

ANNUAL REPORT & FINANCIAL STATEMENTS 2024



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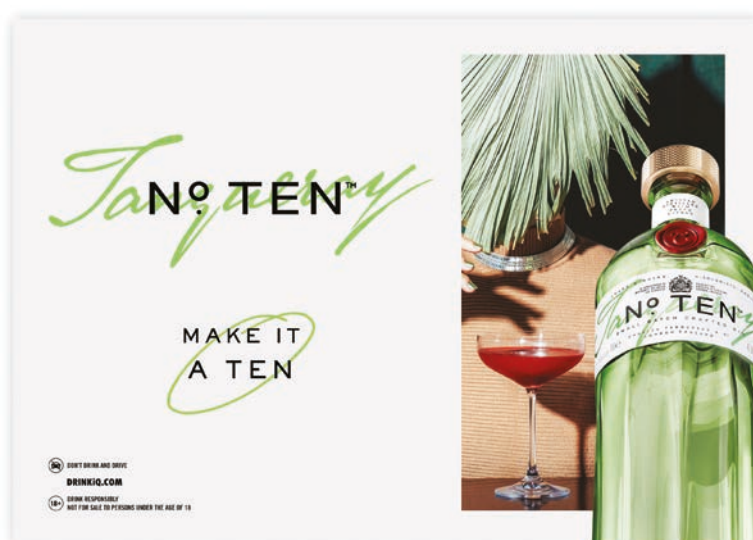


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WALKER

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FOR A GOLD STANDARD BEER, CHOOSE SEYBREW



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IN ALL OF US.**

FINANCIAL HIGHLIGHTS

Figures in SCR'000	2024	2023	% Change
Net Revenue	568,172	578,338	(1.76)%
Operating profit	137,830	179,906	(23.39)%
Profit before tax	136,572	179,531	(23.93)%
Total comprehensive income	90,991	122,200	(25.54)%
Total equity	509,286	503,849	1.08 %
Data per SCR 5 share			
Basic and diluted earnings per share (SCR)	7.22	9.70	(25.54)%
Net equity (SCR)	40.42	39.99	1.08 %
Total recommended dividend (per share)	6.79	6.79	—%

The directors recommend, subject to approval at the next Annual General meeting, the payment of a final dividend of SCR 85,540,000, representing a dividend of SCR 6.79 per ordinary share for the year F24 (F23 final dividend: SCR 85,540,000, representing a dividend of SCR 6.79 per ordinary share). Dividends declared are shown in the Statement of Changes in Equity. The dividend is subject to deduction of withholding tax at the applicable rates.

NON-FINANCIAL HIGHLIGHTS

	Destination					2019
	2030	2024	2023	2022	2021	&2020
Positive Drinking						
<i>Number of people educated on the dangers of underage drinking through Diageo supported education programme(cumul)</i>	25,000	14,493	12,133	9,820	Covid	7,113
Inclusion and Diversity						
<i>Percentage of female leaders</i>	50%	67%	67%	20%	20%	40%
Environmental						
<i>Water efficiency</i>	2.7	4.20	4.18	4.50	4.70	4.50
<i>Carbon</i>	0	2.86	2.91	3.04	2.82	2.63
<i>Renewable Energy%</i>	10	3.03	1.52	0.21	-	-

NOTICE OF THE ANNUAL GENERAL MEETING 2024

Seychelles Breweries Limited (Company No 841033-1) MERJ share code ISIN: SC478BDEB69 (“the Company” or Seybrew”).

Notice is hereby given to shareholders that the 56th Annual General Meeting (“AGM”) of Seychelles Breweries Limited for the year 2024 will be held at the Savoy Seychelles Resort & Spa on **Friday 29th November 2024** at 11:00am to:

- deal with such business as may lawfully be dealt with at the AGM and;
- consider and, if deemed fit, pass, with or without modification, the Ordinary and Special Resolutions set out hereunder in the manner required by the Companies Ordinance, 1972 as amended (“the Companies Act”), as read with the MERJ Limited Listings Requirements (“MERJ Listings Requirements”) where the Company’s ordinary shares are listed.

The AGM is to be participated in and voted at by shareholders recorded in the Company’s securities register as at the voting record date of **Wednesday 27th November 2024**.

Kindly note that shareholders attending by proxy will be required to register no later than 48 hours before the time of the meeting. Full details of the registration process and requirements is provided in the attached cover letter.

Meeting participants (including proxies) will be required to provide reasonably satisfactory identification (this includes identity cards, passports, and driver’s licenses) before being entitled to attend or participate in the AGM and will be allowed access to the venue to vote by no later than 11:00 am on Friday 29th November 2024.

Ordinary Resolutions

To consider and, if approved, to pass, with or without modification, the following Ordinary Resolutions:

Percentage support required for Ordinary Resolution No 1 to 7 - For these Ordinary Resolutions to be adopted, the support of more than 50% (fifty per cent) of the total number of votes per Ordinary Resolution, from the shareholders present or who are represented by proxy at this Meeting is required.

1 Ordinary Resolution No 1 – Approving Minutes of the 2023 AGM

To present, consider and accept the Minutes of the AGM held on Friday 1st December 2023.

2 Ordinary Resolution No 2 – Presenting the Seybrew Directors and Audit Report

To present, consider and accept the Report of the Managing Director and the Auditor’s Report for the year ended 30 June 2024.

3 Ordinary Resolution No 3 – Presenting the Seybrew Annual Financial Statements

To present, consider and accept the Annual Financial Statements for the year ended 30 June 2024.

4 Ordinary Resolution No 4 – Appointment of auditors

To authorize the Directors to appoint Baker Tilly to undertake the Company’s audit for the financial year ending 30 June 2025.

Reason and effect

The reason for Ordinary Resolution No 4 is that the Companies Act requires the appointment or reappointment of the Company’s auditors each year at the AGM of the Company.

NOTICE OF THE ANNUAL GENERAL MEETING 2024 (continued)

5 Ordinary Resolution No 5 – Appointment of directors

To elect the following as a director (Ordinary resolution No 5.1) to the Board of directors of Seybrew (“the Board”) in terms of clause 84 of the Company’s Articles of Association, being eligible and offering himself for appointment.

5.1 Ordinary Resolution No 5.1 – Appointment of Haiko Cremer as a director

To elect **Haiko Cremer**, who was appointed as a director on 19 September 2024, in terms of the Company’s Articles of Association, being eligible and offering himself for appointment.

6 Ordinary Resolution No 6 – Re-appointment of directors

To re-elect directors as per Ordinary Resolution No. 6.1 by whom the directors retire by rotation in terms of the Company’s Articles of Association and being eligible and offering themselves for re-election.

6.1. Ordinary Resolution No 6.1 – Appointment of Rod Thorrington as a director

To re-elect **Rod Thorrington** as a director of the company, in terms of the Company’s Articles of Association, the retiring director being eligible and offering himself for re-appointment.

7 Ordinary Resolution No 7 – Remuneration policy

Shareholders are requested to cast a separate vote on the Company’s remuneration policy.

7.1 Ordinary Resolution No. 7.1 – vote on the remuneration of the Managing Director

Resolved that shareholders approve the remuneration of the Managing Director at approximately SCR 3.2 m per annum for the financial year 2024/25.

7.2 Ordinary Resolution No. 7.2 – vote on the remuneration of the Finance Director

Resolved that shareholders approve the remuneration of the Finance Director at approximately SCR 2.7 m per annum for the financial year 2024/25.

7.3 Ordinary Resolution No. 7.3 – vote on the remuneration of the Non-Executive Directors

Resolved that shareholders approve the remuneration of the Non-Executive Directors at approximately SCR 272,000 m per annum for the financial year 2024/25.

7.4 Ordinary Resolution No. 7.4 – vote on the remuneration of the Auditors

To authorise the Directors to fix the remuneration of the Auditors for the financial year 2024/2025

8 Declaration of a final dividend

To approve that a final dividend be declared for the year ended 30 June 2024. The dividend amount and payment date will be announced at the meeting.

A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote on their behalf. A proxy need not also be a member. A form of proxy is enclosed and if it is to be valid for the purposes of the meeting, the form must be completed and deposited at the Company Secretary’s office at Azer Corporate Limited, Suite C, 2nd Floor, Orion Office Complex, Palm Street, Victoria, Seychelles, not less than 48 hours before the time of holding the meeting.

By Order of the Board



Azer Corporate Limited
Company Secretary
7 November 2024

BOARD OF DIRECTORS AND CORPORATE INFORMATION

Board of Directors

Anthony Smith	Chairperson	Resigned in September 2024
Andrew Ross	Chairperson	Appointed in September 2024
Yvonne Mwangi	Managing Director	
Noel Goueth	Finance Director	
Rod Thorrington	Non-executive Director	
Jean Weeling-Lee	Non-executive Director	
Nisreen Abdul Majid	Non-executive Director	
Haiko Cremer	Non-executive Director	Appointed in September 2024

Registered office and principal place of business

Seychelles Breweries Limited
O'Brien House
PO Box 273
Le Rocher, Mahé,
Seychelles

Solicitors

Christen Chambers
Office 201, Second floor
Waterside Building
Marina North, Eden Island
Seychelles

Auditors

Baker Tilly
Chartered Accountants
Allied Plaza
Rue de la possession
Mahé,
Seychelles

Company Secretary

Azer Corporate Limited
Suite C, 2nd Floor
Orion Office Complex
Palmstreet
Victoria
Seychelles

Bankers

Absa Bank (Seychelles) Limited (formerly: Barclays Bank (Seychelles) Limited) Seychelles International Mercantile Banking Corporation Limited (a.k.a Nouvobanq)

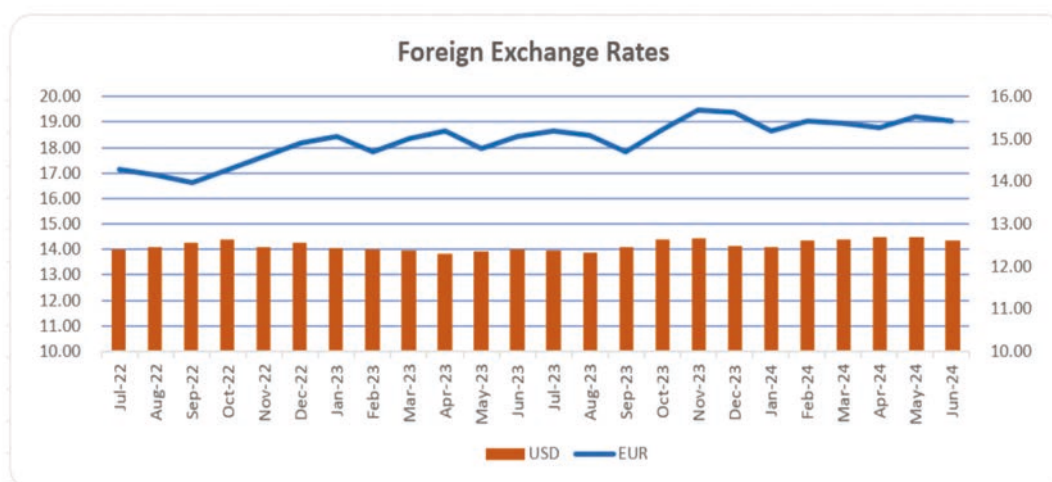
CHAIRMAN'S STATEMENT

Distinguished shareholders, ladies, and gentlemen, I am pleased to welcome you all to the 56th Annual General Meeting of our Company and to present the financial statements and reports for the financial year that ended on 30 June 2024.

