

QUALITY BEVERAGES LIMITED

ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	<u>30 June 2024</u>	<u>31 December 2023</u>	<u>30 June 2024</u>	<u>31 December 2023</u>
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	Rs	Rs	Rs	Rs
ASSETS				
Non-current assets	1,396,880,601	1,436,400,725	1,228,582,742	1,249,654,368
Current assets	1,091,804,154	1,182,763,260	893,890,843	758,290,942
TOTAL ASSETS	Rs 2,488,684,754	2,619,163,985	2,122,473,585	2,007,945,310
EQUITY AND LIABILITIES				
Capital and reserves				
Owner's interest	811,559,511	780,064,219	761,006,327	718,133,870
Non-controlling interest	-	15,082,210		
Non-current liabilities	823,297,791	808,797,235	614,354,733	600,843,317
Current liabilities	853,827,452	1,015,220,321	747,112,525	688,968,123
TOTAL EQUITY AND LIABILITIES	Rs 2,488,684,754	2,619,163,985	2,122,473,585	2,007,945,310

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

	THE GROUP				THE COMPANY			
	Quarter ended	Quarter ended	6 months ended	6 months ended	Quarter ended	Quarter ended	6 months ended	6 months ended
	<u>30 June 2024</u>	<u>30 June 2023</u>	<u>30 June 2024</u>	<u>30 June 2023</u>	<u>30 June 2024</u>	<u>30 June 2023</u>	<u>30 June 2024</u>	<u>30 June 2023</u>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Revenue from contracts with customers	771,578,647	545,718,806	1,543,071,750	1,060,593,830	620,816,680	464,336,701	1,137,413,767	904,975,887
Operating Profit	30,719,769	12,246,938	48,045,547	7,856,264	34,021,821	25,586,976	59,104,023	21,494,448
Finance costs	(13,135,644)	(10,531,304)	(26,549,579)	(20,394,330)	(10,271,179)	(10,883,659)	(20,662,120)	(21,067,715)
Profit/(Loss) before taxation	17,584,125	1,715,634	21,495,968	(12,538,066)	23,750,643	14,703,317	38,441,903	426,733
Taxation	4,132,206	(340,885)	2,464,232	2,110,552	6,187,250	(138,337)	4,430,553	2,259,006
Profit/(Loss) for the period	Rs 21,716,331	1,374,749	23,960,200	(10,427,514)	29,937,894	14,564,980	42,872,457	2,685,739
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the period	Rs 21,716,331	1,374,749	23,960,200	(10,427,514)	29,937,894	14,564,980	42,872,457	2,685,739
Basic and diluted earnings per share	Rs 0.59	0.04	0.65	(0.28)				

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

	THE GROUP		THE COMPANY	
	6 months ended	6 months ended	6 months ended	6 months ended
	<u>30 June 2024</u>	<u>30 June 2023</u>	<u>30 June 2024</u>	<u>30 June 2023</u>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Rs	Rs	Rs	Rs
Balance at 1 January	795,146,439	703,650,047	718,133,870	696,615,590
Profit/(Loss) for the period	23,960,200	(10,427,514)	42,872,457	2,685,739
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	23,960,200	(10,427,514)	42,872,457	2,685,739
Acquisition of subsidiary	(7,547,128)	-		
Balance at 30 June	Rs 811,559,511	693,222,533	761,006,327	699,301,329

