enhance its production capacity and efficiency to support its expansion strategy.

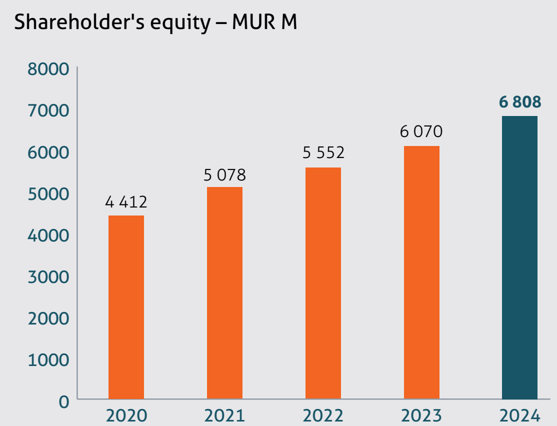


Equity and shareholders' return

Total equity increased by **12.2%** from MUR 6 070 million to **MUR 6 808 million**. The company paid a dividend of **MUR 22.40** per share for the year (2023: MUR 16.00).

Total shareholder return for the year, being the combination of share price appreciation and dividends paid, was **-3.3%** (2023: -9.0%) and return on equity increased to **16.9%** (2023: 12.6%).





The five-year CAGR was **7.1%** for total assets and was **9.1%** for shareholder's equity.

Shareholder's Information

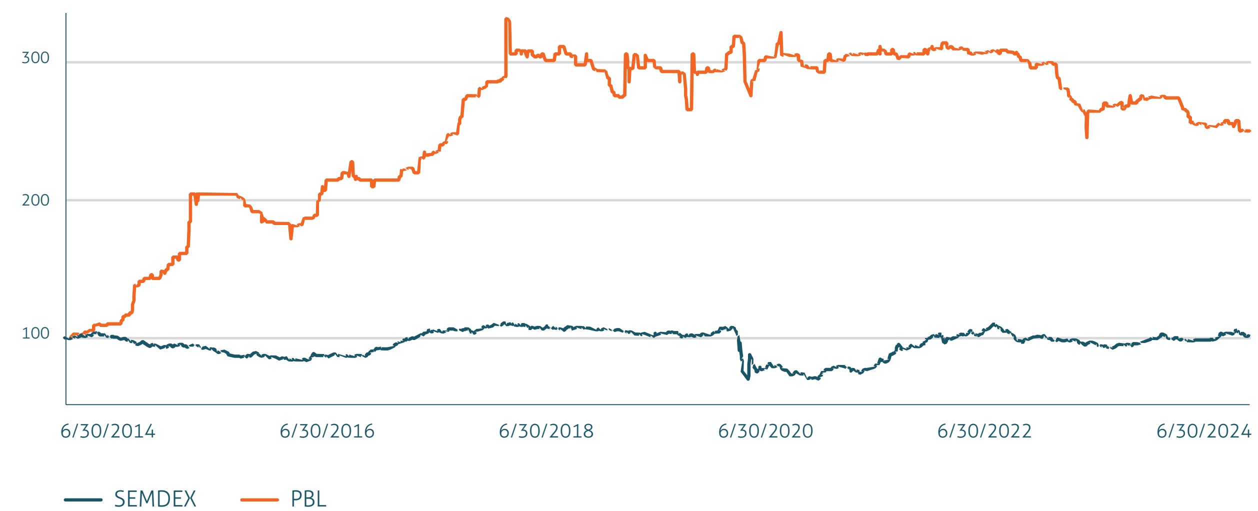
	YEAR 2024		10 years period (2015-2024)	
	MUR	%	MUR	Annualised %
Capital appreciation	**(40.00)**	**(7.55)**	295.00	9.65
Dividend received	**22.40**	**4.23**	130.35	2.62
Holding period return	**(17.60)**	**(3.32)**	425.35	12.27

Total shares traded	Average daily volume traded	Share price as at 30 June	Market Capitalisation as at 30 June	Highest share price	Lowest share price
2024	2024	2024	2024	2024	2024
MUR 356 874 (2.2% of total)	1 469 ▼	MUR 490 ▼	MUR 8.1 Bn ▼	MUR 540 ▼	MUR 490 ▲
2023: MUR 392 670 (2.4% of total)	2023: 1 577	2023: MUR 530	2023: MUR 8.7 Bn	2023: MUR 602	2023: MUR 480

PhoenixBev's share price increased by 151.3% over the last ten years with an annualised return of 9.7%. The annualised total Shareholders Return (including dividends) over the last ten years is 12.3%.

Equity and shareholders' return

Ten year share price - indexed 100 at 30 June 2014



VALUE ADDED STATEMENT

	2024 MUR '000	%	2023 MUR '000	%
Turnover including value added tax	**13 166 070**		11 397 313	
Less: paid to suppliers for materials and services	**(5 575 718)**		(4 772 983)	
Value added	**7 590 352**		6 624 330	
Other operating income	**67 580**		62 388	
Total wealth created	**7 657 932**		6 686 718	
Distributed as follows :				
Members of staff				
Renumeration and benefits	**1 414 289**	**19%**	1 172 976	18%
Providers of capital				
Dividends	**368 413**		263 152	
Interest	**46 799**		39 674	
	415 212	**5%**	302 826	4%
Government taxes				
Excise, customs & other specific duties	**3 519 313**		3 052 430	
Net value added tax	**1 218 708**		1 012 216	
Taxes	**142 120**		132 002	
	4 880 141	**64%**	4 196 648	63%
Reinvested in the Group				
Depreciation and amortisation	**584 815**		545 532	
Retained profit	**363 475**		468 736	
	948 290	**12%**	1 014 268	15%
Total distributed and retained	**7 657 932**	**100%**	6 686 718	100%

GROUP FINANCIAL SUMMARY

	2024	2023	2022
Statements of profit or loss & other comprehensive income (MUR M)			
Turnover	**12 171**	10 609	9 015
Excise & other specific duties	**3 418**	2 936	2 648
Profit before tax	**1 314**	850	548
Profit attributable to shareholders	**1 091**	732	417
Depreciation and amortisation	**585**	546	465
Net interest paid	**47**	40	31
EBITDA	**1 950**	1 435	1 044
Statements of financial position (MUR M)			
Total assets	**10 067**	9 048	8 280
Net indebtedness	**(392)**	559	248
Working capital	**1 944**	1 378	893
Shareholders' fund	**6 808**	6 070	5 552
Net asset value per share (MUR)	**413.93**	369.07	337.58
Cash flow (MUR M)			
Net cash generated from operating activities	**1 998**	788	742
Performance ratios			
Earnings per share (MUR)	**66.33**	44.50	25.37
Net return on equity (%)	**16.94**	12.59	7.85
Net profit margin (%)	**8.96**	6.90	4.62
Liquidity & gearing ratios			
Current ratio (%)	**191.61**	176.28	151.37
Gearing ratio (%)	**–**	8.44	4.28
Interest cover (times)	**29.08**	22.42	18.40
Dividends			
Dividends declared (MUR M)	**368.41**	263.15	218.75
Dividends per share (MUR)	**22.40**	16.00	13.30
Dividend yield (%)	**4.57**	3.02	2.22
Dividend cover (times)	**2.96**	2.78	1.91
Market data			
Market price per share (MUR)			
- High	**540.00**	602.00	615.00
- Low	**490.00**	480.00	592.00
- Closing (30 June)	**490.00**	530.00	600.00
Market Capitalisation (MUR Bn)	**8.0590**	8.7169	9.8682
P/E ratio (times)	**7.39**	11.91	23.65

GOVERNANCE AND OUR LEADERSHIP

BOARD OF DIRECTORS

ARNAUD LAGESSE

Non-Executive Chairperson
Appointed to the Board in 1998 and as Chairperson in 2017

Citizen and resident of Mauritius

Skills and Experience

Arnaud Lagesse is the Group CEO of IBL Ltd. He is one of the Mauritian private sector's most prominent leaders and is known to drive IBL Group with innovative and challenging undertakings. In 2016, he initiated the merger of GML Investissement Ltée and Ireland Blyth Limited and created the new entity IBL Ltd which thus became the n°1 group in Mauritius and 2nd largest group in the region excluding South Africa.

Qualifications and Professional Development

- Anti-Money Laundering/Combating the Financing of Terrorism Introduction Course – DTOS – April 2023
- Breakthrough Executive Program – Egon Zehnder-Mobius, Portugal
- Advanced Management Program (AMP180) – Harvard Business School, United States
- Executive Education Program – INSEAD, France
- Graduated from the Institut Supérieur de Gestion – Paris, France
- Masters in Management – Université d'Aix-Marseille II, France

Core competencies

- Business and Finance
- Deal Structuring
- Strategic Business Development

External appointments on listed companies

- Alteo Limited - (Non-Executive Director)
- IBL Ltd - (Executive Director)
- Miwa Sugar Limited - (Non-Executive Chairman)
- Phoenix Investment Company Limited - (Non-Executive Chairman)

JAN BOULLÉ

Non-Executive Director
Appointed in 2000

Citizen and resident of Mauritius

Skills and Experience

Jan Boullé worked for the Constance Group from 1984 to 2016 and occupied various executive positions and directorships, his last position being Group Head of Projects and Development. He was appointed as Chairman of IBL Ltd, the ultimate holding company of PhoenixBev, on 1 July 2016. Jan Boullé is also a member of the Audit and Risk Committee of the Company.

Qualifications and Professional Development

- Qualified as an Ingénieur Statisticien Economiste, France
- Pursued post graduate studies in Economics at Université de Laval, Canada

Core Competencies

- Strategic Business Development
- Hospitality
- Real Estate Development

External appointments on listed companies

- BlueLife Ltd - (Non-Executive Director)
- IBL Ltd - (Non-Executive Chairman)
- Lux Island Resorts Ltd - (Non-Executive Director)
- Phoenix Investment Company Limited - (Non-Executive Director)
- The United Basalt Products Ltd - (Non-Executive Director)

FRANÇOIS DALAIS

Non-Executive Director
Appointed in 1992

Citizen and resident of Mauritius

Skills and Experience

François Dalais is the co-founder and director of the Mauritius Freeport Development Ltd, Rock Haven Investment Ltd (formerly known as Sugarex Ltd), Tropical Cubes Ltd, Atcomm Group and a director of Metier Intl and Caulea Ltd. He also sits on the Board of a number of private companies in Mauritius and abroad.

Qualifications and Professional Development

- Diploma in Business Administration, London

Core Competencies

- Trading
- Strategic Development
- Management

External appointments on listed companies

- Phoenix Investment Company Limited - (Non-Executive Director)

GUILLAUME HUGNIN

Non-Executive Director
Appointed in 2009

Citizen and resident of Mauritius

Skills and Experience

Guillaume Hugnin worked in South Africa and Australia for several years before joining the Eclosia Group of Companies in 1993. He was Head Group Exports of the Eclosia Group. He has participated in the creation and/or the development of many of Eclosia's companies. He has vast experience in international trade and logistics. He participated in many trade negotiating forums at SADC, and Comesa. Guillaume has directorships in the FMCG sector, the hotel industry.

He has served on the board of a number of private sector organisations:

Mauritius Exporters Association (MEXA), MIoD (Mauritius Institute of Directors), Business Mauritius, Guillaume Hugnin has been elected to the council of the Mauritius Chamber of Commerce and Industry (MCCI) of which he was President for 2 consecutive mandates, from July 2019 to March 2022. He served as President of MCCI Business School.

He also served on the boards of some state-owned organisations: Mauritius Network Services Ltd (MNS) and Maurinet Investment Ltd. Guillaume Hugnin is also a member of the Corporate Governance Committee of the Company.

Qualifications and Professional Development

- Honours in Economics, University of Cape Town, South Africa
- MBA, University of Surrey, United Kingdom

Core Competencies

- Corporate Governance
- Strategic Business Development
- Local and Regional Market Knowledge
- International Trade

External appointments on listed companies

- Phoenix Investment Company Limited - (Non-Executive Director)

UMULINGA KARANGWA

Independent Non-Executive Director
Appointed in 2023

Non-Citizen and resident of Mauritius

Skills and Experience

Umulinga Karangwa, born in 1981, is a fund manager with two decades of investment experience including 15 years focussed on African markets. She is Rwandan and was born in Belgium where she started her career before moving to Africa to raise and manage funds investing in Africa with a focus on sustainability and impact. She resides in Mauritius. She is also an angel investor passionate about African entrepreneurship and innovation.

Qualifications and Professional Development

- Chartered Financial Analyst, Global
- Financial Services Advisor, Financial Planning Institute Southern Africa

Core Competencies

- Investment management
- African listed and private investments
- Investing for sustainability and impact

External appointments on listed companies

- None

HUGUES LAGESSE

Non-Executive Director
Appointed in 2016

Citizen and resident of Mauritius

Skills and Experience

Hugues Lagesse is the Chief Executive Officer of BlueLife Limited, a real estate company developing property in Mauritius. He has acquired considerable experience and competence in high-end residential market and mixed-use real estate.

Qualifications and Professional Development

- Diploma in administration and finance from Ecole Supérieure de Gestion, Paris, France
- Management Program from INSEAD, France
- Real Estate Program from Harvard Business School, United States
- General Management Program for Mauritius and South East Africa from ESSEC

Core Competencies

- Real Estate
- Property Development
- Management

External appointments on listed companies

- BlueLife Limited - (Executive Director)
- IBL Ltd - (Non-Executive Director)
- Phoenix Investment Company Limited - (Non-Executive Director)

BOARD OF DIRECTORS (CONTINUED)

THIERRY LAGESSE

Non-Executive Director
Appointed in 1998
Citizen and resident of Mauritius

Skills and Experience

Thierry Lagesse is the Founder of the Palmar Group, a textile and garment-oriented manufacturing company. A visionary entrepreneur, in 1999 he also launched a Direct To Home satellite television company in the Indian Ocean Islands. He serves as a director on the Boards of several listed companies on the Stock Exchange of Mauritius.

Qualifications and Professional Development

- Maitrise des Sciences de gestion from Université de Paris Dauphine, France

Core Competencies

- Entrepreneurship
- Business Development and Finance
- Strategic Business Development
- Manufacturing
- Textile
- Media
- Hospitality
- Sugar

External appointments on listed companies

- Alteo Limited - (Non-Executive Director)
- IBL Ltd - (Non-Executive Director)
- Lux Island Resorts Ltd - (Non-Executive Director)
- Phoenix Investment Company Limited - (Non-Executive Director)
- The United Basalt Products Ltd - (Non-Executive Director)

SYLVIA MAIGROT

Independent Non-Executive Director
Appointed in 2017
Citizen and resident of Mauritius

Skills and Experience

Sylvia Maigrot, born in 1970, is the partner in charge of corporate and business facilitation services at Box Office Ltd and counts more than 30 years' experience in company administration and secretarial practice, corporate governance, managing stakeholders' relationships and dealing with regulatory authorities. She provides transaction advisory support services in company restructuring, due diligence and business acquisitions and specialises in the hospitality industry. She is the Chairperson of the Corporate Governance Committee of the Company.

Qualifications and Professional Development

- Associate of the Chartered Governance Institute, United Kingdom

Core Competencies

- Corporate Law
- Governance
- Administration
- Management
- Compliance

External appointments on listed companies

- None

CHRISTINE MAROT

Non-Executive Director
Appointed in 2023
Citizen and resident of Mauritius

Skills and Experience

Christine Marot started her career in an audit firm before joining the GML Group in 1990. She held various positions within the GML Group and, when she left in 2015, she was the Finance Executive – Corporate & Accounting. She was the CEO of BlueLife Limited from May 2015 to April 2020. She is the Group Head of Technology and Sustainability of IBL Ltd since July 2020.

Qualifications and Professional Development

- Partly qualified ACCA
- General Management Program for Mauritius and South East Africa from ESSEC

Core Competencies

- Finance
- Information Technology
- Sustainability
- Property Development and Operations
- Healthcare and Biotechnologies
- Hospitality
- Strategic Business Development

External appointments on listed companies

- Phoenix Investment Company Limited - (Non-Executive Director)
- The United Basalt Products Ltd - (Non-Executive Director

CATHERINE McILRAITH

Independent Non-Executive Director
Appointed in 2022
Citizen and resident of Mauritius

Skills and Experience

Catherine McIlraith, born in 1964, served her articles at Ernst & Young and held many senior positions in the Investment Banking industry in South Africa prior to returning to Mauritius in 2004 to join Investec Bank where she was Head of Specialized Finance and Banking until 2010. Since then, she has served as an Independent Non-Executive Director and as a member of various Committees of a number of public and private companies across various sectors internationally and in Mauritius.

She is the Chairperson of the Audit and Risk Committee of the Company with effect from 1 July 2022.

Qualifications and Professional Development

- Bachelor of Accountancy degree from the University of the Witwatersrand, Johannesburg, South Africa
- Member of the South African Institute of Chartered Accountants since 1992
- Fellow member of the Mauritius Institute of Directors
- Member of the MIoD Directors forum

Core Competencies

- Audit and Risk
- Corporate Governance
- Banking and Specialized Finance

External appointments on listed companies

- CIEL Limited - (Independent Non-Executive Director)
- Grit Real Estate Income Group Limited - (Independent Non-Executive Director)
- Astoria Limited - (Independent Non-Executive Director)
- Les Gaz Industriels Limited - (Non-Executive Director)

PATRICK RIVALLAND

Executive Director
(Chief Operations Officer- Chief Financial Officer)
Appointed in 2013
Citizen and resident of Mauritius

Skills and Experience

Patrick Rivalland, born in 1972, worked for BDO and then The Sugar Industry Pension Fund Board before joining Phoenix Camp Minerals Limited in 1999 as Finance and Administrative Manager. He was appointed as Group Senior Manager Finance and Administration in 2001 and Chief Operations Officer in 2014. He is a past President of the Association of Mauritian Manufacturers.

Qualifications and Professional Development

- Fellow member of the Chartered Association of Certified Accountants
- General Management Program for Mauritius and South East Africa ESSEC
- Advance Management Program from IESE, Barcelona

Core Competencies

- Accounting and Finance
- Strategy
- Operations
- Fast-Moving Consumer Goods (FMCG) industry and market knowledge

External appointments on listed companies

- The Mauritius Chemical and Fertilizer Industry Limited - (Independent Non-Executive Director)

BERNARD THEYS

Executive Director
(Chief Executive Officer)
Appointed in 2013
Non-citizen and resident of Mauritius

Skills and Experience

Bernard Theys was born in 1965 in Brussels and has held various general management roles in the brewing industry where he has acquired substantial experience in the Fast-Moving Consumer Goods (FMCG) industry.

Qualifications and Professional Development

- Diploma in Economic Science from Louvain University, Belgium
- BBA in Business Tourism Management from ICP
- Several programs in Executive and Business Education at l'Association Internationale Américaine de Management (MCE) in 1995 and at INSEAD Fontainebleau in France in 2008
- Advance Management Program from IESE, Barcelona

Core Competencies

- Management
- Strategic Business Development
- Specialised in Operations and the FMCG industry

External appointments on listed companies

- None

SENIOR MANAGEMENT PROFILES

BERNARD THEYS

Refer to Directors' profiles on page 72

PATRICK RIVALLAND

Refer to Directors' profiles on page 72

FRÉDÉRIC DUBOIS

Senior Manager - Sales and Distribution

Frederic Dubois, born in 1979, Master's degree from ISEG Business School in France and an Executive MBA from IAE Paris Sorbonne Business School. He worked for more than twenty years in the FMCG sector for international companies such as Bacardi Martini Group, Pernod Ricard, JTI, locally and internationally, before joining the Group as Senior Manager Sales and Distribution in 2015.

RAMA NARAYYA

Senior Manager - Human Resources

Rama Narayya, born in 1967, holder of an Executive MBA with IAE Paris Sorbonne Business School has acquired wide experience in the Human Resources functions whilst working for international companies and local conglomerates. He worked in diverse industries ranging from hotels, beverages, textile, hypermarkets to airlines.

ANTIS TREEBHOOBUN

Senior Manager - Business Systems

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

PATRICE SHEIK BAJEET

Senior Manager - Marketing

Patrice Sheik Bajeet, born in 1974, holds a BSc Management Degree from the University of Mauritius and MBA from IAE Paris Sorbonne. After 12 years in the cellular operations industry and leading marketing at Emtel, he spent four years at The Coca-Cola Company regional office. He is also the founder of the first digital and trade marketing agency on the island. He joined Phoenix Beverages Group in January 2015 as Senior Manager – Marketing.

DANIEL NARAYANEN

Senior Manager - Supply Chain

Daniel Narayanen, born in 1974, is a Fellow member of the Chartered Association of Certified Accountants(UK) and a Chartered Member of The Chartered Institute of Logistics and Transport(UK). Before joining Phoenix Beverages Limited in 2004, he worked for De Chazal Du Mée BDO Ltd in the Audit and Assurance division for seven years where he handled a wide portfolio of clients in different industries, together with special consultancy assignments. He started with the Group as Internal Audit Manager with a reporting line to the Audit Committee and after four years took over the management of the procurement department in 2008. He was appointed Senior Manager – Supply Chain in 2019 in charge of Planning, Logistics, Warehousing and Procurement.

ERIC EYNAUD

Senior Manager - Business Development

Eric Eynaud, born in 1966, holds a Master's degree in International Affairs from Toulouse Business School (TBS), and a two years degree in Business Administration and Management from University Paris I – Panthéon Sorbonne. He promoted and worked for the French Defense Industry in Argentina for 6 years before joining CIEL Textile (Aquarelle Clothing) as Sales and Marketing Director/General Manager ladieswear for 22 years, including 2 years posted in New York. He joined the Phoenix Beverages Group as Senior Manager - Business Development in January 2023.

JEAN-BRUNO HENRIOT

Senior Manager - Brewery Operations

Jean-Bruno Henriot, born in 1976, joined the Brewery (ex-MBL) in 2001 as Trainee Brewer. He holds a Diploma in Applied Science and Technology and a BSc(Hons) in Agriculture, as well as a Certificate in Brewing from the Siebel Institute. He moved to Madagascar in 2009, holding the position of Senior Technical Manager for 5 years at the 'Nouvelle Brasserie de Madagascar', an operation co-owned at that time by Phoenix Beverages Ltd. He has taken his new role as Senior Manager Brewery Operations since September 2021.

GÉRARD MERLE

Senior Manager - Technical Operations and Sustainability

Gérard Merle, born in 1968, has worked in the manufacturing sector for more than 21 years. Before joining PhoenixBev in January 2009 as Senior Manager – Limo Operations, he worked for Boxmore Plastics International. He was appointed Senior Manager – Civil Engineering and Non-Alcoholic Beverages in 2014 and subsequently as Senior Manager – Technical Operations and Sustainability in 2022.

CORPORATE GOVERNANCE

INTRODUCTION

Phoenix Beverages Limited ("PhoenixBev" or the "Company"), incorporated on 9 September 1960, is listed on the Official Market of the Stock Exchange of Mauritius and qualifies as a Public Interest Entity as defined under the Financial Reporting Act 2004. The Company which also used to be registered as a reporting issuer with the Financial Services Commission ("FSC") has since August 2024 de-registered as reporting issuer given that it no longer meets the revised criteria set by FSC to qualify as such.

This Corporate Governance Report sets out how the Company has applied the principles contained in the National Code of Corporate Governance for Mauritius (2016) (the "Code of Corporate Governance").

The Board of Directors (the "Board") affirms its commitment to ensuring that good governance principles are entrenched throughout the PhoenixBev group of companies (the "Group") and reflected in all its business activities.

To the best of the knowledge of the Board, PhoenixBev has complied with the Code of Corporate Governance during the financial year ended 30 June 2024 by applying all eight principles set out in the Code and explaining how these principles have been applied.

This report is available on the PhoenixBev website: www.phoenixbeveragesgroup.mu

PRINCIPLE 1: GOVERNANCE STRUCTURE

Board Charter

The governance structure of PhoenixBev is set out in its Board Charter. The Charter defines the role, function and objectives of the Board, the Board Committees, the Chairperson and the Group Chief Executive Officer ("CEO"). It also sets out how they interact to promote efficient, transparent and ethical functioning and decision-making processes within PhoenixBev.

The Corporate Governance Committee of PhoenixBev had during the financial year 2022/2023, reassessed the adequacy of the aforementioned Board Charter which was adopted in 2018. The Committee confirmed to the Board of Directors that it was satisfied with the contents of the said Charter which were still in conformity with the current requirements of the Company and the Group. The Board Charter remains a dynamic document and shall be regularly reassessed by the Board and amended as and when deemed necessary.

The Board Charter is available on the website of PhoenixBev at: www.phoenixbeveragesgroup.mu

Management Contract

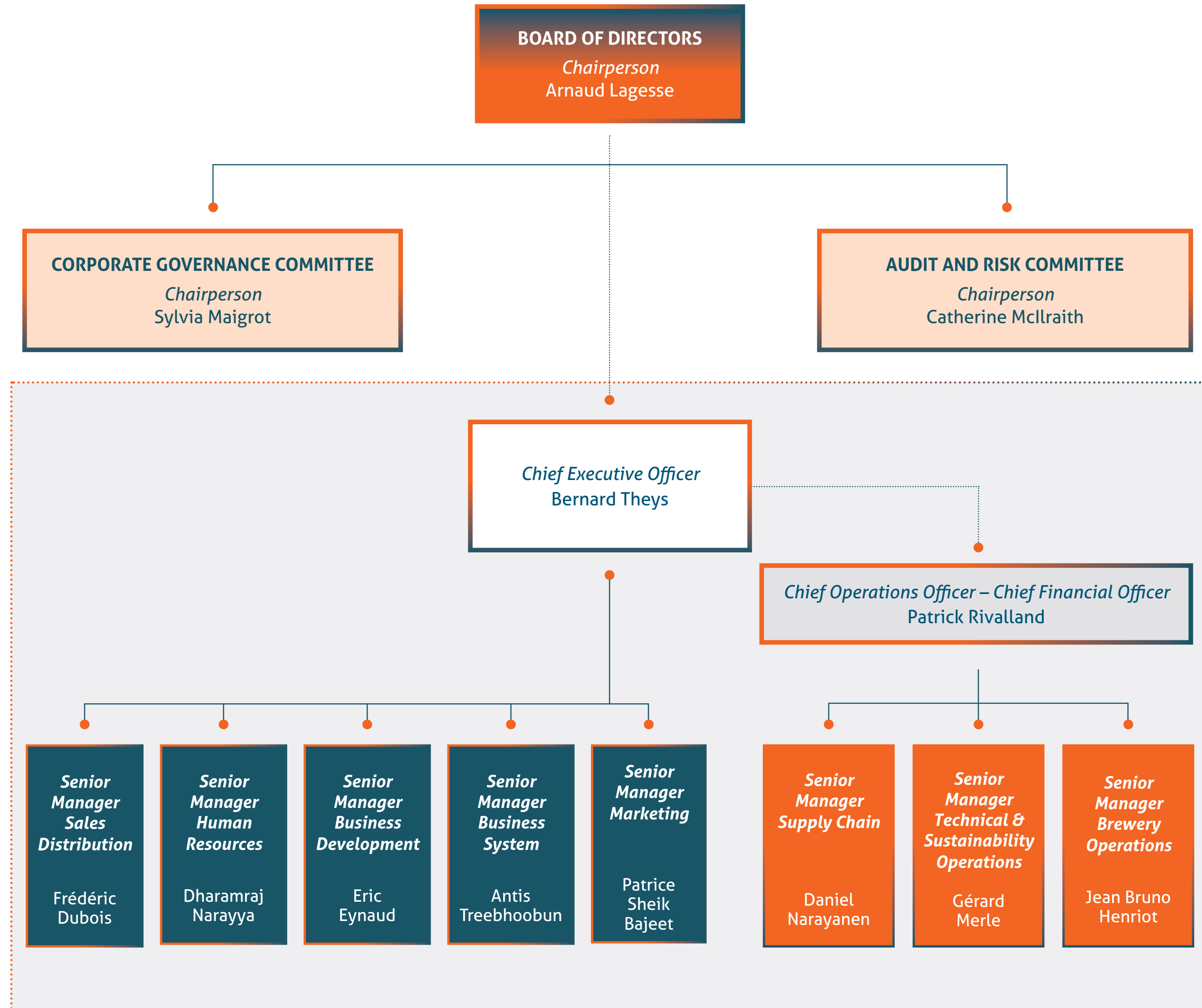
Phoenix Management Company Ltd ("PMC"), under the aegis of a management contract, provides the companies of the Group with a range of management and executive services. These include strategic review as well as administrative, financial, commercial, technical, marketing and communication, information technology and human capital services. PMC employs and remunerates the senior executives of the Group.

The management contract which expired on 30 June 2024 was renewed for a further 5-year period up to 30 June 2029.

The management fee paid by Phoenix Beverages Limited during the year under review amounted to MUR 261.5 million (2023: MUR 211.5 million).

Organisation chart and statement of accountabilities

The governance structure and organisation chart of PhoenixBev setting out the key senior positions as well as the reporting lines, as approved by its Board, are shown below:



The Executive Directors and Senior Managers inside the dotted lines are employed and remunerated by PMC, in line with the management contract referred to above.

The profiles of the Senior Managers can be found on pages 73 & 74 of this report.