Reflecting on the year

I start by acknowledging and sharing my compassion for the events that hit the Seychelles on December 7th, 2023 – the explosion and flash floods. As a responsible corporate citizen of the island, Seychelles Breweries played its role in contributing to the disaster relief fund, to the tune of SCR1M, as well as supporting the SBL families impacted by the blast for over 6 months.

During the year under review, the global economic landscape was marked by a widespread slowdown, soaring inflation, persistent geopolitical tensions, and supply chain disruptions. The Seychelles economy remained vulnerable to external shocks due to its high dependence on tourism and fishing, and climate change continues to pose a long-term sustainability risk. Over F24, the rupee remained stable and, even appreciated against the USD and EURO. From a regulatory perspective, the tax and excise environment remained stable. A strong rupee meant it is more costly to purchase a holiday in Seychelles, leading to stagnating number of tourist arrivals, impacting the balance of trade. Hence, Seychelles continued to witness a trend of lower average spend per head from tourism, which remains one of the key engines of growth for the economy.



Our performance

Seychelles Breweries Limited (SBL) continues to be the only Total Beverage Company in Seychelles with a rich and diversified portfolio spanning Beer, Ready-to-Drink, Carbonated Soft Drink and Spirit categories across Returnable glass, PET and Can formats.

SBL is a proudly local business with over half the population of the islands directly or indirectly invested in our success – we are fortunate to have over 1,300 Seychellois shareholders and a further 45,000 local stakeholders by virtue of the Seychelles Pension Fund's significant stake in our business. We greatly appreciate the continued support of all the people of Seychelles for our brands and our business.

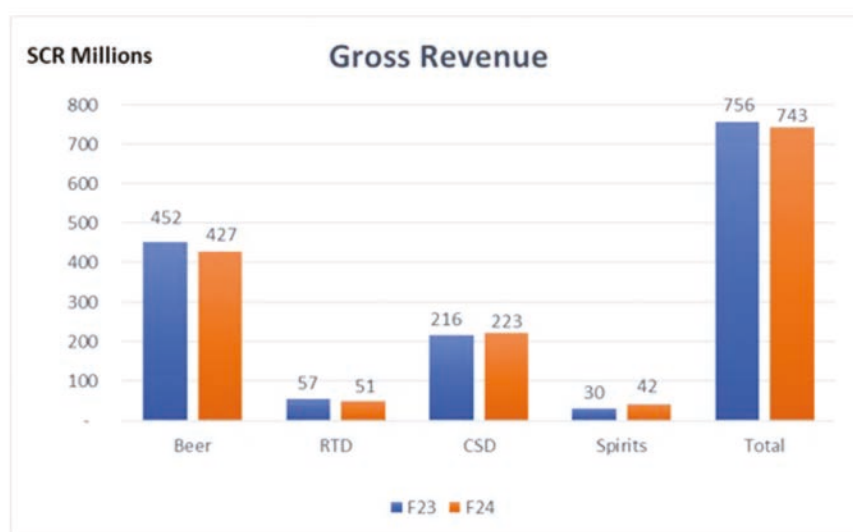
CHAIRMAN'S STATEMENT (continued)

I am very proud of our flagship beer, Seybrew, which won the Gold Medal in May in the 2024 African Beer Cup "International Pale Lager" category. This is the second time Seybrew won the Gold award, after winning in 2022. For a smaller brewery in the middle of the Indian Ocean it is something that all Seychellois should also be proud of.

SBL did not have a strong start in the 2024 financial year, mainly attributed to the downswing in tourist arrivals and related earnings, increased competition from imported beer, spirits, and soft drinks, as well as unfavorable weather conditions. Whilst we saw improved performance in the second quarter, the downside in the half was also due to the explosion, which impacted the anticipated peak period festive season benefits. In the second half, the business suffered with sales decline, mainly attributed to supply inconsistency and production issues. Quality issues were faced in the Brewery from February 2024, which led to out of stock of draught beer for 6 months, as well as reduced liquid availability of Seybrew and EKU resulting in intermittent supply for over 2 months.

Gross Revenue

From SCR 756M to SCR 743M, the business registered a decline in F24 of 1.7%, primarily driven by sub-optimal Beer and RTD performance. The Beer decline of 5.5% was due to both Guinness and EKU declining by 14% and 20% respectively, whilst Seybrew remained resilient and grew 1%. The RTD portfolio, also declined by 11%. CSDs experienced moderate growth of 3%, with Coca-Cola growing at 4.4% whilst Seypearl grew at 1%. Revenue from Spirits registered an increase of 38%, driven by strong growth in Johnnie Walker, Gordons, Baileys and Black & White.



Innovation

The ability to delight our consumers with timely and appropriate product and format innovation continues to be an essential building block of our strategy. We continue to improve our processes, capabilities and analytical rigor resulting in a more disciplined innovation approach. In Fiscal 24, we successfully launched Seypearl Tamarind and relaunched a new formulation of Slow Turtle Cider. Overall innovation (i.e. products below 3 years) contributed SCR 136M to the net sales value, representing 24% of total sales.

Supply Chain

We continued to record zero Lost Time Accidents over the year and maintained our focus on improving our health and safety standards at the plant. Our raw materials remain challenged due to external factors with a cost base higher than anticipated due to global shipping and increased lead times.

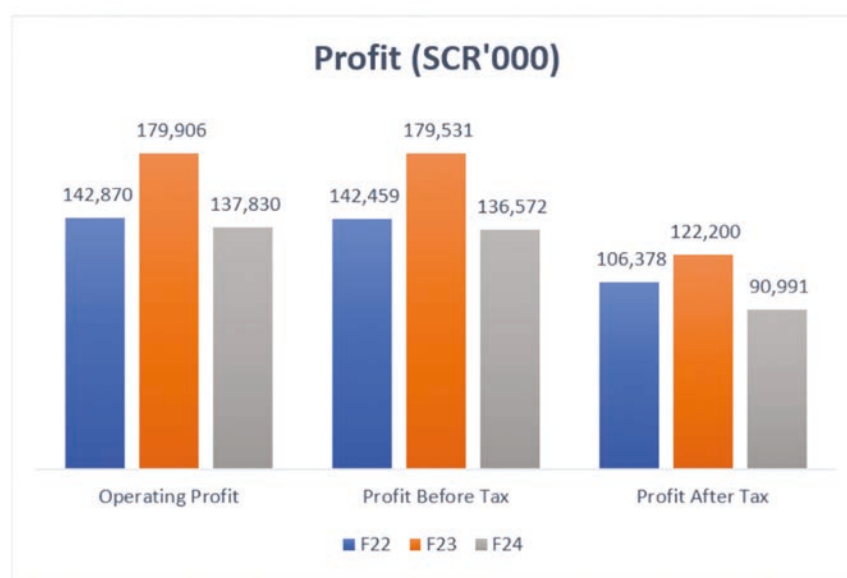
CHAIRMAN'S STATEMENT (continued)

Regrettably, we experienced quality issues with our draught beer, which resulted in out of stock from February 2024. We will not compromise on quality and ensured an end-to-end analysis of our draught beer processes implementing significant process changes before we resumed production.

We have embedded back to basics manufacturing excellence in F25, ensuring compliance to standards and upskilling our line operators to deliver the best, consistent quality of our loved brands to consumers. The supply related issues we faced are now behind us and all the right actions are being taken by management to put our Company back on a growth path.

Profit

Profit After Tax reduced by 25.5% in the year, primarily driven by the drop in operating profit by 23.4%. The high sensitivity to consumer price, led to extensive marketing efforts to support the performance. Administrative costs and COGS were higher than planned, with legacy write-offs, double handling, high raw material and utilities usage, lower operational efficiencies versus the output, which impacted profit.



Dividend 2024

Despite a slowdown of operating cash inflow, we were able to generate free cash through improved working capital driven by disciplined ordering of materials, debt management and supplier payment terms.

The Board is recommending a final dividend payout at the same value as last year of SCR 85,540,000 (SCR 6.79 per share), representing a payout ratio of 94%.

F25 performance outlook

We continue to take a prudent approach to the business given the existing global volatilities and local economic headwinds; however, our strategy remains consistent. We will invest in appropriate capital projects to guarantee consistent world-class quality while also investing in a sustainable supply footprint. We take into F25 the learnings from the past years and continue focusing on growing our people to create an advantaged culture, shaping the future of our categories, supporting responsible drinking, and injecting everyday efficiency into all areas of our business. We will continue our "Society 2030" sustainability initiatives, which include reducing our carbon output, replenishing water, generating solar electricity, and promoting our "Smashed" campaign dedicated to preventing alcohol misuse amongst underage teenagers.

CHAIRMAN'S STATEMENT (continued)

Conclusion

In conclusion, I would like to thank all shareholders for your continued support of our Company, particularly in the current environment. Many of you have held your shares in this Company for several decades. This goes to show the confidence you place in this business and its rich history. I ask you to continue your support as the Board and management work together to move the Company forward.

I also thank our key partners, including distributors, customers, suppliers, and professional advisers, for contributing to the Company's success story.

I take this opportunity to also thank the Government of Seychelles for implementing investment-friendly and supportive policies for local manufacturers.

I want to commend our parent company, Diageo PLC, for its unwavering support for our Company and its continued belief in Seychelles.

I would also like to thank our strategic brand partners, The Coca-Cola Company and Warsteiner, for their support. We look forward to a continued partnership in the years ahead.

I must also appreciate my fellow Directors for their continued commitment to the success of our Company. It has been three months since I was appointed as the Chairman of Seychelles Breweries Limited by the Board of Directors, having sat as non-executive director for a year. It is a privilege to serve in this capacity and I would like to thank my predecessor, Mr. Anthony Smith, for contributing his passion to Seychelles Breweries for over 7 years and for his valuable leadership. We also welcome Haiko Cremer to the Board and look forward to the contribution that his experience will bring.

Finally, I appreciate the management team and all our committed employees for their hard work and untiring dedication, which has propelled us through more than half a century of growth and innovation.



Mr. Andrew Ross
Chairman

Approved on 19 September 2024

MANAGING DIRECTOR'S REPORT

The Managing Director is pleased to present to members her Report together with the audited Financial Statements of the Company for the year ended 30 June 2024.

Statement of Directors' Responsibilities

The Directors are responsible for the preparation and presentation of the financial statements of Seychelles Breweries Limited set out on pages 23 to 55 which comprises the statement of financial position at 30 June 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 a summary of significant accounting policies and other explanatory information.

The Directors' responsibilities include: determining that the basis of accounting described in Note 2 is an acceptable basis for preparing and presenting the financial statements in the circumstances; designing, implementing and maintaining internal control relevant to the preparation and presentation of these financial statements that are free from material mis-statements, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act, 1972. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates in the manner required by the Companies Act 1972. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its operating results.

The Directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The Directors have made an assessment of the company's ability to continue as a going concern and have no reason to believe the company will not be a going concern for at least the next twelve months from the date of this statement.

The Directors consider that they have met their responsibilities as set out in the Companies Act, 1972.

Legal form and principal activities

Seychelles Breweries Limited, a public limited company quoted on Seychelles Securities Exchange (aka MERJ) was incorporated under the Companies Act 1972 on 10 July 1972. The company was listed on the securities exchange on 30th June 2016. The principal activities of the Company during the period continue to be the production, importation, marketing and selling of alcoholic and non-alcoholic drinks.

MANAGING DIRECTOR'S REPORT (continued)

Corporate Social Responsibility

Over 2,000 secondary school students follow SMASHED

This year, we have once again rolled out the SMASHED programme in all secondary schools across the country and managed to enroll over 2,200 S1 students to follow the programme.

