



## SUBSTANTIAL TRANSACTION CIRCULAR

In relation to the acquisition of 54.4% stake in Seychelles Breweries Limited ("SBL") for a cash consideration of EUR75.25million, equivalent to approximately MUR3.76billion (the "Transaction").

SBL is a company listed on MERJ Exchange which operates in the manufacturing of beer and soft drinks and distribution of premium spirits.

Date: 30 May 2025

**IF YOU ARE A SHAREHOLDER OF PHOENIX BEVERAGES LIMITED, THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

This document is issued by Phoenix Beverages Limited ("PBL"), a public company incorporated and domiciled in Mauritius on 09 September 1960, with registration number C07001183 and having its registered office located at 4<sup>th</sup> Floor, IBL House, Caudan Waterfront, Port Louis. PBL is listed on the Official Market of the Stock Exchange of Mauritius Ltd (the "SEM") and is regulated by the Companies Act 2001.

This document serves as a Substantial Transaction Circular (as defined in the Listing Rules and referred to as the "Circular") and is issued in compliance with the Companies Act 2001 and the Listing Rules of the SEM for the purpose of providing information to the shareholders of PBL and to the public in general in relation to the proposed Transaction.

For a full appreciation of this Circular, this document should be read in its entirety. If you are in doubt about the action you should take, you should consult your financial adviser, investment dealer, legal adviser or other professional adviser immediately.

This document is neither an invitation nor a prospectus nor a statement in lieu of a prospectus for the public in Mauritius or elsewhere to subscribe for shares in PBL.

This document is intended only for the use of the person to whom it is addressed and is not to be redistributed, reproduced or used, in whole or in part, for any other purpose.

This document has been approved by the SEM in conformity with the Listing Rules on 30 May 2025.

## **Disclaimer**

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The SEM and the FSC do not vouch for the financial soundness of the Company or for the correctness of any statements made or opinions expressed with regards to it.

## **Transaction Advisers**

*PricewaterhouseCoopers Ltd*

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## 1. Declaration by Directors

This Circular includes particulars given in compliance with the Listing Rules governing the official listing of securities for the purpose of giving information with regards to PBL. The Directors of PBL, whose name appear in Section 7, collectively and individually, accept full responsibility for the accuracy and completeness of the information contained in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The consents given by the experts (where applicable) named in this Circular have not been withdrawn at the date of this document.

The Directors of PBL declare that, to the best of their knowledge and belief and after having made reasonable inquiries, to the date of this document:

- The working capital available to PBL and its subsidiaries ("PBL Group") is sufficient to meet their day-to-day operations for a period of 12 months from the date of this document; and
- There is no material adverse change in the financial or trading position of PBL Group since the unaudited interim financial statements for the 9 months ended 31 March 2025.

After due enquiries, the Directors of PBL further declare that, as at 31 March 2025:

- There were no debt securities outstanding;
- The total borrowings of PBL Group stood at c. MUR886.6m which are all secured;
- The PBL Group provided a bank guarantee of MUR114.7m as part of its normal course of business. There were no other contingent liabilities; and
- The total mortgages and charges of the PBL Group amounted to MUR3.5bn.

Pursuant to the cautionary announcement dated 27 March 2025 and the communiqué dated 02 April 2025, the Board of Directors of PBL (the "Board") informed its shareholders and the public in general that, on 02 April 2025, PBL entered into a share purchase agreement with Diageo Holdings Netherlands B.V. and Guinness Overseas Limited to acquire, through The Traditional Green Mill Ltd, its wholly owned subsidiary, a 54.4% stake in SBL, operating in a similar line of business as PBL in Seychelles.

On 28 March 2025, the shareholders of PBL who, together hold more than 50% in nominal value/value of securities giving the right to attend and vote at a meeting of shareholders, gave written approval for the Transaction.

The Board is of the opinion that the proposed Transaction is in the best interests of PBL and its shareholders based on the following factors:

- The Target operates in the same line of business as PBL and is the leading beverage company in Seychelles with a strong portfolio of international and local brands;
- The proposed Transaction is in line with PBL's regional expansion strategy and reinforces its leading position in the Indian Ocean region; and
- The offer price for the shares of SBL is deemed to be fair in the context of the proposed Transaction.

Approved by the Board of PBL and signed on its behalf by:



**Arnaud Lagesse**  
Chairman



**Bernard Theys**  
Executive Director

Date: 30 May 2025

## 2. Definitions

In this Circular, the terms below have the meaning stated except where otherwise noted.

Abbreviation	Definition
AOL	African Originals Limited
bn	Billion
CICL	Camp Investment Company Limited
Circular or the Document	This document prepared pursuant to the Listing Rules of the SEM for the purpose of the proposed Transaction
Companies Act or CA 01	The Companies Act 2001 of the Republic of Mauritius, as amended from time to time
Directors	The Directors of PBL
EBITDA	Earnings before interest, tax, depreciation and amortisation
EUR	Euro
FSC	Financial Services Commission
FY	Financial Year
IFRS	International Financial Reporting Standards
Listing Rules	The rules governing securities listed on the Official Market of the SEM
m	Million
MUR	Mauritian Rupee
PBL or the Company	Phoenix Beverages Limited
PBL Group	PBL and its subsidiaries, as defined by IFRS
PICL	Phoenix Investment Company Limited
SBL or the Target	Seychelles Breweries Limited
Sellers	Diageo Holdings Netherlands B.V. and Guinness Overseas Limited, the entities selling their stakes in SBL
SEM	The Stock Exchange of Mauritius Ltd
SPA	The share purchase agreement entered into on 02 April 2025 between the Sellers and PBL to give effect to the Transaction
Transaction	The acquisition, through The Traditional Green Mill Ltd, a wholly owned subsidiary of PBL, of a 54.4% stake in SBL for a cash consideration of EUR75.25m, equivalent to c. MUR3.76bn

### 3. Background and principal activities of PBL

#### 3.1. Company Background of PBL

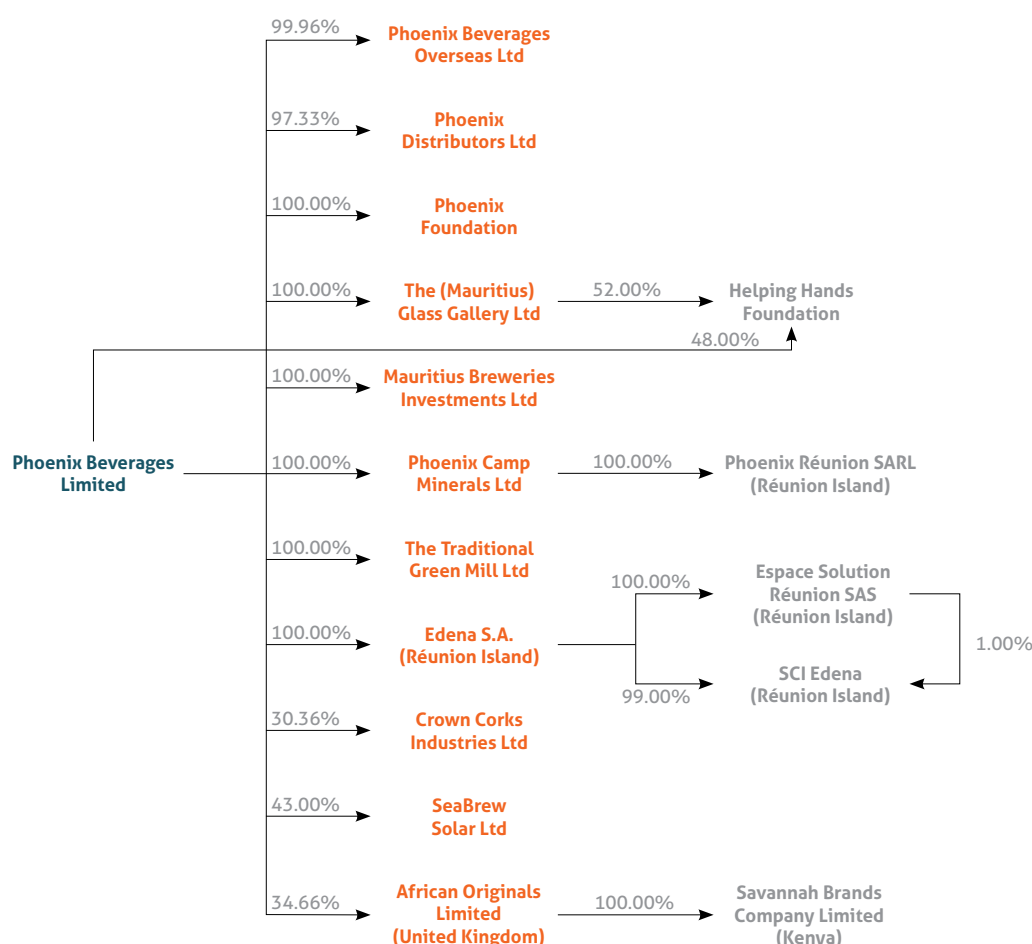
PBL is a public company limited by shares, incorporated in Mauritius on 09 September 1960 and listed on the Official Market of the Stock Exchange of Mauritius Ltd since 1993.