CORPORATE GOVERNANCE (CONTINUED)

PRINCIPLE 2: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

The Board of Directors

PhoenixBev is guided by an effective and highly committed unitary Board of twelve directors who bring a wealth of skills, knowledge, independence and experience for both local and regional markets, ensuring effective governance and decision-making. The Board plays a key role in determining the Company's and Group's direction, monitoring its performance and overseeing risks, and is collectively responsible for the long-term success of the Company and the Group. The Board believes that it possesses an adequate balance of skills to fulfill its duties and responsibilities.

The composition of the Board as at the date of this report is as follows:

Name	Status
Arnaud Lagesse	Non-Executive Chairperson
Jan Boullé	Non-Executive Director
François Dalais	Non-Executive Director
Guillaume Hugnin	Non-Executive Director
*Umulinga Karangwa	Independent Non-Executive Director
Hugues Lagesse	Non-Executive Director
Thierry Lagesse	Non-Executive Director
Sylvia Maigrot	Independent Non-Executive Director
*Christine Marot	Non-Executive Director
Catherine McIlraith	Independent Non-Executive Director
Patrick Rivalland	Executive Director (Chief Operations Officer - Chief Financial Officer)
Bernard Theys	Executive Director (Chief Executive Officer)

*Mrs Umulinga Karangwa was appointed as Independent Non-Executive Director on 1 July 2023

*Mrs Christine Marot was appointed as Non-Executive Director on 1 July 2023

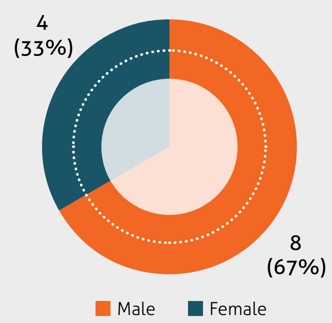
Profiles of Directors and details of other directorships

The profiles of the directors including their external directorships in listed companies are disclosed on pages 69 to 72 of this report.

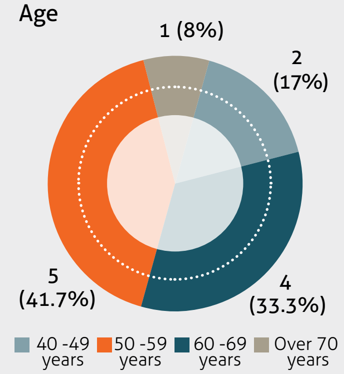
Details of other directorships are available upon request to the Company Secretary, IBL Management Ltd, 4th Floor, IBL House, Caudan Waterfront, Port Louis.

Balance and gender diversity of Board Members at the date of this report

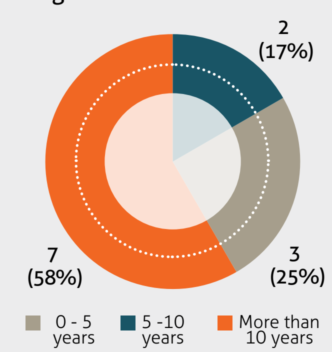
Gender Diversity



Age



Length of tenure



Key roles and responsibilities within the Board

PMC has been delegated with the responsibility of managing and executing the strategic development of PhoenixBev. However, the Board of PhoenixBev has the responsibility to ensure that there is an effective organisational and reporting structure in place within PMC so that there are clear reporting lines within the Group and well-defined roles and responsibilities. The above delegation of responsibilities has been implemented while ensuring that the decision-making process involves the adequate resources. The ultimate responsibility of supervising and validating the strategy of the Group remains with the Board of PhoenixBev.

The key senior governance positions and responsibilities, as approved by the Board, are as follows:

Chairperson

- Provides overall leadership.
- Ensures smooth functioning of the Board
- Encourages active participation of each Director in discussions.
- Makes sure the Board is aware of the Company's and Group's affairs and assumes its obligations to all shareholders and other stakeholders.

Non–Executive Directors

- Monitor the delivery of the agreed strategy within the risk and control framework set by the Board.
- Constructively challenge the Executive Directors and management of the Company.

Executive Directors

- Responsible for the day-to-day running of the Company's and Group's operations.
- Leads and directs senior management to implement the strategy and policies set by the Board.
- Provides insights for short and medium-term development of Group operations.

Company Secretary

- Provides assistance and information on governance and corporate administration matters.
- Guides the Board on the Directors' statutory duties under the law, disclosure obligations and listing rules as well as corporate governance requirements and effective Board processes.

The Company Secretary

IBL Management Ltd which was appointed as Company Secretary since year 2002, comprises a team of experienced and qualified company secretaries most of whom are Chartered Governance Officers, providing support and services to several companies in the Group. As governance professionals, the company secretaries guide the Boards on corporate governance principles and on their statutory duties and responsibilities. In its advisory role, the Company Secretary provides support and advice to companies of the Group on corporate transactions/projects. The Company Secretary is responsible for ensuring compliance with statutory and regulatory requirements and for ensuring that Board decisions are implemented.

CORPORATE GOVERNANCE (CONTINUED)

Common directorships

The directors of the Company who also sit on the boards of the holding companies of PhoenixBev, namely Phoenix Investment Company Limited ("PICL"), Camp Investment Company Limited ("CICL") and IBL Ltd, (see page 95 for cascade holding structure) are:

Directors	PhoenixBev	PICL	CICL	IBL Ltd
Arnaud Lagesse	√*	√*	√*	√
Jan Boullé	√	√	√	√*
François Dalais	√	√	√	–
Guillaume Hugnin	√	√	√	–
Hugues Lagesse	√	√	√	√
Thierry Lagesse	√	√	√	√
Christine Marot	√	√	√	–

** Chairperson*

Board processes, meetings and activities in 2023-2024

Board meeting process

Beginning the year	• Planning for Board meetings for the ensuing year is set by the Company Secretary and communicated to Directors.
Setting of agenda	• Draft agendas for the Board are finalised by the Executive Directors and the Chairperson prior to each meeting. • Agendas are finalised 5 business days before the scheduled meeting except under special circumstances.
Before the meeting	• Agenda and all relevant Board papers are sent to the Directors 5 business days before the scheduled meeting except under special circumstances.
Board meeting	• Agenda items supported by presentations from management or any other relevant attendee are discussed and appropriate decisions are taken.
After Board meeting	• Minutes are produced and sent to management and the Chairperson for review and comments prior to circulating these to the Board Members. • Follow-up on Board decisions are then ensured by Executive Directors and management as well as the Company Secretary.

Board meetings and activities

The Board met 4 times during the year under review. The main items discussed at these meetings are shown below. Some decisions were also taken by way of written resolutions signed by all the directors.

Regular agenda	• Review and approval of minutes. • Reports from the chairpersons of the two Board Committees. • Review of the activities of the Company and its subsidiaries both locally and regionally.
Governance	• Review of Audit and Risk Committee composition for the Company. • Review of Directors' and Committee Members remuneration for recommendation to the shareholders. • Approval of the Corporate Governance Report 2023. • Participation to Continuous Development Programme for Directors organised by the Company. • Launch of external Board evaluation exercise. • Renewal of CEO's contract of employment.
Financial	• Approval of abridged audited annual financial statements and Annual Report including full audited financial statements. • Approval of abridged financial statements for the first, second and third quarters. • Dividend declarationst. • Approval of budget 2024/2025. • Approval of capital expenditures. • Monitoring of the Group's financial performance against the budget. • Appointment of Internal Auditor.
Strategy and Performance	• The Groups activity reports from the CEO & COO/CFO. • Strategic review of the activities both in Mauritius and in Réunion Island. • Approval of investment in an overseas entity. • Evaluation and approval of investment in a solar energy project. • Review of marketing strategy and diversification. • Approval of Management Contract with PMC.

CORPORATE GOVERNANCE (CONTINUED)

Attendance at Board meetings for the financial year 2023-2024

Directors	27 September 2023	13 February 2024	10 May 2024	25 June 2024	Total attendance
Arnaud Lagesse	√	√	√	√	4/4
Jan Boullé	√	√	√	√	4/4
François Dalais	√	√	–	√	3/4
Guillaume Hugnin	√	√	√	√	4/4
Umulinga Karangwa	√	√	√	√	4/4
Hugues Lagesse	√	√	√	√	4/4
Thierry Lagesse	–	–	√	–	1/4
Sylvia Maigrot	√	√	√	√	4/4
Catherine McIlraith	√	√	√	√	4/4
Christine Marot	√	√	√	√	4/4
Patrick Rivalland	√	√	√	√	4/4
Bernard Theys	√	√	√	√	4/4

Annual effectiveness review

The Board confirms that, for the year under review, it has met its key objectives and carried out its responsibilities effectively in accordance with its Charter.

Board Committees

The Board is assisted in its functions by two main Committees, namely the Audit and Risk Committee and the Corporate Governance Committee (which also acts as the Nomination Committee and Remuneration Committee with respect to Non-Executive Directors and Executive Directors). These Committees operate within defined terms of reference and may not exceed the authority delegated by the Board. The Committees are chaired by experienced chairpersons who report to the Board on the main matters discussed at each of their meetings.

The Company Secretary also acts as secretary to the Board Committees. Each member of the Board has access to the minutes of meetings of Board Committees, regardless of whether the director is a member of the Board Committee in question or not.

Audit and Risk Committee

Committee purpose & responsibilities

- To assist the Board in fulfilling its oversight responsibilities.
- To review the integrity of the financial statements and the effectiveness of the internal and external auditors.
- To oversee that management has established effective systems of internal control and assists in creating an environment and structures for effective risk management.
- To review the financial statements and reporting of its holding companies PICL and CICL.

Committee composition

- In line with the requirements of the Code, for the year under review, the Committee has been chaired by Catherine McIlraith (Independent Non-Executive Director).

The other members of the Committee are:

- Jan Boullé (Non-Executive Director);
- Christine Marot (Non-Executive Director); and
- Umulinga Karangwa (Independent Non-Executive Director).

The meetings of the Audit and Risk Committee are also attended by the CEO, the Chief Operations Officer-Chief Financial Officer as well as the internal and external auditors as and when required.

The Audit and Risk Committee is governed by its Charter, which is available on the Company's website: www.phoenixbeveragesgroup.mu

Attendance at Audit and Risk Committee meetings in 2023-2024

Members	19 September 2023	27 October 2023	6 February 2024	3 May 2024	Total Attendance
Catherine McIlraith	√	√	√	√	4/4
Jan Boullé	√	√	√	√	4/4
Christine Marot	√	√	√	√	4/4
Umulinga Karangwa*	N/A	√	√	√	3/3
In attendance *(not members)*					
Patrick Rivalland	√	√	√	√	4/4
Bernard Theys	√	√	√	√	4/4

*Mrs. Umulinga Karangwa was appointed as Member of the Audit and Risk Committee with effect 28 September 2023

Matters considered in 2023-2024

During the year, the Audit and Risk Committee met four times. Matters discussed included:

Regular financial matters

- Abridged audited annual financial statements and Annual Report including full audited financial statements.
- Abridged unaudited financial statements for the first, second and third quarters.
- Management accounts for each quarter.
- Report from the external auditors.

Internal audit

- Launch of tender exercise for appointment of new Internal Auditor in replacement of BDO & CO.
- Appointment of new Internal Auditor.

Other matters

- Follow-up on ERP system implementation.
- Review of Risk Report and Risk Register.
- Review of insurance policies.
- Follow-up on Réunion Island activities.
- Planning of External Audit.

Annual effectiveness review

The Audit and Risk Committee confirms that, for the year under review, it has met its key objectives and carried out its responsibilities effectively in accordance with its Charter.

CORPORATE GOVERNANCE (CONTINUED)

Corporate Governance Committee

Committee purpose & responsibilities

- To advise the Board on matters pertaining to corporate governance.
- To ensure that the principles of the Code of Corporate Governance are applied.
- To act as the Nomination Committee and the Remuneration Committee with respect to Non-Executive Directors and the CEO and COO/CFO.

Committee composition

- In line with the requirements of the Code, the Committee is chaired by Sylvia Maigrot (Independent Non-Executive Director) .

The other members of the Committee are:

- Guillaume Hugnin (Non-Executive Director);
- Arnaud Lagesse (Non-Executive Director); and
- Bernard Theys (Executive Director).

The Corporate Governance Committee is governed by its Charter which is available on the Company's website www.phoenixbeveragesgroup.mu

Attendance at Corporate Governance Committee meetings in 2023-2024

Members	5 September 2023	9 February 2024	2 May 2024	Total Attendance
Sylvia Maigrot	√	√	√	3/3
Guillaume Hugnin	√	√	√	3/3
Arnaud Lagesse	√	√	√	3/3
Bernard Theys	√	√	√	3/3

Matters considered in 2023-2024

The Corporate Governance Committee met 3 times during the year. Matters discussed included:

Corporate Governance

- Review of the Corporate Governance Report and notice of Annual Meeting 2023.
- Results of the Board and Directors' self-appraisal exercise.
- Recommendation to the Board in respect of Directors' Continuous Development.
- Recommendation to the Board concerning the appointment of external service provider for the Board evaluation exercise.

Nomination

- Recommendation to the Board for the reappointments of directors pursuant to the rotation plan.
- Review of Audit and Risk Committee composition.
- Review of employment contract of CEO.

Remuneration

- Review of remuneration of Directors and Committees Members for recommendation to the Board.

Annual effectiveness review

The Corporate Governance Committee confirms that, for the year under review, it has met its key objectives and carried out its responsibilities effectively in accordance with its Charter.

CORPORATE GOVERNANCE (CONTINUED)

PRINCIPLE 3: DIRECTOR APPOINTMENT PROCEDURES

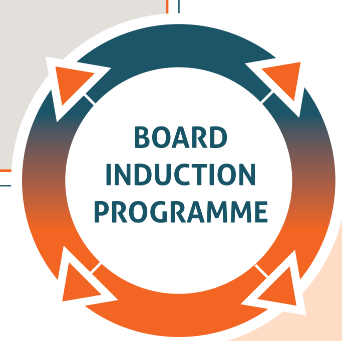
- Define the method to be used and assess whether assistance of an external consultant is required.
- Profiling of candidates by the Corporate Governance Committee.
- Potential candidates are identified and selected by the Corporate Governance Committee.
- Recommendation by the Corporate Governance Committee to the Board of Directors.
- Appointment of the new Director by the Board of Directors.
- The newly appointed Director is subject to election in his first year of appointment by the shareholders at the Annual Meeting.
- Once appointed and in accordance with the Constitution of Phoenix Beverages Limited, every year three Directors must stand for re-election at the Company's Annual Meeting.

Board induction

The Company Secretary assists the Chairperson in ensuring that an induction programme is in place for all new directors to enable them to develop a good understanding of the Company and of the Group as a whole. As per the Board Charter, all newly-appointed directors receive an induction pack containing amongst others documents pertaining to their role, duties and responsibilities.

One-to-one briefings with the Chairperson of the Board and CEO.

One-to-one briefing with the Company Secretary.



Detailed briefings with Senior Executives as applicable.

Visits to operational sites.

Furthermore, since PhoenixBev is listed on the Stock Exchange of Mauritius, every new director must submit to this authority, through the Company Secretary, a complete "Declaration of Understanding" questionnaire and a declaration of interests in the Company.

Professional development and training

Directors are encouraged to keep themselves up to date with the latest workplace trends and professional practices. Most of the directors confirmed having engaged in learning activities to develop and enhance their abilities during the year under review. Professional development programmes are organised by the Company as and when necessary. Accordingly, upon recommendation of the Corporate Governance Committee, the Company will organise a workshop lead by an external consultant for all its directors.

Time commitments

Board members are expected to dedicate such time as is necessary for them to effectively discharge their duties. Directors have a duty to act in the best interests of the Company and are expected to ensure that their other responsibilities do not impinge on their responsibilities as directors of PhoenixBev.

Succession plan

The Board, upon the recommendation of the Corporate Governance Committee acting as Nomination Committee, is responsible for preparing the succession plan for directors and assessing the independence of Independent Non-Executive Directors. The Board believes that good succession planning is a key contributor in the delivery of the Company's strategy. The Board is committed to recognising and nurturing talent within executive and management levels across the Group to ensure that it creates opportunities to develop current and future leaders.

PRINCIPLE 4: DIRECTORS' DUTIES, REMUNERATION AND PERFORMANCE

Directors' duties

Directors are aware of their legal duties. Once appointed to the Board, directors receive the following documents pertaining to their duties and responsibilities:

- Board and Committee Charters as applicable.
- The Constitution of PhoenixBev.
- Salient features of the Listing Rules, the Securities Act 2005 as well as the Mauritius Companies Act 2001.

Interests register, conflicts of interest and related party transactions policy

The constitutive documents of PhoenixBev contain provisions to prevent insider dealing as well as any potential conflict of interest.

In accordance with the Mauritius Companies Act 2001, written records of the interests in shares of PhoenixBev held by the officers, directors and their related parties are kept in a register of interests. All newly appointed directors are required to notify the Company Secretary in writing of their direct and indirect holdings in shares of PhoenixBev. According to the Constitution of PhoenixBev, a director is not required to hold shares in the Company. As soon as a director becomes aware that he or she has an interest in a transaction or that his or her holdings or his or her associates' holdings have changed, the interest must be reported to the Company in writing.

The register of interests is updated on a continuous basis with any subsequent transactions entered into by the directors and persons closely associated with them.

Since 5 August 2024 PhoenixBev is no longer registered as a reporting issuer under the Securities Act 2005 administered by the Financial Services Commission but the Company ensures that it abides by all relevant disclosure requirements as per the Listing Rules of the Stock Exchange of Mauritius.

The register of interests is maintained by the Company Secretary and available to shareholders upon written request being made to the Company Secretary.

CORPORATE GOVERNANCE (CONTINUED)

The directors and officers of PhoenixBev having direct and/or indirect interests in the ordinary shares of the Company at 30 June 2024 were as follows:

	Direct interest		Indirect interest
Directors	Number of shares	Percentage holding (%)	Percentage holding (%)
Guillaume Hugnin	1 400	0.01	–
Patrick Rivalland	4 057	0.02	–

None of the other directors and Officers had any interest in the equity of subsidiaries of PhoenixBev.

Directors' and Officers' dealings in shares of Phoenix Beverages Limited

The directors of PhoenixBev 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.

PhoenixBev has set up appropriate procedures whereby any director wishing to deal in the Company shares shall first notify the Chairperson of the Company and receive a dated written acknowledgement. Should the Chairperson decide to deal in the shares of the Company, the Board shall be notified and a dated written acknowledgement be received prior to undertaking such dealing.

The directors and Officers of the Company are prohibited from dealing in the PhoenixBev shares 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. This prohibition ends on the date of such publications or announcements.

Moreover, one month prior to the board meetings scheduled for the approval of abridged accounts, a correspondence is sent by the Company Secretary to the directors of the Company reminding them of the commencement date of the close period and drawing their attention to the fact that they should not deal in the shares of the Company during this period of time.

The directors and Officers of PhoenixBev and PMC are also required to comply with insider trading laws at all times, even when dealing in securities within permitted trading periods.

Information, information technology and information security governance

The Board is responsible for the governance of information. It is the role of senior executives to manage information technology and ensure information security.

Information governance policies are applicable at PhoenixBev and all employees are continuously encouraged to consult these on a regular basis. The main programs and guidelines covered by these policies are listed below:

- Antivirus management procedures.
- Backup procedures.
- Change management procedures.
- Data destruction procedures.
- Incident management procedures.
- Information handling procedures.
- Log review procedures.
- Patch management procedures.
- User account management procedures.
- Guidelines cabling security.
- Guidelines intellectual property rights.
- Guidelines IT team.
- Guidelines server rooms.
- Guidelines for user.

Furthermore, PhoenixBev ensures ongoing compliance with the data protection regulations.

Code of Ethics and whistleblowing

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

As such, the Phoenix Beverages Group adopted a Code of Ethics (the "Code"). The Code is based on the important principle of respect. This fundamental principle applies to consumers, customers, employees, shareholders and the communities in which the Group operates. To be noted that the Code has been updated in February 2023.

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

All employees are aware of and have taken cognisance of the Code and it is ensured that it is complied with. Compliance with the Code, which is available on the Company's website (www.phoenixbeveragesgroup.mu/), is continuously monitored by the Senior Manager Human Resources.

The Company is committed to full compliance with legal requirements and the corporate governance framework aims to ensure compliance with all relevant codes, policies, regulations and standards. Legal compliance is fully entrenched in PhoenixBev risk and controls system.

Remuneration policy

Shareholders approve the fees to be paid to the Board members at the Annual Meeting. As such, upon recommendation of the Corporate Governance Committee which proposed to review the remuneration structure with effect 1 July 2023, at the Annual Meeting held on 29 November 2023, shareholders approved payment of Board and Committee fees as detailed hereunder for financial year ended 30 June 2024:

Board	2024 (MUR)	2023 (MUR)
Annual Chairperson's fee	**500 000**	500 000
Attendance Chairmanship fee per meeting	**40 000**	40 000
Annual Director's fee	**350 000**	300 000
Attendance Director's fee per meeting	**40 000**	30 000
Corporate Governance Committee		
Annual Chairperson's fee	**100 000**	75 000
Attendance Chairmanship fee per meeting	**15 000**	15 000
Annual Member's fee	**70 000**	50 000
Attendance Member's fee per meeting	**10 000**	10 000
Audit and Risk Committee		
Annual Chairperson's fee	**150 000**	100 000
Attendance Chairmanship fee per meeting	**15 000**	15 000
Annual Member's fee	**105 000**	75 000
Attendance Member's fee per meeting	**10 000**	10 000

Executive Directors do not receive directors' fees. The Executive Directors and key management personnel of PhoenixBev are remunerated by PMC in terms of a management contract between the latter and PhoenixBev. Remuneration packages take into consideration the Group's financial performance, individual performance, market norms and best practice.

CORPORATE GOVERNANCE (CONTINUED)

Directors who are also Board Committee Members receive a fixed fee as well as an attendance fee and chairpersons of these Board Committees receive a higher fixed remuneration fee and attendance fee. The Board Committees' fees are approved by the Board.

The remuneration and benefits of the directors for the year ended 30 June 2024 are set out in the table below:

Directors	Remuneration and benefits received from the Company 2024 (MUR)	2023 (MUR)
Arnaud Lagesse*	**760 000**	728 750
Jan Boullé*	**655 000**	606 250
François Dalais	**470 000**	390 000
Guillaume Hugnin	**610 000**	530 000
Umulinga Karangwa	**618 750**	N/A
Hugues Lagesse	**510 000**	450 000
Thierry Lagesse	**390 000**	420 000
Sylvia Maigrot	**655 000**	570 000
Christine Marot*	**655 000**	N/A
Catherine McIlraith	**720 000**	580 000
Patrick Rivalland**	**N/A**	N/A
Bernard Theys**	**N/A**	N/A

Note: Umulinga Karangwa and Christine Marot were appointed as directors of PhoenixBev with effect from 1 July 2023, accordingly no fees were paid to them in year 2023.

* *The emoluments of Arnaud Lagesse, Jan Boullé and Christine Marot were paid to IBL Ltd.*

** *Bernard Theys and Patrick Rivalland are employed and remunerated by PMC, a sister company of PhoenixBev. Management fees paid by PhoenixBev to PMC include the salaries of the two Executive Directors.*

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

Please refer to the Statutory Disclosures section of the Integrated Report.

Incentive schemes

A performance management policy is in place to drive the performance and personal development of PhoenixBev managers and employees, and includes annual objectives, competencies and development plans. Discretionary bonuses are paid if these targets are achieved. The outcome of the performance management process is also used for succession planning.

Short-term incentive schemes for Executive Directors are overseen and paid by PMC.

Board evaluation

Upon recommendation of the Corporate Governance Committee and approval of the Board, a Board Evaluation Exercise led by an independent service provider was launched in April 2024.

The exercise comprised of a detailed questionnaire which sought the views of all directors through a set of survey questions, covering several main themes as well as a one-to-one interview of each director by the service provider.

Directors completed the questionnaire and attended the interview meetings, and the results have been duly collated, analysed and presented to the Corporate Governance Committee held in September 2024 and then to all Directors thereafter for consideration and action.

The survey results showed constructive remarks from directors. Areas of focus have been identified for improvement.

Management, under the supervision of the Corporate Governance Committee, is ensuring that appropriate actions are being taken and that issues identified are given due consideration.

Following decision of the Board and pursuant to its Charter, it was agreed that an evaluation exercise of the Board and its directors would be carried out as and when deemed necessary. Accordingly, the Board of the Company with the assistance of the Corporate Governance Committee would decide about the next evaluation exercise.

PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

Risk management

The directors are responsible for maintaining an effective system of risk management. While the Audit and Risk Committee oversees risk governance, the nature of risk and risk appetite of PhoenixBev remain the ultimate responsibility of the Board.

The responsibilities of the Board in this respect include, among others:

- Ensuring that structures and processes are in place to manage risks.
- Identifying the principal risks, uncertainties and opportunities.
- Ensuring that management has developed and implemented the relevant internal control framework.
- Ensuring that systems and processes are in place to implement, maintain and monitor internal controls.
- Identifying any deficiencies in the system of internal control.

Risk management is an integral part of doing business at PhoenixBev. It is the responsibility of the CEO and his dedicated team, under the supervision of the Audit and Risk Committee, to establish and maintain a risk management system.

The CEO, in collaboration with his risk management team, identifies potential risks to the Company's business and conducts a rating of the identified risks with respect to both probability of occurrence and severity of impact. Strategies and action plans are established and implemented to manage and mitigate the identified risks.

An annual review process reassesses the evolving probability and severity of the identified risks as well as of new risks emerging. The effectiveness of implemented mitigating actions is also assessed.

The Risk Appetite Statement together with the Risk Report, which is an annexure to this Corporate Governance Report, details the main risk areas identified, potential impacts and mitigating controls put in place accordingly.

Financial risk management

For financial risk management, please refer to Note 4 – Notes to the financial statements.

Internal control

PhoenixBev has processes in place to identify, classify and manage 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 assets are safeguarded, operations are run effectively and efficiently, financial controls are reliable, and that applicable laws and regulations are complied with.

The Board is responsible for the Group's system of internal controls and for reviewing its effectiveness.

A firm of accountants provides internal audit services to ensure the adequacy and effectiveness of the internal control framework. Nothing has come to the Board's attention to indicate any material breakdown in the functioning of the Company's internal controls and systems during the period under review that could have a material impact on the business.

To date, no material financial issues, 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.

Following a tender exercise, the Audit and Risk Committee recommended to the Board the appointment of KPMG as Internal Auditors in replacement of BDO & CO. As such the Board approved this appointment in June 2024 and accordingly, KPMG was formally appointed as the new Internal Auditors in August 2024.

CORPORATE GOVERNANCE (CONTINUED)

PRINCIPLE 6: REPORTING WITH INTEGRITY

The Board assumes responsibility for leading and controlling the Company and for meeting all legal and regulatory requirements.

The directors are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

Other main responsibilities of the Board include assessing management's performance against corporate objectives, overseeing the implementation and upholding of good corporate governance practices, acting as the central coordination body that monitors and reports on the sustainability performance of the Group and ensuring timely and comprehensive communication to all stakeholders regarding events significant to the Company.

The directors are responsible for preparing the Annual Report including the Corporate Governance Report and financial statements of the Group and the Company in accordance with applicable laws and regulations. Company law requires the directors to prepare the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and the Mauritius Companies Act 2001 for each financial year.

In preparing the financial statements, the Directors report that:

- Adequate accounting records and an effective system of internal controls and risk management have been maintained.
- Appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently.
- IFRS Accounting Standards as issued by the IASB have been adhered to and any departure of interest in fair presentation has been disclosed, explained and quantified.
- The Code of Corporate Governance has been adhered to in all material aspects.
- The financial statements fairly present the state of affairs of the Company and the Group as at the end of the financial year and the results of the operations and cash flows for that period.
- The financial statements have been prepared on the going concern basis.

The Board confirms that it is satisfied that PhoenixBev 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.

PRINCIPLE 7: AUDIT

Internal audit

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 to improve the processes by which risks are identified and managed.
- Assist in the strengthening of the Group's internal control framework.

The Group's internal audit function is currently outsourced to a firm of accountants, who provides independent and objective assurance. The independent firm of accountants employs a systematic and disciplined approach with a view to evaluate and improve governance and risk management processes including reliability of information, compliance with laws, regulations and procedures, as well as efficient and effective use of resources. The methodology applied is in accordance with the standards of the Institute of Internal Auditors and other relevant governing bodies.