The SMASHED programme is a preventative programme intended to help delay the onset of early alcohol use amongst young people by engaging participants in a safe and motivational learning environment. Underaged drinking is a cause of major concern in Seychelles.

SMASHED is a worldwide programme which we plan to continue rolling out locally on an annual basis as we believe that education at an early age is key to changing the mindset of the younger generation towards alcohol consumption.



Wrong Side Of The Road for Post secondary institutions

Drink driving is another area which we have focused on in this financial year with our Wrong Side Of The Road programme for post-secondary school students. We managed to cover over 1300 students from School of Advanced Level Studies, Seychelles Studies Business Academy and Seychelles Tourism Academy to mention a few.

Wrong Side Of The Road, is an innovative, interactive experience allows individuals to have a conversation with a real drink driver to help understand the effects of alcohol, and the shame and stigma that comes with drink driving.

This engaging online tool is designed to educate drivers through the power of compelling, authentic stories. The experience presents a series of real-life scenarios of drink drivers in the format of a pre-recorded video-call.

Participants are invited to ask increasingly raw and honest questions, before being shown a summary of learnings and directed towards other online resources for additional advice and support if needed.

MANAGING DIRECTOR'S REPORT (continued)

Renewal of partnership with MCSS in support of sea turtles' protection

Since 2021 the Marine Conservation Society Seychelles (MCSS) and the Seychelles Breweries, under the Slow Turtle cider brand, have partnered on the 'Adopt a Beach' programme. For the past three seasons (2023/24 included) Anse Bazarca, as the adopted beach of choice, has been the focus of activities involving MCSS and employees of Seychelles Breweries.

To coincide with the relaunching of the Slow Turtle cider brand scheduled in H1, we signed a new MOU with MCSS. The MOU outlines the activities that will take place under a new three-year Memorandum of Understanding, which will run until the end of the 2026/27 hawksbill turtle nesting season.

This collaboration with MCSS is in line with our commitment to promote sustainable practices and to engage in environmental protection activities.



More project funding under the Seychelles Breweries Foundation and donation to the Disaster Relief Fund

During this financial year, we supported 6 other projects under the Seychelles Breweries Foundation to the tune of SCR1 million. This included youth & Sports projects, training of sign language trainers, Lab testing kit for women entrepreneurs and wooden deck for people with disability to visit nature reserve amongst others.

We also donated SCR1million to the Disaster Relief Fund for people impacted by the 7th December Disasters. Some of our employees were also impacted by the disasters.

MANAGING DIRECTOR'S REPORT (continued)

Board Changes

Since the last Annual General Meeting, Mr Anthony Smith resigned from the Board. On your behalf, we wish to thank him for his contributions during his tenure. In September 2024, Haiko Cremer was appointed a Board member.

The Director to retire by rotation is Mr Rod Thorrington, and being eligible, hereby offers himself for re-election.

Directors and their interests

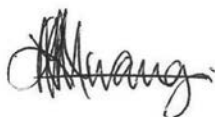
The interests of Directors in the issued capital of the Company as recorded in the Register of Members and or notified by the Directors for the purpose of Section 111 of the Companies Act, 1972 and in compliance with the listing requirements of the Seychelles Securities Exchange are as follows:

Ordinary Shares held as at 30th June 2024 were:

Director Name	Nationality	Shares in Seychelles Breweries
Anthony Smith	British	Nil
Noel Goueth Epse Yao Toffe	Cameroonian	Nil
Rod Thorrington	Seychellois	Nil
Jean Weeling-Lee	Seychellois	Nil
Nisreen Abdul Majid	Seychellois	Nil
Andrew Ross	South African	Nil
Yvonne Mwangi	Kenyan	Nil

Directors' interest in contracts

No Directors had any material interest, directly or indirectly, in any contract with the company, nor did any Director hold any share option during the period under review.



Yvonne Mwangi
Managing Director
Approved on 19 September 2024

CORPORATE GOVERNANCE REPORT



“We ask our customers, consumers, shareholders, governments and the communities in which we operate, to trust that we understand our responsibility as the leading premium drinks Company in Seychelles and that we behave accordingly”



Introduction

Seychelles Breweries Limited (SBL) accepts the importance of achieving the highest standards of corporate governance, corporate responsibility and risk management when conducting its business. SBL is committed to carry out its business in a responsible manner, in accordance with all laws and regulations that its business activities are subject to. The board and the management team are collectively responsible to ensure the highest standards of corporate governance.

Board of Directors

Composition

Please refer to pages 16 and 17 of the Annual Report for details regarding the composition of the Board.

Board Procedure

The Board which is chaired by a non-executive director is responsible for promoting the success of the Company by directing and supervising the Company's affairs. The Board:

1. Drives the leadership of the Company with a framework of prudent and effective controls which facilitate risk assessment and risk management.
2. Provides input into the development of the long-term objectives and overall commercial strategy for the company and is responsible for the oversight of the company's operations while evaluating and directing the implementation of the Company's controls and procedures.
3. Oversees the Company's strategic aims, ensuring that the necessary financial and human resources are in place for the Company to meet its objectives, as well as reviewing management performance; and
4. Supports the Company's values and standards and ensures that its obligations to its shareholders and others are understood and met.

Meetings held

Five (5) meetings of the Board of Directors were held during the year under review, scheduled to ensure that the Directors could provide the appropriate guidance and necessary approval as well as perform their statutory obligations. All meetings were well attended with 100% attendance of all directors at all board meetings.

Audit Sub-Committee

The Audit Sub-Committee (ASC) of the Board consists of two (2) non-executive directors. The Committee which is chaired by a non-executive director is a major part of the corporate governance mechanism of the Company and provides oversight over the Company's operations, financial reporting, internal controls and compliance systems. The ASC assists the Board in fulfilling its responsibilities relating to the integrity of the financial statements, compliance with legal and regulatory requirements, qualifications, remuneration and the performance of the internal compliance function as well as the performance of our independent auditors. The ASC ensures that recommendations of the auditors and the ASC for procedural improvements are duly completed by the Company.

The ASC met four (4) times during the financial year under review and focused on reviewing both the internal and external audit reports and ensuring that the Company followed through on issues to be addressed. The committee reviewed in detail the Company's Financial statements to ensure they provide a true and accurate record of the state of the Company's affairs.

Risk Management and Internal Control

Our Company strives to operate in a compliant control environment through stringent and robust control and compliance programmes. This includes reviewing and refining of our processes and procedures for key areas of our operations.

Our Risk Management strategy has enabled us to identify and assess live or emerging risks that we are exposed to and provide remediation, through insightful discussion that results in positive business performance outcomes. Risk Management at SBL addresses all aspects of risk including Strategic, Anti Money Laundering, Anti Bribery and Corruption, Tax, Financial, Operational, Reputational, Compliance and/or any other related internal or external risk factors.

Our Controls Assurance and Risk Mitigation (CARM) process enables us to assess, test and report on the operational effectiveness of our internal controls. Gaps identified are adequately addressed through effective mitigation planning, thus driving process and control improvement, and better adherence to policies and standards in place.

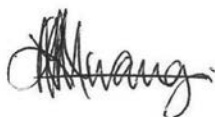
In F24, there was increased focus on assessing, remediating, and monitoring of operational effectiveness through periodical, internal audit exercises. Additionally, Baker Tilly, our external auditor has undertaken the annual financial audit.

Occupational Health and Environmental Safety

Our Company is committed to providing the highest standards of health, safety and welfare to all employees as well as to minimize its environmental footprint. We have taken all measures to ensure that all our operations comply with all the relevant health, safety, and compliance laws.

Nominations Sub-Committee

The nominations committee is made up of two (2) non-executive directors and had one (1) meeting in F24. The nominations committee is chaired by a non-executive director and its main role is to assist the board of directors with remuneration matters including the remuneration of senior managers, succession planning and company-wide remuneration policies and arrangements.



Yvonne Mwangi
Managing Director
Approved on 19th September 2024

BOARD OF DIRECTORS



Andrew Ross

Andrew Ross is the General Manager for Southern Africa since January 2024. He was appointed as a Director on the SBL board on the 13th of September 2023. He has over 27 years' experience in the beverage industry in Africa and over this period he has held roles in finance, operations, sales, marketing and general management gaining vast experience in the end to end running of beverage businesses. Prior to joining Diageo as Managing Director for Cameroon in 2018, he held various positions within SABMiller in South Africa, Zambia and Nigeria. He has a track record of exceptional performance in the beverage industry across emerging and developed African markets as well as in markets with significantly different market share positions. Andrew holds a B.Com Degree majoring in Accounting from the Nelson Mandela Metropole University and an MBA from the Gordon Institute of Business Science.



Yvonne Mwangi

Yvonne Mwangi is the Managing Director of Seychelles Breweries Limited. Yvonne has over 20 years' business experience, having worked previously for The Coca-Cola Company and Weetabix in East Africa, before joining Kenya Breweries Limited in 2016 as Head of Customer Marketing. In July 2019, Yvonne moved to Global Sales to lead Africa's Commercial Transformation programme as EDGE Implementation Manager. In December 2020, Yvonne rejoined Kenya Breweries as Head of Sales Nairobi, before making the move as MD of Seychelles Breweries Limited. Yvonne holds an MBA from University of the Free State in South Africa, and Bachelor of Science in International Business Administration from United States International University in Kenya.



Noel Goueth Epse Yao Toffe

Noel Goueth Epse Yao Toffe is the Finance Director for Seychelles Breweries Limited. She joined the Seychelles in November 2022 from Diageo Africa Partners and Emerging Markets where she was the Commercial Finance and BPM Manager covering 5 clusters. Noel started her career with Diageo Guinness Cameroon as a graduate in the first Early Career Program launched in Cameroon in 2004 and she has grown-up and built experience through several roles and levels of responsibility in financial planning & reporting, business performance management, commercial and marketing finance, Productivity and supply finance and finance control. Over the past 19 years she has worked for many Diageo markets across Central, Eastern, Southern, West Africa and other Indian Ocean Islands La Reunion & Mauritius. She is a recipient of Diageo CFO Excellence Program, and she holds a Msc in accounting & finance as well as a bachelor's degree in business management, both from the Catholic University of Central Africa in Cameroon.



Rod Thorrington

Rod Thorrington holds a Degree in Finance from the University of South Africa. He has resided in Seychelles full-time since 2003 and is well known in the business community as a young entrepreneur, having been responsible for several start-ups across different sectors. With much of his experience lying in retail, property and investment management, his core strengths are in service delivery, brand creation and project execution. Rod is currently the CEO of Corvina Investment Company and sits on several Corvina-associated boards. He is also currently an independent director of Seychelles Breweries Ltd and ABSA Seychelles Ltd.

BOARD OF DIRECTORS (continued)



Jean Weeling-Lee

Jean Weeling-Lee holds a Master's Degree in Economics from the University of Warwick and began his career in 1984 as an economist with the Central Bank of Seychelles, rose to become General Manager on January 1, 1993. He joined the private sector in 1995 and has served in various capacities including Managing Director of Corvina Investment, Chairman of ABSA Bank (Seychelles), Chairman of Air Seychelles Ltd, and involved in the hospitality industry, as director of Le Refuge du Pecheur Ltd (holding company of Lemuria and Ephelia Resorts) and LRM Company Limited. He is currently engaged as Managing Director of H Savy Insurance Co Ltd, Chairman of Space Ltd and director of 70 South Ltd. In addition, he has been a longstanding member of the board of the Seychelles Hospitality & Tourism Association.



