Bralirwa

PART OF THE HEINEKEN COMPANY

Annual Report and Accounts 2021

Coca-Cola zero™

Contents

Make every meal special with ice-cold refreshment.

Our Purpose and Values

Our Purpose

We brew the Joy of True Togetherness to inspire a better world. We ignite the moments that bring us together, create bonds and are unforgettable. They help make the world a little better. One day, one beer, one cheers at a time!

Our Values

BRALIRWA Plc's four core values are derived from its parent company Heineken N.V. Our values are what we stand for. Passion for consumers and customers, Courage to dream and pioneer, Care for people and planet and Enjoyment of life. These values have grounded us for the past 157 years and are the foundation for our future success.

Passion for consumers and customers

We are brand-builders who truly understand the needs & desires of our consumers. We brew the highest quality beers and beverages to best serve our customers to win together.

Care for people & planet

People are at the heart of our company. Green blood pumps through our green hearts. We can only thrive if all our people, communities and planet thrive.

Enjoyment for life

We believe that joyful moments shared together are what truly matter. Nothing beats the simple pleasure of a beer, a chat and laughter with friends.

Courage to dream & pioneer

Born in Amsterdam and raised by the world. We set bold ambitions & challenge the status quo with imagination, creativity and pragmatism to deliver the goods & grow sustainability.

Aerial view of Gisenyi brewery site

PART ONE

QUICK READ

Quick Read

Results At A Glance

Results in Rwf millions	2021	2020	Change (%)
Revenue	123,596	100,521	23.0%
EBIT	31,214	19,826	57.4%
EBITDA	44,161	32,882	34.3%
Net Profit	17,525	9,005	94.6%
Dividend (proposed)	17,517	9,000	94.6%
Free Operating Cash flow	15,142	(6,818)	(322.1%)
Statement of financial position in Rwf millions			
Total Assets	116,408	127,271	(8.5%)
Net Working Capital	(22,450)	(30,866)	(27.3%)
Shareholder's equity	51,112	42,588	20.0%
Net debt	21,385	42,630	(49.8%)
Results and Statement of financial position per share			
Weighted Average Number of Shares	1,028,570,000	1,028,570,000	0.0%
Earnings per share 'Rwf	17.04	8.75	94.7%
Dividend Proposed 'Rwf	17.03	8.75	94.6%
Free Operating Cash (deficit) flow 'Rwf	14.72	(6.63)	(322.0%)
Employees in Numbers			
Average Number of Employees	418	483	(13.5%)
Key Ratios (in %)			
EBIT as % of Revenue	25.3%	19.7%	28.4%
Net Profit as % of Average Shareholder's	34.3%	21.1%	62.6%
Net Debt/EBITDA	48.4%	129.6%	(62.7%)
EBITDA/Interest expenses (times covered)	790.1%	481.3%	64.2%
RONA	27.1%	15.4%	76.0%
Cash Conversion Rate	86.4%	-75.7%	(214.1%)
Dividend % Payout (% of Net Profit)	100.0%	99.9%	0.1%

Packaging line inside the brewery

History

- Founded in 1957, Bralirwa Plc is a Rwandan company producing and selling a portfolio of beer brands and soft drinks
- Bralirwa Plc has been part of the HEINEKEN Group since 1971
- Bralirwa Plc's shares were listed on the Rwandan Stock Exchange since 31 January 2011

UNLOCK THE ENERGY
300 ml
CHEETAH
ENERGY DRINK
MALT BASED
STAY ENERGIZED
Bralirwa
PART OF THE HEINEKEN COMPANY
ENERGY DRINK
NON-ALCOHOLIC MALT BASED
+ VITAMINS
<18
Zero Alcohol,
no more than 3 bottles

PART TWO

CHAIRMAN'S STATEMENT

Chairman's Statement

Introduction

I would like to thank the management team of BRALIRWA Plc for the tremendous work done in 2021 despite the COVID-19 pandemic.

In addition, I would like to thank Mr. Merid Demissie for his contribution to the company during his tenure. I wish the new Managing Director, Mr. Etienne Saada success in this position and I believe through his experience, and with our support, he will make a positive contribution to BRALIRWA Plc.

Furthermore, it is with great pleasure that I address to you my Chairman's statement for the year ended 31 December 2021.

Business Context 2021

The East Africa Community (EAC) projected an economic performance at 6.5% in 2021. In the first three quarters of 2021, all EAC-5 countries recovered after a contraction in 2020 due to the impact of COVID-19 and subsequent lockdowns. Rwanda's real GDP increased by 10.9% in 2021.

Rwanda's trade deficit widened by 3.7%, y-o-y, in 2021, amounting to USD 2,038.3 million from USD 1,966.0 million in 2020. With informal cross border trade, the coverage of imports by exports increased to 42.9 % in 2021 from 41.7 % in 2020.

The Rwandan franc's depreciation in 2021 was lower than that of the year 2020. In 2021 the Rwandan Franc (Rwf) depreciated 3.8% against the US Dollar (USD) and depreciated 2.9% against the British Pound (GBP), it however appreciated against the Euro by 4.4%. Headline inflation decelerated to 0.8% on average from 7.7% recorded in 2020. The deceleration in headline inflation was reflected in all its main components. Food inflation dropped to -1% from 12.1%, core inflation slowed down to 2.1% from 5.6%, while energy inflation eased 1.8% from 7.8%.

In 2021, the overall top line results increased compared to 2020 driven by volume growth for both beer and soft drinks and improved mix. Revenue management combined with a focus on cost savings initiatives as well as operational efficiencies significantly impacted the operating results positively. However, to drive sustainable performance, we continued to invest in our people, brands, capacity, sustainability, and digital solutions.

Top line

Top line results improved driven by volume and improved mix. Revenue was 15.4% higher than last year at Rwf 123.5 billion, mainly due to volume growth for both beer and soft drinks and better mix from growth of premium products.

Investments

Capital expenditure in 2021 decreased to Rwf 10.4 billion (2020: Rwf 14.6 billion), explained by the completion of brewhouse expansion and fermentation and storage tanks' projects that were initiated in 2020.

The Bramin JV farm was engaged in commercial farming and was established to produce seed and commodity. In 2020, the loan to Bramin was fully impaired and the liquidation process is ongoing by the Registrar General Office.

Debt

Debt reduction remains a priority at BRALIRWA Plc. The net debt position decreased significantly to Rwf 21.3 billion (2020: Rwf 42.6 billion) mainly due to the reduction of overdrafts interest rate and the enforcement of cash recovery.

Financial statements

Revenue was 123.5 billion; 15.4% higher than last year, mainly due to volume growth for both beer and soft drinks and better mix from growth of premium products.

A continued focus on cost saving coupled with operational efficiencies resulted in an improved Gross Profit (GP) which increased by 19.5%.

Operating result increased by 57.4% to Rwf 31.2 billion (2020: Rwf 19.8 billion) mainly due to operational efficiencies and revenue increase. Profit and total comprehensive income increased by 94.6% to Rwf 17.5 billion (2020: Rwf 9 billion), due to the reasons above. This resulted in better earnings per share of Rwf 17.03 (2020: Rwf 8.75).

The above impacted the 2021 Statement of Financial Position and Comprehensive Income as follows:

1.Net debt decreased significantly by 49.8% Rwf 21.3 billion (2020: Rwf 42.6 billion), due to the reduction of overdrafts and enforcement in cash collection.
2.Total payables increased by 12.3% to Rwf 36.9 billion in 2021 (2020: Rwf 32.9 billion) mainly due to higher payables to related parties.
3.Revenue increased by 15.4% to Rwf 123.5 billion in 2021, mainly due to volume growth for both beer and soft drinks and better mix from growth of premium products.

4.Increased cost of sales by 12.6% to Rwf 72.4 billion in 2021 (2020: Rwf 64.3 billion) mainly driven by the volume impact and higher input costs.
5.Net finance cost decreased by 18.2% to Rwf 5.5 billion in 2021 (2020: Rwf 6.8 billion), mainly driven by enhanced cash management, further repayment of USD IFC loan and lower interest rate on overdrafts.
As result, net profit and total comprehensive income increased by 94.6% to Rwf 17.5 billion (2020: Rwf 9.0 billion), mainly driven by the top line and savings to mitigate COVID-19 impact. This resulted in a substantial improvement of earnings per share of Rwf 17.03 (2020: Rwf 8.75).

Brands

The Mützig brand performed above market average and gained market share. Consumers were well able to find and preferred this trustworthy brand, an example of the very strong brand power Mützig has with consumers.

The first period of the year, the country was still in lockdown, the brand was not able to get closer to its consumers. With the reopening in Q4, Mützig was able to connect with consumers with an exciting concert featuring a well renown Panafrican artist from Nigeria Adekunle Gold. An event executed through the line driving Sales in the point of sell. In September 2021, Mützig launched the "Live Bold – Never Stop Starting" campaign nationwide. In line with the previous campaigns 'Success Follows Perseverance' and 'Cheers to You', the new campaign centers around and aims to show that Mützig is for the Bold Ones, for the Shapers who become Game Changers. For the innovators who start something new, and when they start, they never stop. The campaign motivates us all to be bold and to never be discouraged.

2021 was a challenging year for the Primus brand. The price increase in December 2020 combined with COVID-19 uncertainty, affected the performance of the brand, and translated in the decrease of volume and market share. Key mitigation activities by the Commercial team contributed to reducing the decline and positioning the Primus brand as a brand worth paying more for, particularly through the leveraging of the National Football League sponsorship.

In Q4 with the easing of the restrictions, the Primus brand was able to amplify key brand activities and get closer to the consumer, these included Iwacu Muzika, Primus National League and the signing of local musical artist, Bruce Melodie as the official Primus Brand Ambassador. These activities ensured the brand was actively visible while staying at top of mind with the Rwandan consumer through resonance and reach. In addition, Primus brand continued the extensive rollout of the adapted visual identity, providing the brand with a refreshed and dynamic new look, capturing the spirit of Rwanda where culture and modern meet.

Since 1870, Amstel has been dedicated to quality, togetherness, and innovation. Three years that the brand has been launched in Rwanda and we have not yet finished to unlock the potential of the brand. In 2021, we extend Amstel proposal with a draught beer making Amstel the second beer brand to propose that SKU in the market. A sign of premiumness and quality.