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

The internal auditors provide regular reports on the areas audited and the completion status of 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 audit process

01 Internal audit function outsourced to a firm of accountants with a clearly defined road map.

02 The firm of accountants carries out the relevant assignments as agreed by the Audit and Risk Committee.

03 Reports are sent to management for follow-up actions.

04 Final reports are sent to the Audit and Risk Committee for consideration and implementation of recommendations.

05 The reports are used by the said Committee in assessing the Group's system of internal controls and risk management.

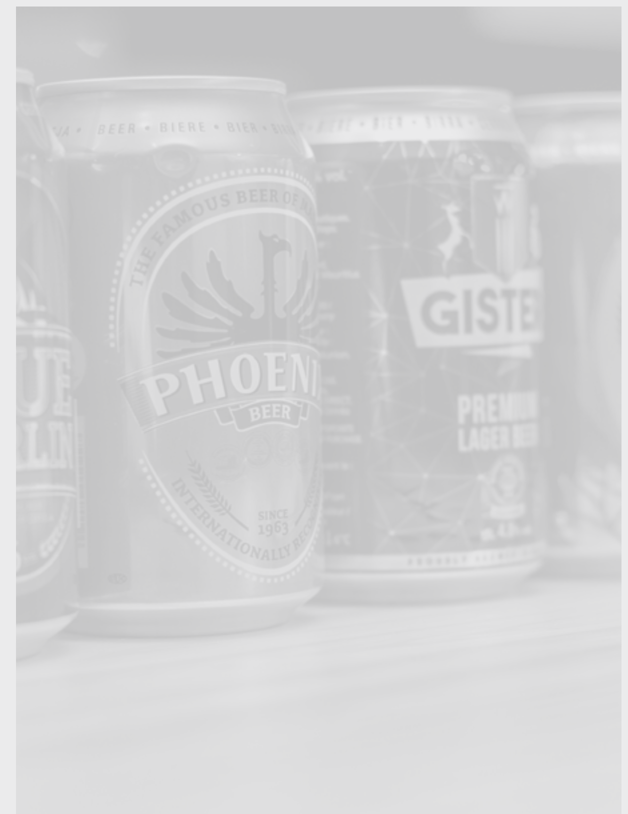
External audit

At Annual Meeting held on 29 November 2023 the shareholders approved the reappointed of Deloitte as Auditors for the year under review. At the next Annual Meeting Deloitte shall seek its reappointment.

The subsidiaries in Réunion Island, Edena S.A and Phoenix Réunion SARL are audited by EXCO Bertrand & Associés and Espace Solutions Réunion S.A.S by EXA.

The Audit and Risk Committee is responsible for reviewing the terms, nature and audit scope and approach, and ensures no unjustified restrictions or limitations have been placed on the scope.

The external auditors have full, free and unrestricted access to the Audit and Risk Committee should they wish to discuss any matters privately and to all functions, records, property and personnel of the Group.



CORPORATE GOVERNANCE (CONTINUED)

Auditors' independence

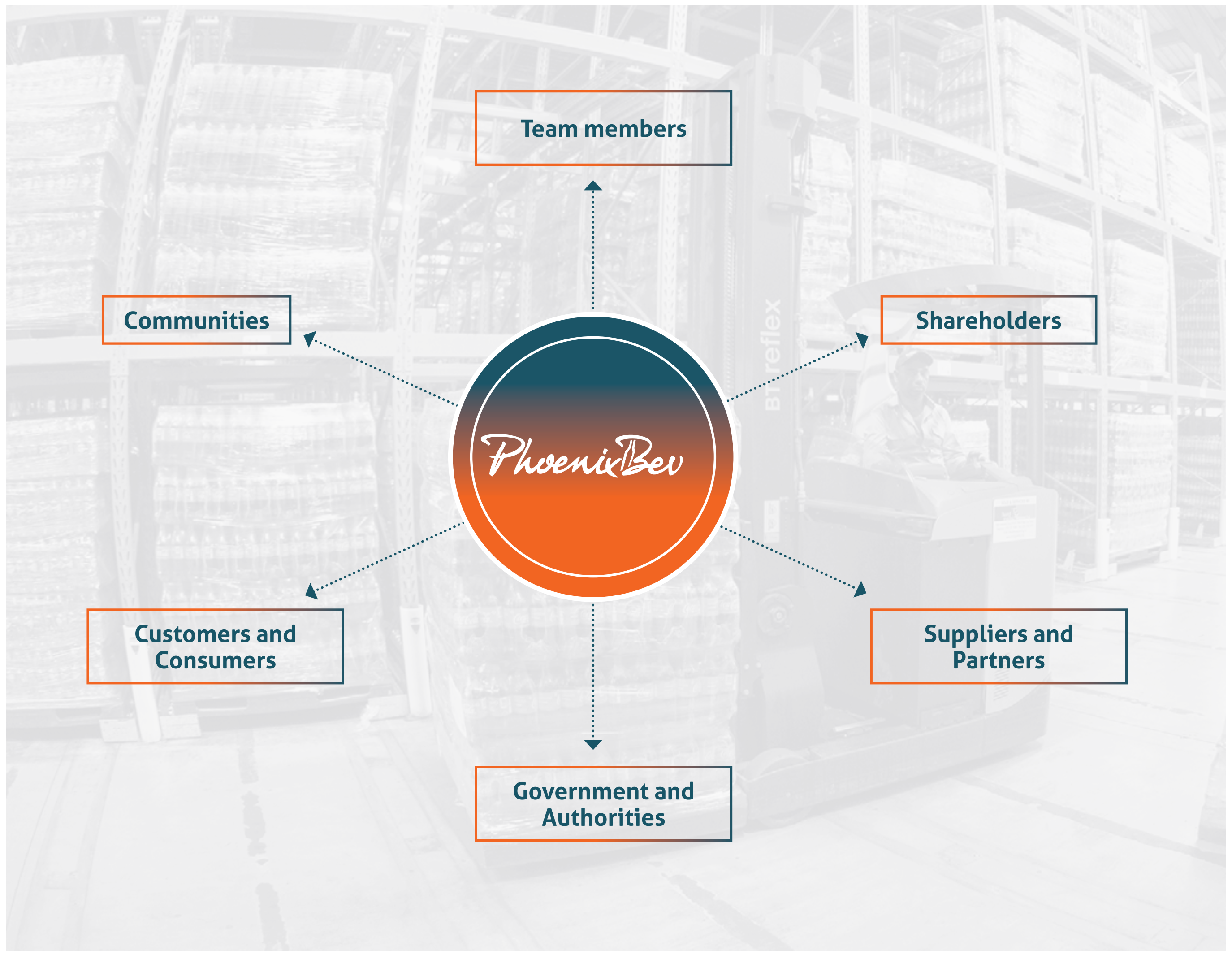
The Audit and Risk Committee is responsible for monitoring the auditors' independence, objectivity and compliance with ethical, professional and regulatory requirements and for maintaining control over the provision of non-audit services.

The external auditors are prohibited from providing non-audit services where their independence might be compromised by later auditing their own work. Any other non-audit services provided by the external auditors are required to be specifically approved by the Audit and Risk Committee. Audit fees are set in a manner that enables an effective external audit on behalf of shareholders. Auditors should ensure that they observe the highest standards of business and professional ethics and in particular, that their independence is not impaired in any manner.

For remuneration of our External Auditors, please refer to the Statutory Disclosures section.

PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND KEY STAKEHOLDERS

PhoenixBev's key stakeholders



Shareholders' communication

The Board places great importance on clear, open and transparent communication with all its shareholders. It endeavours to keep them regularly informed on matters pertaining to and affecting the Company through official press announcements, its website, disclosures in the Annual Report and at the Annual Meeting of shareholders, which all Board Members and shareholders 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 Chairpersons of the Audit and Risk Committee and of the 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 are kept up to date with the Group's strategy and goals and the Executive Directors as well as other Board Members are available to answer the questions of the shareholders.

The attendance of Directors at the last Annual Meeting of the Company held on 29 November 2023 was as follows:

Directors	Attendance
Arnaud Lagesse	✓
Jan Boullé	✓
François Dalais	✓
Guillaume Hugnin	✓
Umulinga Karangwa	✓
Hugues Lagesse	✗
Thierry Lagesse	✗
Sylvia Maigrot	✓
Christine Marot	✓
Catherine McIlraith	✓
Patrick Rivalland	✓
Bernard Theys	✓

In line with good corporate governance practices, the CEO and the Chief Operations Officer – Chief Financial Officer regularly meet institutional investors and fund managers to discuss the state of affairs of the Company, its subsidiaries and its associate.

Shareholding profile

The stated capital of the Company is made up of 16 447 000 ordinary shares of MUR 10.00 each.

Main shareholders

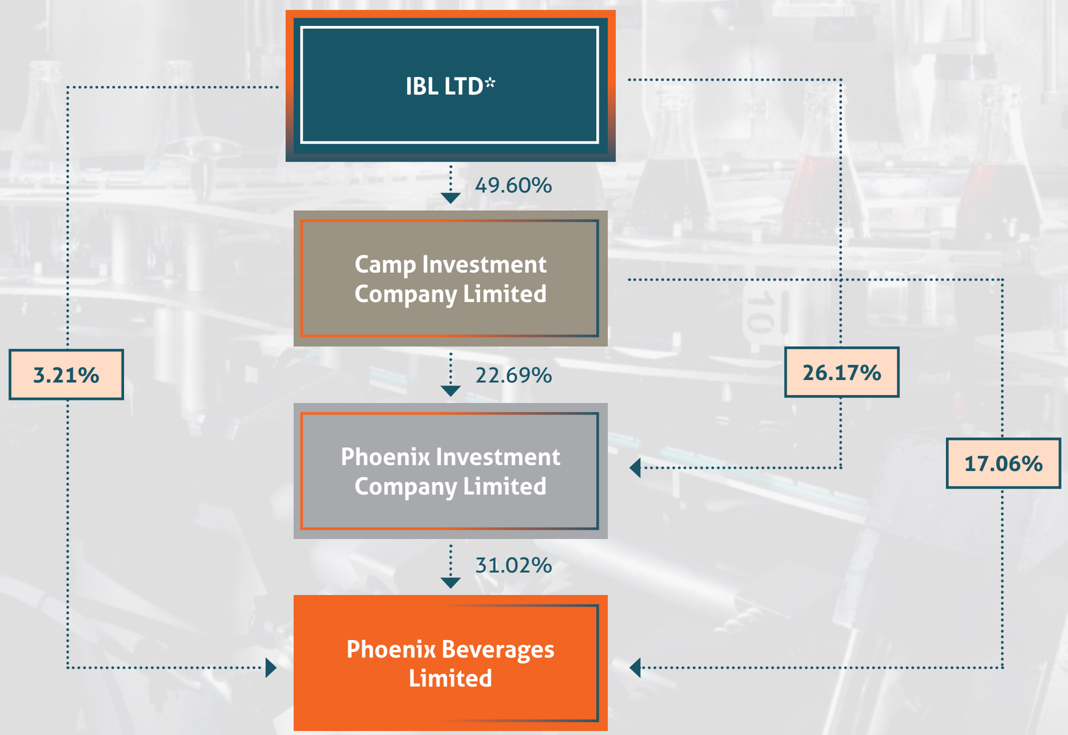
As at 30 June 2024, there were 2 051 shareholders recorded in the share register of the Company.

CORPORATE GOVERNANCE (CONTINUED)

The list of the ten largest shareholders which also includes the shareholders holding more than five percent of the ordinary shares of the Company as at 30 June 2024 are set out below:

Name of shareholder	Number of shares held	Percentage holding (%)
Phoenix Investment Company Limited	5 101 137	31.02
Camp Investment Company Limited	2 805 428	17.06
National Pensions Fund	747 473	4.54
IBL Ltd	527 659	3.21
Hugnin Frères Ltée	368 212	2.24
Guinness Overseas Limited	316 370	1.92
The Mauritius Commercial Bank Ltd (Superannuation Fund)	236 630	1.44
SSL C/O SSB Boston A/C Russell Invest.Com PLC.NASS	232 755	1.42
State Insurance Company of Mauritius (Pension Fund)	191 835	1.17
State Ins. Co of Mtius Ltd (DC Balance Fund)	148 331	0.90

Cascade holding structure



* *IBL Ltd is the ultimate holding company of PhoenixBev.*

Breakdown of share ownership as at 30 June 2024

Size of shareholding	Number of shareholders	Number of shares	Percentage holding (%)
1 – 500 shares	1 278	175 842	1.07
501 – 1,000 shares	197	151 345	0.92
1,001 – 5,000 shares	336	764 501	4.65
5,001 – 10,000 shares	90	627 677	3.82
10,001 – 50,000 shares	122	2 427 318	14.76
50,001 – 100,000 shares	11	813 907	4.95
100,001 – 250,000 shares	11	1 620 131	9.85
250,001 – 500,000 shares	2	684 582	4.16
Above 500,000 shares	4	9 181 697	55.82
	2 051	16 447 000	100.00

Category	Number of shareholders	Number of shares	Percentage holding (%)
Individuals	1 824	3 074 385	18.70
Insurance and assurance companies	10	268 572	1.63
Pensions and provident funds	67	1 664 970	10.12
Investment and trust companies	25	8 084 811	49.16
Other corporate bodies	125	3 354 262	20.39
	2 051	16 447 000	100.00

Note: The above number of shareholders is indicative, due to the consolidation of multi-portfolios for reporting purposes.

Share registry and transfer office

The share registry and transfer office of the Company are administered at DTOS Registry Services Ltd, 3rd Floor, Eagle House, 15A Wall Street, Ebène.

Share price information

The share price of PhoenixBev at 30 June 2024 was MUR 490.

Date	Price (MUR)	Yearly change (%)
30 June 2019	580	(3.3)
30 June 2020	614	5.9
30 June 2021	600	(2.3)
30 June 2022	600	–
30 June 2023	530	(11.7)
30 June 2024	**490**	**(7.5)**

CORPORATE GOVERNANCE (CONTINUED)

Dividend policy

No formal dividend policy has been set by the Board. Dividend payments are determined by the profitability of the Company, its cash flow, its future investment plan and growth opportunities. Based on management forecasts and the Group's profitability, the Board of Directors decided to declare an interim dividend in November 2023 and a final dividend in May 2024. Each dividend paid was subject to the satisfaction of the corresponding solvency test.

An interim dividend of MUR 5.40 per ordinary share was paid in December 2023 and a final dividend of MUR 17.00 per ordinary share was paid in June 2024, bringing the total dividend declared for the financial year under review to MUR 22.40 per ordinary share.

Key dividend information over the past five years is shown in the table below:

	2024	2023	2022	2021	2020
Dividend per share (MUR)	**22.40**	16.00	13.30	12.80	12.80
Dividend cover (Number of times)	**2.45**	2.11	1.87	2.54	2.12
Dividend yield (%)	**4.57**	3.02	2.22	2.13	2.08

To date, a small number of dividend cheques remain outstanding. Shareholders who have not yet received their dividend cheques are requested to contact DTOS Registry Services Ltd, the Company's share registry and transfer office.

Total shareholder's return

The total return for shareholders over the last five years is shown below:

	2024	2023	2022	2021	2020
Share price at 30 June, current year (MUR)	**490.00**	530.00	600.00	600.00	614.00
Share price at 30 June, previous year (MUR)	**530.00**	600.00	600.00	614.00	580.00
(Decrease) increase in share price (MUR)	**(40.00)**	(70.00)	–	(14.00)	34.00
Dividend, current year (MUR)	**22.40**	16.00	13.30	12.80	12.80
Total return per share (MUR)	**(17.60)**	(54.00)	13.30	(1.20)	46.80
Total return based on previous year share price (%)	**(3.32)**	(9.00)	2.22	(0.20)	8.07

Calendar of forthcoming shareholders' events

NOVEMBER 2024
Publication of first quarter results.
Declaration of interim dividend subject to Board approval.
Annual Meeting 2024.

DECEMBER 2024
Payment of interim dividend.

FEBRUARY 2025
Publication of second quarter results.

MAY 2025
Publication of third quarter results.
Declaration of final dividend subject to Board approval.

JUNE 2025
Payment of final dividend

Arnaud Lagesse
Chairperson

Sylvia Maigrot
Chairperson of the Corporate Governance Committee

26 September 2024

STATEMENT OF COMPLIANCE

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

Name of Public Interest Entity: **Phoenix Beverages Limited (the "Company")**

Reporting Period: **1 July 2023 to 30 June 2024**

We, the Directors of Phoenix Beverages Limited, confirm that, to the best of our knowledge, the Company has complied with all its obligations and requirements under the National Code of Corporate Governance for Mauritius (2016).

Arnaud Lagesse	Sylvia Maigrot
Chairperson	Chairperson of the Corporate Governance Committee

26 September 2024

CASE STUDIES

Supporting waste separation, collection and recycling

PhoenixBev's focus on reducing waste to landfill includes a number of internal and external initiatives. Action plans are in place at our operations to decrease waste generated and identify opportunities for reuse, recycling or upcycling. Examples include coal ash from the Limonaderie that is supplied to an energy plant for reuse as well as spent grain and yeast from the brewery that goes to farms for deer feed or is used as an additive in animal feed. Rejected glass bottles are sent to the Mauritius Glass Gallery where they are transformed into artworks and waste glass is reuse in building materials or for landscaping.

PhoenixBev works with La Déchetèque to facilitate the online sale of recyclable and upcyclable waste as well as unused or scrap items from our operations, such as fermentation tanks, drums, metal conveyors and bulk bags.

PhoenixBev promotes collection of recyclables across Mauritius by manufacturing and placing waste segregation bins in strategic areas, such as in Ile des deux Cocos and at Super U in Goodlands. We donated 50kg and 1.2 ton sugar bags to NGOs that collect waste across Mauritius to support their efforts.

We sponsored the NGO We-Recycle to equip eco-educators and distribute posters to participating schools. In 2024, this awareness campaign delivered 386 sessions to nearly 9 000 grade 5 students at 253 schools.

In October 2023, PhoenixBev participated in La Foire Anti-Gaspillage, a two-day fair organised by the Minister of Environment, Solid Waste Management and Climate Change. The event aimed to engage and educate the public on the circular economy and promote sustainable living practices in homes, workplaces and recreational facilities. PhoenixBev donated reusable, recyclable and upcyclable items to the event.

PhoenixBev works with various recycling partners to recover PET waste across Mauritius for recycling. In total, 887 716 kgs was collected this year, which represents 30% of the total weight of PET bottles sold by the Group in the year.

386 Sessions

9,000 Grade 5 students

253 Schools

FINANCIAL STATEMENTS

STATUTORY DISCLOSURE - 30 JUNE 2024

(PURSUANT TO SECTION 221 OF THE MAURITIUS 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 name of the Directors of Phoenix Beverages Limited and its subsidiaries holding office as at 30 June 2024 were as follows:

	Phoenix Beverages Limited	Edena S.A.	Espace Solution Réunion S.A.S	Helping Hands Foundation	Mauritius Breweries Investments Ltd[2]	Phoenix Beverages Overseas Ltd	Phoenix Camp Minerals Ltd[3]	Phoenix Distributors Ltd	Phoenix Foundation	Phoenix Réunion SARL	SCI Edena	The (Mauritius) Glass Gallery Ltd	The Traditional Green Mill Ltd
Directors													
Arnaud Lagesse	*	*			*								
Jan Boullé	*												
François Dalais	*				*	*		*					
Guillaume Hugnin	*											*	
Umulinga Karangwa[1]	*												
Hugues Lagesse	*												
Thierry Lagesse	*				*	*	*		*				
Sylvia Maigrot	*												
Christine Marot[1]	*												
Catherine McIlraith	*												
Patrick Rivalland	*	*		*					*			*	*
Paul Rose				*									
Bernard Theys	*	*	*	*	*	*	*	*	*	*	*	*	*

During the year under review the following changes occurred:

[1]Mrs. Umulinga Karangwa and Mrs. Christine Marot were appointed as Directors of the Company with effect 1 July 2023.

Directors' service contracts

On 30 June 2024, there was no service contract between any Director and Phoenix Beverages Limited.

One Executive Director of Phoenix Beverages Limited, namely Mr. Bernard Theys has a service contract with expiry terms with Phoenix Management Company Ltd, a subsidiary of Camp Investment Company Limited.

One Executive Director of Phoenix Beverages Limited, namely Mr. Patrick Rivalland has a service contract with no expiry terms with Phoenix Management Company Ltd, a subsidiary of Camp Investment Company Limited.

Directors' and Senior Officers' interests in shares

The direct and indirect interest of the Directors and Senior Officers in the securities of the Company as at 30 June 2024 were:

	Direct Interest		Indirect Interest
	Number of Shares	%	%
Directors			
Arnaud Lagesse	–	–	–
Jan Boullé	–	–	–
François Dalais	–	–	–
Guillaume Hugnin	**1 400**	**0.01**	–
Umulinga Karangwa	–	–	–
Hugues Lagesse	–	–	–
Thierry Lagesse	–	–	–
Sylvia Maigrot	–	–	–
Catherine McIlraith	–	–	–
Christine Marot	–	–	–
Patrick Rivalland	**4 057**	**0.02**	–
Bernard Theys	–	–	–
Senior Managers			
Frédéric Dubois	–	–	–
Eric Eynaud	**590**	**0.00**	–
Jean-Bruno Henriot	–	–	–
Gerard Merle	–	–	–
Rama Narayya	–	–	–
Daniel Narayanen	–	–	–
Patrice Sheik Bajeet	–	–	–
Antis Treebhoobun	–	–	–
Company Secretary			
IBL Management Ltd	–	–	–

The Directors, the Senior Managers and the Company Secretary did not hold any shares in the subsidiaries of the Company whether directly or indirectly.

Contracts of significance

During the year under review, there was no contract of significance, between the Company and its Directors other than the service contract disclosed on previous page.

STATUTORY DISCLOSURE - 30 JUNE 2024 (continued)

(PURSUANT TO SECTION 221 OF THE MAURITIUS COMPANIES ACT 2001 AND SECTION 88 OF THE SECURITIES ACT 2005)

Directors' remuneration and benefits

Total of the remuneration and benefits received, or due and receivable, by the Directors from the Company and its subsidiaries are disclosed below:

	2024		2023	
	Executive Directors	**Non-Executive Directors**	Executive Directors	Non-Executive Directors
	MUR '000	**MUR '000**	MUR '000	MUR '000
The Company				
Phoenix Beverages Limited	**–**	**6 044**	–	4 840
The Subsidiaries				
Edena S.A.	**–**	**–**	–	–
Espace Solution Réunion S.A.S.	**–**	**–**	–	–
Helping Hands Foundation	**–**	**–**	–	–
Mauritius Breweries Investments Ltd	**–**	**–**	–	–
Phoenix Beverages Overseas Ltd	**–**	**–**	–	–
Phoenix Camp Minerals Limited	**–**	**–**	–	–
Phoenix Distributors Ltd	**–**	**–**	–	–
Phoenix Foundation	**–**	**–**	–	–
Phoenix Réunion SARL	**–**	**–**	–	–
SCI Edena	**–**	**–**	–	–
The (Mauritius) Glass Gallery Ltd	**–**	**–**	–	–
The Traditional Green Mill Ltd	**–**	**–**	–	–

All the Executive Directors are engaged in full-time employment. The Executive Directors are employed and remunerated by Phoenix Management Company Ltd, a sister company of Phoenix Beverages Limited. Management fees paid to Phoenix Management Company Ltd by Phoenix Beverages Limited include the salaries of the two Executive Directors.

The disclosure of emoluments paid to Directors on individual basis are set out under the 'Remuneration Policy Section' of the Principle 4 of the Corporate Governance Report.

Indemnity insurance

During the year, the indemnity insurance cover was renewed in respect of the liability of the Directors and key officers of the Company and its subsidiaries.

SHAREHOLDERS

Substantial shareholders

The following shareholders have direct interest of more than 5% of the ordinary share capital of the Company:

	Interest	**Number of shares**
Camp Investment Company Limited	**17.06%**	**2 805 428**
Phoenix Investment Company Limited	**31.02%**	**5 101 137**

Except for the above, no shareholder has any material interest of 5% or more of the ordinary share capital of the Company.

Contract of significance with controlling shareholders

The Company has a management contract with Phoenix Management Company Ltd, a subsidiary of Camp Investment Company Limited. The key management personnel of the Company is remunerated by Phoenix Management Company Ltd.

DONATIONS

	2024 MUR '000	2023 MUR '000
The Company		
Phoenix Beverages Limited - Corporate Social Responsibility	**16 210**	12 482
- Political	**–**	–
- Others	**280**	328

The subsidiaries have not made any donation during the years 2023 and 2024..

AUDITORS' REMUNERATION

At the Annual meeting held on 29 November 2023, the shareholders approved the reappointment of Deloitte as auditor for financial year 30 June 2024.

The fees payable to the auditors for audit and other services were:

	2024		2023	
	Audit	**Other services**	Audit	Other services
	MUR '000	**MUR '000**	MUR '000	MUR '000
The Company				
Phoenix Beverages Limited	**2,480**	**770**	2 340	413
The Subsidiaries				
Helping Hands Foundation	**–**	**–**	–	–
Mauritius Breweries Investments Ltd	**–**	**16**	–	14
Phoenix Beverages Overseas Ltd	**138**	**16**	130	14
Phoenix Camp Minerals Limited	**–**	**16**	–	14
Phoenix Distributors Ltd	**–**	**5**	–	4
Phoenix Foundation	**–**	**–**	–	–
The (Mauritius) Glass Gallery Ltd	**255**	**27**	241	25
The Traditional Green Mill Ltd	**–**	**5**	–	4
	2,873	**855**	2 711	488
EXCO RÉUNION AUDIT	**EUR '000**	**EUR '000**	EUR '000	EUR '000
Edena S.A.	**27**	**16**	26	16
Phoenix Réunion SARL	**38**	**16**	38	16
	65	**32**	64	32
EXA	**EUR '000**	**EUR '000**	EUR '000	EUR '000
Espace Solutions Réunion S.A.S.	**7**	**–**	7	–

Other services relate to tax, consultancy and review services.

COMPANY SECRETARY'S CERTIFICATE - 30 JUNE 2024

In terms of Section 166(d) of The Mauritius Companies Act 2001, we certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, for the financial year ended 30 June 2024, all such returns as are required of the Company under the Mauritius Companies Act 2001.

Deborah Nicolin, ACG (CS)
Per IBL Management Ltd
Company Secretary

26 September 2024

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF PHOENIX BEVERAGES LIMITED

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of **Phoenix Beverages Limited** (the "Company" and the "Public Interest Entity") and its subsidiaries (collectively referred as the "Group") set out on pages 113 to 196, which comprise the consolidated and separate statements of financial position as at 30 June 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Company as at 30 June 2024, and of their consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA code"), and we have fulfilled our other ethical responsibilities in accordance with IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT CONTINUED

TO THE SHAREHOLDERS OF PHOENIX BEVERAGES LIMITED

Key Audit Matter	How our audit addressed the key audit matter
Impairment assessment on goodwill and trademarks	
Goodwill arising from the acquisition of a business in prior years is recognised in the Group's financial statements at its cost. The Group and the Company also had an amount of MUR 193,000,000 as trademark arising from the purchase of Eski brand at its cost. Management is required to conduct annual impairment tests to assess the recoverability of the carrying amounts of goodwill and trademark. The significant assumptions used have been disclosed in Note 6. We have identified the impairment tests on goodwill and trademark as a key audit matter due to the materiality of the balances and the associated subjective nature of the management's projected cash flow prepared and model used.	Our procedures included the following: • Validated the assumptions used to calculate the weighted average cost of capital by making reference to market data. • Analysed the future projected cash flows used in the model to determine whether they are reasonable and supportable given the current market conditions and expected future performance of the cash generating units. • Subjected the key assumptions to sensitivity analysis. • Compared the projected cash flows, including the assumptions relating to revenue growth rates and operating margins, against historical performance to test the accuracy of these projections. • Assessed whether the disclosures made in the financial statements are as per the requirements of IFRS.
Valuation of investments through FVTOCI	
The fair value of unquoted investments is derived by using projections prepared by management which includes estimates and judgements and amounted to MUR 1,761,831,000 at year end. The significant assumptions used have been disclosed in Note 7. We have identified the significant judgements, namely the economic recovery and cash flows forecast to be a key audit matter due to the materiality of the balances and their subjective nature.	Our procedures included the following: • Tested the mathematical accuracy of the valuation models. • Assessed the reasonableness of the forecasts used in the fair value exercise. • Compared actual performance to that of previous years forecast. • Assessed the key inputs in the valuation models by comparing the inputs to the weighted average cost of capital discount rate to independently obtained data such as the cost of debt, risk free rates in the market, specific risk premium, debt/equity ratios as well as the beta of comparable companies. • Involved our internal valuation specialists who assessed the reasonableness and appropriateness of the key inputs. • Assessed whether the disclosures made in the financial statements are as per the requirements of IFRS.

Other information

The directors are responsible for the other information. The other information comprises the Statutory Disclosures, the Corporate Governance Report and Company Secretary's Certificate. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements do not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and in compliance with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004 and they are also responsible for such internal control as the directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT CONTINUED

TO THE SHAREHOLDERS OF PHOENIX BEVERAGES LIMITED

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe those matters in our auditor's report unless laws or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Company and its subsidiaries other than in our capacity as auditor and tax advisor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Financial Reporting Act 2004

Corporate governance report

Our responsibility under Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Public Interest Entity has, pursuant to Section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code.

