Audited Results for the year ended 31 March 2013

REGULATORY ENVIRONMENT

Alcohol Levy

The alcohol levy was increased in 4Q12 effective 1 October 2012 resulting in the group increasing prices of products.

Traditional Beer Regulations

Traditional beer regulations were implemented on 1 July 2012. The main challenge in complying remains availability of land and inconsistencies in the implementation of the regulations due to the differing interpretations of different authorities.

Competition Act

The Batswana Competition Authority was established in December 2010 through the formation and legislation of the Batswana Competition Authority. As a result of this, new trading terms have been rolled out in 2012 to align with the Act.

AMALGAMATION

Botswana Beverages (Pty) Ltd has been amalgamated with Kgalema Beverages (Pty) Ltd per section 23A of the Companies Act by a Resolution of the two companies intended to enhance the operations of the business.

PROSPECTS

Looking ahead, the trading environment for alcohol related products is expected to remain challenging as the impact of the high tax levy continues to be felt.

FINANCIAL INFORMATION

The accounting policies adopted for the year are the same as those in the previous year with the exception of International Financial Reporting Standards (IFRS) as well as the Batswana Companies Act 2010. These policies are consistent with the accounting policies in the previous year.

Dividends

As a result of the Board’s decision to continue to retain all earnings as there are no current plans for further share buy-backs, the total dividends declared for the year ended 31 March 2013 are nil.

Statement of Comprehensive Income for the year ended 31 March 2013

Sales

Unaudited Special Purpose Combined Statement of Financial Position as at 31 March 2013

Unaudited Special Purpose Combined Statement of Changes in Equity for the year ended 31 March 2013

Unaudited Special Purpose Combined Statement of Comprehensive Income for the year ended 31 March 2013

Comprehensive Income

For the year ended 31 March 2013

Other reserves

Attributable to equity holders of the company

Balance at 1 April 2011

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Profit for the year

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