Nisreen Abdul Majid

Nisreen Abdul Majid holds a Masters in Finance and Accounting from University of Huddersfield and also holds ACCA professional qualifications. She is currently the Chief Executive Officer of the Seychelles Pension Fund since 1st February 2021. Prior to her appointment as the CEO of SPF, she was the Chief Finance Officer at the Seychelles Civil Aviation Authority from 1st February 2020 to 31st January 2021. Prior to her appointment as CFO at SCAA, she held the same position at the Seychelles Pension Fund from May 2017, she also held other positions in internal and external auditing at Seychelles Pension Fund and at the Office of the Auditor General respectively. Her specialization is in auditing where her career expanded for over 15 years in this field. On 16th June 2017, she was also appointed as the member of the Anti-Corruption Commission Board until March 2021 when the Anti-Corruption Act 2016, was amended.



Haiko Cremer

Haiko Cremer has over 20 years of experience in Operations, Manufacturing and Supply Chain Management and is the Group Supply Chain Director at East African Breweries PLC (EABL), since October 2022. He joined the Diageo Group in 2016 as the Operations Director for Serengeti Breweries in Dar Es Salaam, Tanzania, after which he moved to Nairobi Kenya as the Supply Chain Director at Kenya Breweries Limited. He started his career at Heineken, where he held numerous roles in manufacturing and the end-to-end supply chain in different countries and continents. Haiko holds a Master's Degree in Industrial Engineering and Management Science from the Rijks Universiteit Groningen in The Netherlands.



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SENIOR MANAGEMENT TEAM



Yvonne Mwangi

Position: Managing Director

Nationality: Kenyan

Qualification:

- Bachelor of Science in International Business Administration, United States International University, Nairobi, Kenya
- Master of Business Administration, University of the Free State, Bloemfontein, South Africa



Noel Goueth Epse Yao Toffe

Position: Finance Director

Nationality: Cameroonian

Qualification:

- Bachelor's Degree in Business Management, Catholic University of Central Africa, Cameroon
- MSc in Account and Finance, Catholic University of Central Africa, Cameroon
- Diageo CFO Excellence Program Recipient



Felix Alala

Position: Supply Chain Director

Nationality: Kenyan

Qualification:

- Degree in Mechanical Engineering, University of Nairobi
- Diploma in Brewing and Distilling from Institute of Brewing and Distilling, UK
- MBA Marketing from Leicester University, UK



Amanda Larue

Position: Commercial Director

Nationality: Seychellois

Qualification:

- BSc in Marketing, University of Edith Cowan – Perth Western Australia)



Shirley Louise

Position: Human Resources Manager

Nationality: Seychellois

Qualification:

- BA (Hons) Human Resource Management from Southampton Solent University (UK)



Roland Kwasi Larbi Ofori

Position: Marketing and Innovation Director

Nationality: Ghanaian

Qualification:

- BSc in Electrical & Electronic Engineering (Knust)
- Certificate in Behavioural Sciences: Marketing, Finance & Economics – Yale School of Management
- MA in Business Administration – University of Ghana Business School

AUDIT COMMITTEE REPORT

We, the members of the Audit Committee, have:

1. reviewed the scope and planning of the audit requirements;
2. reviewed the external Auditors' Memorandum of Recommendations on Accounting Policies and Internal Controls together with Management Responses;
3. ascertained that the accounting and reporting policies of the Company for the year ended 30 June 2024 are in accordance with legal requirements and agreed ethical practices;
4. reviewed and discussed the operational risk landscape of the business; and
5. raised matters of operational, reputational and financial concerns to the main board as they emerged during the year.

In our opinion, the scope and planning of the audit for the year ended 30 June 2024 were adequate and the Management Responses to the Auditors findings were satisfactory.



Jean Weeling-Lee
Chairman, Audit Committee
Approved on 19 September 2024



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.

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.

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.

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

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

Figures in SCR'000	Notes	2024	2023
Gross sales	5	742,827	756,172
Excise duty		(174,655)	(177,834)
Net sales		568,172	578,338
Cost of sales	6	(314,814)	(305,760)
Gross profit		253,358	272,578
Operating and administrative expenses	6	(67,044)	(62,034)
Advertising and marketing costs	6	(40,213)	(36,459)
Other income/(expenses)	8	(8,271)	5,821
Operating profit		137,830	179,906
Finance income	9(a)	759	1,081
Finance costs	9(b)	(2,017)	(1,456)
Profit before income tax		136,572	179,531
Tax expense	10(a)	(45,581)	(57,331)
Profit and total comprehensive income for the year		90,991	122,200
Basic and diluted earnings per share - SCR	12	7.22	9.70

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

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024


Figures in SCR'000	Notes	2024	2023
ASSETS			
<i>Non-current assets</i>			
Property, plant and equipment	14	446,713	435,818
Intangible assets	15	1,752	2,689
Right-of-use assets	16(a)	12,051	16,627
Loan receivable	17	2,106	2,106
Total non-current assets		462,622	457,240
<i>Current assets</i>			
Inventories	18(a)	92,892	104,053
Current tax assets	10(c)	772	—
Trade and other receivables	19	98,225	74,240
Cash and cash equivalents		77,877	111,855
Total current assets		269,766	290,148
Total assets		732,388	747,388
EQUITY			
Share capital	13	63,000	63,000
Actuarial gains		500	500
Retained earnings		445,786	440,349
Total equity		509,286	503,849
LIABILITIES			
<i>Non-current liabilities</i>			
Deferred tax liabilities	20	68,785	50,317
Post-employment provision	21	26,626	23,860
Lease liabilities	16(b)	8,904	12,540
Total non-current liabilities		104,315	86,717
<i>Current liabilities</i>			
Trade and other payables	22	115,151	109,677
Lease liabilities	16(b)	3,636	4,250
Current tax liabilities	10(c)	—	42,895
Total current liabilities		118,787	156,822
Total liabilities		223,102	243,539
Total equity and liabilities		732,388	747,388

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



Mr. Anthony Smith
Director



Mr. Jean-Weeling Lee
Director


Mr. Rod Thorrington
Director


Ms. Nisreen Abdul Majid
Director


Mr. Andrew Ross
Director


Ms. Yvonne Mangi
Director


Mrs. Noel Goueth
Director

Approved on 19 September 2024

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

Figures in SCR'000	Share capital	Actuarial valuation gains	Retained earnings	Total equity
Balance at 1 July 2021	63,000	500	368,149	431,649
Total comprehensive income:				
Profit for the year	—	—	122,200	122,200
Total comprehensive income for the year	—	—	122,200	122,200
Transactions with owners of the company				
Special dividend for 2023 (Note 11)	—	—	—	—
Final dividend for 2022 (Note 11)	—	—	(50,000)	(50,000)
Total transactions with owners	—	—	(50,000)	(50,000)
Balance at 30 June 2023	63,000	500	440,349	503,849
Balance at 1 July 2023	63,000	500	440,349	503,849
Total comprehensive income:				
Profit for the year	—	—	90,991	90,991
Total comprehensive income for the year	—	—	90,991	90,991
Transactions with owners of the company				
Final dividend for 2023 (Note 11)	—	—	(85,554)	(85,554)
Total transactions with owners	—	—	(85,554)	(85,554)
Balance at 30 June 2024	63,000	500	445,786	509,286

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

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2024

Figures in SCR'000	Notes	2024	2023
Cash flows from operating activities			
Profit before tax		136,572	179,531
Adjustments for:			
Depreciation of property, plant and equipment	14	43,888	37,258
Exceptional impairment of property, plant and equipment	14	—	—
Depreciation of right-of-use assets	16(a)	4,576	2,357
Amortization of intangible assets	15	937	1,846
Tangible assets write off	14	117	1,966
Transfer of provision to property, plant and equipment	14	(1,128)	—
Released on right-of-use asset derecognition	16(a)	—	(110)
Foreign exchange movement on leases	16	(7)	—
Finance income	9(a)	(759)	(1,081)
Finance expense	9(b)	2,017	1,456
Post-employment benefits charge	21	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	9(b)	(2,017)	(1,456)
Interest received	9(a)	759	1,081
Tax paid	10(c)	(70,780)	(13,609)
Post employment benefits - paid	21	—	(16)
Net cash generated from operating activities		109,490	180,683
Cash flows from investing activities			
Acquisition of property, plant and equipment	14	(53,772)	(87,752)
Acquisition of intangible assets	15	—	—
Net cash used in investing activities		(53,772)	(87,752)
Cash flows from financing activities			
Repayment of principal portion of lease liabilities	16(b)	(4,243)	(2,084)
Dividends paid during the year	11	(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

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

NOTES TO THE FINANCIAL STATEMENTS

1. General information

Seychelles Breweries Limited is incorporated as a limited liability Company in under the Seychelles Companies Act 1972 and is domiciled in Seychelles. The address of its registered office and principal place of business is as follows:

Seychelles Breweries Limited, O Brien House,
PO Box 273,
Le Rocher,
Mahe, Seychelles.

Seychelles Breweries Limited is in the business of brewing beer and the manufacturer of mineral and aerated waters, cordials and alcoholic and non-alcoholic beverages. The Company also imports spirits which it supplies to the local market. There were no changes in these activities during the year under review.

For the Seychelles Companies Act 1972 reporting purposes, the Balance Sheet is represented by the Statement of Financial Position and the Profit and Loss Account by the Statement of Profit or Loss and Other Comprehensive Income, in these financial statements.

2. Material accounting policy information

a. Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with IFRS Accounting Standards and International Financial Reporting Interpretations Committee ("IFRIC"), interpretations issued and effective at the time of preparing these financial statements and the Seychelles Companies Act 1972 and Securities Act 2007.

The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Seychelles Rupees, which is the Company's functional and presentation currency.

These accounting policies are consistent with the previous period. Where necessary comparative figures have been adjusted to conform to changes in presentation in the current year.

b. Use of judgement and estimates

The preparation of financial statements requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

c. Revenue recognition

Revenue from contract with customers is recognised as or when performance obligations are satisfied by transferring control of a good or service to the customer. Transfer of control of goods occurs at the time of delivery. The Company's revenue is the net consideration to which it expects to be entitled, net of returns, trade discounts, taxes and volume rebates.

Revenue is recognised to the extent that it is highly probable that a significant reversal will not occur.

Generally, payment of the transaction price is due within credit period of between 14 to 30 days with no element of financing.

2. Material accounting policy information (continued)

c. Revenue recognition (continued)

It is the Company's policy to sell its products to the end customer with a right of return. Therefore, a refund liability (included in trade and other payables) and a right to the returned goods are recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level (expected value method). Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

d. Foreign currency translation

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Seychelles Rupees ("SCR"), by applying to the foreign currency amount the spot exchange rate at the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in the Statement of Profit or Loss, any exchange component of that gain or loss is recognised in the Statement of Profit or Loss.

Cash flows arising from transactions in a foreign currency are recorded in Seychelles Rupees by applying to the foreign currency amount the exchange rate between the Seychelles Rupee and the foreign currency at the date of the cash flow.

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency").

e. Property, plant and equipment

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses. Costs include expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Subsequent expenditure is capitalized only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Ongoing repairs and maintenance are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS (continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within “other income” in the Statement of Profit or Loss.

2. Material accounting policy information (continued)

e. Property, plant and equipment (continued)

Freehold land is not depreciated. Other property, plant and equipment are depreciated on a straight-line basis to estimated residual values over their expected useful lives, and these values and lives are reviewed each year.