End of 2021, Amstel became the proud official sponsor of Tour du Rwanda. Cycling as a sport has captured the hearts and minds of Rwandans and has become a well-recognized competition that cyclists from all corners of the world come to participate in. Cycling as a sport links quite well to the brand heritage, as Amstel is a brand born in Amsterdam the city of bikes.

2021 was a challenging year for the Heineken® brand. Although the year started off promising with consumers opting for premium offerings more often, this reality changed rapidly. Due to the uncertainty presented by the COVID-19 pandemic, consumers regularly down-traded to more affordable beers. As a result of the pandemic, a number of key commercial activities such as Heineken® UCL were cancelled. Nonetheless, the brand showed to be innovative and teamed up with local DJs to create a series of 'At-Home' entertainment via digital through Instagram Live parties. The brand also kicked off the Heineken® Afterwork campaign to drive consideration and position Heineken® as the preferred international beer to celebrate the end of the working day and week. Heineken® continues to advocate responsible consumption through its 'Enjoy Heineken Responsibly' campaign. With all the efforts aforementioned Heineken® was able to double its performance in 2021 compared to 2020.

Safety

Safety first and quality a must - this is our motto. We would like our employees to go back to their families in the same condition as they leave for work every day. Safety is at the center of everything we do. We work with regulatory authorities, our suppliers, logistics service providers, employees, including third parties, to ensure safety compliance in everything we do. We work with multiple operating companies of HEINEKEN to share experiences and learn from unfortunate events.

BRALIRWA Plc has embedded the HEINEKEN safety culture in its operations and currently upgrading its Life Saving Rules policy to Life Saving Commitments. Safety, as always, remains our number one priority. Our Kigali Soft Drink Plant celebrated 7 years without accident in 2021; contractor accidents and safety on the road continue to be our priority areas. We are also working extensively on reducing/eliminating forklifts and pedestrians interaction in our operational areas.

COVID-19 has continued to pose challenges for our operations, especially in the global supply chain of production materials. We were able to setup the necessary preventive measures from the onset of COVID through distribution of face masks, installation of sanitizers dispensary from entrance to different operational areas, installation of hand washing stations, and enforcement of social distancing. We have also worked closely with the local government and achieved 99% vaccination rate of two doses for all our own and third party employees. A third dose vaccination is currently ongoing. We have not faced any serious hospitalization or fatality among our employees since the onset of COVID. The measures put in place and excellent level of vaccination have so far avoided widespread infections both at our production and office facilities.

All our company and contractor vehicles have been equipped with a telematics/GPS system since the end of 2018. The increase in number of speed cameras throughout the country is also contributing to reduction in accident rates emanating from vehicles over speeding. We have observed a significant drop in incidents and reduction in our repair and maintenance costs as safe driving of vehicles is not only saving lives and reducing damages but also saving unnecessary costs.

Our Organisation, Our People

Despite the continuous battle against COVID-19, 2021 was a greater year compared to 2020. The increased awareness of COVID-19 in our people helped our business to successfully navigate the challenges and to deliver beyond expectations. We thank and appreciate BRALIRWA employees for their tremendous drive and commitment.

BRALIRWA people are at the heart of our organization and care for our people is the core of what we do. We secured full vaccinations for all our 400 employees and more than 550 contractors. We continued supplying all necessary PPEs to all our people and increased workplace monitoring. As a result, we are proud that all our employees and third-party workers remain safe.

As a country, we witnessed another volcano eruption crisis. Since the Brewery is situated near the DRC border, our employees' safety was at high risk. The BRALIRWA Management team visited the team located in Gisenyi on the 1st day of the eruption to ensure fast decisions were taken to support on-ground employees. BRALIRWA provided financial support to employees whose homes were partially or fully destroyed.

With our focus on sustainable growth, talent development becomes very critical. In alignment with HEINEKEN ambition, 2021 was a year of balancing diversity at the Management level. Through our strong succession plan and developmental strategy, we were able to groom internal Rwandan talents who currently occupy senior roles in our organization. Our gender diversity also increased tremendously at the Management level moving from 10% female vs male in 2018 to 50/50 female vs males by 2021. These achievements were possible because BRALIRWA promotes equal opportunity and trust in its people.

Sustainability

To achieve SDGs, HEINEKEN committed its support by setting up a Brew a Better World as a set of strategies extended to 2030. With the 2030 agenda of Brew a Better World, we are raising the bar on our support for the SDGs as we look ahead to a decade in which more ambitious collective action is the only way forward.

Ambitions and commitments are grouped into three pillars: Environmental, Social, and Responsible. Since 2009, all those ambitions have become embedded in everything we do – from the planting of barley seeds to the moment an empty glass is set down on the bar.

Dividend

Payment of a cash dividend for 2021 of Rwf 17.03 per share (2020: Rwf 8.75) will be proposed to the Annual General Meeting of shareholders scheduled for 11 May 2022. The proposed dividend, if approved, will be paid on 11 June 2022. The dividend represents 100% of the net profit of the year 2021. Please note that the payment will be subject to a withholding tax. The book close date for BRALIRWA Plc shares will be 16 May 2022, such that the final dividend will be paid to all shareholders, whose names appear in the Register of Shareholders at the close of business on 16 May 2022.

Auditors

The proposal for your approval at the annual general meeting of shareholders is to re-appoint Ernst & Young Rwanda as our Auditing firm.

Outlook 2022

Ongoing uncertainties and resulting volatility in the global economy are expected to continue to impact African economies in the coming year. Our initial plan for 2022 is further top line, profit, and margin growth in the context of continued out performance of the Rwandan economy relative to the broader African Region driven by continued growth of volume and value, cost management and further debt reduction.

However, the outbreak of COVID-19 continues to present an unprecedented health crisis and macro- economic risk, which is likely to have an impact on the economy and our business in the short term while we stay optimistic with the Government's effort to roll-out vaccines that we expect to further reduce new COVID-19 cases here in Rwanda. The Rwandan franc has been depreciating since the outbreak of the pandemic and the continuous rise in global inflation rates in 2022 represents a major challenge to the Rwandan economy and to our business.

As always, our priority is the safety and health of our employees, their families, customers, and partners, and in playing a constructive role supporting the Government as they work to contain the spread of the virus.

Conclusion

Let me conclude by thanking my colleagues of the Board for their support in 2021.

To management and all employees, thanks for your dedication and great effort in 2021. To our commercial partners, our thanks for their co-operation and partnership. To our consumers, our thanks for their loyalty and trust in the quality of our brands. And to you our shareholders, thank you for your support in 2021 and continued confidence in our Company.

Pascal Sabrié
Chairman of the Board,
Kigali, 24 March 2022

'Tis the season
OF GIVING

Ijambo rya Perezida w'Inama y'Ubutegetsi

Intangiriro

Ndabanza nshimire Itsinda ry'Ubuyobozi bwa BRALIRWA Plc ku kazi gakomeye ryakoze mu mwaka wa 2021 n'ubwo icyorezo cya COVID-19 cyari kitwugarije.

Ndashimira kandi, Bwana Merid Demissie ku ruhare yagize mu guteza imbere Ikigo mu gihe yamaze ku buyobozi. Ndifuriza Bwana Etienne Saada, Umuyobozi mukuru mushya, guhirwa muri uyu mwanya kandi nizeye ko kubera ubunararibonye bwe, ndetse n'ubufasha bwacu, azagira uruhare rukomeye muri BRALIRWA Plc.

Byongeye kandi nejejwe no kubagezaho ijambo ryange nk'Umuyobozi w'Inama y'Ubutegetsi mu mwaka dusoza ku wa 31 Ukoboza 2021.

Ishusho rusange y'ubucuruzi muri 2021

Umuryango w'Ibihugu bya Afurika y'Iburasirazuba (EAC) wateganyaga ko ubukungu bwawo buzazamukaho 6,5% muri 2021. Mu bihembwe bitatu bya mbere cya 2021, ibihugu byose bya EAC-5 byakize nyuma yo kugabanuka muri 2020 kubera ingaruka za COVID-19 ndetse no gufunga nyuma. Ugereranyije, ubukungu bw'u Rwanda bwiyongereyeho 10.9% mu mwaka wa 2021.

Igihombo cy'ubucuruzi bw'u Rwanda cyazamutseho 3.7% muri 2021; cyageze kuri miliyoni 2,038.3 z'amadolari ya Amerika, kivuye kuri miliyoni 1,966.0 z'amadolari ya Amerika muri 2020. Ushyizemo ubucuruzi bwambukiranya imipaka, ibyoherezwa mu mahnaga ugereranyije n'ibitumizwayo byazamutse ku kigero cya 42,9% muri 2021 bivuye kuri 41,7% muri 2020.

Muri 2021, ifaranga ry'u Rwanda ryataye agaciro ku kigero cya 3,8% urigereranyije n'idorari rya Amerika (USD), no ku kigero cya 2,9% ugereranyije n'amafaranga y'Abongereza (GBP), nubwo ryazamutse ku kigero cya 4,4% ugereranyije n'iyero (EUR). Itakara ry'agaciro ryarazamanutse rigera ku kigero cya 0,8% ugereranije, rivuye kuri 7.7% muri 2020. Izamuka ry'ibiciro by'ibiribwa ryaramanutse ku kigero cya -1% rivuye kuri 12,1%, igabanuka rikabije ry'agaciro ryaragabanutse kuri 2,1% rivuye kuri 5,6%, mu gihe ingufu zo zabonetse ku kigero cya 1,8%% zivuye kuri 7.8%.

Muri 2021, Igipimo rusange cy'ubukungu cyarazamutse ugereranyije n'icyo muri 2020 bitewe n'izamuka ry'ingano y'inzoga n'ibinyobwa bidasindisha ndetse n'izamuka ry'ibiciro. Imicungire y'umutungo winjira hamwe no kwitwararika kudasesagura ndetse n'imikorere myiza byagize uruhare rugaragara ku musaruro w'ibyo dukora. Nyamara, Kugira ngo dukomeze imikorere irambye, twakomeje gushora mu bakozi bacu, ibicuruzwa, kuzamura ubushobozi, uburambe n'ibisubizo bikomoka ku ikoranabuhanga.