Use of this report

This report is made solely to the Company's shareholders, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte
Chartered Accountants

26 September 2024

LLK Ah Hee, FCCA
Licensed by FRC

STATEMENTS OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	THE GROUP 2024 MUR '000	THE GROUP 2023 MUR '000	THE COMPANY 2024 MUR '000	THE COMPANY 2023 MUR '000
ASSETS					
Non-current assets					
Property, plant and equipment	5	4 559 851	4 537 933	3 979 738	3 968 643
Intangible assets	6	959 197	961 024	198 414	225 712
Right-of-use assets	20(a)	321 819	359 757	256 456	276 212
Investments in subsidiaries	7	–	–	1 761 831	1 478 160
Investment in associates	8	827	985	619	738
Investment in joint venture	9	155 360	–	157 509	–
Financial assets at fair value through other comprehensive income	10	3 448	3 405	2 091	2 091
		6 000 502	5 863 104	6 356 658	5 951 556
Current assets					
Inventories	12	1 858 701	1 782 836	1 411 820	1 417 670
Trade and other receivables	13	974 462	1 024 170	803 975	640 481
Bank and cash balances	31(b)	1 233 698	377 706	754 360	166 383
		4 066 861	3 184 712	2 970 155	2 224 534
Total assets		10 067 363	9 047 816	9 326 813	8 176 090
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	14	366 962	366 962	366 962	366 962
Other reserves	15	1 629 705	1 590 452	2 330 613	2 047 061
Retained earnings		4 811 244	4 112 691	4 129 881	3 617 263
Total equity		6 807 911	6 070 105	6 827 456	6 031 286
Non-current liabilities					
Borrowings	16	348 036	337 361	206 034	155 340
Lease liabilities	20(b)	214 320	257 368	177 365	206 319
Deferred tax liabilities	17	236 156	266 522	231 906	261 831
Employee benefit obligations	18	300 395	268 017	299 108	266 953
Deferred revenue	22	38 101	41 773	–	–
		1 137 008	1 171 041	914 413	890 443
Current liabilities					
Trade and other payables	19	1 688 510	1 407 220	1 239 385	940 091
Borrowings	16	144 042	216 731	98 132	173 403
Lease liabilities	20(b)	134 977	125 457	105 145	91 044
Current tax liabilities	21(b)	144 112	45 258	142 282	49 823
Deferred revenue	22	10 803	12 004	–	–
		2 122 444	1 806 670	1 584 944	1 254 361
Total equity and liabilities		10 067 363	9 047 816	9 326 813	8 176 090

These financial statements have been approved by the Board of Directors and authorised for issue on: 26 September 2024

Arnaud Lagesse
Chairperson

Catherine McIlraith
Chairperson of the Audit and Risk Committee

The notes on pages 117 to 196 form an integral part of these financial statements | Auditor's report is on pages 108 to 111.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	THE GROUP 2024 MUR '000	THE GROUP 2023 MUR '000	THE COMPANY 2024 MUR '000	THE COMPANY 2023 MUR '000
Revenue	24	12 170 859	10 608 594	10 317 965	9 050 452
Manufacturing costs	25	(5 038 182)	(4 827 642)	(4 126 034)	(4 024 114)
Excise and other specific duties	25	(3 418 341)	(2 936 171)	(3 418 341)	(2 936 171)
Cost of sales		(8 456 523)	(7 763 813)	(7 544 375)	(6 960 285)
Gross profit		3 714 336	2 844 781	2 773 590	2 090 167
Other income	27	67 580	62 388	74 410	64 559
Marketing, warehousing, selling and distribution expenses	25	(1 534 837)	(1 309 297)	(1 117 127)	(969 413)
Administrative expenses	25	(851 200)	(724 026)	(550 284)	(467 817)
Credit loss (expense)/reversal on trade receivables	13(c)	(30 379)	16 079	(13 581)	(22 567)
Profit before finance costs	28	1 365 500	889 925	1 167 008	694 929
Finance costs	29	(46 799)	(39 674)	(39 901)	(33 890)
Share of results of associate	8(a)	(125)	(341)	–	–
Share of results of joint venture	9(a)	(4 529)	–	–	–
Profit before tax		1 314 047	849 910	1 127 107	661 039
Tax expense	21(c)	(223 094)	(118 022)	(223 960)	(104 758)
Profit for the year		1 090 953	731 888	903 147	556 281
Other comprehensive income:					
Items that will not be reclassified subsequently to profit or loss:					
Changes in fair value of equity instrument at fair value through other comprehensive income	7, 8	–	–	283 552	98 882
Remeasurements of employment benefit obligations	18	(26 800)	(44 015)	(26 646)	(44 174)
Deferred tax on employment benefit obligations	17	4 530	7 509	4 530	7 509
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations		35 189	85 737	–	–
Other movements in associate	8(a)	(33)	(111)	–	–
Other movements in joint venture	9(a)	2 380	–	–	–
Total other comprehensive income		15 266	49 120	261 436	62 217
Total comprehensive income for the year		1 106 219	781 008	1 164 583	618 498
Profit attributable to:					
Owners of the Company		1 090 953	731 888	903 147	556 281
Total comprehensive income attributable to:					
Owners of the Company		1 106 219	781 008	1 164 583	618 498
Basic and diluted earnings per share (MUR.cs)	30	66.33	44.50		

The notes on pages 117 to 196 form an integral part of these financial statements | Auditor's report is on pages 108 to 111.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2024

(ATTRIBUTABLE TO OWNERS OF THE COMPANY)

THE GROUP	Notes	Share capital MUR '000	Share premium MUR '000	Revaluation and other reserves MUR '000	Fair value reserve MUR '000	Retained earnings MUR '000	Total MUR '000
At 1 July 2023		164 470	202 492	1 590 452	–	4 112 691	6 070 105
Profit for the year		–	–	–	–	1 090 953	1 090 953
Other comprehensive income/(loss) for the year		–	–	37 569	(33)	(22 270)	15 266
Total comprehensive income for the year		–	–	37 569	(33)	1 068 683	1 106 219
Transfer		–	–	1 684	33	(1 717)	–
Dividends	23	–	–	–	–	(368 413)	(368 413)
At 30 June 2024		164 470	202 492	1 629 705	–	4 811 244	6 807 911
At 1 July 2022		164 470	202 492	1 504 715	(367)	3 680 939	5 552 249
Profit for the year		–	–	–	–	731 888	731 888
Other comprehensive income/(loss) for the year		–	–	85 737	(111)	(36 506)	49 120
Total comprehensive income for the year		–	–	85 737	(111)	695 382	781 008
Transfer		–	–	–	478	(478)	–
Dividends	23	–	–	–	–	(263 152)	(263 152)
At 30 June 2023		164 470	202 492	1 590 452	–	4 112 691	6 070 105

THE COMPANY	Notes	Share capital MUR '000	Share premium MUR '000	Revaluation and other reserves MUR '000	Fair value reserve MUR '000	Retained earnings MUR '000	Total MUR '000
At 1 July 2023		164 470	202 492	1 406 483	640 578	3 617 263	6 031 286
Profit for the year		–	–	–	–	903 147	903 147
Other comprehensive income/(loss) for the year		–	–	–	283 552	(22 116)	261 436
Total comprehensive income for the year		–	–	–	283 552	881 031	1 164 583
Dividends	23	–	–	–	–	(368 413)	(368 413)
At 30 June 2024		164 470	202 492	1 406 483	924 130	4 129 881	6 827 456
At 1 July 2022		164 470	202 492	1 406 483	541 696	3 360 799	5 675 940
Profit for the year		–	–	–	–	556 281	556 281
Other comprehensive income/(loss) for the year		–	–	–	98 882	(36 665)	62 217
Total comprehensive income for the year		–	–	–	98 882	519 616	618 498
Dividends	23	–	–	–	–	(263 152)	(263 152)
At 30 June 2023		164 470	202 492	1 406 483	640 578	3 617 263	6 031 286

The notes on pages 117 to 196 form an integral part of these financial statements | Auditor's report is on pages 108 to 111.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	THE GROUP 2024 MUR '000	THE GROUP 2023 MUR '000	THE COMPANY 2024 MUR '000	THE COMPANY 2023 MUR '000
Cash flows from operating activities					
Cash generated from operations	31(a)	2 207 182	1 011 023	1 787 810	845 470
Interest received		6 380	392	6 380	392
Interest paid		(46 799)	(39 674)	(39 901)	(33 890)
Contributions paid on pension	18	(19 575)	(20 791)	(19 549)	(20 791)
Net tax paid	21(b)	(130 397)	(160 904)	(136 902)	(147 142)
CSR contribution	21(b)	(18 632)	(2 230)	(18 632)	(2 230)
Net cash generated from operating activities		1 998 159	787 816	1 579 206	641 809
Investing activities					
Short-term loans to a related company		(950 000)	–	(950 000)	–
Repayment of short-term loans to a related company		950 000	–	950 000	–
Purchase of property, plant and equipment		(417 000)	(396 234)	(350 918)	(268 814)
Proceeds from disposal of plant and equipment		349	356	349	356
Purchase of intangible assets	6	(6 413)	(11 098)	(4 507)	(5 234)
Acquisition of joint venture	9(a)	(157 509)	–	(157 509)	–
Capital grants received	22	5 639	–	–	–
Dividends received		74	69	25 576	24 968
Net cash used in investing activities		(574 860)	(406 907)	(487 009)	(248 724)
Financing activities					
Proceeds from borrowings	31(d)	158 200	538 615	158 200	405 000
Repayment of borrowings	31(d)	(132 386)	(498 244)	(89 208)	(480 129)
Payment of principal portion of leases	20(b)	(158 132)	(132 018)	(123 931)	(93 128)
Dividends paid to Company's owners	23	(368 413)	(417 820)	(368 413)	(417 820)
Net cash used in financing activities		(500 731)	(509 467)	(423 352)	(586 077)
Increase/(decrease) in cash and cash equivalents		922 568	(128 558)	668 845	(192 992)
Movement in cash and cash equivalents					
At July 1		281 973	386 413	70 650	247 795
Effect of foreign exchange rate changes		29 157	24 118	14 865	15 847
Increase/(decrease)		922 568	(128 558)	668 845	(192 992)
At 30 June	31(b)	1 233 698	281 973	754 360	70 650

The notes on pages 117 to 196 form an integral part of these financial statements | Auditor's report is on pages 108 to 111.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1. GENERAL INFORMATION

Phoenix Beverages Limited ("the Company") is a public limited company incorporated and domiciled in Mauritius. The Company is a leading beverage manufacturer engaged in the production, bottling, and distribution of a wide range of alcoholic and non-alcoholic drinks for consumption in the domestic and international markets. The Directors regard Phoenix Investment Company Limited and Camp Investment Company Limited as the immediate and intermediate holding companies and IBL Ltd as ultimate holding company of Phoenix Beverages Limited. All four companies are incorporated in Mauritius and their registered office are at 4th Floor, IBL House, Caudan Waterfront, Port Louis.

These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of shareholders of the Company.

The Company and its ultimate holding company are quoted on the official market of the Stock Exchange of Mauritius. The Company's immediate holding company is quoted on the Development Enterprise Market of the Stock Exchange of Mauritius.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements comply with the Mauritius Companies Act 2001 and have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and the Financial Reporting Act 2004. The financial statements are prepared under the historical cost basis, except that:

(i) freehold land and buildings are carried at revalued amounts; and

(ii) relevant financial assets and financial liabilities are stated at their fair value.

The financial statements include the consolidated financial statements of the Company and its subsidiaries (the Group) and the separate financial statements of the Company (the Company). The consolidated and separate financial statements are presented in Mauritian Rupee (MUR '000).

(b) Basis of consolidation

The Group financial statements consolidate the financial statements of Phoenix Beverages Limited, its subsidiaries, its associates and its joint venture using the acquisition method and the equity method respectively. The results of subsidiaries, associates and joint venture acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date of their acquisitions or up to the date of their disposals respectively.

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

- When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including: the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the company, other vote holders or other parties; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company losses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Non-controlling interests that are present ownership interests and entitle their holders to proportionate share of the entity's net assets in the event of liquidation may initially be measured either at fair value or at the non-controlling interests' proportionate share of the recognised amount of the acquiree's identifiable net assets.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements to the subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associates or jointly controlled entity.

(c) Investments in subsidiaries

Subsidiaries are those companies over which the Company exercises control. These are categorised as fair value through OCI and accounted at fair value in the Company's separate financial statements. Profit or loss on fair value of investments are recognised in the statement of other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

(d) Investments in associates and joint venture

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method, an investment in an associate or a joint venture is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

If there is objective evidence that the Group's net investment in an associate or joint venture is impaired, the requirements of IAS 36 Impairment of Assets are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture. When the Group retains an interest in the former associate or a joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or a joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or a joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture.

In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the associate or joint venture is disposed of.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group applies IFRS 9, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied and which form part of the net investment in the investee. Furthermore, in applying IFRS 9 to long-term interests, the Group does not take into account adjustments to their carrying amount required by IAS 28 Investments in Associates and Joint Ventures (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

(e) Intangible assets

Intangible assets are initially recorded at cost and amortised using the straight-line method over their estimated useful lives.

The carrying amount of intangible assets is reviewed annually and adjusted for impairment where it is considered necessary. Intangible assets with indefinite useful lives are tested for impairment at least annually and whenever there is indication that the asset may be impaired.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(i) Computer software

Intangible assets include computer software whose estimated useful life is considered to be 5 years.

(ii) Trademark

Trademark with indefinite useful life that is acquired separately is carried at cost less accumulated impairment losses.

(iii) Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (CGUs) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

(e) Intangible assets continued

(iv) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination and having a finite life are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Intangible assets with an indefinite useful life is carried at cost less accumulated impairment losses.

(f) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements are measured using Mauritian Rupee, the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements of the Group and the Company are presented in Mauritian Rupee, which is the Group's and the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

(iii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Mauritian Rupee (MUR) at a rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income.

On disposal of a foreign operation, the component of other comprehensive income relating to that foreign operation is recognised in profit or loss.

(g) Property, plant and equipment

Property, plant and equipment are initially recorded at cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. Land and buildings are stated at their revalued amount, based on periodic valuations by external independent valuers, less subsequent depreciation for buildings and impairment losses recognised after the date of revaluation. However, management assesses whether the carrying amount has not changed significantly over years. All other property, plant and equipment are stated at historical cost less depreciation and impairment losses.

Increases in the carrying amount arising on revaluation are credited to revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against the revaluation reserve; all other decreases are charged to profit or loss.

Properties in the course of construction for production, rental or administrative purposes or for purposes not yet determined are carried at cost less any recognised impairment loss. Depreciation on other assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated and no depreciation is charged on capital expenditure in progress.

Depreciation is calculated on a straight line method to depreciate the cost of assets or the revalued amounts, to their residual values over their estimated useful lives as follows:

	Years
Yard	10–15
Freehold buildings	10–50
Plant and machinery	5–25
Motor vehicles	5–15
Furniture, computer, office and other equipment	2–10
Containers	5–10

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with carrying amount and are included in profit or loss.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(h) Impairment of assets

Assets that have indefinite useful lives are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

(i) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	Years
Land and buildings	3 to 50
Motor vehicles	3 to 10

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment in terms of IAS 36.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing (IBR) rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate (IBR) under IFRS 16 refers to the interest rate that a lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and comprises all costs incurred in bringing the inventories to its present condition and location. The cost of finished goods and work in progress comprises purchase cost or raw materials, direct labour, other direct costs and related production overheads, but excludes interest expenses. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

(k) Financial instruments

(i) Financial assets

Initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group and the Company's business model for managing them.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments).
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments).
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments).
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group and the Company. The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

(k) Financial instruments continued

***(i) Financial assets** continued*

Impairment of financial assets *continued*

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group and the Company's financial assets at amortised cost includes cash, trade and other receivables, intercompany receivables and long term receivables.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group and the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IFRS 9 Financial Instruments. The classification is determined on an instrument-by-instrument basis. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the Group and the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group and the Company elected to classify irrevocably its non-listed equity investments under this category.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for trade receivables with third parties that are not covered or partly covered by an insurance policy.

The Group applies the simplified approach in calculating ECLs and recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors (the debtors' financial position and projected results at reporting date) and the economic environment. The Group considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. When the trade receivables are referred to attorneys and there is no reasonable expectation of recovery the debtors are written off. The information about the ECLs on the Group's trade receivables is disclosed in note 13.

The Company recognises an allowance for expected credit losses (ECLs) for the long term receivables under the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost (interest-bearing loans and borrowings and trade and other payables).

The Group's financial liabilities include trade and other payables, interest-bearing loans and borrowings including bank overdrafts.

Subsequent measurement

The Group and the Company's financial liabilities are subsequently classified as financial liabilities at amortised cost.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statements of profit or loss.

This category generally applies to trade and other payables, interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, canceled, or expires. In cases where the terms of an existing financial liability are substantially modified, the original liability is derecognised and a new financial liability is recognised. The terms are considered substantially different if the discounted present value of the cash flows under the new terms, discounted at the original effective interest rate, differs by 10% or more from the discounted present value of the remaining cash flows of the original financial liability. Any resulting gains or losses from derecognition are recognised in profit or loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

(l) Taxation

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date, in the countries where the Group operates and generates taxable income. The income tax is recognised as a charge in profit or loss.

Deferred income tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Deferred income tax assets and deferred income tax liabilities are offset only where both criteria below are met:

(a) The Group has a legally enforceable right to set off the recognised amounts; and

(b) The Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The Group and the Company have disclosed deferred income tax assets and deferred income tax liabilities separately as they do not meet the above criteria.

Corporate Social Responsibility

In line with the definition within the Income Tax Act 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax shown within the statements of profit or loss and the income tax liability on the statements of financial position.

The CSR charge for the current period is measured at the amount expected to be paid to the Mauritian tax authorities. The CSR rate and laws used to compute the amount are those charged or substantively enacted by the reporting date.

(m) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation.

(n) Retirement benefit obligations

The employees of the Group are members of IBL Pension Fund (IBLPF). The IBLPF is a multi-employer defined contribution pension scheme. Employees who were transferred from the ex-Defined Benefit schemes are entitled to a No-Worse Off Guarantee (NWOG).

Defined contribution plan

For employees who are not entitled to the NWOG, the Group pays fixed contributions into the IBLPF, and has no other legal or constructive obligations in respect of pension benefits. The contributions paid are charged as an expense as they fall due.

Defined contribution plan with No-Worse-Off Guarantee

Employees who were transferred from the ex-Defined Benefit schemes are entitled to a NWOG whereby their respective employers are committed to top-up the Defined Contribution pension in order to meet the pension promise under their respective ex-Defined Benefit schemes. The provisions made include liabilities in respect of this NWOG and is funded by additional contributions over and above those payable under the Defined Contribution scheme.

Gratuity on retirement

Employees covered under the IBLPF are entitled to the Retirement Gratuity as provided by the Workers' Rights Act 2019. However, half of any lump sum and 5 years pension (relating to the employer's share of contributions only) payable from the IBLPF, is deducted from this Gratuity. Any remaining amount has to be met by the employer and is not funded, the provisions made include an amount for any such liabilities. As from 1 January 2020, following the implementation of the Portable Retirement Gratuity Fund (PRGF), the Company is contributing for employees who are not part of any pension plans.

Other Post-Retirement Benefit Obligations

The provisions also cover pensions payable directly by the employer from its cash-flow. These pensions would stop on death of the pensioner.

The pensions in respect of employees retiring from IBLPF are payable from an annuity fund within IBLPF. This annuity fund is a multi-employer fund and is currently fully funded. Therefore, no provisions have been made in respect of these pensioners.

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statements of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Net interest expense or income
- Remeasurement

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

The Group and the Company presents the first two components of defined benefit costs in profit or loss in the line item administrative expenses as part of staff costs. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit recognised in the statements of financial position represents the actual deficit or surplus in the defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

(o) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

(p) Revenue recognition

Revenue from contract with customers

The main revenue stream of the Group and the Company are the sale of beverages which consists of alcoholic and non-alcoholic drinks sold locally and overseas.

Performance obligations and timing of revenue recognition

The majority of the revenue of the Group and the Company is derived from selling of goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customers. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the Group and the Company no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

Determining the transaction price

Most of the revenue is derived from fixed price contracts and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices with the following exception:

Some contracts provide customers with a limited right of return. Historical experience enables the Group to estimate reliably the value of goods that will be returned and restrict the amount of revenue that is recognised such that it is highly probable that there will not be a reversal of previously recognised revenue when goods are returned.

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each product sold, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts (it is the total contract price divided by the number of units ordered). Where a customer orders more than one product line, the Group is able to determine the split of the total contract price between each product line by reference to each product's standalone selling prices (all products are capable of being, and are, sold separately).

Volume rebates

The Group applies either the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the expected future rebates (i.e., the amount not included in the transaction price).

Other revenues earned by the Group and the Company are recognised as follows:

- Interest income - on a time proportion basis using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.
- Dividend income - when the shareholder's right to receive payment is established
- Deposits on containers on sales of beverages - initially recorded in the deposit on containers liabilities and are released to profit or loss based on an assessment made on a yearly basis.

(q) Cash and cash equivalents

Cash and cash equivalents include cash in hand and at bank and bank overdrafts. Cash equivalents are short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Bank overdrafts are shown within borrowings in current liabilities in the statements of financial position.

(r) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

(s) Related parties

Related parties are individuals and companies where the individual or Company has the ability, directly or indirectly, to control the other party or to exercise significant influence over the other party in making financial and operating decisions.

(t) Fair value measurement

The Group and the Company measures financial instruments, such as financial assets at fair value through other comprehensive income and land and building, at fair value at each reporting date. Also, fair values of financial instruments are disclosed in note 4.2 and its respective notes.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES continued

(t) Fair value measurement continued

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Group and the Company. Management considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for recurring fair value measurement, such as financial assets at fair value through other comprehensive income.

External valuers are involved for valuation of significant assets such as land and building. Involvement of external valuers is decided and approved by the Board of Directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

2.1 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

New and revised Standards that are effective but with no material effect on the financial statements

In the current year, the Group and the Company have adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board (the "IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to the Group's and the Company's operations and effective for accounting periods beginning on 1 July 2023.

(i) Relevant new and revised Standards in issue but not yet effective

At the date of authorisation of these financial statements, the following relevant standards were in issue but effective on annual periods beginning on or after the respective dates as indicated.

IAS 1	Presentation of Financial Statements - Amendments regarding the classification of liabilities (effective 1 January 2024)
IAS 1	Presentation of Financial Statements - Amendments regarding the classification of debt with covenants (effective 1 January 2024)
IAS 7	Statement of Cash Flows - Amendments regarding supplier finance arrangements (effective 1 January 2024)
IFRS 7	Financial Instruments: Disclosures - Amendments regarding supplier finance arrangements (effective 1 January 2024)
IFRS 7	Financial Instruments: Disclosures - Amendments regarding the classification and measurement of financial instruments (effective 1 January 2026)
IFRS 9	Financial Instruments - Amendments regarding the classification and measurement of financial instruments (effective 1 January 2026)
IFRS 16	Leases - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions (effective 1 January 2024)
IFRS 18	Presentation and Disclosures in Financial Statements - Original issue (effective 1 January 2027)
IFRS 19	Subsidiaries without Public Accountability - Original issue (effective 1 January 2027)

(ii) New and revised Standards that are effective but with no material effect on the financial statements

The following relevant revised standards have been applied in the financial statements. Their application has not had any significant impact on the amounts reported for current and prior periods but may affect the accounting for future transaction or arrangement.

IAS 1	Presentation of Financial Statements - Amendments regarding the disclosure of accounting policies
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of accounting estimates
IAS 12	Income Taxes - Amendments regarding deferred tax on leases and decommissioning obligations
IAS 12	Income Taxes - Amendments to provide a temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes

The directors anticipate that these Standards and Interpretation will be applied in the Group's and the Company's financial statements at the above effective dates in future periods. The directors have not yet assessed the potential impact of the application of these amendments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Estimated impairment of goodwill and trademark

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

The Group tests annually whether goodwill and trademarks have suffered any impairment, in accordance with the accounting policy stated in Note 2f(ii) and 2f(iii) respectively. Refer to Note 6.

(b) Expected credit losses on trade receivables

The Group and the Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. ECL for the year amounts to MUR 126.6m (2023: MUR 112.9m) for the Group and MUR 123.9m (2023: MUR 110.4m) for the Company.

(c) Retirement benefit obligations

The present value of the pension obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate, future salary increases, mortality rates and future pension increases. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group and the Company determine the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group and the Company consider the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. Refer to note 18 for more details.

(d) Revaluation of land and buildings

Land and buildings are measured at revalued amounts with changes in fair value being recognised in other comprehensive income. The Group and the Company engage an independent valuer to determine the fair value on a regular basis. These estimates have been based on recent transactions for similar properties. The actual amount of the land and buildings could therefore defer significantly from the estimates in the future. Refer to Note 5 for more details.

(e) Provision for slow-moving stock

A provision for slowing moving stock is determined using a combination of factors (quality and ageing of stock) to ensure that inventory is not overstated at year end. Refer to note 12 for more details.

(f) Depreciation and amortisation rates

The Group and the Company depreciate or amortise its assets to their residual values over their estimated useful lives. The estimation of useful lives is based on historical performance and expectation about future use and requires significant degree of judgement. The residual value of an asset is the estimated net amount that the Group and the Company would currently obtain from disposal of the asset, if the asset were already of the age and in condition expected at the end of its useful life. Refer to Note 5 for more details.

The directors therefore make estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the assets at the end of their expected useful lives.

(g) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statements of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. Refer to Note 4.2 for more details.

(h) Useful life of trademarks

As there is no foreseeable limit to the period over which the trademark is expected to generate net cash inflows for the Group and the Company, trademark has been assessed as having an indefinite useful life. Refer to Note 6 for more details.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY continued

3.1 Critical accounting estimates and assumptions continued

(i) Estimating variable consideration for returns and volume rebates

The Group and the Company estimate variable considerations to be included in the transaction price for the sale of goods with rights of return and volume rebates.

The Group and the Company have contracts with certain supermarkets and point of sales whereby if certain target turnover is achieved, an end of year rebate is earned by them. Some of those contracts are coterminous with the financial year and some are based on calendar year. For the coterminous contracts, the annual rebate is straight-away and based on actual sales. However, for those contracts based on the calendar year, the estimated rebate is based on actual six-months sales till June plus estimated sales till December based on historical data and current trend.

The Group and the Company applied a statistical model for estimating expected rebates for contracts with more than one volume threshold. The model uses the historical purchasing patterns and rebates entitlement of customers to determine the expected rebate. Any significant changes in experience as compared to historical purchasing patterns and rebate entitlements of customers will impact the expected rebate estimated by the Group and the Company.

The Group and the Company update their assessment of expected sales rebates half-yearly and the refund liabilities are adjusted accordingly. Estimates of expected rebates are sensitive to changes in circumstances and the Group's and the Company's past experience regarding sales and rebate entitlements may not be representative of customers' actual sales and rebate entitlements in the future.

As at 30 June 2024, the amount recognised as end of year discount for the expected sales and turnover rebates was MUR 241.6m (2023: MUR 210.8m) for the Group and MUR 137.0m (2023: MUR 116.3m) for the Company. Refer to note 19 for more details.

(j) Expected credit losses of long-term receivables

The measurement of impaired losses of financial assets requires judgements, in particular, the estimation of the amount and timing of future cash flows when determining impaired losses and the assessment of a significant increase in credit risk. The estimations are driven by a number of factors, changes in which can result in different levels of allowances. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. Refer to note 11 for more details.

(k) Leases - Estimating the incremental borrowing rate

The Group and the Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group and the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group and the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group and the Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates. The IBR used to estimate the lease liabilities ranges from 1.8% to 8% for the Group and 3.6% to 8% for the Company. Refer to note 20 for more details.

(l) Deposit on containers

To estimate the number of containers to be released to profit or loss and to be retained as liability, the Group and the Company apply a judgement based on a maximum of 4 weeks of total annual sales volume being available in the market at the current refundable value per container. If the current deposit liability recorded is lower than this calculated maximum exposure, no adjustment is made. However, if the liability exceeds the maximum exposure, an adjustment is made to profit or loss, reflecting a write-back for containers that are likely broken or will never be returned. This write-back is capped at 6% of the previous year's total liability, based on the principle of prudence, to avoid excessive write-backs during a year of significant container injection into the market. The 6% cap is derived from the estimated maximum organic market growth over the years.

4. FINANCIAL RISK MANAGEMENT

A Management Risk Committee, composed of the senior managers of the Company and chaired by the Chief Executive Officer is in place, operating under the terms of reference approved by the Audit and Risk Committee. Risk in the widest sense includes market risk, credit risk, liquidity risk, operation risk and commercial risk. The most significant risks faced by the Group include those pertaining to the economic environment, the supply chain, regulations, skills and people, technology as well as foreign currency and interest rates. These risks are included in the risk management program. Sub-committees have been set up, chaired by the respective senior managers sitting on the Management Risk Committee, to make detailed identification, assessment, measurement and finally to develop and implement risk response strategies.

4.1 Financial risk factors and risk management policies

A description of the significant risk factors is given below together with the risk management policies applicable.

The Group's activities expose it to a variety of financial risks, including:

- Market risk (including currency risk, price risk and cash flow and fair value interest rate risk);
- Credit risk; and
- Liquidity risk.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Material accounting policies

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in note 2 to the financial statements.

Categories of financial instruments

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Financial assets				
Financial assets at fair value through other comprehensive income	**3 448**	3 405	**1 764 541**	1 480 989
Financial assets at amortised cost				
Trade and other receivables	**884 874**	976 906	**718 190**	594 207
Bank and cash balances	**1 233 698**	377 706	**754 360**	166 383
At 30 June	**2 122 020**	1 358 017	**3 237 091**	2 241 579
Financial liabilities at amortised cost				
Borrowings	**492 078**	554 092	**304 166**	328 743
Lease liabilities	**349 297**	382 825	**282 510**	297 363
Trade and other payables	**1 408 978**	1 265 869	**979 418**	732 956
At 30 June	**2 250 353**	2 202 786	**1 566 094**	1 359 062

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

4. FINANCIAL RISK MANAGEMENT continued

4.1 Financial risk factors and risk management policies continued

(a) Market risk

(i) Currency risk management

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to Euro and US Dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Group has a number of investments in foreign subsidiaries, whose net assets are exposed to currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies. The Company has the assistance of IBL Treasury Ltd (IBLTL), a sister company licensed by the Financial Services Commission, managed by the ultimate holding company. The purpose of IBLTL is to obtain the best rates for the settlement of foreign currency payments and to address any currency shortages on the market.