PBL is a leading beverage company in Mauritius, producing and distributing a wide range of alcoholic and non-alcoholic drinks which are also exported to Réunion Island, Seychelles, Mayotte, UK, France, Kenya, Zambia, South Africa, Mayotte, China and Australia. It operates as the authorized bottler for The Coca-Cola Company in Mauritius and offers popular brands like Coca-Cola, Fanta, Sprite, and Schweppes.

In FY23 and FY24, PBL has taken significant steps towards its strategic vision to be the leading commercial beverage company in the Indian Ocean region. In H1-FY24, PBL Group secured the distribution licence for Pernod Ricard products for Réunion Island and acquired land and buildings in Réunion Island to facilitate further expansion in the region. PBL also acquired a 34.66% 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.

Further details on PBL can be found at <https://phoenixbeveragesgroup.mu>

The corporate structure of PBL Group as at 31 March 2025 is as shown below:



### 3. Background and principal activities of PBL (Cont'd)

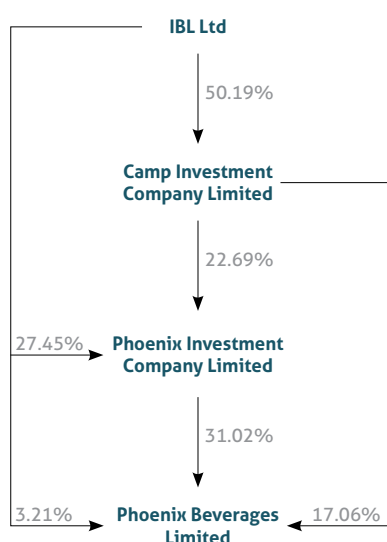
#### 3.1. Company Background of PBL (Cont'd)

A full description of the subsidiary companies that are part of PBL Group is set out below:

Name	Country	Effective Shareholding	Principal Activities
Edena S.A.	Réunion Island	100.00%	Bottling and sale of soft drinks, table water and alternative beverages
Espace Solution Réunion S.A.S.	Réunion Island	100.00%	Distributor of beverages and other commodities
Helping Hands Foundation	Mauritius	100.00%	Charitable institution
Mauritius Breweries Investments Ltd	Mauritius	100.00%	Investment holding
Phoenix Beverages Overseas Ltd	Mauritius	99.96%	Export of beverages
Phoenix Camp Minerals Limited	Mauritius	100.00%	Investment holding
Phoenix Distributors Ltd	Mauritius	97.33%	Distributor of beverages
Phoenix Foundation	Mauritius	100.00%	Charitable institution
Phoenix Réunion SARL	Réunion Island	100.00%	Distributor of beverages and other commodities
SCI Edena	Réunion Island	100.00%	Property holdings
The (Mauritius) Glass Gallery Ltd	Mauritius	100.00%	Manufacture and sale of glass related products
The Traditional Green Mill Ltd	Mauritius	100.00%	Investment holding

#### 3.2. Shareholding Structure of PBL

The shareholding structure of PBL as at 31 March 2025 was as follows:



As at 31 March 2025, the stated capital of PBL amounted to MUR366,962,000 made up of 16,447,000 ordinary shares of MUR10.00 each and share premium of MUR202,492,000. All issued shares are fully paid.

## 4. Corporate Information of PBL

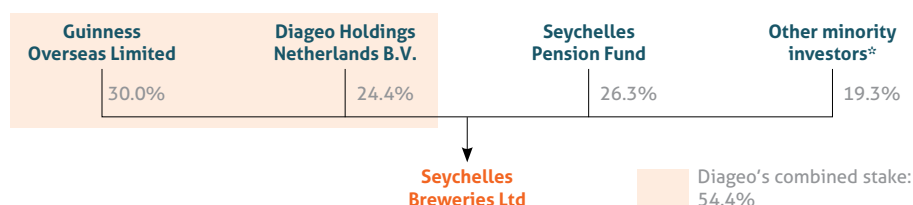
<b>Name of Company</b>	Phoenix Beverages Limited
<b>Date of Incorporation</b>	09 September 1960
<b>Place of Incorporation and Registration</b>	Mauritius
<b>Business Registration Number</b>	C07001183
<b>Registered Office</b>	4 <sup>th</sup> Floor, IBL House, Caudan Waterfront, Port Louis, Mauritius
<b>Company Secretary</b>	IBL Management Ltd 4 <sup>th</sup> Floor, IBL House, Caudan Waterfront, Port Louis, Mauritius
<b>Registrar and Transfer Office</b>	DTOS Registry Services Ltd 3 <sup>rd</sup> Floor Eagle House, 15A Wall Street, Ebène, 72201, Mauritius
<b>Auditors</b>	Deloitte 7 <sup>th</sup> & 8 <sup>th</sup> Floors, Standard Chartered Tower, 19-21 Bank Street, CyberCity, Ebène, Mauritius
<b>Transaction Advisors</b> (for the purpose of complying with Chapter 13 of the Listing Rules and financial due diligence)	PricewaterhouseCoopers Ltd PwC Centre, Avenue de Telfair, Telfair 80829, Moka, Mauritius
<b>Legal Advisers</b> (for the purpose of complying with Chapter 13 of the Listing Rules)	Benoit Chambers Orange Tower, Level 9, Quatre Bornes, Mauritius
<b>Bankers</b>	Absa Bank (Mauritius) Limited 4 <sup>th</sup> Floor, Barclays House, 68-68A CyberCity, Ebène, Mauritius  AfrAsia Bank Limited Bowen Square, 10, Dr Ferriere Street, Port Louis, Mauritius  SBM Bank (Mauritius) Ltd SBM Tower, 1, Queen Elizabeth II Avenue, Port Louis, Mauritius  The Mauritius Commercial Bank Ltd Sir William Newton Street, Port Louis, Mauritius



## 5. Background and principal activities of SBL

### 5.1. Company Background of SBL

SBL is a public limited company incorporated in Seychelles in 1972 and listed on the MERJ since July 2016. Diageo, previously trading as Guinness, acquired a controlling stake in the early 2000s. SBL owns and operates its production facility located at Le Rocher, on the main island of Seychelles, Mahé. The shareholding structure of SBL as at 31 March 2025 is as follows:



\*The minority investors include private and corporate individuals and are floated on the MERJ Exchange.