Inyugu y'ibyacurujwe

Ibyavuye ku nyungu y'ibyacurujwe byariyongereye bitewe n'ingano n'ivanga riboneye ry'ibicuruzwa. Amafaranga yinjiye yarutaga ay'umwaka ushize ho 15,4% ingana na miliyari 123,5 z'amafaranga y'u Rwanda (Frw), bitewe ahanini no kwiyongera kw'ingano y'inzoga n'ibinyobwa bidasembuye n'ivanga riboneye rivuye mu iyongera ry'ibicuruzwa by'urwego rwo hejuru.

Ishoramari

Muri 2021, amafaranga yakoreshejwe yaragabanutse agera kuri miliyari 10,4 Frw (2020: miliyari 14,6 Frw), bigasobanurwa nuko muri uyu mwaka imirimo yo kwagura aho inzoga zengerwa, aho zitunganyirizwa n'aho zibikwa yari yatangiye muri 2020 yagejejwe ku musozo.

Umurima wa BRAMIN JV watangiye kubyazwa umusaruro w'ibijyanwa ku isoko kandi warateguwe ngo ujye utanga impeke n'ibyifashishwa mu ruganda. Inguzanyo yahabwaga Bramin muri 2020 yarahagaze burundu ndetse kuri ubu hakomeje igikorwa cy'iseswa ryawo gikorwa n'Ibiro by'Umutsi w'Impapuro mpamo z'Ubutaka

Ideni

Kugabanya ideni rya BRALIRWA nicyo kituraje ishinga. Ideni ryose ryaragabanutse cyane rigera kuri miliyari 21,3 Frw (2020: miliyari 42,6 Frw) bitewe ahanini n'igabanuka ry'inyungu ku nguzanyo y'ingoboka ndetse no kwishyuza amafaranga.

Raporo z'umutungo

Amafaranga yinjiye yari miliyari 123,5 Frw arutaho ay'umwaka ushize 15,4% bitewe ahanini no kwiyongera kw'ingano n'ivanga riboneye rivuye mu iyongera ry'ibicuruzwa by'urwego rwo hejuru.

Gukomeza kwibanda ku murongo wo kudasesagura bibangikanyijwe no gukora neza no kongera umusaruro ni byo byatumye inyungu mbumbe (GP) izamukaho 19,5%.

Umusaruro ukomoka ku bikorwa wazamutse ku kigero cya 57,4%

ugera kuri miliyari 31,2 z'amafaranga y'u Rwanda (Frw) (2020: miliyari 19,8 z'amafaranga y'u Rwanda) bitewe ahanini n'imikorere inoze ndetse no kwiyongera kw'amafaranga yinjira. Inyungu n'amafaranga mbumbe yinjira yiyongereyeho 94,6% agera kuri miliyari 17,5 Frw (2020: miliyari 9 Frw, bitewe n'impamvu zavuzwe haruguru. Ibi byatumye habaho inyungu ku mugabane ya 17,03 Frw (2020: 8,75 Frw).

Ibimaze kuvugwa haruguru byagize ingaruko kuri Raporo y'ingengo y'imari ya 2021 n'ingano y'ibyo twinjiza muri rusange ku buryo bukurikira:

1. Ideni ryose ryaragabanutse cyane ku kigero cya 49,8% rigera kuri miliyari 21,3 Frw (2020: miliyari 42,6 Frw), bitewe n'igabanuka ry'inyungu ku nguzanyo y'ingoboka ndetse no kwishyuza amafaranga.
2. Ibyagombaga kwishyurwa byose byarazamutse ku kigero cya 12,3% bigera kuri miliyari 36,9 Frw muri 2021 (2020: miliyari 35,8 Frw) bitewe n'ibyishyurwa byiyongereye ku bagomba kwishyurwa.
3. Amafaranga yinjiye yiyongereyeho 15,4 % agera kuri miliyari 123,5 Frw muri 2021, bitewe ahanini no kwiyongera kw'ingano y'inzoga n'ibinyobwa bidasembuye n'ivanga riboneye rituruka ku iyongera ry'ibicuruzwa by'urwego rwo hejuru.
4. Ikiguzi ku bicuruzwa cyazamutse ku kigero cya 12,6% kigera kuri miliyari 72,4 Frw muri 2021 (2020: miliyari 64,3 Frw) bitewe n'ingano nini ndetse n'igiciro gikabije cy'ibikoresho byifashishwa.
5. Ingano y'imari yasohotse yagabanutseho 18,2% igera kuri miliyari 6,8 Frw muri 2021 (2020; miliyari 7,8 Rwf) bitewe cyane cyane no gushyira imbaraga mu micungire y'amafaranga, irindi yishyurwa ry'inguzanyo yo mu madolari ya IFC ndetse n'inyungu ku nguzanyo y'ingoboka iri hasi.

Byatumye inyungu rusange hamwe n'amafaranga yose bizamumukaho 97,8% agera kuri miliyari 17,8 Frw (2020: miliyari Frw), bitewe cyane cyane n'inyungu ikomoka ku byacurujwe n'ubwizigame bigamije guhangana n'ingaruka za COVID-19. Ibi byatumye habaho kuzamuka cyane kw'inyungu ku mugabane ya 17,31 Frw (2020: 8,75 Frw).

Ibicuruzwa

Igicuruzwa cya Mützig cyitwaye neza kuruta impuzandengo y'ibiciro ku isoko yari yitezwe kandi igira n'imigabane ku bicuruzwa biri ku isoko. Abaguzi babashije kubona ndetse banakunda iki gicuruzwa cyizewe, urugero rw'ubushobozi bw'igicuruzwa Mützig ifite ku bakiriya.

Mu bihe bya mbere by'umwaka, igihugu cyari cyikiri muri guma mu rugo, icyo gicuruzwa nticyabasha kugera ku baguzi bacyo bya hafi. Hamaze gufungurwa ibikorwa mu gihembwe cya 4, Mützig yongeye guhura n'abaguzi bayo mu gitaramo cyari gishimishije cyagaragayemo, Adekunle Gold, umuhanzi w'icyamamare muri Afurika uturuka muri Nigeriya. Igikorwa cyakozwe binyuze mu murongo wo kongera ingano y'ibyacurujwe aho bicururizwa. Muri Nzeli 2021, Mützig yatangiye igikorwa cya "Intwari nzima – Ntiyirindiriza Gutangira" mu gihugu hose. Bidahabanye n'ubukangurambaga bwabanje bwa "Kwihangana bitera Kunesha" n'ubundi bukangurambaga bwa "Ku buzima bwacu", ubwo bukangurambaga bushingiye kandi bugamije kwerekana ko Mützig ari iy'Abashize amanga, iy'Abanyadushya bahindura Ibintu. Ku bahanga udushya batangiye iyo batangiye ibintu bishya, kandi n'iyo babitangiye, ntibahagarara. Ubwo bukangurambaga budukangurira twese gushira amanga ndetse no kudacika intege.

Umwaka wa 2021 wari umwaka ugoranye ku gicuruzwa cya Primus. Kwiyongera kw'igiciro mu Kuboza kwa 2020 hamwe n'ibihe bihangayikishije bya COVID-19, byagize ingaruka ku icuruzwa ryayo ndetse bituma habaho igabanuka ry'ingano yayo ndetse n'imigabane yayo ku isoko. Ibikorwa by'ingenzi bigamije kugabanya ingorane byakozwe n'Itsinda rishinzwe ubucuruzi byagize uruhare mu kugabanya iryo gabanuka ndetse bishyira igicuruzwa cya Primus mu mwanya gikwiriye gutangirwaho ikiguzi kirenze, by'umwihariko mu kungukira mu gutera inkunga Shampiyona y'igihugu y'umupira w'Amaguru (National Football League).

Mu gihembwe cya 4 hamaze koroshywa ingamba, Primus yashoboye kongera ibikorwa byayo by'ubucuruzi ubundi yongera kuboneka hafi y'abayikunda, ibyo byarimo Iwacu Muzika, Shampiyona y'Igihugu y'Umupira w'Amaguru (Primus National League) hamwe no gusinyisha Bruce Melodie, umuhanzi wa hano mu gihugu nk'Ambasaderi w'Igicuruzwa cya Primus. Ibyo bikorwa byatumye icyo gicuruzwa kiguma kugaragara mu bikorwa byinshi ari nako kiguma mu mutwe w'Abanyarwanda bagikunda binyuze mu kuguma cyumvikana ndetse no kubageraho. Byongeye, igicuruzwa cya Primus cyakomeje umurindi w'ibikorwa byo kugaragaza isura yacyo, bigahereza icyo gicuruzwa isura nshya kandi ihora yigaragaza, gifata umwuka wo mu Rwanda aho umuco n'ibigezweho bihurira.

Kuva muri 1870, Amstel yaranzwe no kugira ireme, gukomeza ubusabane no guhanga udushya. Hashize imyaka itatu icyo gicuruzwa gitangijwe mu Rwanda kandi ntiturarangiza kugifungurira inzira ngo kigaragaze ubushobozi bwacyo. Muri 2021, twaguye ibikorwa bya Amstel ku nzoga zo mu ndobo bituma Amstel iba inzoga ya kabiri itekereje iyo Ubwo bwoko bwo gucuruza (SKU) ku isoko. Icyimenyetso cy'ubwiza buhebuje n'ireme.

Mu mpera za 2021, Amstel yabaye umuterankunga mukuru w'Isiganwa ry'Amagare mu Rwanda (Tour du Rwanda). Gusiganwa ku magare nka siporo byatwaye imitima n'ibitekerezo by'Abanyarwanda kandi byabaye irushanwa rizwi cyane abakinnyi b'abamagare baturutse mu bice bitandukanye by'isi bitabira. Gusiganwa ku magare nka siporo bifitanye ihuriro cyane n'umurage w'icyo gicuruzwa, kubera ko Amstel ari igicuruzwa gikomoka muri Amusiteridamu (Amsterdam) umujyi w'amagare.