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Financial assets				
MUR	**970 803**	506 340	**1 466 634**	856 102
EUR	**868 336**	759 416	**1 516 025**	1 312 262
USD	**219 129**	62 784	**190 680**	43 736
Others	**63 752**	29 477	**63 752**	29 479
At 30 June	**2 122 020**	1 358 017	**3 237 091**	2 241 579
Financial liabilities				
MUR	**1 191 500**	1 262 838	**1 249 295**	1 047 354
EUR	**889 848**	855 917	**147 794**	227 677
USD	**134 160**	73 833	**134 160**	73 833
Others	**34 845**	10 198	**34 845**	10 198
At 30 June	**2 250 353**	2 202 786	**1 566 094**	1 359 062

Foreign currency sensitivity analysis

The Group

The following table details the Group's sensitivity to a 5% change in the Mauritian Rupee against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the Mauritian Rupee strengthens 5% against the relevant currencies. There would be an equal and opposite impact on the profit and other equity where the Mauritian Rupee weakens 5% against the relevant currencies, and the balances below would be negative.

Increase/(decrease) in profit and other equity	**2024 MUR '000**	2023 MUR '000
United States Dollar (USD)	**4 248**	(552)
Euro (EUR)	**(1 076)**	(4 825)

The Company

The following table details the Company's sensitivity to a 5% change in the Mauritian Rupee against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where the Mauritian Rupee strengthens 5% against the relevant currencies. There would be an equal and opposite impact on the profit and other equity where the Mauritian Rupee weakens 5% against the relevant currencies, and the balances below would be negative.

Increase /(decrease) in profit and other equity	**2024 MUR '000**	2023 MUR '000
United States Dollar (USD)	**2 826**	(1 505)
Euro (EUR)	**68 412**	54 229

(ii) Price risk

The Group and the Company are exposed to equity securities price risk because of investments held by the Group and the Company classified on the statements of financial position as financial assets at fair value through other comprehensive income. No sensitivity analysis is performed for FVTOCI as the impact is immaterial. For investment in subsidiaries classified as FVTOCI, the sensitivity analysis is performed in note 4.2.

Equity investments are held for strategic rather than for trading purposes. The Group and the Company do not actively trade these investments.

(iii) Cash flow and fair value interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrow at both fixed and variable rates. In respect of the latter, it is exposed to risk associated with the effect of fluctuations in the prevailing level of market interest rates on its financial position and cash flows.

The risk is managed by maintaining an appropriate mix between fixed and floating interest rates on borrowings.

Rupee-denominated borrowings

At 30 June 2024, if interest rates on borrowings had been 50 basis points higher/lower, with all other variables held constant, profit for the year would have been lower/higher as shown in the table below, mainly as a result of higher/lower interest expense on floating rate borrowings:

	THE GROUP		THE COMPANY	
Effect on profit	**2024 MUR '000**	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
+50 basis points – Decrease in profit	**(1 080)**	(525)	**(1 080)**	(525)
-50 basis points – Increase in profit	**1 080**	525	**1 080**	525

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

4. FINANCIAL RISK MANAGEMENT continued

4.1 Financial risk factors and risk management policies continued

(iii) Cash flow and fair value interest rate risk management continued

Other currencies – denominated borrowings

The Group have borrowings amounting to MUR 276.0m (2023: MUR 353.4m) and the Company has borrowings amounting to MUR 88.1m (2023: MUR 128.0m) denominated in EURO.

Interest rates are disclosed in note 16(c).

(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group had adopted a policy of only dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are approved and reviewed by key management on a regular basis.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties, except for the Group's largest customer which represents 10% (2023: 10%) of the trade receivables of the Group. These counterparties are unrelated and have different characteristics.

The Group's credit risk is primarily attributable to its trade receivables and cash deposited in financial institutions. The amount presented in the statements of financial position are net of allowances for expected credit losses, estimated by management based on prior experience and represents the Company's maximum exposure to credit risk and an on going credit evaluation is performed on the financial conditions of trade receivable, insurance cover is taken for some customers in order to minimise credit risk. Management considers cash balances of having a low credit risk as the risk of default from the financial institutions where the cash are held is low.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The maximum exposure to credit risk at the reporting date and the measurement basis used to determine expected credit losses are disclosed in note 13. The Group does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment.

When the trade receivables are referred to attorneys and there is no reasonable expectation of recovery the debtors are written off.

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. Bank balances are assessed to have low credit risk at reporting date since these are held in reputable banking institutions. The identified impairment loss on these balances was immaterial.

For long term receivables, the Company manages the long term receivables from related parties through considering the purpose of advances and their financial position and forecasted cash flows.

(c) Liquidity risk management

Liquidity refers to the ability for the Group and the Company to meet their short-term financial obligations as they come due, without incurring significant losses. It reflects the capacity to convert financial assets into cash or obtain sufficient cash to settle liabilities.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. The Group aims at maintaining flexibility in funding by keeping committed credit lines available. Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow.

The Group's financial liabilities analysed into relevant maturity groupings based on the remaining period at the end of the reporting date to the contractual maturity date has been disclosed in note 16(b). All trade and other payables are due within one year.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

THE GROUP

	Weighted average effective interest	Less than 1 month MUR '000	1–3 months MUR '000	3 months to 1 year MUR '000	1–5 years MUR '000	Over 5 years MUR '000	Total MUR '000
2024							
Variable interest rate	**5.61%**	**4 670**	**14 011**	**19 961**	**36 181**	**–**	**74 823**
Fixed interest rate	**2.69%**	**11 678**	**30 737**	**82 705**	**257 014**	**94 565**	**476 699**
Lease liabilities	**6.34%**	**14 007**	**41 244**	**105 277**	**198 146**	**76 881**	**435 555**
Non-interest bearing:							
Trade and other payables		**621 071**	**230 712**	**527 890**	**28 848**	**457**	**1 408 978**
At 30 June 2024		**651 426**	**316 704**	**735 833**	**520 189**	**171 903**	**2 396 055**

THE GROUP

	Weighted average effective interest	Less than 1 month MUR '000	1–3 months MUR '000	3 months to 1 year MUR '000	1–5 years MUR '000	Over 5 years MUR '000	Total MUR '000
2023							
Variable interest rate	6.75%	11 630	23 260	104 668	74 725	–	214 283
Fixed interest rate	2.85%	7 751	15 501	69 755	223 812	64 702	381 521
Lease liabilities	5.16%	12 885	35 342	97 121	242 821	79 288	467 457
Non-interest bearing:							
Trade and other payables		556 318	73 833	635 718	–	–	1 265 869
At 30 June 2023		588 584	147 936	907 262	541 358	143 990	2 329 130

Variable interest rate and Fixed interest rate pertain to items in Borrowings.

THE COMPANY

	Weighted average effective interest	Less than 1 month MUR '000	1–3 months MUR '000	3 months to 1 year MUR '000	1–5 years MUR '000	Over 5 years MUR '000	Total MUR '000
2024							
Variable interest rate	**5.61%**	**4 670**	**14 011**	**19 961**	**36 181**	**–**	**74 823**
Fixed interest rate	**3.75%**	**7 480**	**22 440**	**44 922**	**158 513**	**37 917**	**271 272**
Lease liabilities	**7.68%**	**10 826**	**31 698**	**79 820**	**167 718**	**76 881**	**366 943**
Non-interest bearing:							
Trade and other payables		**427 091**	**115 837**	**436 490**	**–**	**–**	**979 418**
At 30 June 2024		**450 067**	**183 986**	**581 193**	**362 412**	**114 798**	**1 692 456**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

4. FINANCIAL RISK MANAGEMENT continued

4.1 Financial risk factors and risk management policies continued

(c) Liquidity risk management continued

	Weighted average effective interest	Less than 1 month MUR '000	1–3 months MUR '000	3 months to 1 year MUR '000	1–5 years MUR '000	Over 5 years MUR '000	Total MUR '000
2023							
Variable interest rate	6.75%	11 630	23 260	104 668	74 725	–	214 283
Fixed interest rate	3.65%	3 684	7 368	33 155	88 412	–	132 619
Lease liabilities	6.35%	9 816	29 204	69 506	192 312	79 288	380 126
Non-interest bearing:							
Trade and other payables		549 257	73 833	109 866	–	–	732 956
At 30 June 2023		574 387	133 665	317 195	355 449	79 288	1 459 984

4.2 Fair value estimation of financial instruments

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting date. The fair value of financial instruments that are not traded in an active market is stated on a weighted average of earnings and asset value.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of those financial assets and liabilities not presented on the Group's statements of financial position at the fair values are not materially different from their carrying amounts.

Fair value measurements recognised in the statements of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

THE GROUP

	Level 1 MUR '000	Level 2 MUR '000	Level 3 MUR '000	Total MUR '000
2024				
Financial assets at fair value through other comprehensive income	**–**	**–**	**3 448**	**3 448**

THE GROUP

	Level 1 MUR '000	Level 2 MUR '000	Level 3 MUR '000	Total MUR '000
2023				
Financial assets at fair value through other comprehensive income	–	–	3 405	3 405

THE COMPANY

	Level 1 MUR '000	Level 2 MUR '000	Level 3 MUR '000	Total MUR '000
2024				
Investments in subsidiaries	**–**	**–**	**1 761 831**	**1 761 831**
Investment in associate	**–**	**–**	**619**	**619**
Investment in joint venture	**–**	**–**	**157 509**	**157 509**
Financial assets at fair value through other comprehensive income	**–**	**–**	**2 091**	**2 091**
At 30 June 2024	**–**	**–**	**1 922 050**	**1 922 050**

THE COMPANY

	Level 1 MUR '000	Level 2 MUR '000	Level 3 MUR '000	Total MUR '000
2023				
Investments in subsidiaries	–	–	1 478 160	1 478 160
Investments in associate	–	–	738	738
Financial assets at fair value through other comprehensive income	–	–	2 091	2 091
At 30 June 2023	–	–	1 480 989	1 480 989

Reconciliation of level 3 fair value measurements of financial assets

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
At 1 July	**3 405**	3 330	**1 480 989**	1 382 107
Exchange differences	**43**	75	**–**	–
Addition	**–**	–	**157 509**	–
Gain recognised in other comprehensive income	**–**	–	**283 552**	98 882
At 30 June	**3 448**	3 405	**1 922 050**	1 480 989

There has been no transfer between fair value hierarchies during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

4. FINANCIAL RISK MANAGEMENT continued

4.2 Fair value estimation of financial instruments continued

The following unobservable inputs were used to measure the financial assets measured at fair value in the Company's separate financial statements:

THE COMPANY

Description	Fair value as at 30 June 2024 MUR '000	Fair value as at 30 June 2023 MUR '000	Valuation techniques	Unobservable input	Range of unobservable inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Unquoted investments in subsidiaries	**1 475 548**	1 260 265	Discounted cash flows	Discount rate	2024: 7.5% and 2023: 8.91%	A 5% increase will lead to a decrease of MUR 99.0m (2023: MUR 92.6m). A 5% decrease will lead to an increase of MUR 113.5m (2023: MUR 105.4m).
				Growth rate	2024 and 2023: 2%	A 5% increase will lead to an increase of MUR 22.6m (2023: MUR 17.0m). A 5% decrease will lead to a decrease of MUR 21.8m (2023: MUR 17.0m).
Other unquoted Investments in subsidiaries	**286 283**	217 895	Price to book value		100%	Not applicable
Investment in associates	**619**	738	Net assets	Illiquidity discount	Illiquidity discount	A 5% increase in rate will lead to decrease of MUR 3k (2023: MUR 4k). A 5% decrease in rate will lead to an increase of MUR 3k (2023: MUR 4k).
Financial assets at fair value through other comprehensive income	**2 091**	2 091	Net assets	Cost	Not applicable	Not applicable

THE GROUP

Description	Fair value as at 30 June 2024 MUR '000	Fair value as at 30 June 2023 MUR '000	Valuation techniques	Unobservable input	Range of unobservable inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Financial assets at fair value through other comprehensive income	**3 448**	3 405	Net assets	Cost	Not applicable	Not applicable

4.3 Capital risk management

The Group's and the Company's objectives when managing capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group and the Company manage the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to the shareholders, or sell assets to reduce debt.

The Group and the Company monitor capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt adjusted capital. Net debt is calculated as total debt (as shown in the statements of financial position) less cash and bank balances. Capital structure comprises all components of equity (i.e. share capital, share premium, retained earnings and other reserves).

The Group and the Company are not subject to any externally imposed capital requirements. The Group's overall capital strategy remains unchanged from 2023.

The debt-to-equity ratio at 30 June 2024 and 30 June 2023 were as follows:

	THE GROUP 2024 MUR '000	THE GROUP 2023 MUR '000	THE COMPANY 2024 MUR '000	THE COMPANY 2023 MUR '000
Total debt (note 16 & 20(b))	**841 375**	936 917	**586 676**	626 106
Less: bank and cash balances (note 31(b))	**(1 233 698)**	(377 706)	**(754 360)**	(166 383)
Net (cash)/debt	**(392 323)**	559 211	**(167 684)**	459 723
Total equity	**6 807 911**	6 070 105	**6 827 456**	6 031 286
Debt-to-equity ratio	**N/A**	0.09:1	**N/A**	0.08:1

Debt-to-equity ratio is not relevant for financial year 2024 as the Group and the Company have excess cash over debt.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

5. PROPERTY, PLANT AND EQUIPMENT

(a)

THE GROUP

2024	Freehold land and yard MUR '000	Freehold buildings MUR '000	Plant and machinery MUR '000	Motor vehicles MUR '000	Furniture, computer, office, and other equipment MUR '000	Containers MUR '000	Total MUR '000
Cost or valuation							
At 1 July 2023	**1 416 576**	**1 422 133**	**3 104 638**	**271 844**	**705 266**	**534 322**	**7 454 779**
Additions*	**4 573**	**28 909**	**33 232**	**1 988**	**62 614**	**115 232**	**246 548**
Disposals	**–**	**–**	**–**	**(3 296)**	**(553)**	**–**	**(3 849)**
Write off	**–**	**–**	**–**	**–**	**–**	**(94 526)**	**(94 526)**
Exchange differences	**7 644**	**15 483**	**18 089**	**–**	**2 146**	**–**	**43 362**
At 30 June 2024	**1 428 793**	**1 466 525**	**3 155 959**	**270 536**	**769 473**	**555 028**	**7 646 314**
Depreciation							
At 1 July 2023	**10 450**	**347 752**	**1 779 023**	**149 043**	**463 442**	**261 988**	**3 011 698**
Charge for the year	**8 753**	**64 072**	**148 997**	**18 792**	**72 140**	**107 804**	**420 558**
Disposals	**–**	**–**	**–**	**(3 296)**	**(387)**	**–**	**(3 683)**
Write off	**–**	**–**	**–**	**–**	**–**	**(94 526)**	**(94 526)**
Exchange differences	**–**	**11 490**	**13 490**	**–**	**1 728**	**–**	**26 708**
At 30 June 2024	**19 203**	**423 314**	**1 941 510**	**164 539**	**536 923**	**275 266**	**3 360 755**
Net book value							
At 30 June 2024	**1 409 590**	**1 043 211**	**1 214 449**	**105 997**	**232 550**	**279 762**	**4 285 559**
Capital expenditure in progress*	**–**	**17 544**	**168 043**	**–**	**44 934**	**43 771**	**274 292**
Total property plant and equipment	**1 409 590**	**1 060 755**	**1 382 492**	**105 997**	**277 484**	**323 533**	**4 559 851**

** Total cash outflow consist of additions and capital expenditure in progress except for an amount of MUR 8.99m which represents transfer from capital expenditure in progress - intangible assets.*

THE GROUP

2023	Freehold land and yard MUR '000	Freehold buildings MUR '000	Plant and machinery MUR '000	Motor vehicles MUR '000	Furniture, computer, office, and other equipment MUR '000	Containers MUR '000	Total MUR '000
Cost or valuation							
At 1 July 2022	1 365 713	1 377 205	3 085 273	298 902	946 725	469 953	7 543 771
Additions*	41 079	78 138	91 925	11 400	81 101	112 625	416 268
Transfer to inventories	–	–	–	–	–	(9 347)	(9 347)
Disposals	–	–	(64 189)	(5 757)	–	–	(69 946)
Transfer between categories	–	–	20 778	–	(20 778)	–	–
Write off	(106)	(68 621)	(63 199)	(32 709)	(305 644)	(38 909)	(509 188)
Exchange differences	9 890	35 411	34 050	8	3 862	–	83 221
At 30 June 2023	1 416 576	1 422 133	3 104 638	271 844	705 266	534 322	7 454 779
Depreciation							
At 1 July 2022	157	333 587	1 735 261	168 138	696 707	200 456	3 134 306
Charge for the year	10 399	61 857	146 021	19 363	69 165	104 430	411 235
Transfer to inventories	–	–	–	–	–	(3 989)	(3 989)
Disposals	–	–	(64 134)	(5 757)	–	–	(69 891)
Write off	(106)	(68 621)	(63 199)	(32 709)	(305 644)	(38 909)	(509 188)
Exchange differences	–	20 929	25 074	8	3 214	–	49 225
At 30 June 2023	10 450	347 752	1 779 023	149 043	463 442	261 988	3 011 698
Net book value							
At 30 June 2023	1 406 126	1 074 381	1 325 615	122 801	241 824	272 334	4 443 081
Capital expenditure in progress*	–	16 329	34 714	–	38 870	4 939	94 852
Total property, plant and equipment	1 406 126	1 090 710	1 360 329	122 801	280 694	277 273	4 537 933

** Total cash outflow consist of additions and capital expenditure in progress*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

5. PROPERTY, PLANT AND EQUIPMENT continued

(b) Cost or valuation

THE COMPANY

2024	Freehold land and yard MUR '000	Freehold buildings MUR '000	Plant and machinery MUR '000	Motor vehicles MUR '000	Furniture, computer, office, and other equipment MUR '000	Containers MUR '000	Total MUR '000
Cost or valuation							
At 1 July 2023	1 234 183	897 617	2 558 110	271 483	642 753	534 322	6 138 468
Additions*	4 573	14 799	14 755	1 988	55 463	115 230	206 808
Disposals	–	–	–	(3 296)	(480)	–	(3 776)
Write off	–	–	–	–	–	(94 526)	(94 526)
At 30 June 2024	1 238 756	912 416	2 572 865	270 175	697 736	555 026	6 246 974
Depreciation							
At 1 July 2023	10 449	31 810	1 391 750	148 682	411 774	261 990	2 256 455
Charge for the year	8 753	31 075	115 211	18 792	67 083	107 804	348 718
Disposals	–	–	–	(3 296)	(387)	–	(3 683)
Write off	–	–	–	–	–	(94 526)	(94 526)
At 30 June 2024	19 202	62 885	1 506 961	164 178	478 470	275 268	2 506 964
Net book value							
At 30 June 2024	1 219 554	849 531	1 065 904	105 997	219 266	279 758	3 740 010
Capital expenditure in progress*	–	14 375	136 916	–	44 666	43 771	239 728
Total property, plant and equipment	1 219 554	863 906	1 202 820	105 997	263 932	323 529	3 979 738

** Total cash outflow consist of additions and capital expenditure in progress except for an amount of MUR 8.99m which represents transfer from capital expenditure in progress - intangible assets.*

THE COMPANY

2023	Freehold land and yard MUR '000	Freehold buildings MUR '000	Plant and machinery MUR '000	Motor vehicles MUR '000	Furniture, computer, office and other equipment MUR '000	Containers MUR '000	Total MUR '000
Cost or valuation							
At 1 July 2022	1 230 407	888 618	2 544 172	297 860	863 352	469 953	6 294 362
Additions*	3 882	9 966	81 153	11 400	77 171	112 625	296 197
Transfer to inventories	–	–	–	–	–	(9 347)	(9 347)
Disposals	–	–	(64 189)	(5 757)	–	–	(69 946)
Write off	(106)	(967)	(3 026)	(32 020)	(297 770)	(38 909)	(372 798)
At 30 June 2023	1 234 183	897 617	2 558 110	271 483	642 753	534 322	6 138 468
Depreciation							
At 1 July 2022	156	1 050	1 344 562	167 096	645 362	200 458	2 358 684
Charge for the year	10 399	31 727	114 348	19 363	64 182	104 430	344 449
Transfer to inventories	–	–	–	–	–	(3 989)	(3 989)
Disposals	–	–	(64 134)	(5 757)	–	–	(69 891)
Write off	(106)	(967)	(3 026)	(32 020)	(297 770)	(38 909)	(372 798)
At 30 June 2023	10 449	31 810	1 391 750	148 682	411 774	261 990	2 256 455
Net book value							
At 30 June 2023	1 223 734	865 807	1 166 360	122 801	230 979	272 332	3 882 013
Capital expenditure in progress*	–	15 320	27 746	–	38 626	4 938	86 630
Total property, plant and equipment	1 223 734	881 127	1 194 106	122 801	269 605	277 270	3 968 643

** Total cash outflow consist of additions and capital expenditure in progress.*

(c) **In respect of freehold land and buildings of the Company:**

- Freehold land and buildings were revalued in June 2022 by CDDS land surveyors and property, an independent valuer. The basis of valuation of land was arrived at by comparing the value of other land in the neighbourhood giving due consideration to their respective location, shape, extent, development and potential. The values of buildings were arrived at by taking into consideration their depreciated replacement cost after making allowance for their age, standard and state of repair. The carrying amount was adjusted to the revalued amount at 30 June 2022 and the revaluation surplus was recorded under revaluation reserve.

In respect of freehold land and buildings of Edena S.A. and SCI Edena:

- Freehold land and buildings were revalued in June 2022 by Galtier Valuation an independent valuer. The basis of valuation of land and buildings was arrived at using an average of the following: comparing the value of other land and buildings in the neighbourhood giving due consideration to their respective location, shape, extent, development and potential; taking into consideration the depreciated replacement cost of buildings after making allowance for their age, standard and state of repair; and capitalised earnings.

  Freehold land and buildings are revalued every 4-6 years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

5. PROPERTY, PLANT AND EQUIPMENT continued

(d) Fair value hierarchy measurement of freehold land and yard is classified as level 2 amounting to MUR 1,409.6m (2023: MUR 1,406.1m) for the Group and MUR 1,219.6m (2023: MUR 1,223.7m) for the Company and buildings as level 3 amounting to MUR 1,043.2m (2023: MUR 1,074.4m) for the Group and MUR 849.5m (2023: MUR 865.8m) for the Company.

(e) There were no transfers under level 2 and 3 during the year.

(f) Bank borrowings are secured by fixed and floating charges over the assets of the Group, which include property, plant and equipment.

(g) Information about fair value measurements using significant unobservable inputs (Level 3)

THE GROUP

Description	Fair value at 30 June 2024 MUR '000	Fair value at 30 June 2023 MUR '000	Valuation technique	Unobservable inputs	Range of unobservable inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
Buildings	**1 043 211**	1 074 381	Replacement cost less depreciation approach	Price per square metre	MUR 3 200 - MUR 54 740 per square metre	The higher the price per square metre, the higher the fair value

THE COMPANY

Description	Fair value at 30 June 2024 MUR '000	Fair value at 30 June 2023 MUR '000	Valuation technique	Unobservable inputs	Range of unobservable inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
Buildings	**849 531**	865 807	Replacement cost less depreciation approach	Price per square metre	MUR 3 200 - MUR 54 740 per square metre	The higher the price per square metre, the higher the fair value
			Income based approach	Price per square metre	MUR 68 - MUR 835 per square metre	The higher the price per square metre, the higher the fair value

(h) Information about fair value measurements using significant unobservable inputs (Level 2)

THE GROUP

Description	Fair value at 30 June 2024 MUR '000	Fair value at 30 June 2023 MUR '000	Valuation technique	Unobservable inputs	Range of unobservable inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
Freehold land and yard	**1 409 590**	1 406 126	Cost approach/ Direct comparison approach	Price per square metre	MUR 1 688 to MUR 7 700 per square metre	The higher the price per square metre, the higher the fair value

THE COMPANY

Description	Fair value at 30 June, 2024 MUR '000	Fair value at 30 June, 2023 MUR '000	Valuation technique	Unobservable inputs	Range of unobservable inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
Freehold land and yard	**1 219 554**	1 223 734	Cost approach / Direct comparison approach	Price per square metre	MUR 1 688 to MUR 7 700 per square metre	The higher the price per square metre, the higher the fair value

(i) Depreciation

	THE GROUP 2024 MUR '000	THE GROUP 2023 MUR '000	THE COMPANY 2024 MUR '000	THE COMPANY 2023 MUR '000
Cost of sales	**319 328**	310 840	**267 535**	260 319
Selling and distribution expenses	**72 169**	76 023	**67 261**	71 090
Administrative expenses	**29 061**	24 372	**13 922**	13 040
At 30 June	**420 558**	411 235	**348 718**	344 449

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

5. PROPERTY, PLANT AND EQUIPMENT continued

(j) If freehold land, yard and freehold buildings were stated on the historical cost basis, the carrying amounts would be as follows:

	THE GROUP		
Net book value	Freehold yard MUR '000	Freehold buildings MUR '000	Total MUR '000
Cost	**406 955**	**1 212 398**	**1 619 353**
Accumulated depreciation	**(42 349)**	**(612 971)**	**(655 320)**
At 30 June 2024	**364 606**	**599 427**	**964 033**
Cost	413 844	1 167 638	1 581 482
Accumulated depreciation	(50 168)	(551 541)	(601 709)
At 30 June 2023	363 676	616 097	979 773

	THE COMPANY		
Net book value	Freehold land and yard MUR '000	Freehold buildings MUR '000	Total MUR '000
Cost	**321 582**	**666 773**	**988 355**
Accumulated depreciation	**(57 293)**	**(256 100)**	**(313 393)**
At 30 June 2024	**264 289**	**410 673**	**674 962**
Cost	317 009	651 974	968 983
Accumulated depreciation	(50 168)	(237 097)	(287 265)
At 30 June 2023	266 841	414 877	681 718

6. INTANGIBLE ASSETS

(a)

	THE GROUP				THE COMPANY		
	Trademark MUR '000	Computer software MUR '000	Goodwill MUR '000	Total MUR '000	Trademark MUR '000	Computer software MUR '000	Total MUR '000
Cost							
At 1 July 2023	**193 000**	**38 939**	**729 135**	**961 074**	**193 000**	**24 026**	**217 026**
Additions*	**–**	**6 413**	**–**	**6 413**	**–**	**4 507**	**4 507**
Exchange differences	**–**	**546**	**23 582**	**24 128**	**–**	**–**	**–**
At 30 June 2024	**193 000**	**45 898**	**752 717**	**991 615**	**193 000**	**28 533**	**221 533**
Amortisation							
At 1 July 2023	**–**	**35 482**	**–**	**35 482**	**–**	**22 288**	**22 288**
Charge for the year	**–**	**1 549**	**–**	**1 549**	**–**	**831**	**831**
Exchange differences	**–**	**449**	**–**	**449**	**–**	**–**	**–**
At 30 June 2024	**–**	**37 480**	**–**	**37 480**	**–**	**23 119**	**23 119**
Net book value							
At 30 June 2024	**193 000**	**8 418**	**752 717**	**954 135**	**193 000**	**5 414**	**198 414**
Capital expenditure in progress*	**–**	**5 062**	**–**	**5 062**	**–**	**–**	**–**
Total intangible assets	**193 000**	**13 480**	**752 717**	**959 197**	**193 000**	**5 414**	**198 414**

(b)

	THE GROUP				THE COMPANY		
	Trademark MUR '000	Computer software MUR '000	Goodwill MUR '000	Total MUR '000	Trademark MUR '000	Computer software MUR '000	Total MUR '000
Cost							
At 1 July 2022	193 000	36 899	680 360	910 259	193 000	23 670	216 670
Additions*	–	1 762	–	1 762	–	356	356
Write off	–	(677)	–	(677)	–	–	–
Exchange differences	–	955	48 775	49 730	–	–	–
At 30 June 2023	193 000	38 939	729 135	961 074	193 000	24 026	217 026
Amortisation							
At 1 July 2022	–	33 605	–	33 605	–	20 957	20 957
Charge for the year	–	1 706	–	1 706	–	1 331	1 331
Write off	–	(677)	–	(677)	–	–	–
Exchange differences	–	848	–	848	–	–	–
At 30 June 2023	–	35 482	–	35 482	–	22 288	22 288
Net book value							
At 30 June 2023	193 000	3 457	729 135	925 592	193 000	1 738	194 738
Capital expenditure in progress*	–	35 432	–	35 432	–	30 974	30 974
Total intangible assets	193 000	38 889	729 135	961 024	193 000	32 712	225 712

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

6. INTANGIBLE ASSETS continued

The Directors have considered the relevant factors in respect of determining the useful life of the trademark. As there is no foreseeable limit to the period over which the trademark is expected to generate net cash inflows for the Group and the Company, trademark has been assessed as having an indefinite useful life.