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

	THE GROUP		THE COMPANY	
	6 months ended 30 June 2024 (Unaudited) Rs	6 months ended 30 June 2023 (Unaudited) Rs	6 months ended 30 June 2024 (Unaudited) Rs	6 months ended 30 June 2023 (Unaudited) Rs
NET CASH GENERATED FROM OPERATING ACTIVITIES	205,587,791	36,271,718	154,383,857	30,923,704
NET CASH USED IN INVESTING ACTIVITIES	(31,080,565)	(31,906,361)	(28,708,652)	(30,800,989)
NET CASH USED IN FINANCING ACTIVITIES	(70,968,245)	(20,741,458)	(70,330,545)	(20,233,589)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	103,538,981	(16,376,101)	55,344,660	(20,110,873)
EFFECTS OF CURRENCY TRANSLATION	(1,103,137)	487,016	(1,103,137)	487,016
CASH AND CASH EQUIVALENTS-OPENING	(133,472,909)	(71,382,615)	(6,765,961)	(68,018,615)
CASH AND CASH EQUIVALENTS-CLOSING	Rs (31,037,065)	(87,271,699)	47,475,562	(87,642,472)

SEGMENTAL INFORMATION - GROUP

	THE GROUP			
	Quarter ended 30 June 2024 (Unaudited) Rs	Quarter ended 30 June 2023 (Unaudited) Rs	6 months ended 30 June 2024 (Unaudited) Rs	6 months ended 30 June 2023 (Unaudited) Rs
Revenue				
Manufacturing and trading	768,015,405	543,042,959	1,535,114,152	1,055,372,612
Advertising	3,563,242	2,675,848	7,957,598	5,221,217
Rs	771,578,647	545,718,807	1,543,071,750	1,060,593,829
Segment Results				
Manufacturing and trading	17,489,315	1,510,840	21,623,197	(13,189,023)
Advertising	94,810	204,794	(127,229)	650,957
Rs	17,584,125	1,715,634	21,495,968	(12,538,066)
Taxation	4,132,206	(340,885)	2,464,232	2,110,552
Rs	21,716,331	1,374,749	23,960,200	(10,427,514)

NOTES:

The unaudited condensed financial statements for the period ended 30 June 2024 are prepared in accordance with International Financial Reporting Standard and on the same basis as the accounting policies set out in the audited statutory financial statements for the year ended 31 December 2023.

On the 2nd February 2024, the Company completed the remaining acquisition of 9.7% of the shares of Soap and Allied Industries Ltd (SAIL), a manufacturer and distributor of laundry and beauty soaps, detergents and cosmetics as well as distributor of imported fast-moving consumer goods. SAIL is now a wholly owned subsidiary of the Company and part of the Group. The Group figures for quarter ended 30 June 2023 do not include SAIL figures while the Group figures for the period 31 December 2023 on the consolidated and Separate Statements of Financial Position are inclusive of SAIL and are comparable.

RESULTS

Our beverage segment delivered another quarter with strong volume growth. Additionally, our food manufacturing segment began to recover following the removal of the mandatory mark-up on our spreads and margarines. As a result, our Food and Beverage division had a strong performance during the quarter. Topline revenue growth further accelerated compared to prior year driven by the addition of new home and personal care categories, following the acquisition of Soap and Allied Ltd. in December 2023.

The performance during the second quarter helped to further improve our overall six months results. Group Revenue for the first 6-month period stood at Rs1.5 Billion, up by 45% compared to the same period prior year. This was mainly driven by double digit volume growth across all our core beverage categories and the new home and personal care segment. Gross profit margin increased by 3% and Group Net Profit after tax improved to Rs 24.0 Million for the first 6 months compared to a loss of Rs 10.4 Million prior year.

PROSPECTS

Despite a volatile global geopolitical environment, we remain optimistic about the months ahead. We have been and will most likely continue experiencing in the near future supply chain challenges, increased freight costs, foreign exchange fluctuations and the ongoing complexity to source key foreign currencies, which overall may impact our operations.

By order of the Board

Currimjee Secretaries Limited

Secretary

Dated this: 9 August 2024

The Board of Directors of Quality Beverages Limited accepts full responsibility for the accuracy of the information contained in these condensed unaudited financial statements prepared in accordance with International Financial Reporting Standards. Copies of the report are available to the public, free of charge, at the registered office of the Company: 38, Royal Street, Port Louis.

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

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