Umwaka wa 2021 wari umwaka ugoranye ku gicuruzwa cya Heineken®. N'ubwo uwo mwaka watangiye utanga icyizere ku bakunzi bayo bahitagamo kenshi kubona ubwo bwiza butagereranywa, ibi byaje guhinda vuba cyane. Bitewe n'ibihe bihangayikishije byatewe na COVID-19, abakunzi bagiye barushaho kugura inzoga zirushijeho guhenduka. Kubera ingaruka z'Icyorezo, ibikorwa byinshi byo kwamamaza nka Heineken® UCL byarahagaritswe. N'ubwo bimeze bityo, icyo gicuruzwa cyakomeje kugaragaza udushya kifatanya n'aba DJs bo mu gihugu mu gukora uruhererekane rw'ibirori byo gusurutsa abantu 'Mu Rugo' byakozwe ku buryo bw'ikoranabuhanga bwa Instagram Live. Iki gicuruzwa kandi cyatangije ubukangurambaga kuri gahunda ya "Heineken® Nyuma y'Akazi" bituma yitabwaho no gushyira Heineken mu mwanya nk'inzoga ikunzwe ku ruhando mpuzamahanga ifasha kwishimira ko umunsi w'akazi urangiye ndetse n'icyumweru. Heineken® kandi yakomeje gukora ubuvugizi bwo kunywa inzoga mu rugero ibicishije muri gahunda yayo ya "Unywe Heineken mu rugero". Hamwe n'ibyo bikorwa byose byavuzwe haruguru Heineken® yabashije gukuba kabiri umusaruro wayo muri 2021 ugereranyije na 2020.

Umutekano

Umutekano mbere y'ibindi n'ireme rikaba itegeko - iyi niyo ntego yacu. Twifuza ko abakozi bacu basubira mu miryango yabo uko bari bameze bavayo baje mu kazi. Umutekano ukomeje kuba ku isonga y'ibyo dukora byose. Dukorana n'inzego zishinzwe gukurikirana imikorere, abacuruzi batugemurira ibyo dukeneye, abatanga serivisi zijyanye n'ibikoresho byifashishwa, abakozi, barimo abandi bantu, kugira ngo twizere ko hubahirizwa ibijyanye n'umutekano muri buri kintu dukora. Dukorana n'amasosiyete menshi ya HEINEKEN mu gusangizanya ubunararibonye no kwigira ku bikorwa bibaho bititeguwe.

BRALIRWA Plc yashyize umuco w'umutekano wa HEINEKEN mu mikorere yayo kandi kuri ubu iri kwagura Amabwiriza akubiyemo amategeko yo Kurengera ubuzima akagera ku Mihigo yo Kurengera ubuzima. Umutekano ukomeje kuba ikintu cya mbere dushyize imbere, nk'uko byahoze. Muri 2021, Uruganda rwacu rw'i Kigali rwenga ibinyobwa bidasembuye rwishimiye umwaka warwo wa 7 muri 2021 nta mpanuka ibayeho; impanuka zikorwa n'abo dukorana mu buryo bw'amasezerano ndetse n'umutekano wo mu muhanda bikomeje kuba ibyo dushyize imbere. Turi kandi gukora cyane kugira ngo tugabanye/dukureho imashini zitterura ibintu no kugera kw'abanyamaguru aho ibikorwa bikorerwa.

COVID-19 yakomeje kuba imbogamizi ku bikorwa byacu, cyane cyane mu kubona ibikoresho byifashishwa mu bikorerwa mu ruganda mu bice by'isi bitandukanye. Twashoboye gufata ingamba zikenewe zo kwirinda COVID-19 nko gutanga udupfukamunwa, gushyiraho imiti isukura intoki ku miryango yinjira ahakorerwa imirimo hatandukanye, gushyiraho aho abantu bakarabira intoki no gukomeza guhana intera. Twakoranye bya hafi kandi n'inzego z'ibanze za leta tugera ku kigero cya 99% cyo gukingira doze ebyiri ku bakozi bacu bose n'abandi bakozi batari abacu. Hakomeje gutangwa urukingo rwa gatatu kuri ubu. Kuva COVID yagaragara nta muntu twagize warembye ngo ajyanwe mu bitaro cyangwa uwapfuye mu bakozi bacu. Ingamba zashyizweho ndetse n'urwego rushimishije rwo gukingira kugeza ubu rwatumye hatabaho ikwirakwira ry'ubwandu ku nyubako z'ibikorerwa mu ruganda n'iz'ibiro.

Kuva muri 2018, Imodoka z'Ikigo cyacu n'iz'abo dukorana ku buryo bw'amasezerano zashyizwemo ikoranabuhanga rigaragaza aho imodoka ziherereye/ Uburyo bwa GPS. Ubwiyongere bwa kamera zipima umuvuduko mu gihugu nabwo buri gufasha mu kugabanya ikigero cy'impanuka zo mu muhanda zituruka ku muvuduko ukabije w'ibinyabiziga. Twabonye ko habayeho ukugabanuka kugaragara kw'impanuka n'igabanuka ry'ikiguzi cy'ibisanwa ndetse no kubungwabungwa kubera ko gutwara imodoka neza bitari kurokora gusa ubuzima no kugabanya ibyangirika ahubwo biri no kugabanya ibiguzi bitari ngombwa.

Ikigo cyacyu, Abantu bacu

N'ubwo urugamba rwo guhangana na COVID-19 rugikomeje, umwaka wa 2021 wabaye mwiza uwugereranyije n'uwa 2020. Ubumenyi bwisumbuyeho bujyanye na COVID-19 mu bantu bacu bwafashije ibikorwa byacu by'ubucuruzi kwigobotora izo mbogamizi no gutanga umusaruro usumba uwari witezwe. Turashimira kandi dutewe ishema n'abakozi ba BRALIRWA ku kazi kabo gakomeye n'ubwitange.

Abantu bagize BRALIRWA nibo nkingi y'ikigo cyacu kandi kwita ku bantu bacu ni ishingiro ry'ibyo dukora. Twabashinje gukingira byuzuye abakozi bacu bose 400 n'abandi barenga 500 dukorana ku buryo bw'amasezerano. Twakomeje gushyikiriza abantu bacu bose imyambaro y'ubwirinzi yo kwa muganga (PPE) kandi twongera ubugenzuzi ahakorerwa imirimo. Bituma twumva twishimiye ko abakozi bose badukorera n'abandi bakozi baguma batekanye.

Nk'igihugu, twagize ikindi kibazo cy'iruka ry'ikirunga. Kuba urwengero ruri hafi n'umupaka wa Repubulika Iharanira Demokarasi ya Kongo, umutekano w'abakozi bacu wari mu byago byinshi. Itsinda ry'Ubuyobozi bwa BRALIRWA ryasuye abakozi baherereye i Gisenyi ku munsi wa mbere w'iruka ry'ikirunga kugira ngo hafatwe ibyemezo byihuse bigamije gufasha abakozi bari aho. BRALIRWA yahaye abakozi bafite inzu zasenyutse cyangwa zigasenyuka igice nkunga y'amafaranga

Mu kwibanda ku gukura mu buryo burambye, kuzamura abanyempano biba ingenzi cyane. Bidahabanye n'intego ya HEINEKEN, umwaka wa 2021 wari umwaka wo kuringaniza urusobe nyamwinshi ku rwego rw'Ubuyobozi. Muri gahunda yacu ihamye yo gusimburana ku buyobozi n'uburyo bw'iterambere, twabashije kugaragaza abanyempano b'Abanyarwanda bafite kuri ubu imyanya y'ubuyobozi yo hejuru mu kigo cyacu. Urusobe rujyanye n'uburinganira narwo rwariyongereye cyane ku rwego rw'Ubuyobozi ruva ku kigero cya 10% ku bagore ugereranyije n'abagabo muri 2018 rugera kuri 50/50 ku bagore ugereranyije n'abagabo muri 2021. Ibyo byabashije kugerwaho kubera ko BRALIRWA iteza imbere amahirwe angana n'icyizere mu bantu bayo.

Uburambe

Kugira ngo Intego z'Iterambere rirambye z'Ikinyagihumbi (SDGs) zibashye kugerwaho, HEINEKEN yiyemeje gutanga ubufasha ishyiraho gahunda ya Twenge Duhindure Isi nziza (Brew a Better World) nk'uruhurirane rw'ingamba zizageza muri 2030. Muri gahunda ya 2030 ijyanye na Twenge Duhindure Isi nziza, turi kongera uruhare rwacu ku ntego z'iterambere rirambye z'ikinyagihumbi (SDGs) ariko turangamira imyaka icumi iri imbere aho ibikorwa biduhuriza hamwe aribwo buryo bwonyine bwo gutuma hari aho tubasha kugera.

Imigambi n'imihigo bibumbatiwe mu nkingi eshatu: Kurinda

Ibidukikije, Gusabana no Gufata inshingano Kuva muri 2009, iyo migambi yose yagiye ishyirwa muri buri kintu dukora– kuva duhinze imbuto ziri zonyine kugeza ku gihe ikiruhure kirimo ubusa giteretswe hasi mu kabari.

Urwunguko ku Migabane

Kwishyura inyungu y'umugabane angana na'amafaranga 17,03 Frw kuri buri mugabane muri 2021 (2020: amafaranga 8,75 Frw) tuzabigira ingingo yo gusuzumwa mu Nama Rusange ngarukamwaka y'abanyamigabane iteganyijwe ku wa 19 Gicurasi 2022. Iyi nyungu ku mugabane niyemezwa izishyurwa ku wa 19 Kamena 2022. Inyungu ku mugabane ingana na 99,9% y'inyungu y'umwaka 2021. Tuzirikane ariko ko ibyishyurwa bikurikiza umusoro ufatirwa. Itariki yo gusoza inyandiko ku migabane ya BRALIRWA Plc ni 16 Gicurasi 2022, icyo gihe niho inyungu ya nyuma izishyurwa abanyamigabane bose, ku bo amazina agaragara mu Gitabo cy'Abanyamigabane kuri uwo munsi wo gusoza ibikorwa by'ubucuruzi ku wa 16 Gicurasi 2022.

Abagenzuzi b'imari

Igitekerezo cyatangwa kugira ngo mucyemeze mu Nama Rusange y'abanyamigabane nuko Ernst &Young Rwanda yakongera kutubera Ikigo kidukorera ubugenzuzi.

Icyerekezo cya 2022

Ibihe biteje guhangayika bikomeje kubaho ndetse no guhindagurika bibaho muri ubu bukungu bw'isi bishobora kuzakomeza kugira ingaruka ku bukungu bwa Afurika mu mwaka utaha. Gahunda yacu y'ibanze muri 2022 ni ukuzamura inyungu ikomoka ku byacurujwe, inyungu rusange, no kuzamura umusaruro cyane mu gihe ubukungu bw'u Rwanda bukomeje guhagarara neza mu karere ka Afurika ruherereyemo bitewe no kongera ingano n'agaciro bigikomeje, kugabanya ibiguzi by'ibikoreshwa hamwe no kugabanya amadeni.