SBL is a business located in Seychelles and engages in the production, marketing and sales of alcoholic and non-alcoholic beverages. It is the sole beer manufacturer in Seychelles with its trademarked and flagship beer, SeyBrew, and is the leading beverage manufacturer and bottler in Seychelles. SBL is the exclusive bottler of The Coca-Cola Company's family of products including Coca-Cola, Fanta and Sprite.

Financial year 2025 has been up to now a mixed year on performance mainly due to increased competition from imported products.

Further information about SBL can be obtained from its corporate website: <https://www.seybrew.com>

### Trading prospects

SBL is the leading beverage producer in Seychelles and presents steady trading prospects supported by its strong market presence and brand recognition. SBL benefits from consistent demand for its flagship products, such as SeyBrew, and is also expected to capture growth opportunities through an expanding portfolio of alcoholic and non-alcoholic beverages. Leveraging on Seychelles' strong tourism appeal, SBL is well-positioned to capitalise on sustained visitor-driven demand. Continued investment in operational efficiency and product innovation may further enhance its competitiveness and long-term profitability.

### 5.2. Statutory Information of Seychelles Breweries Limited

Date of Incorporation	10 July 1972
Place of Incorporation and Registration	Seychelles
Company Number	841033-1
Registered Office	Seychelles Breweries Limited, O'Brien House, PO Box 273, Le Rocher, Mahé, Seychelles
Auditor	Baker Tilly Chartered Accountants

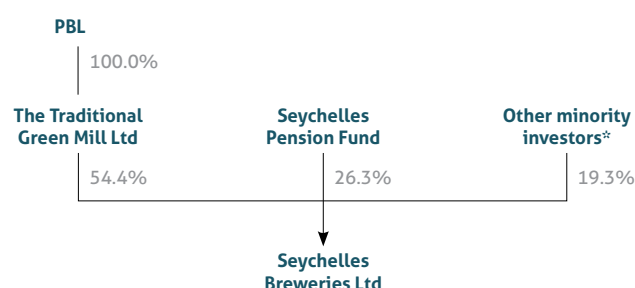
## 6. The Transaction

### 6.1. Details of the Transaction

On 02 April 2025, PBL entered into a SPA with the Sellers to acquire, through The Traditional Green Mill Ltd, its wholly owned subsidiary, a 54.4% stake in SBL for a cash consideration of EUR75.25m, equivalent to approximately MUR3.76bn. The Transaction will be fully funded by way of a bank facility contracted by PBL from a local bank.

The partnership between Diageo and PBL will continue to drive the brand and marketing strategy for Diageo's products in Seychelles, to drive long-term growth for SeyBrew's portfolio in Seychelles.

SBL will remain listed on the Seychelles Stock Exchange with the following post-Transaction shareholding structure:



*\*The minority investors include private and corporate individuals and are floated on the MERJ Exchange.*

### 6.2. Substantial Transaction

A substantial transaction is defined in Chapter 13 of the Listing Rules of the SEM as an acquisition or realisation of assets (including securities) by a listed issuer or any of its subsidiaries where:

- The value of the assets being acquired or realised represents 50 per cent or more of the net assets or consolidated net assets, as the case may be, of the acquiring or realising group; or
- The net profit (after deducting all charges except taxation) attributable to the assets being acquired or realised as disclosed in the latest published audited accounts represents 50 per cent or more of such net profit of the acquiring or realising group; or
- The aggregate value of the consideration given or received represents 50 per cent or more of the net assets or consolidated net assets, as the case may be, of the acquiring or realising group; or
- The value of the equity capital issued as consideration by the acquiring issuer represents 50 per cent or more of the value of the equity capital previously in issue.

The Transaction qualifies as a substantial transaction as the aggregate value of the consideration payable by PBL for the Transaction represents more than 50% of the consolidated net assets of PBL Group.

Listing Rule 13.15 requires PBL to send a substantial transaction circular to its shareholders containing the items of information as regards to PBL specified by Listing Rule 13.17.

## 6. The Transaction (Cont'd)

### 6.3. Shareholder approval

Listing Rule 13.10 stipulates that a substantial transaction must be made conditional on approval by shareholders. Such approval may be obtained either by convening a meeting of PBL shareholders or by means of written approval by a shareholder who holds, or shareholders who together hold, more than 50% in nominal value/value of shares giving the right to attend and vote at such meeting of shareholders.

The Transaction does not qualify as a major transaction for the purpose of Section 130 of the Companies Act 2001. As per the requirements of the Listing Rules, the Transaction was approved by shareholders of PBL holding together more than 50% in nominal value of shares giving the right to attend and vote at a meeting of shareholders. The table below shows the shareholders who gave their approval:

Shareholder	Number of shares	% Shareholding
IBL Ltd	527,659	3.21
Camp Investment Company Limited	2,805,428	17.06
Phoenix Investment Company Limited	5,101,137	31.02
<b>Total</b>	<b>8,434,224</b>	<b>51.29</b>

The Sellers are an independent party to PBL. None of the Directors of PBL or their associates (as defined in Listing Rule 1.1) hold any interest in SBL or have a material interest in the Transaction.

As at the date of this Circular, none of the substantial shareholders of PBL hold any interest in SBL.

In accordance with Listing Rule 13.15, PBL notified the SEM of the proposed Transaction on 27 March 2025 and 02 April 2025. The Circular has been approved by the Listing Division on 30 May 2025 in conformity with the Listing Rules.

### 6.4. Rationale of the Transaction

The proposed Transaction is in line with PBL's regional and international expansion strategy of becoming the leading commercial beverage company in the Indian Ocean region. The Transaction is expected to yield a number of key benefits to PBL, which are summarised below:

- A unique opportunity for PBL to diversify its operations and revenue streams within the region, thereby reducing its exposure to the Mauritian market;
- Strengthening PBL's presence in the Indian Ocean region, in line with its broader regional expansion strategy;
- Expansion of PBL's brand portfolio through the acquisition of SBL's well-established brands, including the flagship brand SeyBrew, which enjoys strong customer loyalty and market penetration in Seychelles;
- Positioning PBL as a leading regional player in the beverage sector; and
- Unlocking synergies within PBL's operations in the region, creating long-term value for all stakeholders.

### 6.5. Financing of the Transaction

The Transaction will be fully funded through a bank facility contracted by PBL from a local bank.

## 6. The Transaction (Cont'd)

### 6.6. Determination of Transaction price

A fixed purchase price was agreed, incorporating a premium to reflect the acquisition of a majority stake, the strength of the brand portfolio, the products' strong market penetration, and the strategic opportunity for PBL to become a leading player in the region.

Negotiations were initiated post due diligence based on the findings of the due diligence exercise, our understanding of the business and its prospects. The enterprise value of SBL ("EV") was computed using a normalised EBITDA multiplied by an EV/EBITDA multiple. The normalisation adjustments to EBITDA include non-recurring items, intragroup service fees and other normalisation items. The Transaction multiple reflects the listed peer multiples, past transaction multiples and our view of the Target and its prospects. The equity value of SBL ("Transaction Price") is the sum of the EV less the net debt of the Target as at 31 December 2024.

### 6.7. Timeline of the Transaction

The proposed Transaction is expected to conclude on or around 30 June 2025.

### 6.8. Impact on PBL's Financial Statements

If PBL had acquired an effective stake of 54.4% in SBL on 01 July 2022, the share of net profits before and after tax, prepared under IFRS, attributable to SBL in respect to the two financial years preceding the Transaction would have been as follows:

For financial year ended	30 June 2023	30 June 2024
Owners of PBL	MUR323m	MUR248m
Non-controlling interests	MUR270m	MUR208m
<b>Profit before tax</b>	<b>MUR593m</b>	<b>MUR456m</b>
Owners of PBL	MUR220m	MUR165m
Non-controlling interests	MUR184m	MUR139m
<b>Profit after tax</b>	<b>MUR404m</b>	<b>MUR304m</b>

The above amounts do not include acquisition related costs and borrowing costs.