** Total cash outflow consist of additions and capital expenditure in progress except for an amount of MUR 8.99m which represents transfer to capital expenditure in progress - property, plant and equipment. During the year, the Company has written off an amount of MUR 22.0m representing software and licenses that have not been implemented.*

(c) Amortisation

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Cost of sales	**275**	53	**–**	–
Administrative expenses	**1 274**	1 653	**831**	1 331
At 30 June	**1 549**	1 706	**831**	1 331

(d) Impairment test on Trademark and Goodwill

	THE GROUP AND THE COMPANY	
	2024 MUR '000	2023 MUR '000
Trademark		
Trademarks (note (i))	**193 000**	193 000

	THE GROUP	
	2024 MUR '000	2023 MUR '000
Goodwill		
Edena S.A. and its subsidiaries (note (i))	**752 717**	729 135

The Group assesses trademark and goodwill annually for impairment, or more frequently if there are indicators that goodwill and trademark might be impaired. The Directors are satisfied that there is no indication of impairment of goodwill of Edena SA and its subsidiaries and trademark for the year ended 30 June 2024 (2023: Nil).

(i) The recoverable amounts of trademark and goodwill of Edena SA and its subsidiaries (Edena Group), have been determined based on their value-in-use calculations. These calculations use cash flow projections based on financial budgets prepared by management covering a five year period. Value-in-use was determined by discounting the future cash flows generated from the continuing use of trademarks and the cash generating unit of Edena Group respectively using a pre-tax discount rate. Discount rates used represent the current market assessment of the risk specific to a cash generating unit taking into consideration the time value of money and the weighted average cost of capital (WACC).

The key assumptions used for preparing the cash flow forecasts are based on management's past experience of the industry and the ability of the trademark and Edena Group to at least maintain their respective market share. The assumptions used for the value-in-use calculations are as follows:

- cash flows were projected based on actual operating results extrapolated using an annual growth rate of 4% (2023: 4%) for a period of five years;
- cash flows after the five years period were extrapolated using a perpetual growth rate of 2% (2023: 2%) in order to calculate the terminal recoverable amount.

Goodwill

The discount rate calculation is based on the specific circumstances of the Group and is derived from its weighted average cost of capital (WACC) of 7.5% (2023: 8.91%). The WACC takes into account both debt and equity.

Trademarks

The discount rate calculation is based on the specific circumstances of the Company and is derived from its weighted average cost of capital (WACC) of 8% (2023: 10.1%). The WACC takes into account both debt and equity.

The Directors believe that any reasonably possible change in key assumptions on which recoverable amount is based would not cause the aggregate carrying amount of trademark and goodwill of Edena Group to exceed their aggregate recoverable amount.

7. INVESTMENTS IN SUBSIDIARIES

(a) Unquoted

	THE COMPANY	
	2024 MUR '000	2023 MUR '000
At 1 July	**1 478 160**	1 378 939
Increase in fair value	**283 671**	99 221
At 30 June	**1 761 831**	1 478 160

Investments in subsidiaries are classified as financial assets measured at fair value through other comprehensive income. The Company has made an irrevocable election to classify the equity investments at fair value through other comprehensive income rather than through profit or loss because it is considered to be more appropriate for these strategic investments.

Investments in subsidiaries comprise unquoted equity securities and are measured at fair value in the Company's separate financial statements.

In financial year ended 30 June 2024, the economy in Réunion Island has stabilised and positive future cash flows were being expected. This resulted in an increase in fair value of Euro 3.4m (2023: 61.6k) equivalent to MUR 215m (2023: MUR 3.1m). However, with the appreciation of the MUR vs Euro, a gain of MUR 46.2m (2023: MUR 82.0m) was accounted upon retranslation of the Euro denominated investment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

8. INVESTMENTS IN ASSOCIATES continued

(b) Details of the Company's subsidiaries are as follows:

Name of company	Country of operation and incorpo-ration	Year ended	Main business	Class of shares held	Share capital (MUR)	Percentage holding and voting power			
						The Company		Other Group companies	
						2024	2023	2024	2023
Edena S.A.	Réunion	30 June	Bottling and sale of soft drinks, table water and alternative beverages	Ordinary	138 594 435	**100.00%**	100.00%	**–**	–
Espace Solution Réunion S.A.S.	Réunion	30 June	Distributor of beverages and other commodities	Ordinary	54 313 672	**–**	–	**100.00%**	**100.00%**
Helping Hands Foundation (i)	Mauritius	30 June	Charitable institution	Ordinary	10,000	**48.00%**	48.00%	**52.00%**	**52.00%**
Mauritius Breweries Investments Ltd (previously MBL Offshore Ltd) (i)	Mauritius	30 June	Investment holding	Ordinary	27 215 400	**100.00%**	100.00%	**–**	–
Phoenix Beverages Overseas Ltd	Mauritius	30 June	Export of beverages	Ordinary	25 000	**99.96%**	99.96%	**–**	–
Phoenix Camp Minerals Limited (previously Phoenix Camp Minerals Offshore Limited) (i)	Mauritius	30 June	Investment holding	Ordinary	86	**100.00%**	100.00%	**–**	–
Phoenix Distributors Ltd (i)	Mauritius	30 June	Distributor of beverages	Ordinary	206 000	**97.33%**	97.33%	**–**	–
Phoenix Foundation	Mauritius	30 June	Charitable institution	Ordinary	1 000	**100.00%**	100.00%	**–**	–
Phoenix Réunion SARL	Réunion	30 June	Distributor of beverages and other commodities	Ordinary	342 640	**–**	–	**100.00%**	**100.00%**
SCI Edena	Réunion	30 June	Property holding	Ordinary	40 250	**–**	–	**100.00%**	**100.00%**
The (Mauritius) Glass Gallery Ltd	Mauritius	30 June	Manufacture and sale of glass related products	Ordinary	5 110 000	**100.00%**	100.00%	**–**	–
The Traditional Green Mill Ltd (i)	Mauritius	30 June	Restaurants	Ordinary	50 000	**100.00%**	100.00%	**–**	–

Note: (i) Dormant companies

(c) The Directors are of the opinion that non-controlling interests are not material to the Group. The investments are classified as level 3 in the fair value hierarchy. Refer to note 4.2.

8. INVESTMENTS IN ASSOCIATES

(a) The Group

	THE GROUP	
	2024 MUR '000	2023 MUR '000
At 1 July	**985**	1 437
Share of results	**(125)**	(341)
Other movement in reserves	**(33)**	(111)
At 30 June	**827**	985

The Group's interest in the associate is accounted using equity method in the consolidated financial statements.

(b) The Company

	THE COMPANY	
	2024 MUR '000	2023 MUR '000
At 1 July	**738**	1 077
Movement in fair value	**(119)**	(339)
At 30 June	**619**	738

Investments in associates are classified as financial asset at fair value through other comprehensive income. The investments in associates is classified as level 3 in the fair value hierarchy. Refer to note 4.2.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

8. INVESTMENTS IN ASSOCIATES continued

(c) The associates, which are unlisted, is as follows:

2024 and 2023

Name of company	Principal place of business and country of incorporation	Year ended	Main business	Class of shares held	% Holding and voting rights held: The Company	% Holding and voting rights held: Other Group Companies
Crown Corks Industries Ltd	Mauritius	30 June	Trading of closures	Ordinary	**30.36%**	–
SeaBrew Solar Ltd*	Mauritius	30 June	Investment in renewable energy solar plants	Ordinary	**43.00%**	–

** SeaBrew Solar Ltd was incorporated during the financial year 2024 with an initial stated capital of MUR 100 and no additional investments have been made.*

(d) Summarised financial information

Summarised financial information in respect of Crown Corks Industries Ltd is set out below:

Name of company	Current assets MUR '000	Non-current assets MUR '000	Current liabilities MUR '000	Net assets MUR '000	Revenue MUR '000	Loss for the year MUR '000	Other comprehensive loss for the year MUR '000	Total comprehensive loss for the year MUR '000	Dividends received during the year MUR '000
2024									
Crown Corks Industries Ltd	**2 470**	**103**	**–**	**2 721**	**50**	**(409)**	**(110)**	**(519)**	**–**
2023									
Crown Corks Industries Ltd	3 065	178	–	3 243	125	(445)	(364)	(809)	–

(e) Reconciliation of summarised financial information

Reconciliation of the above summarised financial information to the carrying amount recognised in the financial statements:

Name of company	Opening net assets MUR '000	Loss for the year MUR '000	Other comprehensive loss for the year MUR '000	Dividends for the year MUR '000	Closing net assets MUR '000	Ownership interest %	Interest in associate MUR '000	Carrying value MUR '000
2024								
Crown Corks Industries Ltd	**3 243**	**(409)**	**(110)**	**–**	**2 724**	**30.36%**	**827**	**827**
2023								
Crown Corks Industries Ltd	4 732	(1 125)	(364)	–	3 243	30.36%	985	985

9. INVESTMENT IN JOINT VENTURE

(a)

	THE GROUP 2024 MUR '000	THE GROUP 2023 MUR '000	THE COMPANY 2024 MUR '000	THE COMPANY 2023 MUR '000
Addition	**157 509**	–	**157 509**	–
Share of results	**(4 529)**	–	**–**	–
Other movement in reserves	**2 380**	–	**–**	–
At 30 June	**155 360**	–	**157 509**	–

The Company has acquired 28.15% shares in African Originals Limited (AOL), an unlisted company in the United Kingdom, on the 27 October 2023. AOL holds 100% equity in Savannah Brands Limited, an unlisted company incorporated in Kenya. The equity method is used by the Group to account for the newly acquired joint venture.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

9. INVESTMENT IN JOINT VENTURE continued

(b) The joint venture company is as follows:

Name of company	Principal place of business and country of incorporation	Year ended	Main business	Class of shares held	% Holding Direct	% Holding Indirect
African Originals Limited	United Kingdom	31 December	Investment holding	Ordinary	**28.15%**	–
Savannah Brands Limited	Kenya	31 December	Manufacture of alcoholic beverages, namely Cider, Gin and Tonic	Ordinary	–	**28.15%**

(c) Summarised statement of financial position and statement of profit or loss and other comprehensive income for the year ended June 30, 2024, are set out below:

Summarised statement of financial position:	**2024 MUR '000**
Current assets	**116 174**
Non-current assets	**319 460**
Current liabilities	**86 023**
Net assets	**349 611**

Summarised statement of profit or loss and other comprehensive income:	**2024 MUR '000**
Revenue	**124 476**
Loss for the year	**(12 557)**
Other comprehensive income	**8 456**
Total comprehensive loss	**(4 101)**
Group's share of total comprehensive loss	**(3 535)**
Amortisation of identifiable intangible assets with finite life*	**(995)**
Group's share of total comprehensive loss in the consolidated financial statements	**(2 149)**

(d) Reconciliation of financial information summarised above and the carrying value of the investment in the consolidated financial statements:

	2024 MUR '000
Net assets attributable to the Group	**189 706**
Percentage holding by the Group	**28.15%**
Share of net assets	**53 402**
Fair value of identifiable intangible assets attributable to the Group*	**38 206**
Revenue	**124 476**
Goodwill	**63 752**
Carrying value of the Group's share	**155 360**

** On acquisition of interest in the joint venture, the Group recognised identifiable intangible assets amounting to MUR 38.2m, which primarily include brands and customer relationships valued at fair value in accordance with IFRS 3 and IAS 28. The exercise has been carried out by an independent accounting firm. The identified customer relationships have a finite life and will be amortised over a period of 10 years. The brands have an indefinite life.*

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(i) Equity investments at fair value through other comprehensive income

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
At 1 July	**3 405**	3 330	**2 091**	2 091
Exchange differences	**43**	75	**–**	–
At 30 June	**3 448**	3 405	**2 091**	2 091

(ii) Fair value through other comprehensive income financial assets include the following:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Unquoted:				
Equity securities - Mauritius	**2 091**	2 091	**2 091**	2 091
Equity securities - Réunion	**1 357**	1 314	**–**	–
At 30 June	**3 448**	3 405	**2 091**	2 091

(iii) As per IFRS 9 in limited circumstances, cost less impairment may provide an appropriate estimate of fair value. This would be the case if sufficient more recent information is not available to measure the fair value. The Directors considered the requirements of IFRS 9 and are of the opinion that cost is the best estimate for fair value.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME continued

(iv) Fair value through other comprehensive income financial assets include the following:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
Unquoted:				
Ecocentre Limitee	2 091	2 091	2 091	2 091
Société Civile de Placement Immobilier	1 357	1 314	–	–
At 30 June	**3 448**	3 405	**2 091**	2 091

(v) Equity investments at fair value through other comprehensive income are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
Mauritian Rupee	2 091	2 091	2 091	2 091
Euro	1 357	1 314	1 357	–
At 30 June	**3 448**	3 405	**3 448**	2 091

11. LONG-TERM RECEIVABLES AT AMORTISED COST

	THE COMPANY	
	2024 MUR '000	2023 MUR '000
Receivables from subsidiaries	49 081	76 861
Less allowance	(49 081)	(76 861)
At 30 June	**–**	–

The long-term receivables from subsidiaries are stated at amortised cost and are fully provided at the reporting date. The DCF model has been used to determine the fair value of the long term receivables.

The Company recognises an allowance for expected credit losses (ECLs) for the long term receivables under the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash received from the operations of the borrowers.

ECLs are recognised in three stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Factors considered by the Group when concluding that a long term receivable is credit impaired, thus resulting in Stage 3, include the event when the balance due is more than 120 days.

(a) The receivables are interest free, unsecured and are not expected to be recalled within the next twelve months.

(b) The table below shows the credit quality and the maximum exposure to credit risk as per the Group's policy and year-end classification. The amounts are gross of loss allowances.

An analysis of changes in the gross amount and the corresponding ECL allowances in relation to long term receivable is as follows:

	THE COMPANY	
	2024 MUR '000	2023 MUR '000
Gross carrying amount as at 1 July	76 861	73 346
Repayments	(28 665)	(1 500)
Exchange differences	885	5 015
At 30 June	**49 081**	76 861

	THE COMPANY	
Credit impaired	2024 MUR '000	2023 MUR '000
Stage 3		
ECL allowance as at 1 July	76 861	73 346
(Decrease)/increase in exposure	(27 780)	(1 500)
At 30 June	**49 081**	76 861

ECL on long term receivables has been classified in administrative expenses.

12. INVENTORIES

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
Raw and packaging materials	665 034	745 959	567 376	663 919
Spare parts and consumables	250 045	241 576	216 226	205 360
Finished goods	747 830	617 706	476 691	399 546
Work in progress	53 971	49 140	53 971	49 140
Goods in transit	141 821	128 455	97 556	99 705
At 30 June	**1 858 701**	1 782 836	**1 411 820**	1 417 670

The cost of inventory recognised as an expense includes a net provision of MUR 43.2m (2023: a net provision of MUR 17.0m) for the Group and a net provision of MUR 33.0m (2023: a net provision of MUR 20.2m) for the Company in respect of write-downs of inventory to net realisable value. The write down of inventories to NRV is due to change in economic circumstances.

The inventories have been pledged as security for borrowings and are valued on a weighted average cost basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

13. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
Trade receivables (net of provisions)	**697 311**	727 621	**386 071**	355 650
Other receivables*	**73 886**	154 703	**26 969**	13 273
Prepayments	**89 588**	47 264	**85 785**	46 274
Receivables from group companies (net of provisions):				
- Enterprises in which ultimate holding company has significant interest	**113 677**	94 582	**95 631**	94 582
- Subsidiary companies	**–**	–	**209 519**	130 702
At 30 June	**974 462**	1 024 170	**803 975**	640 481

** Other receivables comprise of advances made to suppliers, staff loans and other sundry debtors.*

Before accepting any new credit customer, the Group assesses the potential customer's credit worthiness and defines credit limits for the customer. Limits and scoring attributed to customers are reviewed twice a year. Out of the trade receivables balance at end of the year, MUR 80.0m (2023: MUR 81.3m) is due from the Group's largest customer. There are no other customers who represent more than 10% (2023: 10%) of the total balance of trade receivables of the Group.

The credit period is 30 days end of month for the Group and the Company.

(a) The carrying amounts of trade receivables and receivables from group companies are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
Mauritian Rupee	**508 400**	450 808	**691 221**	580 934
US Dollar	**3 974**	12 444	**–**	–
Euro	**298 614**	358 951	**–**	–
At 30 June	**810 988**	822 203	**691 221**	580 934

(b) Expected credit loss for trade receivables and amount due from related parties.

The Group applies the IFRS 9 simplified approach to measure expected credit losses. It is determined by the Group and the Company using the provision matrix to calculate the historical loss rates. In order to assess the expected credit losses, the trade receivables have been grouped based on their credit risk characteristics and past loss experiences. The historical loss rates are adjusted based on macroeconomic factors, industry trends, and other relevant indicators.

The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of loss allowance.

Set out below is the information about the credit risk exposure on the Group's trade receivables and amount due from related parties.

THE GROUP

At 30 June 2024	Current MUR '000	More than 30 days past due MUR '000	More than 60 days past due MUR '000	More than 90 days past due MUR '000	More than 120 days past due MUR '000	Total MUR '000
Expected loss rate*	**11.49%**	**3.89%**	**7.03%**	**57.82%**	**98.06%**	
Gross carrying amount:						
Trade receivables						
- Uninsured debtors	**218 849**	**233 437**	**33 227**	**14 864**	**83 020**	**583 397**
- Insured debtors	**161 080**	**183 249**	**7 006**	**1 199**	**1 615**	**354 149**
Total	**379 929**	**416 686**	**40 233**	**16 063**	**84 635**	**937 546**
Loss allowance	**25 136**	**9 083**	**2 337**	**8 594**	**81 408**	**126 558**

** Management has included a forward looking rate of 5% to reflect the market uncertainty and potential impact of inflation.*

THE GROUP

At 30 June 2023	Current MUR '000	More than 30 days past due MUR '000	More than 60 days past due MUR '000	More than 90 days past due MUR '000	More than 120 days past due MUR '000	Total MUR '000
Expected loss rate*	4.33%	1.67%	4.01%	25.10%	100.00%	
Gross carrying amount:						
Trade receivables						
- Uninsured debtors	173 677	247 603	23 819	25 772	93 852	564 723
- Insured debtors	87 015	256 218	7 876	7 846	11 464	370 419
Total	260 692	503 821	31 695	33 618	105 316	935 142
Loss allowance	7 519	4 144	955	6 469	93 852	112 939

** Management has included a forward looking rate of 5% to reflect the market uncertainty and potential impact of inflation.*

THE COMPANY

At 30 June 2024	Current MUR '000	More than 30 days past due MUR '000	More than 60 days past due MUR '000	More than 90 days past due MUR '000	More than 120 days past due MUR '000	Total MUR '000
Expected loss rate*	**10.96%**	**5.43%**	**12.22%**	**17.93%**	**39.77%**	
Gross carrying amount:						
Trade receivables**						
- Uninsured debtors	**110 429**	**102 410**	**1 396**	**1 767**	**27 181**	**243 183**
- Insured debtors	**119 609**	**169 298**	**1 548**	**–**	**–**	**290 455**
- Amount due from subsidiary companies	**32 286**	**11 316**	**6 322**	**9 362**	**222 237**	**281 523**
Total	**262 324**	**283 024**	**9 266**	**11 129**	**249 418**	**815 161**
Loss allowance	**15 640**	**6 176**	**943**	**1 995**	**99 186**	**123 940**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

13. TRADE AND OTHER RECEIVABLES continued

(b) Expected credit loss for trade receivables and amount due from related parties continued

THE COMPANY

At 30 June 2023	Current MUR '000	More than 30 days past due MUR '000	More than 60 days past due MUR '000	More than 90 days past due MUR '000	More than 120 days past due MUR '000	Total MUR '000
Expected loss rate*	3.96%	2.16%	3.65%	5.17%	82.95%	
Gross carrying amount:						
Trade receivables**						
- Uninsured debtors	153 868	146 822	8 795	–	–	309 485
- Insured debtors	87 015	80 983	2 321	4 092	10 931	185 342
- Amount due from subsidiary companies	24 951	22 418	11 285	19 839	117 973	196 466
Total	265 834	250 223	22 401	23 931	128 904	691 293
Loss allowance	7 088	3 658	733	1 026	97 854	110 359

** Management has included a forward looking rate of 5% to reflect the market uncertainty and potential impact of inflation.*
*** Including receivables from group companies*

THE GROUP AND THE COMPANY

Insured debtors - Allowance of ECL on insured debtors is MUR 3.7m (2023: MUR 7.4m).

Trade receivables - ECL is calculated based on the expected loss rate which varies for the Company and its foreign subsidiaries depending on their risk characteristics.

For amount due from related parties, general approach is used. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

(c) The closing loss allowances for trade receivables as at 30 June 2024 and 2023 reconcile to the opening loss allowances as follows:

	THE GROUP			THE COMPANY		
2024	Collectively assessed MUR '000	Individually assessed MUR '000	Total MUR '000	Collectively assessed MUR '000	Individually assessed MUR '000	Total MUR '000
At 1 July	**15 995**	**96 944**	**112 939**	**10 613**	**99 746**	**110 359**
Charge for the year	**23 401**	**6 978**	**30 379**	**8 689**	**4 892**	**13 581**
Write off	**–**	**(18 528)**	**(18 528)**	**–**	**–**	**–**
Exchange differences	**162**	**1 606**	**1 768**	**–**	**–**	**–**
At 30 June	**39 558**	**87 000**	**126 558**	**19 302**	**104 638**	**123 940**

	THE GROUP			THE COMPANY		
2023	Collectively assessed MUR '000	Individually assessed MUR '000	Total MUR '000	Collectively assessed MUR '000	Individually assessed MUR '000	Total MUR '000
At 1 July	15 222	111 572	126 794	10 925	77 210	88 135
Charge/(reversal) for the year	519	(16 598)	(16 079)	(245)	22 812	22 567
Write off	(67)	(2 219)	(2 286)	(67)	(276)	(343)
Exchange differences	321	4 189	4 510	–	–	–
At 30 June	15 995	96 944	112 939	10 613	99 746	110 359

(d) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.

The carrying amounts of trade and other receivables approximate their fair values.

(e) Bank borrowings are secured by fixed and floating charges over the trade receivables of the Group and Company.

14. STATED CAPITAL

THE GROUP AND THE COMPANY

2024 and 2023	Number of shares	Ordinary shares MUR '000	Share premium MUR '000	Total MUR '000
Issued and fully paid				
At 1 July and at 30 June	**16 447 000**	**164 470**	**202 492**	**366 962**

The holders of the fully paid ordinary shares are entitled to one voting right per share, carry a right to dividends but no right to fixed income.

The total number of ordinary shares issued is 16 447 000 (2023: 16 447 000) with a par value of MUR 10 per share (2023: MUR 10 per share). All issued shares are fully paid.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

15. OTHER RESERVES

(a) The Group

REVALUATION AND OTHER RESERVES

2024	Revaluation reserve MUR '000	Other reserves MUR '000	Translation reserve MUR '000	Fair value reserve MUR '000	Total MUR '000
At 1 July 2023	**1 407 375**	**5 350**	**177 727**	**–**	**1 590 452**
Other comprehensive income:					
Other movements in associate	**–**	**–**	**–**	**(33)**	**(33)**
Other movements in joint venture	**–**	**–**	**2 380**	**–**	**2 380**
Transfer	**–**	**–**	**1 684**	**33**	**1 717**
	1 407 375	**5 350**	**181 791**	**–**	**1 594 516**
Exchange differences	**–**	**–**	**35 189**	**–**	**35 189**
At 30 June 2024	**1 407 375**	**5 350**	**216 980**	**–**	**1 629 705**

REVALUATION AND OTHER RESERVES

2023	Revaluation reserve MUR '000	Other reserves MUR '000	Translation reserve MUR '000	Fair value reserve MUR '000	Total MUR '000
At 1 July 2022	1 407 375	5 350	91 990	(367)	1 504 348
Other comprehensive income:					
Other movements in associate	–	–	–	(111)	(111)
Transfer	–	–	–	478	478
	–	–	–	–	1 504 715
Exchange differences	–	–	85 737	–	85 737
At 30 June 2023	1 407 375	5 350	177 727	–	1 590 452

(b) The Company

REVALUATION AND OTHER RESERVES

2024	Revaluation reserve MUR '000	Capital reserve MUR '000	Fair value reserve MUR '000	Total MUR '000
At 1 July 2023	**1 404 651**	**1 832**	**640 578**	**2 047 061**
Increase in fair value	**–**	**–**	**283 552**	**283 552**
At 30 June 2024	**1 404 651**	**1 832**	**924 130**	**2 330 613**

The Company

REVALUATION AND OTHER RESERVES

2023	Revaluation reserve MUR '000	Capital reserve MUR '000	Fair value reserve MUR '000	Total MUR '000
At 1 July 2022	1 404 651	1 832	541 696	1 948 179
Increase in fair value	–	–	98 882	98 882
At 30 June 2023	1 404 651	1 832	640 578	2 047 061

Revaluation reserve

Revaluation reserve relates to the revaluation of freehold land, yard and freehold buildings.

Translation reserve

Translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign subsidiaries operations.

Fair value reserve

Fair value reserve comprises the cumulative net change in the fair value of subsidiaries and associate that has been recognised in other comprehensive income until the investments are derecognised or impaired in the Company's financial statements. In the Group's financial statements, fair value reserve pertain the share of the associate's reserve.

Other reserves

Other reserves comprise legal reserve and capital reserve.

16. BORROWINGS

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Current				
Bank overdrafts (note 31(b))	**–**	95 733	**–**	95 733
Bank loans	**144 042**	120 998	**98 132**	77 670
	144 042	216 731	**98 132**	173 403
Non-current				
Bank loans (b)	**348 036**	337 361	**206 034**	155 340
	348 036	337 361	**206 034**	155 340
Total borrowings	**492 078**	554 092	**304 166**	328 743

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

16. BORROWINGS continued

(a) The borrowings are secured by fixed and floating charges over the Group and Company's assets and bearing interest at 1.15% - 6.75% per annum (2023: 1.15% - 6.75% per annum) for the Group and 3.65% - 6.75% per annum (2023: 3.60% - 6.75% per annum) for the Company.

(b) The maturity of non-current bank loans is as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
After one year and before two years	**150 694**	122 138	**121 415**	77 670
After two years and before three years	**59 669**	120 387	**23 407**	77 670
After three years and before five years	**49 421**	36 189	**25 057**	–
After five years	**88 252**	58 647	**36 155**	–
At 30 June	**348 036**	337 361	**206 034**	155 340

(c) The effective interest rates at the end of the reporting period were as follows:

	THE GROUP		THE COMPANY	
	2024 %	2023 %	**2024 %**	**2023 %**
Bank overdrafts	**6.75**	5.72 - 6.75	**6.75**	6.75
Bank loans	**1.15 - 6.75**	1.15 - 6.75	**3.65 - 6.75**	3.60 - 6.75

(d) The carrying amounts of the borrowings are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Mauritian Rupee	**216 072**	200 733	**216 072**	200 733
Euro	**276 006**	353 359	**88 094**	128 010
At 30 June	**492 078**	554 092	**304 166**	328 743

17. DEFERRED TAX LIABILITIES

Deferred tax liabilities and assets are offset when they relate to the same fiscal authority. The following amounts are shown in the statements of financial position:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Deferred tax liabilities	**236 156**	266 522	**231 906**	261 831

Deferred tax liabilities are calculated on all temporary differences under the liability method at tax rate of 17% (2022: 17%). The movements on the deferred tax account are as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
At 1 July	**266 522**	288 011	**261 831**	282 901
Credit to profit or loss (note 21(c))	**(25 836)**	(13 980)	**(25 395)**	(13 561)
Credit to other comprehensive income	**(4 530)**	(7 509)	**(4 530)**	(7 509)
At 30 June	**236 156**	266 522	**231 906**	261 831

Deferred tax liabilities and assets, deferred tax (credit)/charge in the statements of profit or loss and other comprehensive income are attributable to the following items:

(a) The Group

2024	**At July 1 2023 MUR '000**	**Credit to profit or loss MUR '000**	**Credit to other comprehensive income MUR '000**	**At 30 June 2024 MUR '000**
Deferred tax liabilities				
Leases	**(4 766)**	**(837)**	**–**	**(5 603)**
Asset revaluation	**88 142**	**(1 465)**	**–**	**86 677**
Accelerated tax depreciation	**266 476**	**(15 440)**	**–**	**251 036**
Deferred tax assets				
Retirement benefit obligations	**(45 402)**	**(936)**	**(4 530)**	**(50 868)**
Provision on stock and receivables	**(37 928)**	**(7 158)**	**–**	**(45 086)**
Net deferred tax liabilities	**266 522**	**(25 836)**	**(4 530)**	**236 156**

2023	**At July 1 2022 MUR '000**	**Credit to profit or loss MUR '000**	**Credit to other comprehensive income MUR '000**	**At 30 June 2023 MUR '000**
Deferred tax liabilities				
Leases	(4 400)	(366)	–	(4 766)
Asset revaluation	89 584	(1 442)	–	88 142
Accelerated tax depreciation	274 631	(8 155)	–	266 476
Deferred tax assets				
Retirement benefit obligations	(37 625)	(268)	(7 509)	(45 402)
Provision on stock and receivables	(34 179)	(3 749)	–	(37 928)
Net deferred tax liabilities	292 411	(13 980)	(7 509)	266 522

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

17. DEFERRED TAX LIABILITIES continued

(b) The Company

2024	At July 1 2023 MUR '000	Credit to profit or loss MUR '000	Credit to other comprehensive income MUR '000	At 30 June 2024 MUR '000
Deferred tax liabilities				
Leases	**(3 596)**	**(833)**	**–**	**(4 429)**
Asset revaluation	**82 277**	**(1 028)**	**–**	**81 249**
Accelerated depreciation	**266 461**	**(15 440)**	**–**	**251 021**
Deferred tax assets				
Retirement benefit obligations	**(45 383)**	**(936)**	**(4 530)**	**(50 849)**
Provision on stock and receivables	**(37 928)**	**(7 158)**	**–**	**(45 086)**
Net deferred tax liabilities	**261 831**	**(25 395)**	**(4 530)**	**231 906**

2023	At July 1 2022 MUR '000	Credit to profit or loss MUR '000	Credit to other comprehensive income MUR '000	At 30 June 2023 MUR '000
Deferred tax liabilities				
Leases	(3 230)	(366)	–	(3 596)
Asset revaluation	83 301	(1 024)	–	82 277
Accelerated depreciation	274 615	(8 154)	–	266 461
Deferred tax assets				
Retirement benefit obligations	(37 606)	(268)	(7 509)	(45 383)
Provision on stock and receivables	(34 179)	(3 749)	–	(37 928)
Net deferred tax liabilities	282 901	(13 561)	(7 509)	261 831

18. EMPLOYEE BENEFIT OBLIGATIONS

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Amounts recognised in the statements of financial position - Pension scheme (note (i))	**300 395**	268 017	**299 108**	266 953
Charge to profit or loss - Pension benefits (note A(iv), B(iv) & C(iv))	**25 153**	22 447	**25 058**	22 366
Credit to other comprehensive income - Pension benefits (note A(v), B(v) & C(v))	**26 800**	44 015	**26 646**	44 174

Pension scheme

The assets of the funded plan are held independently in a registered superannuation fund (IBL Pension Fund). Retirement benefit obligations have been provided for based on the report from Swan Life Ltd dated 19 August 2024.