Ariko rero, icyorezo cya COVID-19 gikomeje guteza ikibazo cyijyanye n'ubuzima kitigeze kibaho mbere hamwe n'ingaruka z'ubukungu rusange, bigaragara ko kizagira ingaruka ku bukungu no ku bucuruzi bwacu mu gihe kitari kure mu gihe dukomeje kugira icyizere kubera imbaraga Leta ishyira mu gukomeza gutanga inkingo, bigaragaza ko abarwayi COVID-19 ba mu Rwanda bazagenda bagabanuka. Nk'uko bisanzwe, icyo dushyize imbere ni umutekano n'ubuzima bwiza by'abakozi bacu, imiryango yabo, abaguzi n'abafatanyabikorwa, no kugira uruhare rwubaka mu gushyigikira Leta ku ngamba zayo zo gukumira ikwirakwira ry'icyo cyorezo.

Umwanzuro

Munyemerere nsoze nshimira abo dukorana mu Nama y'Ubutegetsi ku bufasha bwabo mu mwaka wa 2021.

Abayobozi n'abakozi bose muri rusange, ndabashimiye ku bwitange no ku muhate mwagaragaje muri 2021. Abafatanyabikorwa mu bucuruzi, turabashimira ku mikoranire n'ubufatanye batugaragarije. Abaguzi bacu b'icuruzwa byacu, turabashimiye ku budahemuka n'Icyizere kidatezuka mu ireme ry'ibicuruzwa byacu. Namwe banyamigabane bacu, turabashimiye cyane ku bufatanye mwatugaragarije muri 2021 no ku cyizere mukomeza kugirira Ikigo cyacu.

Pascal Sabrie
Umuyobozi w'Inama y'Ubutegetsi,
Kigali, 24 Werurwe 2022


HEINEKEN
DIPLOME D'HONNEUR
TRADE

PART THREE

BRALIRWA PLC'S BOARD OF DIRECTORS AND SENIOR MANAGEMENT


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100% natural ingredients.
Heineken
HEINEKEN LAGER
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Heineken®

DIRECTORS

Pascal Sabrié (French)	Chairman	Appointed in March 2020
Etienne Saada (French)	Vice Chairman and Managing Director	Appointed in January 2022
Chantal Mubarure (Rwandan)	Independent Non - Executive Director	Re-appointed in May 2021
John Bosco Sebabi (Rwandan)	Independent Non - Executive Director	Re-appointed in May 2021
Mrs. Chidum Ayeni (Nigerian)	Non - Executive Director	Appointed in May 2020

COMPANY SECRETARY
David Karuhanga
P.O. Box 131
Kigali - Rwanda

REGISTERED OFFICE
Brasseries et Limonaderies du Rwanda Limited
Kicukiro P.O. Box 131
Kigali-Rwanda
Tel: (+250) 252 587 200 / 582 993

AUDITORS
Ernst and Young (Rwanda) Limited
Certified Public Accountant
M-Peace Plaza, Executive Wing,6th floor
KN 4,72st
PO Box 3638
Kigali, Rwanda

ADVOCATES
Crown Law Chambers
P.O. Box 2170
Kigali-Rwanda

BANKERS

Banque de Kigali Limited
P.O. Box 175
Kigali-Rwanda

Compagnie Générale de Banque Limited
P.O. Box 5230
Kigali-Rwanda

I &M Bank (Rwanda) PLC
P.O. Box 354
Kigali-Rwanda

KCB Bank Rwanda Limited
P.O. Box 5620
Kigali-Rwanda

Equity Bank (Rwanda) PLC
P.O Box 494
Kigali-Rwanda

Guaranty Trust Bank Rwanda Limited
P.O. Box 331
Kigali-Rwanda

Ecobank Rwanda Limited
P.O. Box 3268
Kigali-Rwanda

Banque Populaire du Rwanda PLC
P.O. Box 1348
Kigali -Rwanda

Access Bank Rwanda Limited
P.O. Box 2059
Kigali-Rwanda

Board of Directors

1. Pascal Sabrié

Chairman of the Board

Pascal Sabrié joined Heineken as the Marketing Director in 1993. During his successful career within Heineken, he has held various Commerce, Marketing and General Management roles in France and Western Europe. He was the Managing Director of Heineken France from 2011 to 2020. In 2010, he was appointed the Western Europe Region Commercial and Marketing Director at Heineken International. He joined the Board and the Chair of the Board of Bralirwa Plc in March 2020.

2. Etienne Saada

Managing Director of BRALIRWA Plc and Vice Chairman of the Board

Prior to joining BRALIRWA Plc, Etienne was the General Manager at Tango SARL in Algeria for 3 years. He successfully managed different crises, particularly navigating the company through the commercial crisis that shut down the Algerian market for 11 months due to the global Covid-19 pandemic and delivering a positive operating profit margin despite it all. In 2017, he was appointed as Sales Director for Brarudi S.A. in Burundi where he contributed significantly to developing the Opco business, both in volume and value. Etienne subsequently served as General Manager, ad interim for Brarudi between January and May 2018. Etienne joined France-Boissons (HEINEKEN Group) in 1994 where he held different functions as Manager Sales, Director Sales, Director Subsidiary, Director Regional and Director Key account. In 2013, he was appointed Director Operations in charge of National Key accounts and the most important region in France.

Board of Directors (Continued)

3. Chantal Mubarure

Independent Non-Executive Director

Chantal Mubarure joined the Board of Bralirwa Plc in 2005. She is a Certified Performance Technologist (CPT) and Kirk Patrick certified. She has more than 15 years of experience working with the Government and Development Partners. She is currently the Public Sector capacity building consultant and member of various Boards in Rwanda.

4. John Bosco Sebabi

Independent Non-Executive Director

John Bosco Sebabi joined the Board of Bralirwa Plc in August 2017. He was the founder and CEO of Fortis Consult and previously he was the DDG of the Rwanda Social Security Board (RSSB) in charge of funds management from July 2014 to October 2018. Before joining RSSB, he has held various senior management positions in the Rwandan financial sector including Chief Operating Officer for the East Africa Exchange and Director General of the Operations Directorate at the National Bank of Rwanda. He holds a Msc in International Economics, Banking and Finance from Cardiff University, Wales (The United Kingdom) and a Bsc in Economics and an Associate degree in Economics from the National University of Rwanda.

5. Chidumu Ayeni

Non-Executive Director

Chidumu Ayeni joined Heineken through Nigeria Breweries Plc in 1995 in the IT department and subsequently rose though various leadership positions in breweries to become Head of IT in 2014, and in 2019 she was appointed Head of Digital & Business Transformation for Nigeria Breweries, since 2020 she is the General Manager at Brasserie et Limonaderies du Burundi (Braludi)SA. She hold MBA in business administration from MIT sloan School of management, Massachusetts, USA. She joined the Board of Bralirwa Plc in March 2020.


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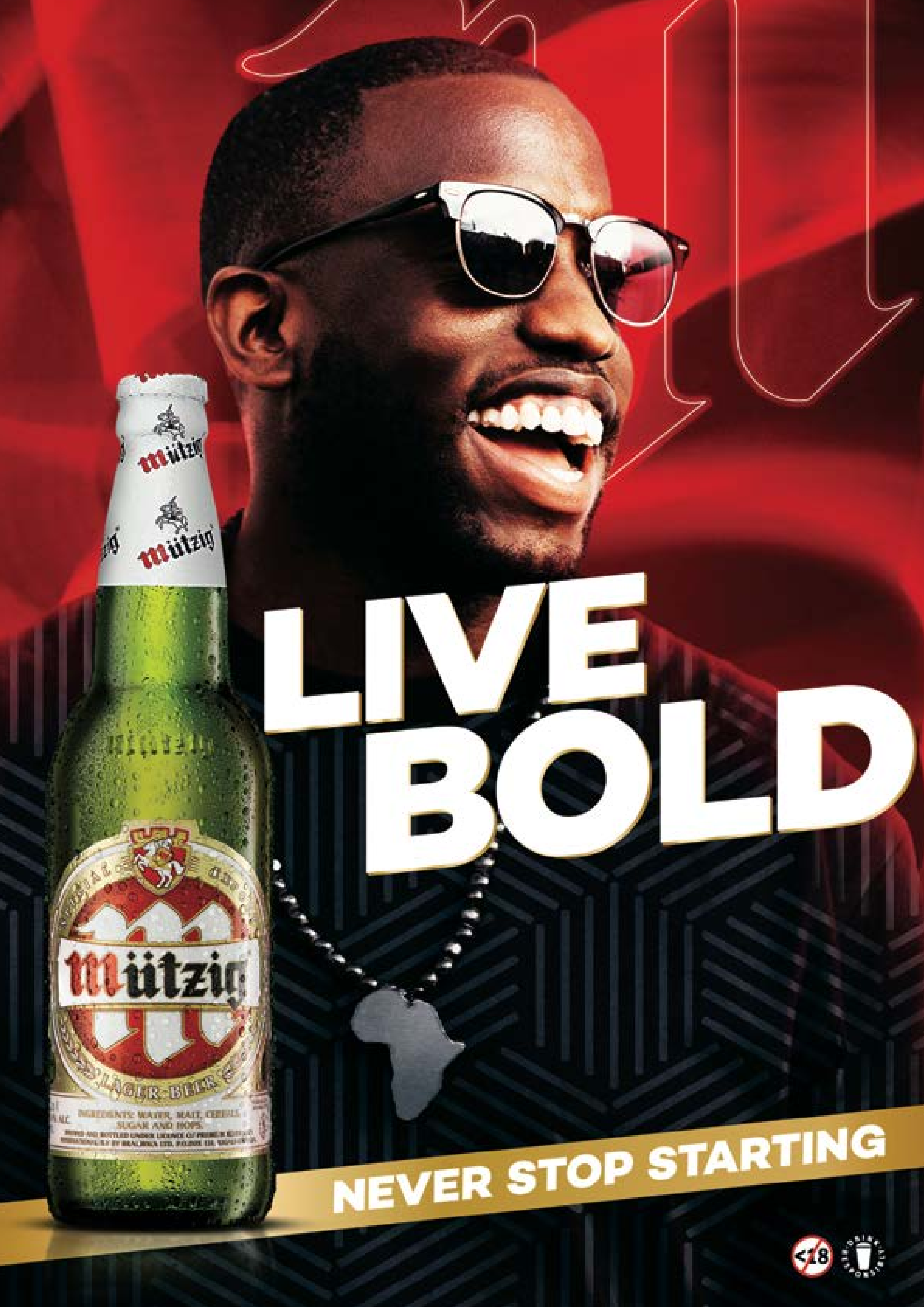
LIVE
BOLD
NEVER STOP STARTING
mützig
LAGER BEER
INGREDIENTS: WATER, MALT, CEREALS, SUGAR AND HOPS.