## 7. Directors Information

### 7.1. Interest of Directors

The Directors of PBL having direct and/or indirect interest in the ordinary shares of PBL as at 31 March 2025 were as follows:

	Direct Interest		Indirect Interest
	Number of shares	% Holding	% Holding
<b><u>Directors</u></b>			
Arnaud Lagesse	-	-	0.01
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	-	-	-

As at 31 March 2025, the Directors did not hold any shares in the subsidiaries whether directly or indirectly.

## 7. Directors Information (Cont'd)

### 7.2. Directors' service contracts

On 31 March 2025:

- Mr. Bernard Theys, Executive Director of PBL, has a service contract for a determinate duration with Phoenix Management Company Ltd, a subsidiary of Camp Investment Company Limited.
- Mr. Patrick Rivalland, Executive Director of PBL, has a service contract of indeterminate duration with Phoenix Management Company Ltd, a subsidiary of Camp Investment Company Limited.

### 7.3. Remuneration and Benefits in kind of Directors

The total remuneration and benefits paid to Directors of PBL for the year ended 30 June 2024 amounted to MUR6.0m.

The estimated total remuneration and benefits to be paid to Directors of PBL for the year ending 30 June 2025 amounts to approximately MUR8.8m.

## 8. Financial Information

### 8.1. Financial highlight of SBL

The table below summarises the performance of SBL prepared under IFRS, for the financial years ended 30 June 2022, 30 June 2023 and 30 June 2024 and 6 months ended 31 December 2023 and 31 December 2024. Additional information is set out in **Section 11 – Appendices – Extracts from annual reports of SBL**.

SCR'000	Financial year ended			6 months ended	
	30 Jun 2022	30 Jun 2023	30 Jun 2024	31 Dec 2023	31 Dec 2024
	Audited	Audited	Audited	Unaudited	Unaudited
Revenue	675,983	756,172	742,827	297,119	310,301
EBIT	142,870	179,906	137,830	78,635	57,562
Profit after tax	106,378	122,200	90,991	45,740	38,234
Assets	667,294	747,388	732,388	n.a.	739,029
Liabilities	235,645	243,539	223,102	n.a.	277,063
Equity	431,649	503,849	509,286	n.a.	461,966

## 8. Financial Information (Cont'd)

### 8.2. PBL Group Statements of Financial Position

PBL Group's unaudited consolidated statements of financial position as at 31 December 2024 and unaudited pro-forma consolidated statements of financial position post-Transaction as at 31 December 2024, based on the assumption that the Transaction occurred at that date are as follows:

#### Consolidated Statements of financial position as at 31 December 2024

	Pre-Transaction (Unaudited FS) MUR'000	Post-Transaction (Unaudited FS) MUR'000
<b>ASSETS</b>		
<i>Non-current assets</i>		
Property, plant and equipment	4,889,919	6,420,444
Intangible assets	964,453	4,138,084
Right-of-use assets	389,964	423,250
Long-term loan receivable	-	7,055
Investments in subsidiaries	-	-
Investment in associates	5,055	5,055
Investment in joint venture	216,065	216,065
Financial assets at fair value through other comprehensive income	3,400	3,400
<b>Total non-current assets</b>	<b>6,468,856</b>	<b>11,213,353</b>
<i>Current assets</i>		
Inventories	2,187,902	2,504,018
Current tax assets	-	17,581
Trade and other receivables	1,578,255	2,059,405
Bank and cash balances	634,675	719,755
<b>Total current assets</b>	<b>4,400,832</b>	<b>5,300,759</b>
<b>TOTAL ASSETS</b>	<b>10,869,688</b>	<b>16,514,112</b>
<b>EQUITY AND LIABILITIES</b>		
<i>Capital and reserves</i>		
Stated capital	366,963	366,963
Other reserves	1,579,137	1,579,137
Retained earnings	5,274,967	5,274,967
<b>Total Owner's equity</b>	<b>7,221,067</b>	<b>7,221,067</b>
Non-controlling interests	-	705,699
<b>Total equity</b>	<b>7,221,067</b>	<b>7,926,766</b>
<i>Non-current liabilities</i>		
Borrowings	415,360	4,404,493
Lease liabilities	275,566	299,994
Deferred tax liabilities	174,891	423,240
Employee benefit obligations	300,395	390,332
Deferred revenue	31,116	31,116
<b>Total non-current liabilities</b>	<b>1,197,328</b>	<b>5,549,175</b>
<i>Current liabilities</i>		
Trade and other payables	2,049,591	2,604,229
Borrowings	139,415	160,845
Lease liabilities	154,110	164,920
Current tax liabilities	97,824	97,824
Deferred revenue	10,353	10,353
<b>Total current liabilities</b>	<b>2,451,293</b>	<b>3,038,171</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,869,688</b>	<b>16,514,112</b>

## 8. Financial Information (Cont'd)

### 8.2. PBL Group Statements of Financial Position (Cont'd)

#### Notes and assumptions to the pro-forma Statements of Financial Position of PBL

- The "Pre-Transaction" financial position has been extracted without adjustment from the unaudited consolidated statements of financial position of PBL Group as at 31 December 2024.
- The "Post-Transaction" pro-forma financial position assumes that Transaction is funded by the new bank facility entered into by PBL and a local bank with a maturity of 10 years.
- The intangible assets in the "Post-Transaction" financial position include goodwill arising from our acquisition, which is expected to be finalised on or around 30 June 2025.
- The consolidated statements of financial position of SBL has been extracted from the unaudited and unadjusted consolidated statements of financial position of SBL as at 31 December 2024. The unaudited interim accounts of SBL were prepared under IFRS.
- The consolidated financial position of SBL was reported in SCR and was translated to MUR at an exchange rate of 3.35 for the preparation of the above pro-forma accounts. The bank debt and the cash consideration for the Transaction were converted from EUR to MUR at an exchange rate of 49.97 for reporting purposes.
- The Directors are not aware of any other matters or circumstances arising subsequent to 31 December 2024 that require any additional disclosure or adjustment to the pro forma consolidated statements of financial position.

### 8.3. Financial and Trading Prospect

#### Financial performance of PBL Group

For the nine months ended 31 March 2025, sales volumes in the Mauritian domestic market rose by 7.8%, while export volumes declined by 21.4%, compared to the same period last year. This decline in export volume is mainly due to a one-off order last year.

At Company level, turnover for the 9 months period increased by 10.9%, from MUR7.76bn to MUR8.61bn. However, profit after tax declined by 6.9%, from MUR725m to MUR675m primarily due to significant increase in overhead costs. This increase was largely attributable to statutory increase in employee remuneration and related expenses.

In Réunion Island, domestic market sales volumes increased by 4.7% compared to the corresponding period last year while export volumes contracted by 9.2%.

Turnover from our operations in Réunion Island increased from EUR28.4m (MUR1.39bn) in 2024 to EUR30.0m (MUR1.50bn) in 2025. However, profit after tax declined from EUR3.7m (MUR178m) to EUR2.8m (MUR139m) over the same period. The decrease in profitability was primarily driven by higher operational costs, notably increased staff expenses and distribution costs.

Our subsidiary, Phoenix Beverages Overseas Limited, experienced a decline in performance due to lower sales volumes and adverse exchange rate fluctuations.

At the Group level, turnover for the nine-month period under review rose by 9.8%, from MUR9.20bn to MUR10.10bn. Despite this growth, Group profit after tax fell from MUR954m to MUR751m. The decline is largely attributable to an increase in operating expenses across both Mauritius and Réunion Island, compounded by unfavourable currency movements.

#### Regional Expansion

During the review period, PBL increased its equity stake in AOL from 28.2% to 34.7%. The additional capital injections are intended to support AOL's cash flow position, enabling it to pursue its strategic growth objectives within the Kenyan market.