The Company provides final salary defined benefit (DB) plans to some of their employees, and the plans operate under the IBL Pension Fund Scheme ('Fund') which is in existence since 1 July 2002. The plans provide for a pension at retirement and a benefit on death or disablement in service before retirement. The plans are wholly funded. The Fund is managed by Swan Pensions Ltd. The Company is a participating employer of the Fund that allows them to pool their assets for investment purposes (group administration plans).

Moreover, some of the employees of the Group who were previously under the defined benefit plans were transferred to the defined contribution plans in prior years. These employees have a No Worse Off Guarantee (NWOG) whereby at retirement, their pension benefits will not be less than what would have been payable under the previous DB plans. An employee forgoes this guarantee if he leaves before normal retirement age. The NWOG is unfunded.

Prior to implementation of the Portable Retirement Gratuity Fund (PRGF), the benefits payable to employees who are not part of any pension plans, were unfunded as at 31 December 2019. With the implementation of PRGF, those employees who resign as from 2020, are eligible to a portable gratuity benefit based on service with the employer as from 1 January 2020 and remuneration at exit (same benefit formula as for retirement/death gratuity). The Company has started to contribute to PRGF for those employees since January 2022.

(i) **The amounts recognised in the statements of financial position are as follows:**

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Present value of funded obligations (note A(ii))	**821 843**	739 392	**821 843**	739 392
Fair value of plan assets (note A(iii))	**(674 808)**	(588 713)	**(674 807)**	(588 713)
	147 035	150 679	**147 036**	150 680
Present value of residual retirement gratuities (note B(i))	**146 333**	108 100	**145 019**	107 035
Other employment benefits (PRGF) (note C)	**7 027**	9 238	**7 053**	9 238
Liability in the statements of financial position	**300 395**	268 017	**299 108**	266 953

(a) Funded obligations

(i) **The reconciliation of the opening balances to the closing balances for the net benefit defined liability is as follows:**

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
At 1 July	**150 679**	154 486	**150 680**	154 486
Amount recognised in other comprehensive income	**1 203**	4	**1 203**	4
Amount recognised in profit or loss	**10 729**	12 942	**10 729**	12 942
Contributions paid*	**(15 576)**	(16 753)	**(15 576)**	(16 752)
At 30 June	**147 035**	150 679	**147 036**	150 680

** The figures are in respect of residual defined benefit liabilities on top of the defined contributions part of the IBL Pension Fund and exclude cash payments which are treated as defined contributions and amounted to MUR 58.4m (2023: MUR 46.0m) for the Group and MUR 57.9m (2023: MUR 45.5m) for the Company.*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

18. EMPLOYEE BENEFIT OBLIGATIONS continued

(a) Funded obligations continued

(ii) The movement in the defined benefit obligation over the year is as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
At 1 July,	**739 392**	770 210	**739 392**	770 210
Current service cost	**3 911**	6 006	**3 911**	6 006
Interest cost	**38 727**	33 709	**38 727**	33 709
Liability loss/(gains) due to change in financial assumptions	**50 974**	(67 702)	**50 974**	(67 702)
Transfer from member account*	**37 844**	45 904	**37 844**	45 904
Benefits paid	**(49 005)**	(48 735)	**(49 005)**	(48 735)
At 30 June	**821 843**	739 392	**821 843**	739 392

** These pertain to transfer of total contributions made by employees under the DC Scheme during their length of services to the annuity fund on their retirement during the year.*

(iii) The movement in the fair value of plan assets of the year is as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
At 1 July	**588 713**	615 724	**588 712**	615 724
Interest income	**31 909**	26 773	**31 909**	26 773
Employer contributions	**15 070**	16 046	**15 070**	16 046
Disability PHI	**506**	707	**506**	706
Transfer from DC Reserve Account	**37 844**	45 904	**37 844**	45 904
Benefits paid	**(49 005)**	(48 735)	**(49 005)**	(48 735)
Actuarial gain/(loss)	**49 771**	(67 706)	**49 771**	(67 706)
At 30 June	**674 808**	588 713	**674 807**	588 712

(iv) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Service cost	**3 911**	6 006	**3 911**	6 006
Net interest cost	**6 818**	6 936	**6 818**	6 936
At 30 June	**10 729**	12 942	**10 729**	12 942

(v) The amounts recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Liability experience loss/(gain) due to change in financial assumptions	**50 974**	(67 702)	**50 974**	(67 702)
Actuarial gain/(loss)	**(49 771)**	67 706	**(49 771)**	67 706
Actuarial losses recognised in other comprehensive income	**1 203**	4	**1 203**	4

(vi) The fair value of the plan assets at the end of the reporting period for each category, are as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Cash and cash equivalents	**53 985**	78 299	**53 985**	78 299
Equity investments* categorised by industry type:				
- Local	**212 092**	198 985	**212 092**	198 985
- Foreign	**201 836**	187 799	**201 835**	187 798
Fixed interest instruments	**206 895**	123 630	**206 895**	123 630
Total market value of assets	**674 808**	588 713	**674 807**	588 712
Actual return on plan assets	**81 679**	40 934	**81 679**	40 934

** Out of the fair value of the planned assets, 31.43% (2023: 33.8%) represent the local equity instruments and 29.91% (2023: 31.9%) the foreign equity instruments.*

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets whereas the fair values of properties and derivatives are not based on quoted market prices in active markets.

(vii) The principal actuarial assumptions used for accounting purposes were:

	THE GROUP AND THE COMPANY	
	2024 %	2023 %
Discount rate	**5.1**	5.4
Future long-term salary increase	**3.0**	3.0
Future expected pension increase	**1.0**	1.0
Expected return on plan assets	**5.1**	5.4
Future long-term NPS increase	**4.0**	4.0
Post retirement mortality tables	**PN00**	PN00

Retirement is assumed to occur at age 60. No allowance has been made for early retirement on the grounds of ill-health or otherwise.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

18. EMPLOYEE BENEFIT OBLIGATIONS continued

(a) Funded obligations continued

(viii) Sensitivity analysis on defined benefit obligations at end of the reporting date:

	THE GROUP AND THE COMPANY	
	2024 MUR '000	2023 MUR '000
Increase in defined benefit obligations due to 1% decrease in discount rate	**152 723**	137 970
Decrease in defined benefit obligations due to 1% increase in discount rate	**125 571**	112 850
Increase in defined benefit obligations due to 1% increase in salary	**34 718**	34 228
Decrease in defined benefit obligations due to 1% decrease in salary	**32 124**	31 548

The sensitivities above have been determined based on a method that extrapolates the impact on net defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the defined benefit obligations has been calculated using the projected unit credit method.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(ix) The weighted average duration of the defined benefit obligation is 9 years for the Group and the Company at the end of the reporting date (2023: 9 years for the Group and for the Company).

(b) Residual retirement gratuities

(i) The reconciliation of the opening balances to the closing balances for the net benefit defined liability is as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
At 1 July,	**108 100**	67 861	**107 035**	66 718
Amount recognised in other comprehensive income	**27 482**	33 751	**27 328**	33 910
Amount recognised in profit or loss	**12 667**	7 979	**12 572**	7 898
Contributions paid*	**(1 916)**	(1 491)	**(1 916)**	(1 491)
At 30 June	**146 333**	108 100	**145 019**	107 035

* *These pertain to transfer of total contributions made by employees under the DC Scheme during their length of services to the annuity fund on their retirement during the year.*

(ii) The movement in the defined benefit obligation over the year is as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
At July 1	**108 100**	67 861	**107 035**	66 718
Current service cost	**6 771**	4 581	**6 737**	4 555
Interest cost	**5 896**	3 398	**5 835**	3 343
Liability loss due to change in financial assumptions	**27 482**	33 751	**27 328**	33 910
Benefit paid	**(1 916)**	(1 491)	**(1 916)**	(1 491)
At 30 June	**146 333**	108 100	**145 019**	107 035

(iii) The movement in the fair value of plan assets of the year is as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
Employer contributions	**1 916**	–	**1 916**	–
Benefits paid	**(1 916)**	–	**(1 916)**	–
At 30 June	**–**	–	**–**	–

(iv) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
Service cost	**6 771**	4 581	**6 737**	4 555
Net interest cost	**5 896**	3 398	**5 835**	3 343
At 30 June	**12 667**	7 979	**12 572**	7 898

(v) The amounts recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
Experience loss on liabilities	**20 201**	40 277	**20 181**	40 290
Changes in assumptions underlying the present value of the scheme	**7 281**	(6 526)	**7 147**	(6 380)
At 30 June	**27 482**	33 751	**27 328**	33 910

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

18. EMPLOYEE BENEFIT OBLIGATIONS continued

(b) Residual retirement gratuities continued

(vi) The principal actuarial assumptions used for accounting purposes were:

	THE GROUP 2024 %	THE GROUP 2023 %	THE COMPANY 2024 %	THE COMPANY 2023 %
Discount rate	**5.2**	5.5 - 5.7	**5.2**	5.5
Future long-term salary increase	**3.0**	3.0	**3.0**	3.0
Pension increase	**1.0**	–	**1.0**	–
Post retirement mortality tables	**Swan Annuity Rates 2023**	Swan Annuity Rates 2023	**Swan Annuity Rates 2023**	Swan Annuity Rates 2023

Retirement is assumed to occur at age 60. No allowance has been made for early retirement on the grounds of ill-health or otherwise.

(vii) Sensitivity analysis on defined benefit obligations at end of the reporting date:

	THE GROUP 2024 MUR '000	THE GROUP 2023 MUR '000	THE COMPANY 2024 MUR '000	THE COMPANY 2023 MUR '000
Increase in defined benefit obligations due to 1% decrease in discount rate	**23 247**	16 958	**22 952**	16 940
Decrease in defined benefit obligations due to 1% increase in discount rate	**19 486**	14 207	**19 229**	14 192
Increase in defined benefit obligations due to 1% increase in salary	**21 625**	15 755	**21 323**	15 738
Decrease in defined benefit obligations due to 1% decrease in salary	**18 010**	13 110	**17 744**	13 096

The sensitivities above have been determined based on a method that extrapolates the impact on net defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The present value of the defined benefit obligations has been calculated using the projected unit credit method.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(viii) The weighted average duration of the defined benefit obligation for unfunded obligations is 10 years for the Group and the Company at the end of the reporting date (2023: 11-12 years for the Group and for the Company).

(ix) The defined benefit pension plan exposes the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk and salary risk.

Longevity risk - The liabilities disclosed are based on the mortality tables A67/70 and PA(92). Should the experience of the pension plans be less favourable than the standard mortality tables, the liabilities will increase.

Interest rate risk - If the bond interest rate decreases, the liabilities would be calculated using a lower discount rate, and would therefore increase.

Investment risk - The present value of the liabilities of the plan are calculated using a discount rate. Should the returns on the assets of the plan be lower than the discount rate, a deficit will arise.

Salary risk - If salary increases are higher than assumed in the calculation, the liabilities would increase giving rise to actuarial losses.

(x) The funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan.

(xi) The Group does not expect to make any contributions to its post-employment benefit plans for the year ending 30 June 2025.

(c) Other employment benefits (PRGF)

(i) The amounts recognised in the statements of financial position are as follows:

	THE GROUP 2024 MUR '000	THE GROUP 2023 MUR '000	THE COMPANY 2024 MUR '000	THE COMPANY 2023 MUR '000
Value of PRGF assets	**(2 149)**	(2 548)	**(2 123)**	(2 548)
Present value of plan liability	**9 176**	11 786	**9 176**	11 786
At 30 June	**7 027**	9 238	**7 053**	9 238

(ii) The movement in the defined benefit obligation over the year is as follows:

	THE GROUP 2024 MUR '000	THE GROUP 2023 MUR '000	THE COMPANY 2024 MUR '000	THE COMPANY 2023 MUR '000
At July 1	**11 786**	–	**11 786**	–
Current service cost	**1 099**	1 490	**1 099**	1 490
Interest cost	**658**	36	**658**	36
Actuarial losses/(gains)	**(3 877)**	10 260	**(3 877)**	10 260
Benefits paid	**(490)**	–	**(490)**	–
At 30 June	**9 176**	11 786	**9 176**	11 786

(iii) The movement in the fair value of plan assets of the year is as follows:

	THE GROUP 2024 MUR '000	THE GROUP 2023 MUR '000	THE COMPANY 2024 MUR '000	THE COMPANY 2023 MUR '000
At July 1	**2 548**	–	**2 548**	–
Interest cost	**184**	–	**184**	–
Employer contributions	**1 899**	2 548	**1 873**	2 548
Actuarial losses	**(1 992)**	–	**(1 992)**	–
Benefit paid	**(490)**	–	**(490)**	–
At 30 June	**2 149**	2 548	**2 123**	2 548

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

18. EMPLOYEE BENEFIT OBLIGATIONS continued

(c) Other employment benefits (PRGF) continued

(iv) The amounts recognised in profit or loss are as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
Current service cost	**1 099**	1 490	**1 099**	1 490
Interest cost	**658**	36	**658**	36
At 30 June	**1 757**	1 526	**1 757**	1 526

(v) The amounts recognised in other comprehensive income are as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
Loss on plan assets	**1 992**	–	**1 992**	–
Experience (gains)/losses on liabilities	**(3 917)**	10 381	**(3 917)**	10 381
Changes in assumptions underlying the present value of the scheme	**40**	(121)	**40**	(121)
At 30 June	**(1 885)**	10 260	**(1 885)**	10 260

(vi) The principal actuarial assumptions used for accounting purposes were:

	THE GROUP		THE COMPANY	
	2024 %	2023 %	2024 %	2023 %
Discount rate	**5.2**	5.7	**5.2**	5.7
Future long-term salary increase	**3.0**	3.0	**3.0**	3.0
Post retirement mortality tables	**Swan Annuity Rates 2023**	Swan Annuity Rates 2023	**Swan Annuity Rates 2023**	Swan Annuity Rates 2023

(vii) Sensitivity analysis on defined benefit obligations at end of the reporting date:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
Increase in defined benefit obligations due to 1% decrease in discount rate	**157**	187	**156**	187
Decrease in defined benefit obligations due to 1% increase in discount rate	**123**	146	**122**	146
Increase in defined benefit obligations due to 1% increase in salary	**181**	217	**181**	217
Decrease in defined benefit obligations due to 1% decrease in salary	**147**	176	**147**	176

(viii) The weighted average duration of the defined benefit obligation for unfunded obligations is 10 years for the Group and the Company at the end of the reporting date (2023: 11-12 years for the Group and for the Company).

19. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	2024 MUR '000	2023 MUR '000
Trade payables	**683 191**	686 906	**440 445**	311 690
Deposits from customers (see note (b))	**169 826**	120 243	**169 826**	120 243
Amounts due to Group companies:				
- Fellow subsidiary	**58 725**	20 528	**58 725**	20 528
- Subsidiaries	**–**	–	**29 358**	7 923
- Enterprises in which ultimate holding Company has significant interest	**4 753**	9 902	**4 753**	9 902
Volume rebates (note (c))	**241 557**	210 807	**137 022**	116 306
Accrued expenses and other payables	**530 458**	358 834	**399 256**	353 499
At 30 June	**1 688 510**	1 407 220	**1 239 385**	940 091

The carrying amounts of trade and other payables approximate their fair values.

(a) The credit period on purchase of goods is 30 days. No interest is charged by trade payables. The Group and the Company have policies to ensure that all payables are paid within the credit time frame.

(b) Deposits from customers on containers

	THE GROUP AND THE COMPANY	
	2024 MUR '000	2023 MUR '000
At 1 July	**120 243**	91 972
Increase in deposits*	**49 583**	43 442
Release to profit and loss	**–**	(15 171)
At 30 June	**169 826**	120 243

* *This relates to deposit taken from customers for crates, bottles and jars.*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

19. TRADE AND OTHER PAYABLES continued

(c) It relates to volume rebates given to customers based on targeted volume and/or turnover. The contracts can be either the calendar year or the accounting period. Payment is effected at the end of the contract agreement. Movement on volume rebates is as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
At 1 July	**210 807**	207 613	**116 306**	81 626
Movement during the year	**30 750**	3 194	**20 716**	34 680
At 30 June	**241 557**	210 807	**137 022**	116 306

(d) The carrying amounts of trade payables are denominated in the following currencies:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Mauritian Rupee	**218 573**	138 493	**216 818**	134 962
US Dollar	**132 259**	74 673	**132 259**	73 833
Euro	**298 427**	463 541	**57 436**	92 696
Others	**33 932**	10 199	**33 932**	10 199
At 30 June	**683 191**	686 906	**440 445**	311 690

20. LEASES

(a) Right of use assets

Group as a lessee

The Group has lease contracts for land and buildings and motor vehicles used in its operations. Land and buildings has a lease term between 3 and 60 years, while motor vehicles generally have lease terms between 3 and 10 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are disclosed below.

Set out below are the carrying amounts of right of use assets recognised and the movements during the period:

	THE GROUP		
	Land and building MUR '000	**Motor vehicles MUR '000**	**Total MUR '000**
At 1 July 2023	**191 240**	**168 517**	**359 757**
Additions for the year	**42 356**	**86 619**	**128 975**
Depreciation charge for the year	**(79 110)**	**(83 598)**	**(162 708)**
Remeasurement of leases	**(1 695)**	**(251)**	**(1 946)**
Termination of lease	**–**	**(4 238)**	**(4 238)**
Exchange differences	**841**	**1 138**	**1 979**
At 30 June 2024	**153 632**	**168 187**	**321 819**

	THE GROUP		
	Land and building MUR '000	**Motor vehicles MUR '000**	**Total MUR '000**
At 1 July 2022	91 361	126 396	217 757
Additions for the year	158 488	94 411	252 899
Depreciation charge for the year	(60 616)	(71 975)	(132 591)
Reclassification	(17 466)	17 466	–
Remeasurement of leases	16 945	–	16 945
Termination of lease	–	(620)	(620)
Exchange differences	2 528	2 839	5 367
At 30 June 2023	191 240	168 517	359 757

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

20. LEASES continued

(a) Right of use assets continued

THE COMPANY	Land and building MUR '000	Motor vehicles MUR '000	Total MUR '000
At 1 July 2023	**152 254**	**123 958**	**276 212**
Additions for the year	**42 356**	**74 005**	**116 361**
Depreciation charge for the year	**(66 164)**	**(62 889)**	**(129 053)**
Remeasurement of leases	**(2 934)**	**–**	**(2 934)**
Termination of lease	**–**	**(4 130)**	**(4 130)**
At 30 June 2024	**125 512**	**130 944**	**256 456**

THE COMPANY	Land and building MUR '000	Motor vehicles MUR '000	Total MUR '000
At 1 July 2022	36 826	107 566	144 392
Additions for the year	158 488	68 611	227 099
Depreciation charge for the year	(43 060)	(52 219)	(95 279)
At 30 June 2023	152 254	123 958	276 212

(b) Lease liabilities

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
At 1 July	**382 825**	240 149	**297 363**	163 392
New leases	**128 975**	252 899	**116 361**	227 099
Interest expense	**24 290**	20 286	**22 833**	18 623
Lease payment	**(182 422)**	(152 304)	**(146 764)**	(111 751)
Remeasurement of leases	**(1 946)**	16 945	**(2 934)**	–
Termination of lease	**(4 460)**	(646)	**(4 349)**	–
Exchange differences	**2 035**	5 496	**-**	–
At 30 June	**349 297**	382 825	**282 510**	297 363

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Current	**134 977**	125 457	**105 145**	91 044
Non-current	**214 320**	257 368	**177 365**	206 319
At 30 June	**349 297**	382 825	**282 510**	297 363

(c) The following are the amounts recognised in profit or loss:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Depreciation expense of right-of-use assets	**162 708**	132 591	**129 053**	95 279
Interest expense on lease liabilities	**24 290**	20 286	**22 833**	18 623
Total amount recognised in profit or loss	**186 998**	152 877	**151 886**	113 902

During the year under review, the Group and the Company have taken exemption for short-term lease amounting to MUR 4.1m (2023: MUR 19.9m). These leases were taken for a period of 6-12 months (2023: 6-12 months).

In 2024, total cash outflows for leases (including short term lease) amounted to MUR 186.5m (2023: MUR 172.2m) for the Group and MUR 151.0m (2023: MUR 131.7m) for the Company. Non-cash additions to right-of-use assets and lease liabilities amounted to MUR 129.0m (2023: MUR 252.9m) for the Group and MUR 116.4m (2023: MUR 227.1m) for the Company.

Motor vehicle leases payments are fixed amount for a period of two to five years bearing interest rates 1.8% to 8% for the Group and 8% for the Company (2023: 1.8% to 8% for the Group and 8% for the Company). Land and buildings bear interest rates of 1.8% to 7% for the Group and 3.6% to 7% for the Company (2023: 1.8% to 7% for the Group and 4.1% to 7% for the Company).

(d) The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Set out below are the undiscounted potential future rental payments relating to future periods:

THE GROUP Termination options not expected to be exercised	Within five years MUR '000	More than five years MUR '000	Total MUR '000
At 30 June 2024	**304 565**	**44 732**	**349 297**
At 30 June 2023	378 389	4 436	382 825

THE COMPANY Termination options not expected to be exercised	Within five years MUR '000	More than five years MUR '000	Total MUR '000
At 30 June 2024	**237 778**	**44 732**	**282 510**
At 30 June 2023	253 931	43 432	297 363

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

20. LEASES continued

(e) Maturity analysis

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Year 1	**160 528**	145 348	**122 344**	108 526
Year 2	**100 887**	128 875	**79 075**	97 714
Year 3	**43 026**	66 597	**36 439**	54 495
Year 4	**28 566**	25 030	**26 537**	17 784
Year 5	**25 667**	22 319	**25 667**	22 319
Onwards	**76 881**	79 288	**76 881**	79 288
	435 555	467 457	**366 943**	380 126
Less: unearned interest	**(86 258)**	(84 632)	**(84 433)**	(82 763)
At 30 June	**349 297**	382 825	**282 510**	297 363

21. TAXATION

(a) Income tax

Income tax is calculated at 15% (2023: 15%) on the profit for the year as adjusted for income tax purposes. Tax rate in Réunion Island is at 25% (2023: 26.5%).

Corporate Social Responsibility

The Company is required to set up a CSR fund equivalent to 2% of its chargeable income of the preceding year to implement a CSR program in accordance with its own CSR framework. Where the amount paid out of the CSR fund is less than the amount provided under the fund, the difference shall be remitted to the Director-General at the time of submission of the income tax return of the year under review.

(b) Current tax liability

Current tax liabilities and assets are offset when they relate to the same fiscal authority. The following amounts are shown in the statements of financial position:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Current tax liabilities	**144 112**	**45 258**	**142 282**	**49 823**

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Tax liability				
At 1 July	**45 258**	76 098	**49 823**	80 876
Income tax expense	**225 056**	131 769	**202 839**	115 471
Corporate social responsibility	**16 210**	12 482	**16 210**	12 482
Under/(over) provision in previous year	**23 018**	(5 091)	**41 255**	(9 146)
Tax deducted at source	**(1 362)**	–	**(1 362)**	–
Tax and CSR paid	**(149 029)**	(163 134)	**(155 534)**	(149 372)
Investment tax credit	**(15 354)**	(6 670)	**(10 949)**	–
Foreign tax credit	**–**	(488)	**-**	(488)
Exchange difference	**315**	292	**-**	–
At 30 June	**144 112**	45 258	**142 282**	49 823

(c) Tax expense

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Income tax provision at applicable rate	**225 056**	131 769	**202 839**	115 471
CSR contribution	**16 210**	12 482	**16 210**	12 482
Investment tax credit	**(15 354)**	(6 670)	**(10 949)**	–
Foreign tax credit	**–**	(488)	**–**	(488)
Under/(over) provision in previous year	**23 018**	(5 091)	**41 255**	(9 146)
	248 930	132 002	**249 355**	118 319
Deferred tax charge to profit or loss (note 17)	**(25 836)**	(13 980)	**(25 395)**	(13 561)
Tax expense	**223 094**	118 022	**223 960**	104 758

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

21. TAXATION continued

(d) The tax on the Group's and Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Group and the Company as follows:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Profit before tax	**1 314 047**	849 910	**1 127 107**	661 039
Tax calculated at the rate of 17% (2023: 17%)	**223 388**	144 485	**191 608**	112 377
Tax effect of:				
Income not subject to tax	**(15 304)**	(32 816)	**(5 690)**	(10 187)
Expenses not deductible for tax purposes	**32 518**	32 493	**21 285**	16 894
CSR adjustment	**(11 232)**	(2 757)	**(11 232)**	(2 757)
Differential in tax rate	**(13 940)**	(11 645)	**(2 317)**	(2 423)
Under/(over) provision in previous year	**23 018**	(5 091)	**41 255**	(9 146)
Investment tax credit	**(15 354)**	(6 670)	**(10 949)**	–
Effect of tax on associate	**–**	23	**–**	–
Tax charge	**223 094**	118 022	**223 960**	104 758

The Finance (Miscellaneous Provisions) Act 2024 which was gazetted on 27 July 2024, introduced a new Corporate Climate Responsibility (CCR) Levy at 2% of chargeable income as from year of assessment commencing on 1 July 2024. This new levy is not considered as substantively enacted as at the reporting date within the meaning of IAS 12 – Income Taxes, and not accrued for in these financial statements. The amount payable for the year of assessment 2024-2025 in respect of the year ended 30 June 2024 for the Group is estimated at MUR 28.6m and the Company MUR 27.4m.

22. DEFERRED REVENUE

	THE GROUP	
	2024 MUR '000	2023 MUR '000
At 1 July	**53 777**	63 643
Addition	**5 639**	–
Income recognised	**(12 022)**	(11 831)
Exchange difference	**1 510**	1 965
At 30 June	**48 904**	53 777
Maturity analysis:		
Current	**10 803**	12 004
Non-current	**38 101**	41 773
At 30 June	**48 904**	53 777

The deferred revenue arises as a result of capital grants received from the government by one of the subsidiary of the Group following their capital expenditure incurred on building improvements and some plant and machinery. This deferred revenue will be released and offset against the depreciation charge over the useful life of the underlying asset.

23. DIVIDENDS

On 10 November 2023, the Board of Directors declared an interim dividend of MUR 5.40 per share (2023: MUR 4.80 per share) which was paid on 18 December 2023. On 10 May 2024, a final dividend of MUR 17.00 per share (2023: MUR 11.20 per share) was declared and paid on 17 June 2024.