Senior Management

1. Etienne Saada

Managing Director of BRALIRWA Plc and Vice Chairman of the Board

Prior to joining BRALIRWA Plc, Etienne was the General Manager at Tango SARL in Algeria for 3 years. He successfully managed different crises, particularly navigating the company through the commercial crisis that shut down the Algerian market for 11 months due to the global Covid-19 pandemic and delivering a positive operating profit margin despite it all. In 2017, he was appointed as Sales Director for Brarudi S.A. in Burundi where he contributed significantly to developing the Opco business, both in volume and value. Etienne subsequently served as General Manager, ad interim for Brarudi between January and May 2018. Etienne joined France-Boissons (HEINEKEN Group) in 1994 where he held different functions as Manager Sales, Director Sales, Director Subsidiary, Director Regional and Director Key account. In 2013, he was appointed Director Operations in charge of National Key accounts and the most important region in France.

2. Mustapha Gammar

Finance Director

Mustapha joined Bralirwa Plc in February 2021 as the Finance Director. Mustapha started his career in food industry in Tunisia. He held various finance roles within a private biscuits company (part of Kraft Group), including 10 years as Finance Director. He is an industrial engineer and holds an executive MBA. In 2007, Mustapha Joined Heineken Tunisia as Finance & ICT Director and played a key role in setting up the Beer Company, acquiring a local soft drink company and implementing Heineken standards across the OPCO. His next appointment in 2011 was in Algeria as Finance Director where he made a significant contribution with the Cash Management and Tax optimization programs.
In 2015, Mustapha was appointed to CBL in Bahamas as Finance Director. He has led the Finance, Procurement, and IT function with passion & commitment, and created professional, motivated and high performing local team.

3. Opeyemi Oluwalusi

Sales Director

Opeyemi Oluwalusi was appointed the sales Director of Bralirwa Plc in May 2019. Until this appointment, Opeyemi was the Zonal Business Manager West/Mid-West between 2015 & 2019 and North Zones 2019 untill May 2019, in Nigerian Breweries Plc. Opeyemi joined Nigerian Breweries in July 1996 as a Sales Representative. He has held increasingly senior roles within the Sales Function of both Nigerian Breweries Plc and Heineken Ethiopia. He was the Sales Director Heineken Ethiopia between June 2012 and January 2015. He holds a Master Degree in Business Administration from Ladoke Akintola University in Nigeria.

Senior Management (Continued)

4. Martine Gatabazi

Marketing Director

Martine joined HEINEKEN in 2006 as Marketing Management Trainee where she held various roles within the commercial Function of Bralirwa LTD. After completing her traineeship, Martine successfully performed the roles of Brand Manager and Marketing Manager where she led the brand strategy agenda to build strong brands in the Rwandan market. She contributed significantly to the rejuvenation of Bralirwa's flagship brand Primus through the Primus Guma Guma campaign and the introduction of the 50cl bottle to name a few. In November 2014, Martine moved to Amsterdam to take the role of Regional Brands Manager for AMEE Region. In 2018, Martine joined Brassivoire where during the last 3 years in Cote d'Ivoire, she and her team made a strong contribution to the development and growth of Brassivoire's brand portfolio by successfully launching various brands such as Ivoire Black, Rhino Energy Malt and locally produced Heineken and Desperados. Martine came back to Bralirwa Plc in September 2021 as Marketing Director.

5. Anteneh Mitiku

Supply Chain Director

Anteneh Mitiku was appointed Supply Chain Director of Bralirwa Plc in September, 2019. Anteneh joined Bralirwa Plc from Heineken Ethiopia where he was holding the position of Brewery Manager, Kilinto Brewery since June 2013. During his tenure at Heineken Ethiopia, Anteneh led the organizational setup and start of the Kilinto Greenfield brewery with 1.5Mhl capacity by July 2014. Heineken Ethiopia has since grown significantly and Anteneh led the Kilinto Brewery expansion in two additional phases to 4.5Mhl. He managed the brewery operations in a continuously expanding construction site with a strong focus on people development and drive for results. Anteneh was also instrumental in building strong local community connections with relevant authorities. Prior to joining HEINEKEN, Anteneh held various positions at the Ethiopian Commodity Exchange, latest as Chief Operating Officer.

6. Carla Anigbo

Digital & Technology Manager

Carla Anigbo was appointed as the Digital & Technology Manager of Bralirwa Plc in February 2022. Carla Started her journey with HEINEKEN in March 2010 at Nigerian Breweries plc as a Sales & Distribution officer. In 5 years, she held different roles such as 'Senior Analyst' and 'Digital Platform Manager'. In 2015, Carla embarked on a 3.5 year assignment to South Africa and was part of the team that delivered the HEINEKEN demerger from Brandhouse. In the first 2 years, she held the role of 'Sales Systems Manger'; creating solutions & processes to support the sales organization. Thereafter, she moved into the e Commerce space as the 'e Commerce Product Manager'; delivering digital strategies for Indirect & Direct route to markets. In 2019, Carla then moved to HEINEKEN Global as the Global Product Owner for the B2B Platform 'Heineken DOT'; where she delivered great value to over 16 countries & supported thousands of customers across the globe

Senior Management (Continued)

7. Laetitia Uwera

Human Resource Director

Laetitia Uwera joined Bralirwa Plc in October 2018 as the Human Resource Director. She started her human resources career as HR Coordinator at Tigo Rwanda in 2009 and rose through the ranks over the years by fulfilling increasingly senior HR positions in Rwanda, Luxembourg and the United Kingdom. Before joining Bralirwa Plc, she worked as Chief Human Resources Officer at Tigo Rwanda. She holds an honours degree in Hospitality and Human Resources Management from the Napier University, Edinburgh, UK and is a Chartered Member of the Chartered Institute of Personnel and Development, London, UK.

8. Aline-Pascale Batamuliza

Corporate Affairs & Communication Manager

Aline-Pascale Batamuliza joined Bralirwa Plc in November 2018 as Corporate Affairs & Communication Manager. Before joining Bralirwa Plc, she worked as Program & Project Manager at Africa Improved Foods. She started her career in banking at I&M Bank Rwanda and rose through the ranks over the years by fulfilling increasingly senior positions with her last position being Product Development Manager where she contributed to the development and launch of Digital payment solutions. She is a Certified professional Banker by Rwanda Bank Association. She holds a Bachelor's degree programmed in Marketing Management, from Kigali Institute of Science, Technology and Management, Rwanda, a MA in International Business from Anglia-Ruskin University, Cambridge city, UK and a MBA in International Business from Hanze University, Groningen, the Netherlands.

9. David Karuhanga

Company Secretary

David Karuhanga joined BRALIRWA Plc in mid-2019, as the Legal Officer where he has been handling legal related matters within the Legal Department of the company. Since then, David has successfully streamlined the functioning of the Legal Department. He played a pivotal role in supporting other teams in legal and regulatory compliance. Prior to joining BRALIRWA, David worked for the Ministry of Finance and Economic Planning, the Ministry of Justice of the Government of Rwanda, and Greater Virunga as the Legal Advisor (2010-2019), and in those years he was mainly playing the role of advising the management and employees on legal and regulatory compliance. He holds a Bachelor's degree in Law (LLB), from National University of Rwanda and a Post Graduate Diploma in Legal Practice (LDP) from the Institute of Legal Practice and Development (ILPD). David now has over 9 years of experience in legal affairs and significantly contributed to the development of different legal related tools and frameworks within both the Company and the previous public and private institutions he worked for.

PART FOUR

NOTICE OF THE ANNUAL GENERAL MEETING

Notice of Annual Meeting

Notice is hereby given that the 12th annual general meeting of shareholders of Bralirwa Plc as a listed company will be held by teleconference on Wednesday 11th May 2022 at 2:00 pm for the following purposes:

ORDINARY BUSINESS

1. Consideration and approval of the annual report;
2. Receiving the auditor's report;
3. Consideration and approval of the financial statements;
4. Appropriation of profit and total comprehensive income for the year;
5. Discharge of the Directors and Auditors for the financial year 2021;
6. Appointment of Directors;
7. Appointment of Independent Auditors.

NOTES:

(a) PROXIES

A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend instead of him/her. A proxy for a corporation may vote on a show of hands and on a poll. A proxy form is attached to the Annual Report and Accounts. If the proxy form is to be valid for the purposes of the meeting, it must be completed and deposited at the head office of CDSC Rwanda Ltd, the registrars located in Kigali Centenary House 4th Floor, by 9th May 2022.

(b) DIVIDEND

The payment of a total cash dividend for 2021 of Rwf 17.03 (seventeen point zero three Rwandan Franc) per share of Rwf 5.00 (five Rwandan Francs nominal value) will be proposed to the annual general meeting of shareholders on 11th May 2022.

Please note that the payment will be subject to a withholding tax. The books close date for Bralirwa Plc shares will be 16th May 2021, meaning that the final dividend will be paid to all whose names appear in the Register of Shareholders at the close of business on that day.

By order of the Board
David Karuhanga
The Company Secretary

Kigali, 24 March 2022

Proposed Resolutions

To the annual general meeting of shareholders of Bralirwa Plc to be held on 11th May 2022

RESOLUTION 1

CONSIDERATION AND APPROVAL OF THE ANNUAL REPORT

The annual general meeting of shareholders considered and approved by ordinary resolution the annual report presented by the Chairman of the Board and thanked the Directors for the performance made during the accounting year ended 31st December 2021.