## 8. Financial Information (Cont'd)

### 8.4. Statement of indebtedness of PBL Group

The analysis of consolidated borrowings as at 31 March 2025 is as follows:

MUR'000	As at 31 March 2025	Security
Banking facilities	454,237	All borrowings of the Group are secured by fixed and floating charges over the Group's assets.
Overdraft facilities	23,532	
Leases	408,823	
<b>Total borrowings</b>	<b>886,592</b>	

The above borrowings are made up of:

- MUR305.6m of term loans and MUR23.5m of overdraft facilities provided to PBL against a floating charge on the movable and immovable assets of PBL; and
- EUR3.0m, equivalent to approximately MUR148.7m, of term loans secured by Edena S.A, Phoenix Réunion SARL and SCI Edena against a fixed charge on the 'parts sociales' and immovable assets of SCI Edena respectively.

Lease liabilities are secured as the rights of the leased assets revert to the lessor in the event of default.

As at 31 March 2025:

- No debt securities were issued by PBL Group;
- The PBL Group provided a bank guarantee of MUR114.7m as part of its normal course of business. There were no other contingent liabilities;
- Total mortgages and charges of PBL Group amounted to MUR3.5bn; and
- PBL Group has a total bank overdraft facility limit of MUR480m from different banks against floating charges.



## 9. Risk Factors

The risk factors specific to the PBL Group pre-Transaction are elaborated in the Risk Report at pages 37 to 44 of the Annual Integrated Report of PBL for the financial year ended 30 June 2024, published on PBL's website:

<https://www.phoenixbeveragesgroup.mu/investors>

The major risks associated with the Transaction have been identified and assessed. The major risks relating to this Transaction and the mitigating steps, where applicable, are as detailed below:

Risk	Impacts and Opportunities	Mitigation
<b>Operational – Strategic stakeholder relationship</b>  The potential loss or renegotiation of terms with a strategic partner.	<b>Potential impact</b>  Non-renewal of brewing/bottling and distribution agreements with SBL strategic partners could materially affect revenue streams, diminish brand value, and weaken its standing in the market.	Maintain strong management focus on regular interactions and open communication with strategic partners to foster trust and collaboration.  Secure long-term agreements with key partners.
<b>Operational – SeyBrew's dependency on a key customer presents a high-concentration risk.</b>	<b>Potential impact</b>  Loss of key customers could materially impact revenue stability, pricing power, and operational agility.	Diversify customer base and expand SBL's commercial structure to reduce dependence on key customers.  Maintain a pre-identified list of alternative retailers willing and capable of absorbing any additional volume under short notice.
<b>Financial - Performance of SBL</b>  SBL performing below expectations.	<b>Potential impact</b>  Underperformance could lead to (i) reduced dividends impacting PBL's cash flow and profitability, and (ii) goodwill impairment affecting PBL's balance sheet.	Reduce reliance on SBL dividends by strengthening PBL's own performance; recruit experienced executives and local professionals for better execution.
<b>Country risk</b>  Changes in government regulations, or failure to comply with existing regulations, could adversely affect SBL's business.	<b>Potential impact</b>  While Seychelles is relatively stable, changes in government policy, taxation, or foreign investment regulations could affect operations.  Fluctuation of SCR and EUR may have an impact on the results and indebtedness of PBL.  <b>Associated opportunity</b>  Strengthen SBL's image as a responsible community actor. Expand into new products and markets.	Monitor regulatory landscape through legal counsel; establish strong local partnerships and ensure compliance.  Assess and implement appropriate hedging strategies; explore opportunities for natural hedging through operations.  Diversify product portfolio; develop export channels to offset local regulatory risks.
<b>Transition risk</b>  SBL is currently dependant of the Sellers' intra group services, expatriates and systems.	<b>Potential impact</b>  Dependence on Seller's systems, personnel, and services may delay strategic execution and create continuity issues.  <b>Associated opportunity</b>  Implement unified systems across PBL and SBL for better communication and decision-making.	Retain key personnel during transition; recruit local professionals or industry consultants to ensure business continuity and facilitate localisation.

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## 10. Additional Disclosures

### 10.1. Statement from the Auditors Report

Baker Tilly Chartered Accountants, the auditor of SBL, holds no shareholding in any member of the PBL Group, SBL or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares in any member of the PBL Group or SBL.

### 10.2. Material Contracts

PBL or any member of the PBL Group have not entered into any material contracts, other than contracts entered into in the ordinary course of business, in the two years immediately preceding the publication of the Circular.

### 10.3. Legal or Arbitration Proceedings

As far as the Directors are aware, there are no current, pending or threatened legal or arbitration proceedings against any member of the PBL Group which may have, or have had, in the past twelve months preceding the date of approval of this Substantial Transaction Circular, a material impact on the financial position of the PBL Group.

### 10.4. Documents available for inspection

For a period not less than twenty-one (21) days after the issue of this Circular, the following documents will, when published, be available for inspection during normal business hours (Saturdays, Sundays and public holidays excepted) at PBL Registered Office, 4th Floor, IBL House, Caudan Waterfront, Port Louis, Mauritius:

- The constitution of PBL dated 11 August 2003 as amended on 15 December 2015;
- The original Circular to the shareholders of PBL;
- The audited financial statements and Integrated Report of PBL for the years ended 30 June 2022, 2023, and 2024;
- The unaudited financial statements of PBL for the 6 months ended 31 December 2024;
- The audited financial statements of SBL for the financial years ended 30 June 2022, 2023, and 2024; and
- The unaudited financial statements of SBL for the 6 months ended 31 December 2024.

## 11. Appendices – Extracts from annual reports of SBL

Extract of Annual Reports for financial years ended 30 June 2022, 2023 and 2024 and abridged accounts for the 6 months ended 31 December 2024 of SBL.

### Extract from Annual Report FY24



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#### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SEYCHELLES BREWERIES LIMITED**

This report is made solely to the members of Seychelles Breweries Limited (the "Company"), as a body, in terms of our engagement in accordance with the requirements of the Seychelles Companies Act, 1972 and Securities Act 2007, the Securities (Financial Statements) Regulations 2008 and Listing requirements of the Seychelles Securities Exchange (MERJ Exchange Limited). Our audit work has been undertaken so that we might state to the members those matters which 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the accompanying financial statements of Seychelles Breweries Limited set out on pages 24 to 56 which comprise the Statement of Financial Position as at June 30, 2024, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") and comply with the Seychelles Companies Act, 1972 and Securities Act, 2007.

##### **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 Financial Statements* section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants ("IESBA Code"). We have fulfilled our other ethical responsibilities relevant to our audit of the financial statements in Seychelles and those under the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY24 (Cont'd)



#### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SEYCHELLES BREWERIES LIMITED *Continued***

##### **Other Information**

Directors are responsible for the other information. The other information comprises of the Financial Highlights, Notice of Annual General Meeting, Chairman's Statement and the Managing Director's Report, Corporate Governance Report, Directors' Report, Senior Management Information, Audit Committee Report, Graphs for Financial Summary, Distribution of Wealth Statement and Shareholding Profile, which we obtained prior to the date of this auditor's report.

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

In connection with our audit of the 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 financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 the Directors for the Financial Statements**

The Directors are responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards and compliance with the Seychelles Companies Act, 1972 and Securities Act, 2007 and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing 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 Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

##### **Other matter**

The financial statements of the Company for the year ended June 30, 2023 was audited by another auditor who expressed an unmodified opinion on September 13, 2023.



## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY24 (Cont'd)



#### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SEYCHELLES BREWERIES LIMITED *Continued***

##### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 the financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Company's internal controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors;
- Conclude on the appropriateness of 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 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 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 Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, 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.