Subject to these reviews, the estimated useful lives fall within the following ranges: buildings – 10 to 50 years; plant and equipment – 5 to 25 years; fixture and fittings – 5 to 10 years; and bottles and crates – 5 to 50 years.

Assets in the course of construction are carried at cost less any recognised impairment loss. Depreciation of those assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Reviews are carried out if there is an indication that assets may be impaired, to ensure that property, plant and equipment are not carried at above their recoverable amounts.

f. Intangible assets- Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of intangible asset from the date that they are available for use. The average estimated useful life is 9.3 years.

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized net within “other income” in the Statement of Profit or Loss.

g. Leases

On the commencement date of each lease (excluding leases with a term of 12 months or less on commencement and leases for which the underlying asset is of low value), the Company recognises a right-of-use asset and a lease liability.

The lease liability is measured at the present value of the lease payments that are not paid on that date. The lease payments include fixed payments, variable payments that depend on an index or a rate, amounts expected to be payable under residual value guarantees, and the exercise price of a purchase option if the Company is reasonably certain to exercise that option. The lease payments are discounted at the interest rate implicit in the lease. If that rate cannot be readily determined, the Company’s incremental borrowing rate is used.

For leases that contain non-lease components, the Company allocates the consideration payable to the lease and non-lease components based on their relative stand-alone components.

The right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability, any lease payments made on or before the commencement date, any initial direct costs incurred, and an estimate of the costs of restoring the underlying asset to the condition required under the terms of the lease.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Subsequently the lease liability is measured at amortised cost, subject to remeasurement to reflect any reassessment, lease modifications, or revised fixed lease payments.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, adjusted for any remeasurement of the lease liability. Depreciation is calculated using the straight-line method to write down the cost of each asset to its residual value over its estimated useful life. If ownership of the underlying asset is not expected to pass to the Company at the end of the lease term, the estimated useful life would not exceed the lease term.

For leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value, the total lease payments are recognized in the Statement of Profit or Loss on a straight-line basis over the lease period.

2. Material accounting policy information (continued)

h. inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the weighted average method and expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. The cost of finished goods and work in progress comprises an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

Inventories which are retained for more than one year are classified as current assets, as they are expected to be realised in the normal operating cycle.

i. Loan receivable

Loan receivable is a non-derivative financial asset with no fixed or determinable payments that are not quoted in an active market. It arose with the Company providing money directly to its related party with no intention of trading the receivable. They are included in non-current assets when maturity is greater than twelve months.

Loan receivable is initially measured at cost. Subsequent to initial measurement, loan receivable is carried at amortised cost using the effective interest rate method, net of provision for expected credit loss. The amount of expected credit loss is recognised in the Statement of Profit or Loss.

j. Trade and other receivables

Trade receivables are amounts due from customers for products sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are represented as non-current assets.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the customer and an analysis of the customer's current financial position, adjusted for factors that are specific to the customers, general economic conditions in which the customers operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

k. Cash and cash equivalents

Cash comprises of cash in hand and at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, against which bank overdrafts, if any, are deducted. The cash flow statement is prepared using the indirect method.

2. Material accounting policy information (continued)

i. Provisions

Provisions are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions would comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

m. Share capital and equity

Ordinary shares are classified as 'share capital' in equity. Any premium received over and above the par value of the shares is classified as 'share premium' in equity.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised by the proceeds received, net of direct issue costs.

n. Trade and other payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

The Company charges its customers refundable deposits on glass bottles and crates. The liabilities for returnable deposits are disclosed under Current liabilities in the Statement of Financial Position.

o. Employee benefits

i. Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a **result of past performance**.

ii. Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected unit credit method.

Actuarial valuations are conducted after every three years by independent actuaries separately for each plan.

Consideration is given to any event that could impact the funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Past service costs are recognised immediately to the extent that the benefits are already vested, and are otherwise amortised on a straight line basis over the average period until the amended benefits become vested.

Actuarial gains and losses are recognised in the year in which they arise, in other comprehensive income.

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset.

2. Material accounting policy information (continued)

o. Employee benefits (continued)

iii. Defined benefit plans

The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In the Statement of Profit or Loss, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The amount recognised in the Statement of Financial Position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs, and reduces by the fair value of plan assets. This is wholly unfunded for the Company.

Any asset is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reduction in future contributions to the plan.

iv. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions to the Seychelles Pension Fund and the Company has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Statement of Profit or Loss in the periods during which services are rendered by employees.

p. Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the amount of tax payable on the taxable profit for the year determined in accordance with the relevant tax legislation and any adjustments to tax payable or receivable in respect to previous years. The current tax charge is calculated on the basis of the tax rates enacted or substantively enacted at the reporting date.

Deferred tax is measured using tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

NOTES TO THE FINANCIAL STATEMENTS (continued)

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Withholding tax that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

q. Dividends

Dividends on ordinary shares are charged to equity in the period in which they are declared. Dividend payable is recognised as a liability in the period in which they are declared and the shareholders right to receive payment has been established.

r. Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported on the Statement of Financial Position when there is a legally enforceable right to set-off the recognised amount and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2. Material accounting policy information (continued)

s. Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Classification

The Company classifies its financial instruments into the following categories:

- i) Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows, and for which 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, are classified and measured at amortised cost;
- ii) Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and for which 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, are classified and measured at fair value through Other Comprehensive Income;
- iii) All other financial assets are classified and measured at fair value through profit or loss.
- iv) Not with standing the above, the Company may:
 - a) On initial recognition of an equity investment that is not held for trading, irrevocably elect to classify and measure it at fair value through other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (continued)

- b) On initial recognition of a debt instrument, irrevocably designate it as classified and measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency.
- v) Financial liabilities that are held for trading (including derivatives), financial guarantee contracts, or commitments to provide a loan at a below-market interest rate are classified and measured at fair value through profit or loss. The Company may also, on initial recognition, irrevocably designate a financial liability as at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency.
- vi) All other financial liabilities are classified and measured at amortised cost.

Financial instruments held during the year were classified as follows:

- Demand and term deposits with banking institutions, trade and other receivables and balances with related parties. These were classified as at amortised cost.
- Borrowings and trade and other liabilities. These were also classified as at amortised cost.

Initial measurement

On initial recognition:

- i) Financial assets or financial liabilities classified as at fair value through profit or loss are measured at fair value.
- ii) Trade receivables are measured at their transaction price.
- iii) All other categories of financial assets and financial liabilities are measured at the fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the instrument.

Subsequent measurement

Financial assets and financial liabilities after initial recognition are measured either at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss according to their classification.

Interest income, dividend income, and exchange gains and losses on monetary items are recognised in profit or loss.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial asset have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. A financial liability is derecognised when it is extinguished, cancelled or expires.

Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported on the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

t. Impairment of assets

Impairment of non-financial assets

The Company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in the Statement of Profit or Loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

The Company assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

Impairment of financial assets - Expected credit loss

Critical estimates are made by the Directors in determining the recoverable amount of receivables. The carrying amount of receivables is set out in Note 4.

In the process of applying the Company's accounting policies, management has made judgements in determining:

- The classification of financial assets and leases;
- Whether assets are impaired.

2. Material accounting policy information (continued)

u. Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Expected to be realised within twelve months after the reporting period; or
- Cash and cash equivalents unless restricted from being exchanged or available to be settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

v. Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating- decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Exco that makes strategic decisions.

Seychelles is the Company's primary geographical segment as 100% of the Company's revenue is earned from sales in Seychelles.

Internally, segmental information regarding business segments is only available on the basis of revenue, and not operating profit as required by IFRS 8. All of the Company's revenue is derived from sale of similar products with similar risks and returns.

The Company is unable to identify with sufficient accuracy reportable segments, thus no further business or geographical segment information will be reported.

2. Material accounting policy information (continued)

w. New and amended standards and interpretations

New and amended standards adopted by the Company

The following standards and amendments have been applied by the Company for the first time for the financial year beginning 1 July 2023:

Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets to the extent that it is probably that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in the retained earnings, or another component of equity, as appropriate.

The application of the amendments had no material impact on the financial statements of the Company.

Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies

The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting disclosures.

The application of the amendments had no material impact on the financial statements of the Company.

Amendments to IAS 8: Definition of Accounting Estimates

The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

NOTES TO THE FINANCIAL STATEMENTS (continued)

The application of the amendments had no material impact on the financial statements of the Company.

x. Standards and interpretations not yet effective

Amendments to IAS 1 - Non-current liabilities with covenants

The amendments to IAS 1 - Non-current liabilities with covenants clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

The effective date of the amendment is 1 January 2024.

The Directors of the Company do not anticipate that the application of the amendments in the future will have a material impact on the financial statements of the Company.

2. Material accounting policy information (continued)

x. Standards and interpretations not yet effective (continued)

Amendment to IFRS 16 – Leases on sale and leaseback

The amendments to IFRS 16 – Leases on sale and leaseback include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

The effective date of the amendment is 1 January 2024.

The Directors of the Company do not anticipate that the application of the amendments in the future will have a material impact on the financial statements of the Company.

Amendments to Supplier Finance Arrangements (IAS 7 and IFRS 7)

The amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

The effective date of the amendment is 1 January 2024.

The Directors of the Company do not anticipate that the application of the amendments in the future will have a material impact on the financial statements of the Company.

Amendments to IAS 21 Lack of Exchangeability

An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

NOTES TO THE FINANCIAL STATEMENTS (continued)

The effective date of the amendment is 1 January 2025.

The Directors of the Company do not anticipate that the application of the amendments in the future will have a material impact on the financial statements of the Company.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expected future events that are believed to be reasonable under the circumstances.

The Company 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 addressed below.

Estimating variable consideration for returns

The Company estimates variable consideration to be included in the transaction price for the sale of goods where customers are entitled to a right of return within a specified time frame. The Company uses the expected value method for forecasting sales returns which is based on historical return data. Any significant changes in experience as compared to historical return patterns will impact the expected return percentages estimated by the Company. Because the number of products return has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur.

Leases – Estimating the incremental borrowing rate

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 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 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 Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Expected credit loss (ECL)

The Company has established a provision matrix that is based on historical credit loss experience and applicable credit insurance/cover, adjusted for forward looking factors specific to trade and other receivables and the economic environment. At each reporting period, the historical observed default rates are updated and changes in forward looking estimates are analysed. The assessment of historical observed default rates and forward looking factors require significant judgement and estimates. The Company's historical credit loss experience and forecast economic conditions may therefore not be representative of the actual default in the future.

Taxes

The Company is subject to taxes in Seychelles. Significant judgment is required in determining the Company's provision for taxes. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

3. Critical accounting estimates and judgements (continued)

Impairment of non-financial assets

Non-financial assets are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic unit, the viability of that unit itself.

Future cash flows expected to be generated by the assets or cash-generating units are projected, taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value.

Asset lives and residual values

Non-financial assets are depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets. Non-financial assets are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Company would currently obtain from the disposal of the asset, if the asset were already of the age and in condition expected at the end of its useful life.

Retirement benefit obligations

The cost of defined benefit pension plans has been determined using Actuarial Valuation and the Directors have estimated that the amount of liability provided will not be materially different had it been computed by using the method as per the Seychelles Employment Act.

Going concern

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern for at least twelve months from the date of this statement. The financial statements have been prepared on a going concern basis.

Limitation of sensitivity analysis

Sensitivity analysis demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Company's assets and liabilities are actively managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Company's views of possible near-term market changes that cannot be predicted with any certainty.