	THE COMPANY	
	2024 MUR '000	2023 MUR '000
Dividends declared		
2024: MUR 22.40 per share (2023: MUR 16.00 per share)	**368 413**	**263 152**

24. REVENUE

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Type of goods				
Non-alcoholic beverage	**5 311 532**	5 210 534	**4 525 514**	3 964 350
Alcoholic beverage	**7 243 385**	5 683 815	**5 982 406**	5 285 689
Discount and volume rebates	**(393 498)**	(295 442)	**(189 955)**	(199 587)
	12 161 419	10 598 907	**10 317 965**	9 050 452
Recycled glass and related products	**9 440**	9 687	**-**	–
Total revenue	**12 170 859**	10 608 594	**10 317 965**	9 050 452
Geographical markets				
Local	**10 134 147**	8 876 774	**10 317 965**	9 050 452
Overseas	**2 036 712**	1 731 820	**-**	–
Total revenue	**12 170 859**	10 608 594	**10 317 965**	9 050 452
Timing of revenue recognition				
Goods transferred at a point in time	**12 170 859**	10 608 594	**10 317 965**	9 050 452

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

25. EXPENSES BY NATURE

	THE GROUP		THE COMPANY	
Cost of sales, warehousing, selling and marketing and administrative expenses	**2024 MUR '000**	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Depreciation on property, plant and equipment (note 5)	**420 558**	411 235	**348 718**	344 449
Depreciation on right-of-use assets (note 20(a))	**162 708**	132 591	**129 053**	95 279
Amortisation of intangible assets (note 6)	**1 549**	1 706	**831**	1 331
Employee benefit expense (note 26)	**1 414 289**	1 172 976	**1 008 345**	822 463
Changes in inventories of finished goods and work in progress	**(39 201)**	1 835	**(39 201)**	42 775
Purchases of finished goods, raw materials and consumables used	**3 670 999**	3 482 395	**2 824 759**	2 757 382
Excise and other specific duties	**3 418 341**	2 936 171	**3 418 341**	2 936 171
Other marketing and selling expenses	**367 022**	338 770	**304 183**	300 457
Management fees	**261 462**	211 528	**261 462**	211 528
Other expenses	**1 164 833**	1 107 929	**955 295**	885 680
At 30 June	**10 842 560**	9 797 136	**9 211 786**	8 397 515

26. EMPLOYEE BENEFIT EXPENSE

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Wages, salaries and other employee benefits	**1 217 764**	1 005 686	**909 322**	739 819
Social security costs	**129 396**	111 752	**32 571**	27 187
Pension costs - defined benefit plans (note 18 A(iv) & B(iv))	**25 153**	22 447	**25 058**	22 366
Pension costs - defined contribution plans	**41 976**	33 091	**41 394**	33 091
At 30 June	**1 414 289**	1 172 976	**1 008 345**	822 463

27. OTHER INCOME

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Interest income	**6 380**	392	**6 380**	392
Dividend income	**74**	69	**25 576**	24 968
Profit on disposal of plant and equipment	**183**	301	**256**	301
Management fees received	**–**	–	**4 535**	3 401
Sundry income	**28 857**	31 871	**27 176**	28 649
Foreign exchange gains	**32 086**	29 755	**10 487**	6 848
At 30 June	**67 580**	62 388	**74 410**	64 559

28. PROFIT BEFORE FINANCE COSTS

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2023 MUR '000**	2022 MUR '000
Profit before finance costs is arrived at after				
crediting:				
Profit on disposal of plant and equipment	**183**	301	**256**	301
Deferred revenue (note 22)	**12 022**	11 831	**–**	–
Reversal of impairment loss recognised on long term receivables (note 11)	**–**	–	**28 665**	1 500
and charging:				
Cost of inventories expensed	**8 525 718**	7 841 496	**7 665 363**	7 088 489
Depreciation on property, plant and equipment (note 5)	**420 558**	411 235	**348 718**	344 449
Depreciation on right-of-use assets (note 20(a))	**162 708**	132 591	**129 053**	95 279
Amortisation of intangible assets (note 6)	**1 549**	1 706	**831**	1 331
Intangible assets written off (note 6)	**21 986**	–	**21 986**	–
Employee benefit expense (note 26)	**1 414 289**	1 172 976	**1 008 345**	822 463

29. FINANCE COSTS

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Bank overdrafts	**306**	2 421	**306**	1 485
Bank loans	**22 203**	16 967	**16 762**	13 782
Leases	**24 290**	20 286	**22 833**	18 623
At 30 June	**46 799**	39 674	**39 901**	33 890

30. EARNINGS PER SHARE

	THE GROUP	
	2024	2023
Profit attributable to owners of the Company (MUR'000)	**1 090 953**	731 888
Number of ordinary shares in issue	**16 447 000**	16 447 000
Basic and diluted earnings per share (MUR.cs)	**66.33**	44.50

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

31. NOTES TO THE STATEMENTS OF CASH FLOWS

(a) Cash generated from operations

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Profit before tax	**1 314 047**	849 910	**1 127 107**	661 039
Adjustments for:				
Depreciation on property, plant and equipment (note 5)	**420 558**	411 235	**348 718**	344 449
Depreciation on right-of-use assets (note 20(a))	**162 708**	132 591	**129 053**	95 279
Amortisation of intangible assets (note 6)	**1 549**	1 706	**831**	1 331
Profit on disposal of plant and equipment (note 27)	**(183)**	(301)	**(256)**	(301)
(Gain)/loss on termination of leases	**(222)**	26	**(219)**	–
Intangible assets written off (note 6)	**21 986**	–	**21 986**	–
Exchange differences	**(22 322)**	(14 494)	**(11 830)**	(20 300)
Loss allowance recognised/(reversed) on trade receivables (note 13(c))	**30 379**	(16 079)	**13 581**	22 567
Reversal of loss allowance on long term receivables (note 11)	**–**	–	**(28 665)**	(1 500)
Dividend income (note 27)	**(74)**	(69)	**(25 576)**	(24 968)
Interest income (note 27)	**(6 380)**	(392)	**(6 380)**	(392)
Deferred revenue (note 22)	**(12 022)**	(11 831)	**–**	–
Increase in pension provision (note 18)	**25 153**	22 447	**25 058**	22 366
Interest expense (note 29)	**46 799**	39 674	**39 901**	33 890
Share of results of associate (note 8(a))	**125**	–	**–**	–
Share of results of joint venture (note 9(a))	**4 529**	341	**–**	–
	1 986 630	1 414 764	**1 633 309**	1 133 460
Changes in working capital:				
- Trade and other receivables	**15 127**	(240 893)	**(150 643)**	(252 683)
- Inventories	**(75 865)**	(237 706)	**5 850**	(198 249)
- Trade and other payables	**281 290**	74 858	**299 294**	162 942
Cash generated from operations	**2 207 182**	1 011 023	**1 787 810**	845 470

(b) Cash and cash equivalents

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Bank and cash balances	**1 233 698**	377 706	**754 360**	166 383
Bank overdrafts (note 16)	**–**	(95 733)	**–**	(95 733)
Cash and cash equivalents	**1 233 698**	281 973	**754 360**	70 650

(c) The carrying amounts of cash and cash equivalents are denominated in the following currencies.

	THE GROUP		THE COMPANY	
	2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Mauritian Rupee	**463 529**	(52 809)	**459 451**	(54 562)
US Dollar	**201 058**	50 340	**190 680**	43 736
Euro	**505 359**	254 965	**40 477**	51 997
Other currencies	**63 752**	29 477	**63 752**	29 479
At 30 June	**1 233 698**	281 973	**754 360**	70 650

(d) Reconciliation of liabilities arising from financing activities

THE GROUP

			Non-cash changes			
2024	**Opening MUR '000**	**Cash flows MUR '000**	**Additions MUR '000**	**Interest accrued MUR '000**	**Others* MUR '000**	**Closing MUR '000**
Bank loans (note 16)	**458 359**	**25 814**	**–**	**–**	**7 905**	**492 078**
Lease liabilities (note 20(b))	**382 825**	**(182 422)**	**128 975**	**24 290**	**(4 371)**	**349 297**

			Non-cash changes			
2023	**Opening MUR '000**	**Cash flows MUR '000**	**Additions MUR '000**	**Interest accrued MUR '000**	**Others* MUR '000**	**Closing MUR '000**
Bank loans (note 16)	394 510	40 371	–	–	23 478	458 359
Lease liabilities (note 20(b))	240 149	(152 304)	252 899	20 286	21 795	382 825

THE COMPANY

			Non-cash changes			
2024	**Opening MUR '000**	**Cash flows MUR '000**	**Additions MUR '000**	**Interest accrued MUR '000**	**Others* MUR '000**	**Closing MUR '000**
Bank loans (note 16)	**233 010**	**68 992**	**–**	**–**	**2 164**	**304 166**
Lease liabilities (note 20(b))	**297 363**	**(146 764)**	**116 361**	**22 833**	**(7 283)**	**282 510**

			Non-cash changes			
2023	**Opening MUR '000**	**Cash flows MUR '000**	**Additions MUR '000**	**Interest accrued MUR '000**	**Others* MUR '000**	**Closing MUR '000**
Bank loans (note 15)	299 564	(75 129)	–	–	8 575	233 010
Lease liabilities (note 20(b))	163 392	(111 751)	227 099	18 623	–	297 363

** Others include non-cash transactions such as exchange differences on borrowings and other movements in leases.*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

32. SEGMENTAL INFORMATION

The Group

Segment information

IFRS 8 requires operating segments to be identified on the basis of reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

Products and services from which reportable segments derive their revenues

The information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is more specifically focussed on the geographical location of operations and type of products. The principal products from which segments derive revenue are beverages and glass recycled product.

Information regarding the Group's reportable segments is presented below.

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment:

Segment revenues and segment results	Segment Revenue 2024 MUR '000	Segment Revenue 2023 MUR '000	Segment Result 2024 MUR '000	Segment Result 2023 MUR '000
Local	**10 327 405**	9 060 139	**1 106 588**	687 512
Overseas	**2 856 290**	2 457 479	**289 291**	186 334
Total	**13 183 695**	11 517 618	**1 395 879**	873 846
Intersegment revenue	**(1 012 836)**	(909 024)	**–**	–
	12 170 859	10 608 594	**1 395 879**	873 846
Share of results of associate			**(125)**	(341)
Share of results of joint venture			**(4 529)**	–
Credit loss (expense)/reversal on trade receivables			**(30 379)**	16 079
Finance costs			**(46 799)**	(39 674)
Profit before tax			**1 314 047**	849 910
Tax expense			**(223 094)**	(118 022)
Profit for the year			**1 090 953**	731 888

Overseas revenue represents sales made through subsidiaries to the Indian Ocean Islands, Australia, Africa, Europe and China.

Revenue reported above represents revenue generated from external customers and amounted to MUR 12.2 billion (2023: MUR 10.6 billion).

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2(r). Segment profit represents the profit earned by each segment without allocation of share of results of associate, finance costs and tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

	Assets 2024 MUR '000	Assets 2023 MUR '000	Liabilities 2024 MUR '000	Liabilities 2023 MUR '000
Local	**8 128 728**	7 254 555	**2 470 178**	2 131 097
Overseas	**1 938 635**	1 793 261	**789 274**	846 614
Consolidated assets/liabilities	**10 067 363**	9 047 816	**3 259 452**	2 977 711

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments.
- trade and other payables are allocated to reportable segments.

Other segment information

	Depreciation and amortisation 2024 MUR '000	Depreciation and amortisation 2023 MUR '000	Additions to non-current assets 2024 MUR '000	Additions to non-current assets 2023 MUR '000
Local	**478 602**	441 250	**327 678**	534 076
Overseas	**106 213**	104 282	**54 258**	136 853
At 30 June	**584 815**	545 532	**381 936**	670 929

Revenue from major products and services

The Group's revenue from continuing operations from its major products and services were as follows:

	2024 MUR '000	2023 MUR '000
Beverages	**12 161 419**	10 598 907
Recycled glass and related products	**9 440**	9 687
At 30 June	**12 170 859**	10 608 594

Information about major customers

The Group has a diverse portfolio of domestic and foreign customers and no individual customer exceeds 10% of total revenue.

Segment assets consist primarily of property, plant and equipment, motor vehicles, intangible assets, inventories, trade receivables, right of use assets, investments at fair value through OCI and exclude investment in associate. Segment liabilities comprise of borrowings, leases, retirement benefit obligations, deferred revenue, tax and other operating liabilities. Capital expenditure comprises additions to property, plant and equipment and intangible assets.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

33. RELATED PARTY TRANSACTIONS

The immediate parent and ultimate controlling party respectively of the Group are Phoenix Investment Company Limited and IBL Ltd, both incorporated in Mauritius.

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties and outstanding balances due from/to related parties are disclosed below:

		THE GROUP		THE COMPANY	
		2024 MUR '000	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
(i)	**Dividend income**				
	Subsidiaries	**–**	–	**24 227**	24 899
	Fellow subsidiaries	**74**	69	**74**	69
(ii)	**Sales of goods or services**				
	Subsidiaries	**–**	–	**192 113**	181 059
	Enterprise in which ultimate holding Company has significant interest	**701 221**	541 215	**606 223**	541 215
(iii)	**Purchase of goods or services**				
	Subsidiaries	**–**	–	**1 144**	1 670
	Enterprise in which ultimate holding Company has significant interest	**94 642**	66 420	**94 642**	66 420
(iv)	**Management fees/interest paid/donations paid**				
	Subsidiaries	**–**	–	**–**	–
	Fellow subsidiaries	**261 462**	211 528	**261 462**	211 528
(v)	**Management fees/interest received**				
	Subsidiaries	**–**	–	**4 535**	3 401
	Enterprise in which ultimate holding Company has significant interest	**2 891**	–	**2 891**	–
(vi)	**Rechargeable costs**				
	Subsidiaries	**–**	–	**–**	27 710
(vii)	**Outstanding balances**				
	Receivables from related parties				
	Subsidiaries	**–**	–	**330 604**	273 326
	Enterprises in which ultimate holding Company has significant interest	**113 677**	94 582	**95 631**	94 582
	Fellow subsidiary	**–**	–	**–**	77
	Joint Venture	**14 097**	–	**14 097**	–
	Payables to related parties				
	Subsidiaries	**–**	–	**29 358**	7 923
	Enterprises in which ultimate holding Company has significant interest	**4 753**	9 902	**4 753**	9 902
	Fellow subsidiary	**58 725**	20 528	**58 725**	20 528

The balances have been netted off in the statement of financial position and not in the related parties disclosures. The outstanding receivables in the related parties disclosure have been reported with expected credit losses.

Sales of goods or services to related parties were made at the Group's usual list prices. Purchases were made at market prices.

The amounts outstanding are unsecured, interest free and will be settled in cash. No guarantee has been given or received. Impairment losses totalling MUR 121.1m (2023: MUR 142.6m) were previously recognised for amounts due from several subsidiaries. No additional expenses have been recognised for bad or doubtful debts in respect of the amounts owed by related parties.

During the year under review, the Company provided short-term loans amounting to Rs 950m to the ultimate holding company. The short-term loans have been settled during the year.

Compensation to Key Management Personnel is borne by a subsidiary of the intermediate holding company.

34. CAPITAL COMMITMENTS

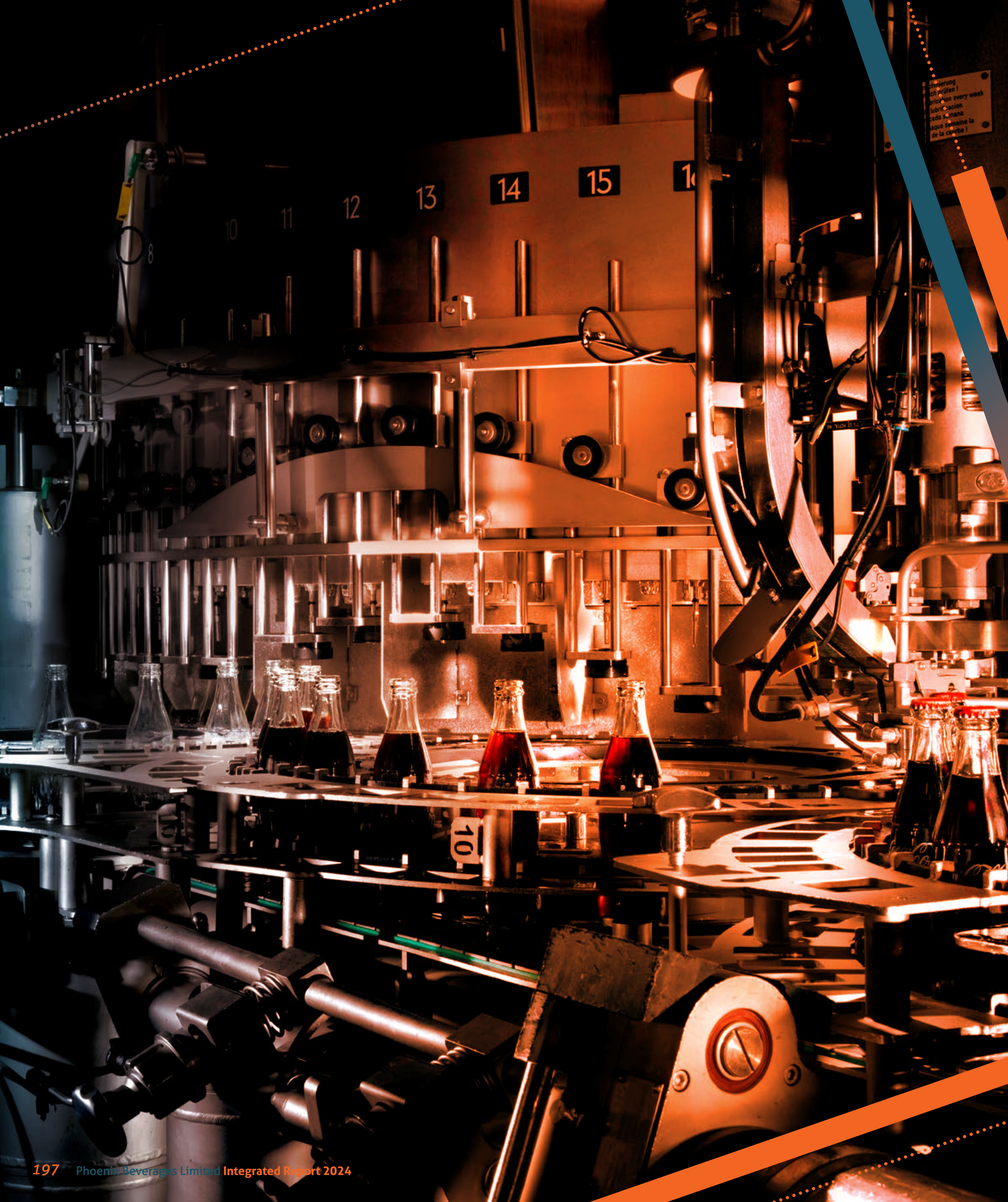
	THE GROUP		THE COMPANY	
Capital commitments contracted for and not provided in the financial statements	**2024 MUR '000**	2023 MUR '000	**2024 MUR '000**	2023 MUR '000
Property, plant and equipment	**938 765**	64 134	**852 888**	63 870
Leases	**108 016**	–	**108 016**	–

35. CONTINGENT LIABILITIES

At 30 June 2024, the Group and the Company had contingent liabilities in respect of bank guarantees of MUR 99.6m (2023: MUR 76.8m) arising in the ordinary course of business. The Group and the Company has not made any provision for this liability as directors consider the probability of the liability to be uncertain.

36. SUBSEQUENT EVENTS

In August 2024, the Company has further invested USD 1m in the joint venture to contribute to the growth and development of its operations.



SHAREHOLDERS CORNER

NOTICE OF ANNUAL MEETING TO SHAREHOLDERS

Notice is hereby given that the Annual Meeting of Shareholders of **Phoenix Beverages Limited** ("the Company") will be held at **IBL House, Caudan Waterfront, Port Louis** on **Friday 29 November 2024 at 10.00 hours** to transact the following business in the manner required for the passing of **ORDINARY RESOLUTIONS**:

AGENDA:

1. To consider the Integrated Report 2024 of the Company.
2. To receive the report of Deloitte, the Auditors of the Company for the year ended 30 June 2024.
3. To consider and adopt the Group's and Company's audited financial statements for the year ended 30 June 2024.
4. To re-elect by rotation, on the recommendation of the Board of Directors, Mr. Guillaume Hugnin* who offers himself for re-election as Director of the Company.
5. To re-elect by rotation, on the recommendation of the Board of Directors, Mr. Arnaud Lagesse* who offers himself for re-election as Director of the Company.
6. To re-elect by rotation, on the recommendation of the Board of Directors, Mrs. Catherine McIlraith* who offers herself for re-election as Director of the Company.
7. To re-elect as Director of the Company until the next Annual Meeting, in accordance with Section 138(6) of the Companies Act 2001, Mr. Thierry Lagesse*, who offers himself for re-election.
8. To fix the remuneration of the Directors for the year to 30 June 2025 and to ratify the emoluments paid to the Directors for the year ended 30 June 2024.
9. To reappoint Deloitte as Auditors for the ensuing year and to authorise the Board of Directors to fix their remuneration.
10. To ratify the emoluments paid to Deloitte, the external auditors, for the financial year ended 30 June 2024.

BY ORDER OF THE BOARD

Deborah Nicolin, ACG (CS)
Per IBL Management Ltd
Company Secretary

26 September 2024

**Footnote: The profiles and categories of the Directors proposed for re-election are set out in the Integrated Report 2024.*

NOTES:

a. *A shareholder of the Company entitled to attend and vote at this meeting may appoint a proxy of his/her own choice to attend and vote on his/her behalf. A proxy need not be a member of the Company.*
b. *The instrument appointing a proxy or any general power of attorney shall be deposited at the Share Registry and Transfer Office of the Company, DTOS Registry Services Ltd, **3rd Floor, Eagle House, 15A Wall Street, Ebene**, by **Thursday 28 November 2024 at 10.00 hours** and in default, the instrument of proxy shall not be treated as valid.*
c. *A proxy form is included in the Integrated Report and is also available at the Share Registry and Transfer Office of the Company.*
d. *For the purpose of this Annual Meeting, the Directors have resolved, in compliance with Section 120(3) of the Companies Act 2001, that the shareholders who are entitled to receive notice of the meeting shall be those shareholders whose names are registered in the share register of the Company at close of business on **1 November 2024**.*
e. *The minutes of the Annual Meeting to be held on **29 November 2024** will be available for consultation and comments during office hours at the registered office of the Company, 4th Floor, IBL House, Caudan Waterfront, Port Louis from **29 January 2025 to 6 February 2025**.*

BRN: C07001183

PROXY FORM

I/We, ______________________________

of ______________________________

being a member/members of Phoenix Beverages Limited, do hereby appoint:

____

of ______________________________

or failing him/her, ______________________________

of ______________________________

or failing him/her the Chairman of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the **Annual Meeting** of the Company to be held at **IBL House, Caudan Waterfront, Port Louis** on **Friday 29 November 2024 at 10.00 hours** and at any adjournment thereof.

I/We desire my/our vote(s) to be cast on the **Ordinary Resolutions** as follows:

		FOR	AGAINST	ABSTAIN
1.	To consider the Integrated Report 2024 of the Company.			
2.	To receive the report of Deloitte, the Auditors of the Company for the year ended 30 June 2024.			
3.	To consider and adopt the Group's and Company's audited financial statements for the year ended 30 June 2024.			
4.	To re-elect by rotation, on the recommendation of the Board of Directors, Mr. Guillaume Hugnin who offers himself for re-election as Director of the Company.			
5.	To re-elect by rotation, on the recommendation of the Board of Directors, Mr. Arnaud Lagesse who offers himself for re-election as Director of the Company.			
6.	To re-elect by rotation, on the recommendation of the Board of Directors, Mrs. Catherine McIlraith who offers herself for re-election as Director of the Company.			
7.	To re-elect as Director of the Company until the next Annual Meeting, in accordance with Section 138(6) of the Companies Act 2001, Mr. Thierry Lagesse, who offers himself for re-election.			
8.	To fix the remuneration of the Directors for the year to 30 June 2025 and to ratify the emoluments paid to the Directors for the year ended 30 June 2024.			
9.	To reappoint Deloitte as Auditors for the ensuing year and to authorise the Board of Directors to fix their remuneration.			
10.	To ratify the emoluments paid to Deloitte, the external auditors, for the financial year ended 30 June 2024.			

Signed this .... day of .... 2024.

....

Signature(s)

Notes:

1. *A member of the Company entitled to attend and vote at this meeting may appoint a proxy of his/her own choice to attend and vote on his/her behalf. A proxy need not be a member of the Company.*
2. *Please mark in the appropriate box how you wish to vote. If no specific direction as to voting is given, the proxy will be entitled to vote or abstain from voting as he/she thinks fit.*
3. *The instrument appointing a proxy or any general power of attorney, duly signed, shall be deposited at the Share Registry and Transfer Office of the Company, DTOS Registry Services Ltd, **3rd Floor, Eagle House, 15A Wall Street, Ebene**, by **Thursday 28 November 2024 at 10.00 hours** and in default, the instrument of proxy shall not be treated as valid.*

SHAREHOLDERS' INFORMATION

Meeting procedures

Q: Who can attend the Annual Meeting?

A: In compliance with Section 120(3) of the Mauritius Companies Act 2001, the Board has resolved that anyone who is registered in the share register of Phoenix Beverages Limited as at 1 November 2024 is entitled to attend the meeting.

Q: Who can vote at the Annual Meeting?

A: If you are registered in the share register of Phoenix Beverages Limited as at 1 November 2024 you have the right to vote at the meeting.

Q: How many votes does a shareholder have?

A: Every shareholder, present in person or by proxy, shall have one vote on a show of hands. Where a poll is taken, each shareholder shall have the number of votes that corresponds to the number of shares held by him/her in the Company.

Q: How many shareholders do you need to reach a quorum?

A: A quorum is reached where five (5) shareholders holding at least fifty percent (50%) of the share capital of the Company are present or represented. At the date of this report, Phoenix Beverages Limited has 16 447 000 ordinary shares in issue.

Q: How are the votes counted?

A: On a show of hands, the Chairman shall count the votes. However, if a poll is demanded, the counting will be done by the auditors of the Company who will be acting as scrutineers.

Q: How can I obtain a copy of the minutes of proceedings of the last Annual Meeting of the Company?

A: You can make such a request to the Company Secretary prior to the Annual Meeting.

Voting procedures

Q: What is the voting procedure?

A: Voting at the Annual Meeting is generally by show of hands. However, if a poll is demanded for a particular resolution, then ballot papers shall be distributed and shareholders will be requested to cast their votes thereon.

Q: How do I appoint someone else to go to the Annual Meeting and vote my share(s) for me?

A: The Chairman of the meeting has been named in the proxy to represent shareholders at the meeting. You can appoint someone else to represent you at the meeting. Just complete a proxy form by inserting the person's name in the appropriate space on the proxy form. The person you appoint does not need to be a shareholder but must attend the meeting to vote your share(s).

Q: Is there a deadline for my proxy to be received?

A: Yes. Your proxy must be received by the Company's Share Registry and Transfer Office, DTOS Registry Services Ltd, (3rd Floor, Eagle House, 15A Wall Street, Ebène), no later than 10.00 hours on Thursday 28 November 2024.

Q: How will my share(s) be voted if I return a proxy?

A: By completing and returning a proxy, you are authorising the person named in the proxy to attend the Annual Meeting and vote your share(s) on each item of business according to your instructions. If you have appointed the Chairman of the meeting as your proxy and you do not provide him with instructions, he will exercise his discretion as to how he votes.

Q: What if I change my mind?

A: If you are a registered shareholder and have voted by proxy, you may revoke your proxy by delivering to the Company's Share Registry and Transfer Office, a duly executed proxy with a later date or by delivering a form of revocation of proxy. This new proxy must be received by the Company's Share Registry and Transfer Office, DTOS Registry Services Ltd, (3rd Floor, Eagle House, 15A Wall Street, Ebène), no later than 10.00 hours on Thursday 28 November 2024.

Or, you may revoke your proxy and vote in person at the meeting, or any adjournment thereof, by delivering a form of revocation of proxy to the Company Secretary at the meeting before the vote in respect of which the proxy is to be used is taken.

In any case, you are advised to attach an explanatory note to such amended proxy form to explain the purpose of the amended document and expressly revoke the proxy form previously signed by you.

CORPORATE INFORMATION

Head Office

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

Rodrigues Operations

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

Company Secretary

IBL Management Ltd
4th Floor, IBL House
Caudan Waterfront
Port Louis
Mauritius
Tel: (230) 211 1713

Commercial Unit

Tel: (230) 601 2200
Fax: (230) 697 2967

Registered Office

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:

DTOS Registry Services Ltd
3rd Floor, Eagle House,
15A Wall Street
Ebène
Mauritius
Tel: (230) 404 6000

Finance and Administration

Tel: (230) 601 2000
Fax: (230) 686 6920 (Administration)
(230) 697 6480 (Finance)
(230) 697 5028 (Procurement)
(230) 686 9204 (Information Technology)

Auditors

Deloitte
7th - 8th Floor, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebène 72201
Mauritius

Technical and Production

Tel: (230) 601 2000 (Brewery)
Fax: (230) 686 7197
Tel: (230) 601 1800 (Limonaderie)
Fax: (230) 6971394
Tel: (230) 697 7700 (Nouvelle France)

Bankers

AfrAsia Bank Limited
Absa Bank (Mauritius) Limited
SBM Bank (Mauritius) Ltd
The Mauritius Commercial Bank Ltd

Our Operational Subsidiaries

The (Mauritius) Glass Gallery Ltd

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

Phoenix Beverages Overseas Ltd

Pont Fer, Phoenix, Mauritius
Tel: (230) 601 2000
Fax: (230) 686 6920
Email: contact@phoenixbev.mu
Website: www.phoenixbeveragesgroup.mu

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