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## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY24 (Cont'd)



#### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SEYCHELLES BREWERIES LIMITED *Continued*

##### Report on Other Legal and Regulatory Requirements

##### *Companies Act, 1972*

We have no relationship with, or interests, in the Company other than in our capacity as auditors, tax and business advisers and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records and comply with the provisions of the Seychelles Companies Act, 1972.

##### *Securities Act 2007, The Securities (Financial Statements) Regulation 2008 and Listing requirements of the Seychelles Securities Exchange (MERJ Exchange Limited)*

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and the financial statements have been prepared as per International Financial Reporting Standards and all records were kept according to the Securities Act 2007 and Regulations as well Listing requirements.

In our opinion, the Company complied with the requirements of Seychelles Securities Act 2007, the Securities (Financial Statements) Regulation 2008 and Listing requirements of the Seychelles Securities Exchange (MERJ Exchange Limited).

  
BAKER TILLY  
Chartered Accountants



Dated: September 19, 2024  
Victoria, Seychelles

## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY24 (Cont'd)

Statements of profit or loss and other comprehensive income for the year ended 30 June 2024

	2024	2023
<b>Figures in SCR'000</b>		
Gross sales	742,827	756,172
Excise duty	(174,655)	(177,834)
<b>Net sales</b>	<b>568,172</b>	<b>578,338</b>
Cost of sales	(314,814)	(305,760)
<b>Gross profit</b>	<b>253,358</b>	<b>272,578</b>
Operating and administrative expenses	(67,044)	(62,034)
Advertising and marketing costs	(40,213)	(36,459)
Other income/(expenses)	(8,271)	5,821
<b>Operating profit</b>	<b>137,830</b>	<b>179,906</b>
Finance income	759	1,081
Finance costs	(2,017)	(1,456)
<b>Profit before income tax</b>	<b>136,572</b>	<b>179,531</b>
Tax expense	(45,581)	(57,331)
<b>Profit and total comprehensive income for the year</b>	<b>90,991</b>	<b>122,200</b>
Basic and diluted earnings per share - SCR	7.22	9.70

## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY24 (Cont'd)

Statements of financial position as at 30 June 2024

Figures in SCR'000

#### ASSETS

##### Non-current assets

Property, plant and equipment	446,713	435,818
Intangible assets	1,752	2,689
Right-of-use assets	12,051	16,627
Loan receivable	2,106	2,106
<b>Total non-current assets</b>	<b>462,622</b>	<b>457,240</b>

##### Current assets

Inventories	92,892	104,053
Current tax assets	772	–
Trade and other receivables	98,225	74,240
Cash and cash equivalents	77,877	111,855
<b>Total current assets</b>	<b>269,766</b>	<b>290,148</b>
<b>Total assets</b>	<b>732,388</b>	<b>747,388</b>

#### EQUITY

Share capital	63,000	63,000
Actuarial gains	500	500
Retained earnings	445,786	440,349
<b>Total equity</b>	<b>509,286</b>	<b>503,849</b>

#### LIABILITIES

##### Non-current liabilities

Deferred tax liabilities	68,785	50,317
Post-employment provision	26,626	23,860
Lease liabilities	8,904	12,540
<b>Total non-current liabilities</b>	<b>104,315</b>	<b>86,717</b>

##### Current liabilities

Trade and other payables	115,151	109,677
Lease liabilities	3,636	4,250
Current tax liabilities	–	42,895
<b>Total current liabilities</b>	<b>118,787</b>	<b>156,822</b>

##### Total liabilities

<b>223,102</b>	<b>243,539</b>
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##### Total equity and liabilities

<b>732,388</b>	<b>747,388</b>
----------------	----------------

The notes on pages 31-60 are an integral part of these financial statements.

 <b>Mr. Anthony Smith</b> Director	 <b>Mr. Jean-Weeling Lee</b> Director	 <b>Mr. Rod Thornington</b> Director	 <b>Ms. Nisreen Abdul Majid</b> Director
 <b>Mr. Andrew Ross</b> Director	 <b>Ms. Yvonne Mangi</b> Director	 <b>Mrs. Noel Goueth</b> Director	



## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY24 (Cont'd)

Statements of changes in equity for the year ended 30 June 2024

	Share capital	Actuarial valuation gains	Retained earnings	Total equity
<b>Figures in SCR'000</b>				
<b>Balance at 1 July 2021</b>	<b>63,000</b>	<b>500</b>	<b>368,149</b>	<b>431,649</b>
<b>Total comprehensive income:</b>				
Profit for the year	–	–	122,200	122,200
<b>Total comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>122,200</b>	<b>122,200</b>
<b>Transactions with owners of the company</b>				
Special dividend for 2023	–	–	–	–
Final dividend for 2022	–	–	(50,000)	(50,000)
<b>Total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>(50,000)</b>	<b>(50,000)</b>
<b>Balance at 30 June 2023</b>	<b>63,000</b>	<b>500</b>	<b>440,349</b>	<b>503,849</b>
<b>Balance at 1 July 2023</b>	<b>63,000</b>	<b>500</b>	<b>440,349</b>	<b>503,849</b>
<b>Total comprehensive income:</b>				
Profit for the year	–	–	90,991	90,991
<b>Total comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>90,991</b>	<b>90,991</b>
<b>Transactions with owners of the company</b>				
Final dividend for 2023	–	–	(85,554)	(85,554)
<b>Total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>(85,554)</b>	<b>(85,554)</b>
<b>Balance at 30 June 2024</b>	<b>63,000</b>	<b>500</b>	<b>445,786</b>	<b>509,286</b>

## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY24 (Cont'd)

#### Statements of cash flows for the year ended 30 June 2024

##### Figures in SCR'000

##### Cash flows from operating activities

##### Profit before tax

2024 2023

136,572 179,531

##### Adjustments for:

Depreciation of property, plant and equipment

43,888 37,258

Exceptional impairment of property, plant and equipment

– –

Depreciation of right-of-use assets

4,576 2,357

Amortization of intangible assets

937 1,846

Tangible assets write off

117 1,966

Transfer of provision to property, plant and equipment

(1,128) –

Released on right-of-use asset derecognition

– (110)

Foreign exchange movement on leases

(7) –

Finance income

(759) (1,081)

Finance expense

2,017 1,456

Post-employment benefits charge

2,766 2,910

Unrealised exchange difference

(101) (627)

##### Total adjustments

188,878 225,506

##### Changes in working capital:

Decrease/(increase) in inventories

11,161 (6,703)

Increase in trade and other receivables

(23,985) (26,633)

Increase in trade and other payables

5,474 2,513

##### Net changes in working capital

(7,350) (30,823)

##### Cash generated from operating activities

Interest paid

(2,017) (1,456)

Interest received

759 1,081

Tax paid

(70,780) (13,609)

Post employment benefits - paid

– (16)

##### Net cash generated from operating activities

109,490 180,683

##### Cash flows from investing activities

Acquisition of property, plant and equipment

(53,772) (87,752)

Acquisition of intangible assets

– –

##### Net cash used in investing activities

(53,772) (87,752)

##### Cash flows from financing activities

Repayment of principal portion of lease liabilities

(4,243) (2,084)

Dividends paid during the year

(85,554) (100,000)

##### Net cash used in financing activities

(89,797) (102,084)

##### Net changes in cash and cash equivalents

(34,079) (9,153)

Cash and cash equivalents at 1 July

111,855 120,381

Effect of movements in exchange rates on cash held

101 627

##### Cash and cash equivalents at 30 June

77,877 111,855

## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY23



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#### SEYCHELLES BREWERIES LIMITED

#### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

#### Report on the audit of the Financial Statements

##### Opinion

We have audited the financial statements of SEYCHELLES BREWERIES LIMITED (the Company), on pages 28 to 58 which comprise the Statement of Financial Position as at June 30, 2023, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at June 30, 2023 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Seychelles Companies Act, 1972 and Securities Act 2007.

##### Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities* for the Audit of the *Financial Statements* section of our report. We are independent of the Company in accordance with the *International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Seychelles, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Other information

The Directors are responsible for the other information. The other information comprises the Financial Highlights, Notice of Annual General Meeting, Chairman's Statement and the Managing Director's Report, Corporate Governance Report, Directors' Report, Senior Management Information, Audit Committee Report, Graphs for financial summary, Distribution of Wealth Statement and Shareholding Profile, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the Seychelles Companies Act, 1972 and Securities Act 2007 and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY23 (Cont'd)



#### SEYCHELLES BREWERIES LIMITED

#### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (CONT'D)

##### Responsibilities of Directors for the Financial Statements (Cont'd)

In preparing the financial statements, the Directors are responsible for assessing 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 Company or to cease operations, or have no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Company's financial reporting process.

##### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.
- Conclude on the appropriateness of 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY23 (Cont'd)



#### SEYCHELLES BREWERIES LIMITED

#### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (CONT'D)

#### Report on Other Legal and Regulatory Requirements

##### *Seychelles Companies Act, 1972*

We have no relationship with, or interests in, the Company, other than in our capacity as auditors and dealings in the ordinary course of business.

We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

##### *Securities Act 2007, The Securities (Financial Statements) Regulation 2008 and Listing requirements of the Seychelles Securities Exchange (MERJ Exchange Limited)*

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the financial statements have been prepared as per International Financial Reporting Standards and all records were kept according to the requirements of the Securities Act 2007 and Regulations as well Listing requirements.

In our opinion, the Company complied with the requirements of Seychelles Securities Act 2007, the Securities (Financial Statements) Regulation 2008 and applicable Listing requirements of the Seychelles Securities Exchange (MERJ Exchange Limited).

#### Other Matter

This report is made solely to the members of the Company, as a body, in accordance with the requirements of the Seychelles Companies Act 1972 and Securities Act 2007, the Securities (Financial Statements) Regulation 2008 and Listing requirements of the Seychelles Securities Exchange (MERJ Exchange Limited). Our audit work has been undertaken so that we might state to the Company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in blue ink that reads 'BDO Associates'.

**BDO ASSOCIATES**  
Chartered Accountants

A handwritten signature in blue ink that reads 'Simion Chanyeka'.

**SIMION CHANYEKA** - CA(Z) & R.P.A.(Z)  
Engagement Partner  
Membership number: M3747

Dated: September 13, 2023  
Victoria, Seychelles

## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY23 (Cont'd)

Statements of profit or loss and other comprehensive income for the year ended 30 June 2023

	2023	2022
<b>Figures in SCR'000</b>		
Gross sales	756,172	675,983
Excise duty	(177,834)	(162,136)
<b>Net sales</b>	<b>578,338</b>	<b>513,847</b>
Cost of sales	(305,760)	(248,604)
<b>Gross profit</b>	<b>272,578</b>	<b>265,243</b>
Operating and administrative expenses	(62,034)	(62,401)
Advertising and marketing costs	(36,459)	(35,593)
Other income/(expenses)	5,821	(24,379)
<b>Operating profit</b>	<b>179,906</b>	<b>142,870</b>
Finance income	1,081	612
Finance costs	(1,456)	(1,023)
<b>Profit before income tax</b>	<b>179,531</b>	<b>142,459</b>
Tax expense	(57,331)	(36,081)
<b>Profit and total comprehensive income for the year</b>	<b>122,200</b>	<b>106,378</b>
<b>Basic and diluted earnings per share - SCR</b>	<b>9.70</b>	<b>8.44</b>

## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY23 (Cont'd)

Statements of financial position as at 30 June 2023

Figures in SCR'000

#### ASSETS

##### Non-current assets

Property, plant and equipment	435,818	387,290
Intangible assets	2,689	4,535
Right-of-use assets	16,627	–
Loan receivable	2,106	2,106
<b>Total non-current assets</b>	<b>457,240</b>	<b>393,931</b>

##### Current assets

Inventories	104,053	97,350
Current tax assets	–	8,025
Trade and other receivables	74,240	47,607
Cash and cash equivalents	111,855	120,381
<b>Total current assets</b>	<b>290,148</b>	<b>273,363</b>
<b>Total assets</b>	<b>747,388</b>	<b>667,294</b>

#### EQUITY

Share capital	63,000	63,000
Actuarial gains	500	500
Retained earnings	440,349	368,149
<b>Total equity</b>	<b>503,849</b>	<b>431,649</b>

#### LIABILITIES

##### Non-current liabilities

Deferred tax liabilities	50,317	57,516
Post-employment provision	23,860	20,966
Lease liabilities	12,540	–
<b>Total non-current liabilities</b>	<b>86,717</b>	<b>78,482</b>

##### Current liabilities

Trade and other payables	109,677	157,163
Lease liabilities	4,250	–
Current tax liabilities	42,895	–
<b>Total current liabilities</b>	<b>156,822</b>	<b>157,163</b>

##### Total liabilities

**243,539**      **235,645**

##### Total equity and liabilities

**747,388**      **667,294**

The notes on pages 32-58 are an integral part of these financial statements.

 <b>Mr. Anthony Smith</b> Director	 <b>Mr. Jean-Weeling Lee</b> Director	 <b>Mr. Rod Thorrington</b> Director	 <b>Ms. Nisreen Abdul Majid</b> Director
 <b>Mr. Andrew Ross</b> Director	 <b>Ms. Yvonne Mangi</b> Director	 <b>Mrs. Noel Goueth</b> Director	

Approved on 13 September 2023

## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY23 (Cont'd)

Statements of changes in equity for the year ended 30 June 2023

	Share capital	Actuarial valuation gains	Retained earnings	Total equity
<b>Figures in SCR'000</b>				
<b>Balance at 1 July 2021</b>	<b>63,000</b>	<b>500</b>	<b>359,021</b>	<b>422,521</b>
<b>Total comprehensive income:</b>				
Profit for the year	–	–	106,378	106,378
<b>Total comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>106,378</b>	<b>106,378</b>
<b>Transactions with owners of the company</b>				
Special dividend for 2022	–	–	(50,000)	(50,000)
Final dividend for 2021	–	–	(47,250)	(47,250)
<b>Total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>(97,250)</b>	<b>(97,250)</b>
<b>Balance at 30 June 2022</b>	<b>63,000</b>	<b>500</b>	<b>368,149</b>	<b>431,649</b>
<b>Balance at 1 July 2022</b>	<b>63,000</b>	<b>500</b>	<b>368,149</b>	<b>431,649</b>
<b>Total comprehensive income:</b>				
Profit for the year	–	–	122,200	122,200
<b>Total comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>122,200</b>	<b>122,200</b>
<b>Transactions with owners of the company</b>				
Final dividend for 2022	–	–	(50,000)	(50,000)
<b>Total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>(50,000)</b>	<b>(50,000)</b>
<b>Balance at 30 June 2023</b>	<b>63,000</b>	<b>500</b>	<b>440,349</b>	<b>503,849</b>



## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extract from Annual Report FY23 (Cont'd)

#### Statements of cash flows for the year ended 30 June 2023

##### Figures in SCR'000

##### Cash flows from operating activities

##### Profit before tax

2023 2022

179,531 142,459

##### Adjustments for:

Depreciation of property, plant and equipment

37,258 33,299

Exceptional impairment of property, plant and equipment

– 15,892

Depreciation of right-of-use assets

2,357 1,783

Amortization of intangible assets

1,846 1,630

Tangible assets write off

1,966 2,463

Released on right-of-use asset derecognition

(110) –

Finance income

(1,081) (612)

Finance expense

1,456 1,023

Post-employment benefits charge

2,910 4,302

Unrealised exchange difference

(627) 1,473

##### Total adjustments

225,506 203,712

##### Changes in working capital:

Increase in inventories

(6,703) (10,771)