4. Financial risk management policies and objectives

Overview

The Company's activities expose it to a variety of financial risks:

- a. Credit risk
- b. Liquidity risk
- c. Market risk

This note presents information about the Company's exposure to financial risks, the Company's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Company's Board of Directors has overall responsibility for establishment and oversight of the Company's risk management framework. An audit committee of the board is responsible for monitoring the Company's risk management policies and operation of controls to manage risks, the committee reports to the Board of Directors on its activities.

The Company has established a risk and compliance function which carries out regular and ad hoc review of risk management controls and procedures. The results are reported to senior management.

a. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, have less influence on credit risk.

The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company review includes ratings, where available, and in some cases bank references. Credit limits are established for each customer, maturity and existence of previous financial difficulties.

In monitoring customer credit risk, customers are classified according to their credit characteristics, including whether they are an individual or legal entity, whether they are a wholesale, retail or end-user customer, maturity and existence of previous financial difficulties.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the customer and an analysis of the customer's current financial position, adjusted for factors that are specific to the customers, general economic conditions in which the customers operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The allowance for credit losses was estimated to be immaterial, hence no adjustment was made as at 30 June 2024 (2023: Nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Financial risk management policies and objectives (continued)

a. Credit risk (continued)

The maximum exposure to credit risk at the reporting date was:

Figures in SCR'000	2024	2023
Trade receivables (Note 19)	75,398	53,637
Receivables from related companies (Notes 19 and 23)	3,013	7,086
Other receivables (Note 19)	12,762	11,759
Cash and cash equivalents	77,877	111,855
Loan receivable (Note 17)	2,106	2,106
	171,156	186,443

The ageing of trade receivables and other receivables at the reporting date was:

Figures in SCR'000	Gross	Impaired	Net
2024			
Current	88,160	—	88,160
Trade and other receivables	88,160	—	88,160
2023			
Current	65,396	—	65,396
Trade and other receivables	65,396	—	65,396

The ageing of receivables from related companies at the reporting date was:

Figures in SCR'000	2024	2023
Current	604	3,320
0-30 days	—	3,766
31-60 days	—	—
61-90 days	—	—
91+ days	2,409	—
Receivables from related companies (Note 23(b))	3,013	7,086

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Financial risk management policies and objectives (continued)

b. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as and when they fall due. The Company manages liquidity risk by maintaining adequate reserves and continuously monitoring forecast and actual cash flows.

The following are the contractual maturities of financial liabilities.

Figures in SCR'000	Carrying amount	Current	0-90 days	91-120 days	121 - 365 days	365+ days
2024						
Related party payables (Note 23(b))	12,704	12,704	—	—	—	—
Trade and other payables (Note 22)	102,447	102,447	—	—	—	—
- Trade payables	38,171	38,171	—	—	—	—
- Other payables	64,276	64,276	—	—	—	—
Lease liabilities	13,607	4,142	—	—	—	9,465
Total financial liabilities	128,758	119,293	—	—	—	9,465
2023						
Related party payables (Note 23(b))	2,353	1,404	949	—	—	—
Trade and other payables (Note 22)	107,324	76,137	30,415	772	—	—
- Trade payables	31,187	—	30,415	772	—	—
- Other payables	76,137	76,137	—	—	—	—
Total financial liabilities	128,232	82,488	31,364	772	—	13,608

c. Market risk

Market risk is the risk where changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign exchange risk

The Company's currency risk arises mainly from purchases denominated in currencies other than Seychelles Rupees and to a small extent from receipts denominated in foreign currencies. The Company is exposed to currency risk due to high dependency on import of raw material and expertise. The Company's exposure to the foreign currency risk was as follows in notional terms.

	Cash and cash equivalent	Debtors	Creditors	Net
2024				
American Dollar	75	—	(1,941)	(1,866)
British Pound	—	3	(1,375)	(1,372)
Euro	142	—	(625)	(483)
2023				
American Dollar	260	81	(1,932)	(1,592)
British Pound	—	—	(679)	(679)
Euro	57	—	(945)	(888)

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Financial risk management policies and objectives (continued)

c. Market risk (continued)

The following significant exchange rates applied during the year:

	2024		2023	
	Average rates	Closing rates	Average rates	Closing rates
American Dollar	13.77	14.17	13.49	13.71
British Pound	17.32	17.90	16.19	17.28
Euro	14.88	15.16	14.08	14.77

Sensitivity analysis on foreign currency risk:

A 5 percent strengthening of the Seychelles Rupee against the above currencies at 30 June would have increased post-tax profit by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remains constant. The analysis is performed on the same basis for 2023.

Figures in SCR'000	2024	2023
(Decrease)/Increase on Statement of Profit or Loss		
American Dollar	1,375	1,269
British Pound	1,228	587
Euro	474	698
Other	2,816	99
Total	5,893	2,653

A 5 percent weakening of the Seychelles Rupees against the above currencies at 30 June would have had an equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as total shareholders' equity.

Capital management

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

Fair value estimation

At 30 June 2024, the Company did not have any financial instruments measured at fair value (2023 - Nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. Revenue

Figures in SCR'000					
	Spirits	Beer	Ready to drink	Other	Total
2024					
Sales	41,595	427,268	50,573	223,393	742,829
2023					
Sales	30,369	452,418	56,942	216,443	756,172

*Seychelles is the Company's primary and only geographical segment as 100% of the Company's revenue is earned from sales in Seychelles. All of the Company's revenue is derived from sale of similar products with similar risks and returns. Accordingly, no further business or geographical segment information is reported.

6. Expenses by nature

Figures in SCR'000	2024	2023
Raw materials and consumables	123,149	119,911
Repairs and maintenance of property, plant and equipment	43,070	39,059
Utilities	30,402	32,198
Royalties and technical services fees	5,976	9,368
Personnel costs (Note 7(a))	78,395	74,443
Directors' remuneration (Note 23(c))	6,584	11,624
Auditor's remuneration	315	350
Advertising and marketing costs	40,213	36,459
Distribution and warehousing costs	14,715	13,262
Depreciation of property, plant and equipment (Note 14)	43,888	37,258
Amortization of intangible assets (Note 15)	937	1,846
Depreciation of right-of-use assets (Note 16)	4,576	2,357
Travelling and entertainment	1,599	2,786
IT systems	13,122	13,670
Other costs	15,130	9,662
	422,071	404,253
<i>Represented by:</i>		
Cost of sales	314,814	305,760
Operating and administrative expenses	67,044	62,034
Advertising and marketing costs	40,213	36,459
	422,071	404,253

7. Personnel costs

a. The following items are included within personnel costs:

Figures in SCR'000	2024	2023
Salaries and wages	59,068	52,414
Post-employment plan service costs (Note 21)	1,523	1,842
Other staff related costs	17,804	20,187
	78,395	74,443

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Personnel costs (continued)

b. The average number of persons employed during the year:

Number of employees	2024	2023
Operations and Technical	129	128
Sales and Marketing	23	18
Finance, IT and Human Resources	11	11
Administration	4	9
	167	166

c. Average number of employees of the Company as at 30 June, whose duties were wholly or mainly discharged in Seychelles, received annual remuneration (excluding certain benefits) in the following ranges:

Number of employees	2024	2023
Below 100,000	1	8
SCR 100,001 - SCR 200,000	89	80
SCR 200,001 - SCR 400,000	55	58
SCR 400,001 - SCR 600,000	16	11
SCR 600,001 - SCR 800,000	1	1
SCR 800,001 - SCR 1,000,000	2	3
SCR 1,000,001 - SCR 1,200,000	2	4
SCR 1,200,001 - SCR 1,400,000	—	—
SCR 1,400,001 - SCR 1,600,000	1	—
SCR 1,600,001 - SCR 1,800,000	—	—
SCR 1,800,001 - SCR 2,000,000	—	—
SCR 2,000,001 and above	—	1
	167	166

8. Other (expenses)/income

Figures in SCR'000	2024	2023
Transactional foreign exchange gain/(loss)	(4,379)	24,004
Other miscellaneous income	(463)	10,460
Exceptional impairment (Note 14)	—	—
Unrealised foreign exchange (loss)/gain	(3,093)	(13,450)
Tangible assets write-off (Note 14)	(117)	(1,966)
Returnable packaging deposit liabilities adjustment	—	(13,227)
	(8,271)	5,821

NOTES TO THE FINANCIAL STATEMENTS (continued)

9 (a). Finance income

Figures in SCR'000	2024	2023
Interest received on cash accounts	759	1081

9 (b). Finance expense

Figures in SCR'000	2024	2023
Interest on overdraft	(76)	—
Interest on indirect taxes	(175)	—
Interest on post-employment plan liabilities (Note 21)	(1,068)	(1,068)
Interest on leases (Note 16(b))	(698)	(388)
	(2,017)	(1,456)

10. Current tax

(a) Figures in SCR'000	2024	2023
<i>Amounts recognized in income statement:</i>		
Business tax for the current year at applicable rate	27,113	64,530
Corporate Social Responsibility tax for the current year (0.50%)	—	—
Tax charge for the year	27,113	64,530
Deferred tax movement (Note 20)	18,468	(7,199)
Total tax expense for the year	45,581	57,331

(b) Reconciliation of effective tax rate

The tax on the Company's profit before tax differs from the theoretical amount that would arise tax rate as follows:

Figures in SCR'000	2024	2023
Profit before tax	136,572	179,531
Tax calculated at tax rate	44,989	59,165
Adjustments for:		
- Items not deductible for tax purposes	21,253	52,635
- Items not subject to tax	(39,129)	(47,270)
Income tax expense	27,113	64,530
Effective tax rate	20%	36%

(c) Tax recoverable/(payable)

Figures in SCR'000	2024	2023
Opening balance	(42,895)	8,026
Tax paid	70,780	13,609
Tax charge for the year (Note 10(a))	(27,113)	(64,530)
Closing balance	772	(42,895)

(d) Business tax rate:

The applicable business tax rates used for tax calculation is 25% on the first SCR 1,000,000 and 33% on the rest of the taxable income. Deferred tax is calculated at 33%.

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. Dividend

The Directors recommend the payment of final dividend of SCR 85,540,000 for the year ended 30 June 2024 by 13th December 2024 (2023 final dividend: SCR 85,540,000), which represents a dividend of SCR 6.79 per ordinary share (2023: SCR 6.79).

Payment of dividends is subject to withholding tax at a rate of either 0%, 5% or 15% depending on shareholding and/or the residence of the respective shareholders.

12. Earnings per share

Basic earnings per share of SCR 7.22 (2023: SCR 9.70) is based on a profit of SCR 90,991,000 (2023: SCR 122,200,000) attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding during the year ended 30 June 2024 of 12,600,000 (2023: 12,600,000). There are no dilutive shares.

13. Share capital

	Number of shares	Share Capital SCR '000
2024		
Authorised, issued and fully paid		
Balance as at 30 June 2024	12,600,000	63,000
2023		
Authorised, issued and fully paid		
Balance as at 30 June 2023	12,600,000	63,000

The total authorised number of ordinary shares is 12,600,000 with a par value of SCR 5.00 per share.

The Holders of ordinary shares are entitled to receive dividend as it is declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.



NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Property, plant and equipment

Figures in SCR'000	Bottles & crates	Freehold land & buildings	Plant & equipment	Fixture & fittings	Capital work in progress	Total
Cost						
At 1 July 2022	67,415	47,186	443,245	3,851	29,679	591,376
Additions	3,609	5,953	29,944	—	48,246	87,752
Write-off (Note 8)	(55,233)	—	(22,544)	—	—	(77,777)
Transfers	542	4,326	16,631	—	(21,499)	—
At 30 June 2023	16,333	57,465	467,276	3,851	56,426	601,351
At 1 July 2023	16,333	57,465	467,276	3,851	56,426	601,351
Additions	7,787	9,109	18,197	—	18,679	53,772
Write-off (Note 8)	—	—	(373)	(9)	—	(382)
Transfer from provision	—	—	—	—	1,128	1,128
Transfers	7,441	8,026	34,055	—	(49,522)	—
At 30 June 2024	31,561	74,600	519,155	3,842	26,711	655,869

Accumulated depreciation and impairment

At 1 July 2022	49,923	12,302	138,222	3,639	—	204,086
Charge for the year (Note 6)	5,989	2,438	28,797	34	—	37,258
Write-off adjustment (Note 8)	(51,936)	—	(23,875)	—	—	(75,811)
At 30 June 2023	3,976	14,740	143,144	3,673	—	165,533
At 1 July 2023	3,976	14,740	143,144	3,673	—	165,533
Charge for the year (Note 6)	8,684	3,204	31,967	33	—	43,888
Write-off adjustment (Note 8)	—	—	(257)	(8)	—	(265)
At 30 June 2024	12,660	17,944	174,854	3,698	—	209,156

Net book value

At 30 June 2023	12,357	42,725	324,132	178	56,426	435,818
At 30 June 2024	18,901	56,656	344,301	144	26,711	446,713

15. Intangible assets

Figures in SCR'000	2024	2023
Cost		
Balance at 1 July	14,451	14,451
Additions	—	—
Reclassification (Note 14)	—	—
Balance at 30 June	14,451	14,451
Amortization		
Balance at 1 July	11,762	9,916
Charge for the year (Note 6)	937	1,846
Balance at 30 June	12,699	11,762
Carrying amount	1,752	2,689

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. Leases

(a) Right-of-use assets

The Company leases residential buildings and motor vehicles. The leases of motor vehicles are mainly for 5 years with an option to renew. The Directors are not reasonably certain that the option to renew the lease would be exercised at the expiry of the lease. The option has therefore not been considered in determining the life of the lease. The leases of residential buildings are on a 2 years term.

	Buildings	Motor vehicles	Total
Cost	SCR '000	SCR '000	SCR '000
At 1 July 2022	—	—	—
Additions	1,676	17,198	18,874
At 30 June 2023	1,676	17,198	18,874
At 1 July 2023	1,676	17,198	18,874
Derecognition/write-off	(649)	—	(649)
At 30 June 2024	1,027	17,198	18,225

Accumulated depreciation

At 1 July 2022	—	—	—
Depreciation charge (Note 6)	(548)	(1,809)	(2,357)
Derecognition	—	110	110
At 30 June 2023	(548)	(1,699)	(2,247)
At 1 July 2023	(548)	(1,699)	(2,247)
Depreciation charge (Note 6)	(867)	(3,709)	(4,576)
Released on derecognition	649	—	649
At 30 June 2024	(766)	(5,408)	(6,174)
Carrying amount			
At 30 June 2023	1,128	15,499	16,627
At 30 June 2024	261	11,790	12,051

(b) Lease liabilities

Figures in SCR'000	2024	2023
At 1 July	16,790	—
Additions	—	18,874
Interest expense on leases (Note 9(b))	698	388
Payment of lease liabilities:		
- Repayment of the principal portion of the lease liability	(4,243)	(2,084)
- Interest paid on lease liabilities	(698)	(388)
Foreign exchange movement on leases	(7)	—
At 30 June	12,540	16,790

Classification of lease liabilities

Current lease liabilities	3,636	4,250
Non-current lease liabilities	8,904	12,540
Total lease liabilities	12,540	16,790

NOTES TO THE FINANCIAL STATEMENTS (continued)

16. Leases (continued)

(c) The following amounts are recognised in the Statement of Profit and Loss

Figures in SCR'000	2024	2023
Depreciation of right-of-use assets (Note 6)	4,576	2,357
Interest expense on lease liabilities (Note 9 (b))	698	388
Total	5,274	2,745

The Company had total cash outflows for leases of SCR 4.243 million in 2023 (2023: 2.472 million).

17. Loan receivable

Figures in SCR'000	2024	2023
Parcel C2172, situated at Pointe Aux Sel, Mahe	2,106	2,106
Carrying value	2,106	2,106

The loan relates to an amount advanced to Seybrew Property Management Limited in previous years and it is unsecured, interest free and has no definite terms of repayment. It is denominated in Seychelles Rupee and is assumed to approximate its fair value. Based on Directors' opinion, this amount has been classified as a non-current asset and the Directors are of the opinion that no impairment is required at 30 June 2024 (2023: Nil).

18. Inventories

(a) Figures in SCR'000	2024	2023
Raw materials and consumables	34,080	42,672
Work in progress	6,460	4,836
Finished goods	27,895	33,296
Engineering spares	30,517	30,375
Less provision for obsolete stock (Note 18 (c))	(6,060)	(7,126)
	92,892	104,053

(b) The cost of inventories recognised as expense and included in cost of sales amounted to SCR 123.15 million (2023: SCR 119.91 million) as shown on Note 6.

(c) The movement in obsolete stock is as follows:	2024	2023
Figures in SCR'000		
At 1 July	(7,126)	8,741
Addition	—	421
Release	1,066	(2,036)
At 30 June	(6,060)	7,126

19. Trade and other receivables

Figures in SCR'000	2024	2023
Trade receivables	75,398	53,637
Receivables from related companies (Notes 4(a) and 23(b))	3,013	7,086
Other receivables (Note 4)	19,545	11,759
Prepayments	269	1,758
	98,225	74,240

Provision for expected credit loss on trade receivables is detailed in Note 4(a).

NOTES TO THE FINANCIAL STATEMENTS (continued)

20. Deferred tax

The movement on the deferred tax account is as follows:

Figures in SCR'000	2024	2023
At 1 July	(50,317)	(57,516)
Credit/(Charge) to Statement of Profit or Loss (Note 10)	(18,468)	7,199
At 30 June	(68,785)	(50,317)

The deferred tax assets and the deferred tax liability relate to business tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Figures in SCR'000	2024	2023
At 1 July	(50,317)	(57,516)
Taxable / (deductible) temporary difference on:		
- compensation provisions	913	2,632
- movement on leave provision	11	105
- movement on stock provisions	481	(808)
- movement on tangible fixed assets	(11,353)	(10,388)
- movement on engineering spares	(833)	1,137
- movement on exchange gains/losses	(7,795)	14,467
- movement on leases	108	54
Movement charged to the Statement of Profit or Loss	(18,468)	7,199
Change in temporal difference at old rate	18,797	(6,109)
Impact of change in tax rate	(11,598)	—
At 30 June	(68,785)	(50,317)



NOTES TO THE FINANCIAL STATEMENTS (continued)

20. Deferred tax (continued)

Deferred tax assets and liabilities, deferred tax charge/(credit) in the Statement of Profit or Loss, and deferred tax charge/(credit) in equity are attributable to the following items:

Figures in SCR'000	At 1 July	Movement in temporal difference	Impact of change in tax rate	At 30 June
Year ended 30 June 2024:				
<i>Deferred tax liabilities</i>				
Property, plant and equipment on historical cost basis	(68,250)	6,058	(16,446)	(79,497)
Unrealised exchange gains/losses	—	7,219	—	(548)
Right-of-use assets	(5,487.00)	4,197	(9,684)	(3,977)
	(68,250)	17,474	(26,130)	(84,022)
<i>Deferred tax assets</i>				
Stock provision	188	(954)	146	567
Exchange losses	7,248	5,391	1,857	—
Retirement benefit provision	7,874	624	2,008	8,787
Leave provision	405	(93)	198	415
Engineering Spares provision	2,164	512	625	1,330
Lease liabilities	5,541	(4,157)	9,698	4,138
Total deferred tax assets	23,420	1,323	14,532	15,237
Net deferred tax	(44,830)	18,797	(11,598)	(68,785)
Year ended 30 June 2023:				
<i>Deferred tax liabilities</i>				
Property, plant and equipment on historical cost basis	(57,862)	(10,388)	—	(68,250)
Unrealised exchange gains/losses	(7,219)	7,219	—	—
	(65,081)	(6,335)	—	(73,737)
<i>Deferred tax assets</i>				
Stock provision	996	808	—	188
Retirement benefit provision	5,242	2,632	—	7,874
Interest and penalty provision	—	—	—	—
Engineering Spares provision	300	105	—	405
Lease liabilities	1,027	1,137	—	2,164
Total deferred tax assets	7,565	226	—	17,879
Net deferred tax	(57,516)	(6,109)	—	(55,858)

21. Post employment benefits - Defined benefit plan

The defined benefit plan, to which 100% of employees belong (2023: 100%), consists of two separate defined benefit plans, namely:

- The Seychelles Breweries Limited Gratuity plan.
- Compensation Plan in terms of the Seychelles Employment Act.

This plan is wholly financed by the Company, and the plan has no assets.

The actuarial valuation determined the present value of the defined benefit obligation based on the following key assumptions. No further recommendations have been made by the actuaries, the Company is currently in a position to fund the current portion of this liability as and when it becomes due in the ordinary course of business.

NOTES TO THE FINANCIAL STATEMENTS (continued)

21. Post employment benefits - Defined benefit plan (continued)

Figures in SCR'000	2024	2023
Movement:		
Opening balance	(23,860)	(20,966)
Benefits paid	—	16
Post-employment plan liabilities service cost (Note 7 (a))	(1,523)	(1,842)
Interest on post-employment plan liabilities (Note 9 (b))	(1,243)	(1,068)
Present value of the defined benefit obligation-wholly unfunded	(26,626)	(23,860)
Key assumptions:		
Assumptions used on valuation		
- Discount rates used	5.5%	5.5%
- Expected increase in salaries	5.0%	5.0%
- Inflation	3.0%	3.0%

22. Trade and other payables

Figures in SCR'000	2024	2023
Trade payables	38,171	31,187
Payables to related companies (Notes 4(b) and 23(b))	12,704	2,353
Other payables and accrued expenses	64,276	76,137
	115,151	109,677

23. Related party transactions

a. Parent and ultimate controlling entity

Related party includes parent and ultimate controlling Company, Diageo PLC. and other Diageo group entities. Directors, their close family members and any employees who are able to exert significant influence on the operating policies of the Company are considered related parties.

Key management personnel are also regarded as related parties. Key management are those persons having authority for planning, directing and controlling the activities of the entity, directly or indirectly, including Director (whether executive or otherwise) of that entity.

As at 30 June 2024, Guinness Overseas Limited, Diageo Holdings Netherlands BV, Seychelles Pension Fund and other shareholders owned 30.00% (2023: 30.00%), 24.40% (2023: 24.40%), 26.31% (2023: 26.31%) and 19.29% (2023: 19.29%) respectively of the issued share capital of the Company.

NOTES TO THE FINANCIAL STATEMENTS (continued)

23. Related party transactions (continued)

b. Transactions with related companies

The Company has transactions with its parent and related parties which are related by virtue of being members of the Diageo group. The total amounts due to related companies by nature of the transactions are shown below:

Figures in SCR'000	Transaction value		Balance due (to)/from	
	2024	2023	2024	2023
Purchase of goods and services	(33,467)	(58,180)	(12,704)	(1,719)
Sale of goods and services	288	7,366	3,013	7,086
Royalties and technical services fees	(2,665)	(2,914)	(702)	(634)
	(35,844)	(53,728)	(10,393)	4,733
Receivable from related companies (Notes 4a & 19)			3,013	7,086
Payable to related companies (Notes 4b & 22)			(12,704)	(2,353)
Net receivable/(payable)			(10,393)	4,733

There were no related party loans and finance costs as at 30 June 2024 (2023: Nil).

c. Directors' Remuneration (Note 6)

Except for payment of the below fees, none of the Directors received any emoluments during the year.