RESOLUTION 2

RECEIVING THE AUDITOR'S REPORT

The annual general meeting of shareholders received and approved the auditor's report by ordinary resolution and noted the opinion of the auditors on the Bralirwa Plc 2021 audited financial statements

RESOLUTION 3

CONSIDERATION AND APPROVAL OF FINANCIAL STATEMENTS

The annual general meeting of shareholders considered and approved by ordinary resolution the Bralirwa Plc 2021 audited financial statements.

RESOLUTION 4

APPROPRIATION OF PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR

The annual general meeting of shareholders approved the profit and the total comprehensive income for the year 2021 of Rwf 17,524,715,000 and received the recommendation of the Board of Directors to declare the total dividend of Rwf 17.03 per share.

The annual general meeting of shareholders approves and declares a dividend of Rwf 17.03 per share.

The annual general meeting of shareholders decides that the book close date is 16th May 2022 and the final dividend will be paid on 11th June 2022.

RESOLUTION 5

DISCHARGE OF DIRECTORS AND AUDITORS FOR FINANCIAL YEAR 2021

The annual general meeting of shareholders discharges by ordinary resolution the members of the Board and the Auditors for the year 2021.

RESOLUTION 6

APPOINTMENT OF DIRECTORS

The annual general meeting of shareholders appoints by ordinary resolution the following persons as Directors of Bralirwa Plc for a period of one year:

1.Mr. Pascal Sabrié
2.Mr. Etienne Saada
3.Mrs. Chantal Mubarure
4.Mr. John Bosco Sebabi
5.Mrs. Chidum Ayeni

The annual general meeting of shareholders requests the Directors to elect the Chairman and the Vice Chairman among themselves. To this end, the annual general meeting of shareholders asks Mr. Pascal Sabrié to convene and chair the first meeting of the new Board of Directors.

RESOLUTION 7

APPOINTMENT OF AUDITORS

The annual general meeting of shareholders appoints by ordinary resolution Ernst and Young Rwanda Limited as the Auditor for a period of one year.

The annual general meeting of shareholders asks the Board of Directors to determine the fees and other expenses of the auditors.

By order of the Board
David Karuhanga
The Company Secretary

Kigali, 24 March 2022


WHEN YOU DRIVE
NEVER DRINK
EST. 1873
Heineken®
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PART FIVE

DIRECTORS' REPORT

Directors' Report (Continued)

1. Legal status of the company

Bralirwa Plc is a public company limited by shares since 9 June 2010 incorporated in the Republic of Rwanda under the law No. 07/2009 of 27 April 2009 relating to companies and registered by the Registrar General Office under no. 100004348. Bralirwa Plc was the first company to be listed on the Rwanda Stock Exchange (RSE) as from 31 January 2011.

The Company is a subsidiary of Heineken N.V. based in the Netherlands, which owns 75% of the total shareholding while the remaining 25% is owned by the public. The Company has a capital of Rwf 5,142,850,000 divided into 1,028,570,000 ordinary shares with a nominal value of Rwf 5.00.

The Board of Directors is composed of 5 members. The Directors who held office during the year and to the date of this report are set out on page 24.

The Directors submit their report together with the audited financial statements for the year ended 31 December 2021, which discloses the state of affairs of the Company.

2. Operational Review

Top line results improved driven by volume and improved mix. Revenue was 15.4% higher than last year at Rwf 123.5 billion (2020: Rwf 107 billion), mainly due to volume growth for both beer and soft drinks and better mix from growth of premium products. A continued focus on cost saving coupled with operational efficiencies resulted in an improved Gross Profit (GP) which increased by 19.5%.

Operating result increased by 57.4% to Rwf 31.2 billion (2020: Rwf 19.8 billion) mainly due to operational efficiencies and revenue increase. Profit and total comprehensive income increased by 94.6% to Rwf 17.5 billion (2020: Rwf 9 billion), due to the reasons above. This resulted in better earnings per share of Rwf 17.03 (2020: Rwf 8.75).

The following is a summary of our results for the year ended 31 December 2021:

The Directors of Bralirwa Plc announce the following Audited results for the year ended December 31, 2021

Rwf millions	2021	2020	Change (%)
Revenue	**123,596**	**100,521**	**23.0%**
Results from operating activities	**31,213**	**19,826**	**57.4%**
Net finance cost	(5,589)	(6,832)	(18.2%)
Profit before income tax	**25,624**	**12,994**	**97.2%**
Income tax expense	(8,100)	(3,989)	103.1%
Profit and total comprehensive income for the year	**17,524**	**9,005**	**94.6%**

Directors' Report (Continued)

3. Dividend

The Directors are recommending to the 12th Annual General Meeting of Shareholders the declaration of a total dividend of Rwf 17.03 per share (2020: Rwf 8.75). As per the law, the proposed final dividend approved will be subject to a deduction of withholding tax, the taxation is applicable to all shareholders whose names appear in the Company's register of Shareholders at the close of business on 16 May 2022.

4. Corporate Governance

Bralirwa Plc Board of Directors is responsible for the overall governance of the Company and is accountable to the shareholders for ensuring that the Company complies with the law and the highest standards of best practices in corporate governance and business ethics.

The Directors are committed to fostering a culture that values ethical behavior, integrity and respect and the need to conduct the business and operations of the company in accordance with generally accepted corporate practices. The Directors believe that adopting and operating in accordance with high standards of corporate governance is essential for sustainable long-term performance and value creation.

a) Board of Directors

The Articles of Association of the Company provides that the business and affairs of the Company are to be managed under the direction of the Board. The Board clearly understands its role, powers, duties and functions.

The Chairman of the Board is responsible for leadership and effective performance of the Board and for the maintenance of relations between Directors and Management that are open, cordial and conducive to productive cooperation.

The Board has in place an annual Work Plan that enables it to have detailed reviews of the Company's operations, approval of strategy, business plans, budgets and financial statements.

The Board receives regular reports on the Company's financial and operational results. The full Board meets at least four times a year. The Directors receive all information relevant to the discharge of their obligations in accurate, timely and clear form so that they can guide and maintain full and effective control over strategic, financial, operational and compliance issues. In line with good governance practice, the Board has delegated authority for conduct of day-to-day business to the Vice Chairman and Managing Director. The Board nonetheless retains responsibility for establishing and maintaining the Company's overall internal control of financial, operational and compliance issues as well as implementing strategies for the long-term success of the Company.

Four (4) out of the five (5) members of the Board are non-executive including the Chairman of the Board, and all others except the Vice Chairman and Managing Director are subject to periodic reappointment in accordance with the Company's Articles of Association.

b) Audit and Risk Committee

The Audit and Risk Committee exists pursuant to article 154 of the Law governing Companies in Rwanda and the Board resolution of 25 May 2016.

The objective of the Committee is to support and advise the Board in its duties of adequately reviewing and approving the Company's financial statements, monitoring the effectiveness of internal controls and regularly assessing the main risks facing the Company.

The Committee is mandated to assist the Board in its oversight role of monitoring the effective implementation by Management and in assessing the proper functioning of the internal and external auditors. The Committee reports to the Board on how it has discharged its responsibilities.

It is composed of three (3) non-executive Directors with at least one member having the relevant financial experience and competence in accounting and/or auditing. Its meetings are also attended by the Managing Director, Financial Director and Process & Control Improvement Manager.

Other non-committee members are invited to attend all or part of any meeting as and when appropriate and necessary and assist the Committee from time to time, according to the particular items being considered and discussed.

Directors' Report (Continued)

4. Corporate Governance (Continued)

b) Audit and Risk Committee (Continued)

The Committee meets at least twice a year and the meetings are aligned with the Board meetings to allow for work arising from the Committee to be carried out and reported to the Board.

The Committee monitors the integrity of the financial statements of the Company, including its annual and half-yearly reports, interim management statements, preliminary announcements and any other formal statements relating to its financial performance, and review and reports to the Board on significant financial reporting issues and judgements which those statements contain having regard to matters communicated to it by the auditor.

The Committee also reviews any other statements requiring Board approval which contain financial information and advises on where to carry out a review prior to the Board approval would be practicable and consistent with any prompt reporting requirements under Rwandan laws and regulations including all regulatory instruments for listed companies on the Rwanda Stock Exchange (RSE).

Where the Committee is not satisfied with any aspect of the proposed financial reporting by the Company, it reports its views to the Board.

The Committee's chairperson formally reports to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and on how it discharged its responsibilities. The Committee makes recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