(Increase)/decrease in trade and other receivables

(26,633) 5,879

Increase in trade and other payables

2,513 10,228

##### Net changes in working capital

(30,823) 5,336

##### Cash generated from operating activities

Interest paid

(1,456) (1,023)

Interest received

1,081 612

Tax paid

(13,609) (9,827)

Post employment benefits - paid

(16) (2,096)

##### Net cash generated from operating activities

180,683 196,714

##### Cash flows from investing activities

Acquisition of property, plant and equipment

(87,752) (59,584)

Acquisition of intangible assets

– (1,652)

##### Net cash used in investing activities

(87,752) (61,236)

##### Cash flows from financing activities

Repayment of principal portion of lease liabilities

(2,084) (2,182)

Dividends paid during the year

(100,000) (47,250)

##### Net cash used in financing activities

(102,084) (49,432)

##### Net changes in cash and cash equivalents

(9,153) (86,046)

Cash and cash equivalents at 1 July

120,381 35,808

Effect of movements in exchange rates on cash held

627 (1,473)

##### Cash and cash equivalents at 30 June

111,855 120,281

## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extracts from Abridged Accounts of SBL for 6 months ended 31 December 2024

Statements of profit or loss and other comprehensive income for the half year ended 31 December 2024

	31 December 2024	31 December 2023
<b>Figures in SCR'000</b>		
Revenue	310,301	297,119
Cost of sales	(175,876)	(163,672)
<b>Gross profit</b>	<b>134,425</b>	<b>133,447</b>
Administrative expenses	(44,190)	(35,264)
Advertising and marketing costs	(20,940)	(21,803)
Other expenses	(11,733)	2,255
<b>Operating profit</b>	<b>57,562</b>	<b>78,635</b>
Finance income	205	599
Finance costs	(944)	(968)
<b>Profit before income tax</b>	<b>56,823</b>	<b>78,266</b>
Tax expense	(18,589)	(32,526)
<b>Profit and total comprehensive income for the period</b>	<b>38,234</b>	<b>45,740</b>
<b>Basic and diluted earnings per share - SCR</b>	<b>3.03</b>	<b>3.63</b>

## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extracts from Abridged Accounts of SBL for 6 months ended 31 December 2024 (Cont'd)

Statements of financial position as at 31 December 2024

	31 December 2024	30 June 2024
<b>Figures in SCR'000</b>		
<b>ASSETS</b>		
<i>Non-current assets</i>		
Property, plant and equipment	456,873	446,713
Intangible assets	1,479	1,752
Right-of-use assets	9,936	12,051
Loan receivable	2,106	2,106
<b>Total non-current assets</b>	<b>470,394</b>	<b>462,622</b>
<i>Current assets</i>		
Inventories	94,363	92,892
Current tax assets	5,248	772
Trade and other receivables	143,627	98,225
Cash and cash equivalents	25,397	77,877
<b>Total current assets</b>	<b>268,635</b>	<b>269,766</b>
<b>Total assets</b>	<b>739,029</b>	<b>732,388</b>
<b>EQUITY</b>		
Stated capital	63,000	63,000
Actuarial gains	500	500
Retained earnings	398,466	445,786
<b>Total equity</b>	<b>461,966</b>	<b>509,286</b>
<b>LIABILITIES</b>		
<i>Non-current liabilities</i>		
Deferred tax liabilities	74,134	68,785
Post-employment provision	26,847	26,626
Lease liabilities	7,292	8,904
<b>Total non-current liabilities</b>	<b>108,273</b>	<b>104,315</b>
<i>Current liabilities</i>		
Trade and other payables	165,563	115,151
Lease liabilities	3,227	3,636
<b>Total current liabilities</b>	<b>168,790</b>	<b>118,787</b>
<b>Total liabilities</b>	<b>277,063</b>	<b>223,102</b>
<b>Total equity and liabilities</b>	<b>739,029</b>	<b>732,388</b>

  
**Ms. Yvonne Mangi**  
 Managing Director

  
**Mrs. Noel Goueth**  
 Finance Director

## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extracts from Abridged Accounts of SBL for 6 months ended 31 December 2024 (Cont'd)

#### Statements of changes in equity for the half year ended 31 December 2024

	Share capital	Actuarial valuation gains	Retained earnings	Total equity
<b>Figures in SCR'000</b>				
<b>At 1 July 2024</b>	<b>63,000</b>	<b>500</b>	<b>445,786</b>	<b>509,286</b>
<b>Total comprehensive income:</b>				
Profit for the year	–	–	38,234	38,234
<b>Total comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>38,234</b>	<b>38,234</b>
<b>Transactions with owners of the company</b>				
Final dividend for 2024	–	–	(85,554)	(85,554)
<b>Total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>(85,554)</b>	<b>(85,554)</b>
<b>Balance at 31 December 2024</b>	<b>63,000</b>	<b>500</b>	<b>398,466</b>	<b>461,966</b>
<b>Balance at 1 July 2023</b>	<b>63,000</b>	<b>500</b>	<b>440,349</b>	<b>503,849</b>
<b>Total comprehensive income:</b>				
Profit for the year	–	–	90,991	90,991
<b>Total comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>90,991</b>	<b>90,991</b>
<b>Transactions with owners of the company</b>				
Final dividend for 2023	–	–	(85,554)	(85,554)
<b>Total transactions with owners</b>	<b>–</b>	<b>–</b>	<b>(85,554)</b>	<b>(85,554)</b>
<b>Balance at 30 June 2024</b>	<b>63,000</b>	<b>500</b>	<b>445,786</b>	<b>509,286</b>

## 11. Appendices – Extracts from annual reports of SBL (Cont'd)

### Extracts from Abridged Accounts of SBL for 6 months ended 31 December 2024 (Cont'd)

#### Statements of cash flow for the year ended 31 December 2024

	6 months ended 31 December 2024	6 months ended 31 December 2023
<b>Figures in SCR'000</b>		
Cash flows from operating activities		
<b>Profit before tax</b>	<b>56,823</b>	<b>78,266</b>
Adjustments for:		
Depreciation of property, plant and equipment	22,382	21,521
Depreciation of right-of-use assets	2,115	2,324
Amortization of intangible assets	474	930
Property, plant and equipment transfer from provision	1,128	–
Foreign exchange movement on leases	–	(3)
Interest income	(205)	(599)
Interest charge	950	908
Post-employment benefits - charge	221	1,486
Unrealised exchange difference	(154)	(444)
<b>Total adjustments</b>	<b>83,734</b>	<b>104,389</b>
Changes in working capital:		
Movement in inventories	(1,471)	(3,097)
Movement in trade and other receivables	(45,402)	(22,280)
Movement in trade and other payables	50,412	10,658
<b>Net changes in working capital</b>	<b>3,539</b>	<b>(14,719)</b>
<b>Cash generated from operating activities</b>	<b>87,273</b>	<b>89,670</b>
Interest paid	(950)	(908)
Interest received	205	599
Tax paid	(17,716)	(58,275)
<b>Net cash generated from operating activities</b>	<b>156,085</b>	<b>120,756</b>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(33,871)	(32,088)
<b>Net cash used in investing activities</b>	<b>(33,871)</b>	<b>(32,088)</b>
Cash flows from financing activities		
Repayment of principal portion of lease liabilities	(2,021)	(2,131)
Dividends paid during the year	(85,554)	(85,554)
<b>Net cash used in financing activities</b>	<b>(87,575)</b>	<b>(87,685)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(52,634)</b>	<b>(88,687)</b>
Cash and cash equivalents at 1 July	77,877	111,855
Effect of movements in exchange rates on cash held	154	444
<b>Cash and cash equivalents at 31 December</b>	<b>25,397</b>	<b>23,612</b>

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