Figures in SCR'000	2024	2023
Y. Mwangi	2,639	—
C. Neiland	1,113	9,389
N. Goueth	2,588	845
D. Dutt	—	1,146
R. Thorrington	117	117
J.G. Weeling-Lee	127	127
	6,584	11,624

24. Contingent liabilities

There was no potential exposure since there were no legal cases against the Company (2023: Nil)

25. Capital commitments

Capital expenditure contracted for at the reporting date but not recognised in the financial statements is as follows:

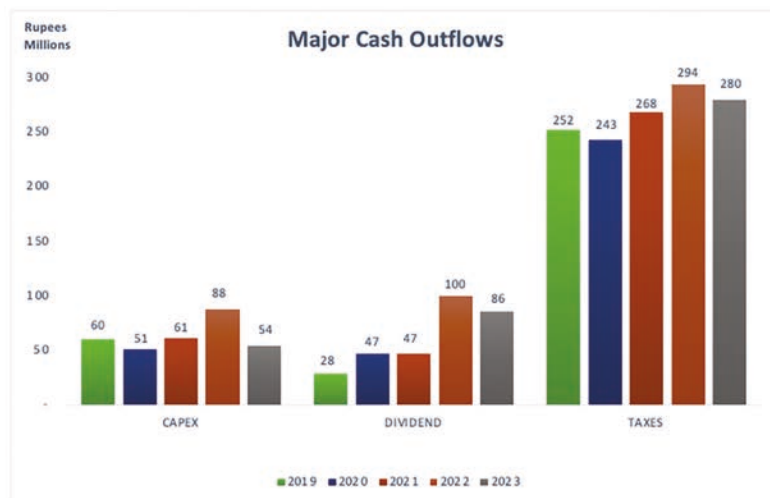
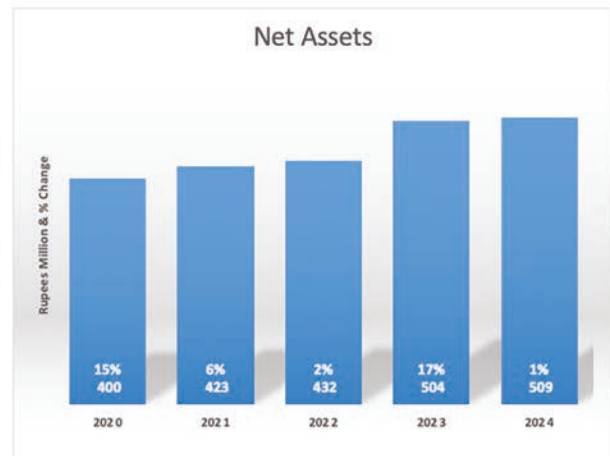
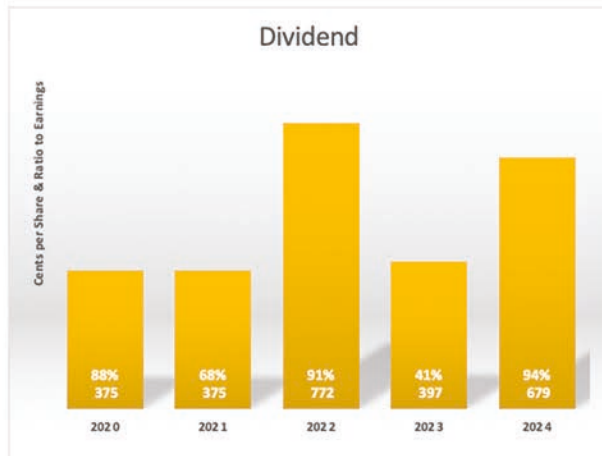
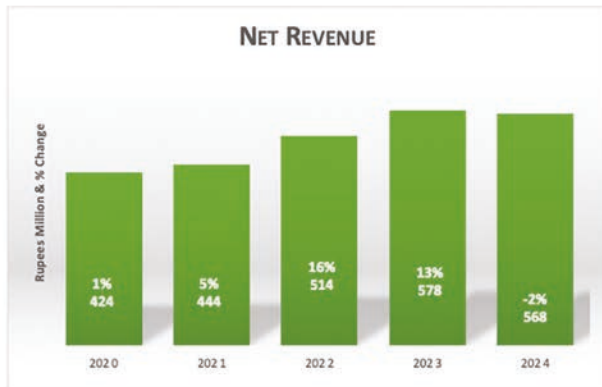
Figures in SCR'000	2024	2023
Approved and not contracted for	16,579	31,258
Approved and contracted for	3,480	25,726
Capital expenditure	20,059	56,984

NOTES TO THE FINANCIAL STATEMENTS

26. Financial summary

Figures in SCR'000	Year to 30 June 2024	Year to 30 June 2023	Year to 30 June 2022	Year to 30 June 2021	Year to 30 June 2020
Statement of Profit or Loss and Other Comprehensive Income					
Net sales	568,172	578,338	513,847	443,946	424,441
Profit before taxation	136,572	179,531	142,459	94,514	112,827
Total comprehensive income	90,991	122,200	106,378	69,404	81,902
Dividends declared/proposed	85,554	50,000	97,250	47,250	28,350
Basic and diluted earnings per share	7.22	9.70	8.44	5.51	6.50
Declared/proposed dividend per share	6.79	3.97	7.72	3.75	3.75
Statement of Financial Position					
Share Capital	63,000	63,000	63,000	63,000	63,000
Actuarial valuation gain	500	500	500	500	500
Retained earnings	445,786	440,349	368,149	359,021	336,867
Shareholders' funds	509,286	503,849	431,649	422,521	400,367
Property, plant and equipment	446,713	435,818	387,290	378,845	358,609
Intangible assets	1,752	2,689	4,535	5,028	6,658
Right of use assets	12,051	16,627	—	2,795	5,302
Loan receivable	2,106	2,106	2,106	2,106	2,106
Inventory	92,892	104,053	97,350	86,579	55,982
Trade and other receivables	98,225	74,240	47,607	53,541	42,897
Current tax recoverable	772	—	8,025	28,170	20,976
Cash and cash equivalents	77,877	111,855	120,381	35,808	72,667
Current tax payable	—	(42,895)	—	—	—
Lease liabilities	(12,540)	(16,790)	—	(3,194)	(5,778)
Trade and other liabilities	(115,151)	(109,677)	(157,163)	(96,990)	(100,544)
Post-employment provision	(26,626)	(23,860)	(20,966)	(18,760)	(18,614)
Deferred tax liabilities	(68,785)	(50,317)	(57,516)	(51,407)	(39,894)
Net Assets	509,286	503,849	431,649	422,521	400,367

GRAPHS TO FINANCIAL SUMMARY



DISTRIBUTION OF WEALTH STATEMENT

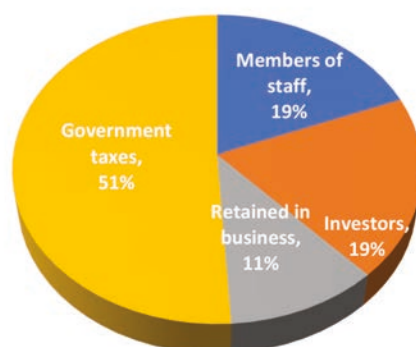
The statement shows how wealth created by the Company during the financial year goes back, directly or indirectly, in to the Seychelles economy. The calculation also takes into account the portion retained for the replacement and expansion of the assets employed by the Company.

Figures in SCR'000	2024	2023
Turnover	742,827	756,172
Paid to suppliers for materials and services	(277,003)	(263,127)
Other income and expenses	(8,271)	5,821
Finance costs	(2,017)	(1,456)
Total wealth created	455,536	497,410

Wealth distributed as follows:

To Employees & Directors				
Salaries, wages, remuneration, bonuses, pensions and other benefits	84,979	19 %	86,067	17 %
To providers of Capital				
Dividends declared	85,554	19 %	50,000	10 %
To Government				
Trade tax	174,462		177,868	
Company tax	45,581		57,331	
Import duties	13,698		14,840	
	233,741	51 %	250,039	51 %
Retained in business				
For replacement of property, plant and equipment	43,888		37,258	
For replacement of intangible assets	937		1,846	
Net change in retained earnings	5,437		72,200	
	50,262	11 %	111,304	22 %
Total wealth distribution and retained	455,536	100 %	497,410	100 %

DISTRIBUTED AND RETAINED WEALTH



SHAREHOLDING PROFILE

The share ownership and the categories of shareholders at 30 June 2024 are set out below.

	Number of shares	% of total issued
Foreign Shareholders		
Guinness Overseas Limited	3,780,000	30.00 %
Diageo Holdings Netherland BV	3,074,756	24.40 %
Total Foreign Ownership	6,854,756	54.40 %
Local Ownership		
Seychelles Pension Fund	3,314,606	26.31 %
Other	2,430,638	19.29 %
Total Local Ownership	5,745,244	45.60 %
Total	12,600,000	100.00 %

Number of Shareholders	Size of Shareholding	Number of shares owned	% of total issued shares
999	1 – 500	177,384	1.41 %
168	501 – 1,000	132,948	1.06 %
148	1,001 – 5,000	334,526	2.65 %
32	5,001 – 10,000	238,670	1.89 %
25	10,001 – 50,000	531,511	4.22 %
3	50,001 – 100,000	230,347	1.83 %
5	100,001 – 250,000	785,252	6.23 %
0	250,001 – 1,000,000	—	— %
3	Over 1,000,000	10,169,362	80.71 %
1,383		12,600,000	100.00 %

Number of Shareholders	Category of Shareholders	Number of shares owned	% of total issued shares
1,363	Individuals	1,868,795	14.83 %
2	Diageo Group	6,854,756	54.40 %
1	Seychelles Pension Scheme	3,314,606	26.31 %
17	Other Corporate Bodies	561,843	4.46 %
1,383		12,600,000	100.00 %

PROXY FORM

The Company Secretary

Azer Corporate Limited
Suite C, 2nd Floor, Orion Office Complex
Palm Street, Victoria
Mahe, Seychelles

I/We _____ of _____

being a member/ members of Seychelles Breweries Limited, bearing Company No 841033-1 and MERJ share code ISIN:

SC478BDEB69 (“the Company”) hereby appoint: _____

_____ of _____

or failing of whom _____ of _____

or failing of whom the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Friday 29th November 2024 and at any adjournment thereof.

Unless otherwise instructed, the proxy will vote as he/she thinks fit.

.....
Name	Signature
.....
Date	

Note:

1. Please return this Form to the Company Secretary’s Office at Azer Corporate Limited on the following addresses:
 - a. Suite C, 2nd Floor, Orion Office Complex, Palm Street, Victoria, Mahe; or
 - b. Email: registrar@azercorporate.com**not less than 48 hours before** the time for holding the meeting.
2. In the case of joint shareholders, each shareholder should sign the proxy form but only one can attend the meeting.
3. If executed by a corporation, the proxy form should bear its Common Seal or be signed on its behalf by a duly authorised person.
4. A copy of the National Identity Card of the shareholder(s) and of the proxy should be attached to the proxy form.
5. Proxies produced at the AGM will not be accepted.



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