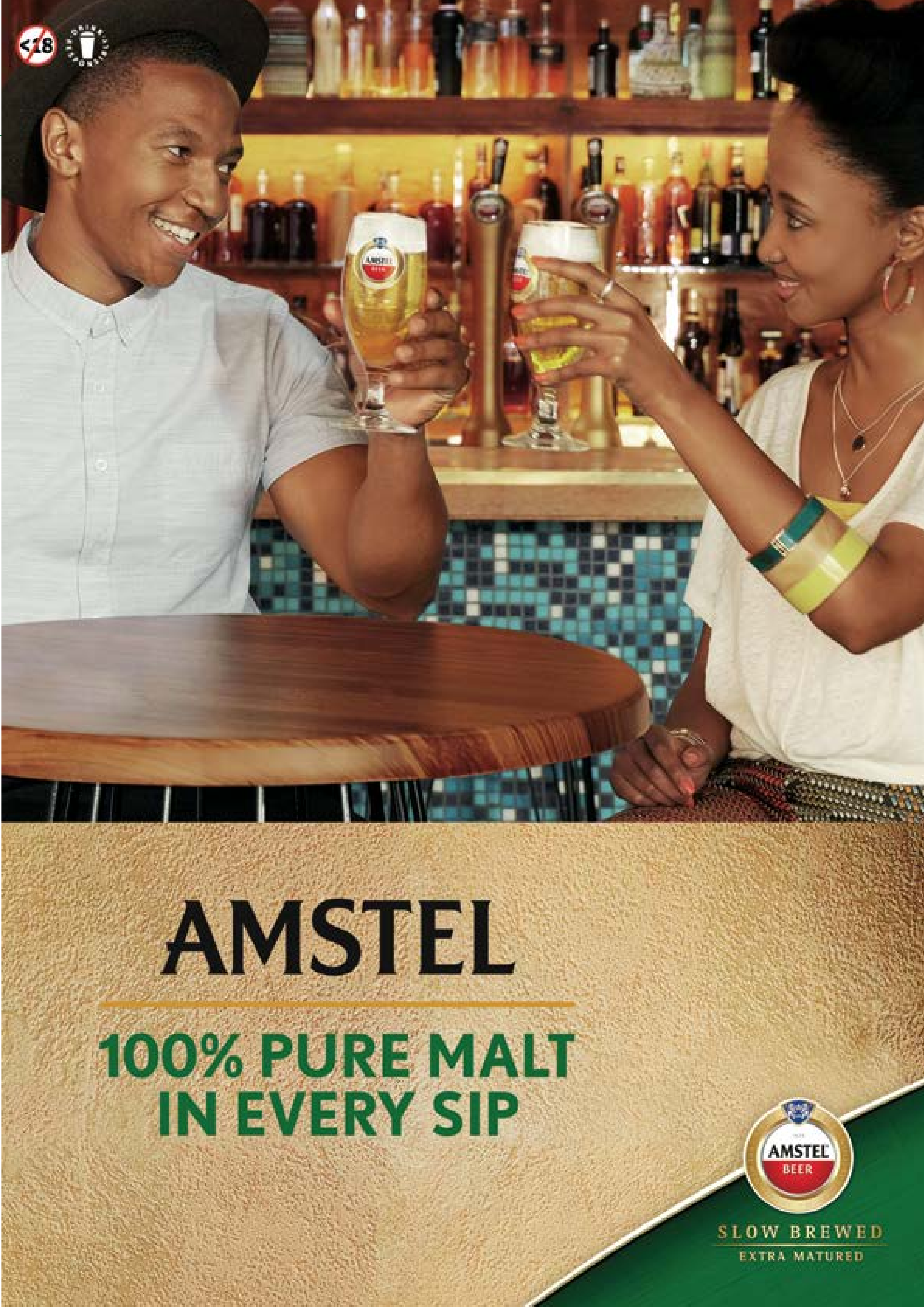
c) Management Committee

The Management Committee comprises of the Vice Chairman and Managing Director and other Senior Managers occupying a strategic role in the business with the Company Secretary serving as the secretary.

The Committee is responsible for agreeing priorities, allocating resources, setting overall corporate target, agreeing and monitoring functional strategies and plans and has responsibilities for superintending the affairs of the business on a day-to-day basis. It is chaired by the Vice Chairman and Managing Director of the Company.

5. Analysis of Shareholding

Shareholder	Number of shares	Class of shares	Percentage of issued capital
Heineken International B.V.	411,480,000	Ordinary	40.01%
Beleggingsmaatschappijlimba B.V	359,950,000	Ordinary	35.00%
SBSA Nom Obo ISL Africa Longterm Va-T143b	59,951,300	Ordinary	5.83%
SBSA Nom Obo ISL Steyn Africa-T143d	45,935,200	Ordinary	4.47%
Frontaura Global Frontier Fund LLC	37,312,800	Ordinary	3.63%
SBSA Nom Obo ISL Steyn Best Ideas-T143c	31,048,300	Ordinary	3.02%
Rwanda Social Security Board	28,823,000	Ordinary	2.80%
Standard Chartered Bank (Mauritius) Ltd T113BL	13,675,100	Ordinary	1.33%
Standard Chartered Bank (Mauritius) Ltd-T113 AF	5,000,000	Ordinary	0.49%
Other Shareholders	35,394,300	Ordinary	3.44%
Total	**1,028,570,000**	**Ordinary**	**100.00%**



AMSTEL
100% PURE MALT
IN EVERY SIP
AMSTEL
BEER
SLOW BREWED
EXTRA MATURED

Directors' Report (Continued)

6. Our Brands

Mützig

The Mützig brand performed above market average and gained market share. Consumers were well able to find and preferred this trustworthy brand, an example of the very strong brand power Mützig has with consumers.

The first period of the year, the country was still in lockdown, the brand was not able to get closer to its consumers. With the reopening in Q4, Mützig was able to connect with consumers with an exciting concert featuring a well renown Panafrican artist from Nigeria Adekunle Gold. An event executed through the line driving Sales in the point of sell. In September 2021, Mützig launched the "Live Bold – Never Stop Starting" campaign nationwide. In line with the previous campaigns 'Success Follows Perseverance' and 'Cheers to You', the new campaign centers around and aims to show that Mützig is for the Bold Ones, for the Shapers who become Game Changers. For the innovators who start something new, and when they start, they never stop. The campaign motivates us all to be bold and to never be discouraged.

Primus

2021 was a challenging year for the Primus brand. The price increase in December 2020 combined with COVID-19 uncertainty, affected the performance of the brand, and translated in the decrease of volume and market share. Key mitigation activities by the Commercial team contributed to reducing the decline and positioning the Primus brand as a brand worth paying more for, particularly through the leveraging of the National Football League sponsorship.

In Q4 with the easing of the restrictions, the Primus brand was able to amplify key brand activities and get closer to the consumer, these included Iwacu Muzika, Primus National League and the signing of local musical artist, Bruce Melodie as the official Primus Brand Ambassador. These activities ensured the brand was actively visible while staying at top of mind with the Rwandan consumer through resonance and reach. In addition, Primus brand continued the extensive rollout of the adapted visual identity, providing the brand with a refreshed and dynamic new look, capturing the spirit of Rwanda where culture and modern meet.

Directors' Report (Continued)

Amstel

Since 1870, Amstel has been dedicated to quality, togetherness Since 1870, Amstel has been dedicated to quality, togetherness, and innovation. Three years that the brand has been launched in Rwanda and we have not yet finished to unlock the potential of the brand. In 2021, we extend Amstel proposal with a draught beer making Amstel the second beer brand to propose that SKU in the market. A sign of premiumness and quality.

End of 2021, Amstel became the proud official sponsor of Tour du Rwanda. Cycling as a sport has captured the hearts and minds of Rwandans and has become a well-recognized competition that cyclists from all corners of the world come to participate in. Cycling as a sport links quite well to the brand heritage, as Amstel is a brand born in Amsterdam the city of bikes.

Heineken®

2021 was a challenging year for the Heineken® brand. Although the year started off promising with consumers opting for premium offerings more often, this reality changed rapidly. Due to the uncertainty presented by the COVID-19 pandemic, consumers regularly down-traded to more affordable beers. As a result of the pandemic, a number of key commercial activities such as Heineken® UCL were cancelled. Nonetheless, the brand showed to be innovative and teamed up with local DJs to create a series of 'At-Home' entertainment via digital through Instagram Live parties. The brand also kicked off the Heineken® Afterwork campaign to drive consideration and position Heineken® as the preferred international beer to celebrate the end of the working day and week. Heineken® continues to advocate responsible consumption through its 'Enjoy Heineken Responsibly' campaign. With all the efforts aforementioned Heineken® was able to double its performance in 2021 compared to 2020.

Directors' Report (Continued)

7. Our Sales

In 2020, coming from the devastating effect of the pandemic (COVID-19) that bedeviled the whole world in which our country Rwanda was not left out. With the shaky start of 2021, BRALIRWA Plc total volume grew by 10% and delivered a strong revenue growth over 2021.

The total volume performance was impacted by COVID-19 measures on bars (On trade) and clamped down on events, religious and social gatherings in Q1 at the beginning of the year.

We ensured seamless availability and affordability of our brands throughout the year to meet the expectation of our consumers, we invested heavily in expanding the reach of our field personnel most especially in off trade channels just to serve the market better.

Digitalization of our Sales Operations continued to significantly shape the ways of working and particularly ways of ordering by customers. We decided to embrace this expensive challenge to stay ahead of the curve through the expansion of Bra2Biz and creation of an outsourced call centre to unlock the massive value opportunities in the on and off trade channels segments.

To continuously measure our customer and consumer satisfactory level, an app was introduced. From the responses, we were able to identify gaps to be filled in order to satisfy our customers and consumers' needs. (Customer/Consumer satisfied tend to be retained when their needs are meant).

With the introduction of Digital & Technology (D&T) function in BRALIRWA Plc, we continue to invest in additional customer-friendly apps on the platform for continued interactions.

Furthermore, we revitalized our Route to Market, established Look of Success for our Distributors and significantly improved our market visibility, outlet execution driven through our improved picture of success, channel strategy and outlet activations to engage consumers at the point of consumption. We drove the deep and wide availability of our brands, ensuring the right price at the point of purchase and consumption. Through this approach, we were able to remain top of mind and first choice for the majority of consumers.

In conclusion, we continue building the winning spirit of our sales force by enhancing our capability development programs focusing on the upgraded key competencies. The implementation of our capability development framework continued to improve our level of customer engagement and market executions & activations.

Safety, health consciousness, competence and development of our people remain key pillars in our growth strategy.

Directors' Report (Continued)

8. Our Supply Chain

Safety

Safety first and quality must - this is our motto. We would like our employees to go back to their families in the same condition as they leave for work every day. Safety is at the center of everything we do. We work with regulatory authorities, our suppliers, logistics service providers, employees, including third parties, to ensure safety compliance in everything we do. We work with multiple operating companies of HEINEKEN to share experiences and learn from unfortunate events.

BRALIRWA Plc has embedded the HEINEKEN safety culture in its operations and currently upgrading its Life Saving Rules policy to Life Saving Commitments. Safety, as always, remains our number one priority. Our Kigali Soft Drink Plant celebrated 7 years without accident in 2021; contractor accidents and safety on the road continue to be our priority areas. We are also working extensively on reducing/eliminating forklifts and pedestrians interaction in our operational areas.

COVID-19 has continued to pose challenges for our operations, especially in the global supply chain of production materials. We were able to setup the necessary preventive measures from the onset of COVID through distribution of face masks, installation of sanitizers dispensary from entrance to different operational areas, installation of hand washing stations, and enforcement of social distancing. We have also worked closely with the local government and achieved 99% vaccination rate of two doses for all our own and third party employees. A third dose vaccination is currently ongoing. We have not faced any serious hospitalization or fatality among our employees since the onset of COVID. The measures put in place and excellent level of vaccination have so far avoided widespread infections both at our production and office facilities.

All our company and contractor vehicles have been equipped with a telematics/GPS system since the end of 2018. The increase in number of speed cameras throughout the country is also contributing to reduction in accident rates emanating from vehicles over speeding. We have observed a significant drop in incidents and reduction in our repair and maintenance costs as safe driving of vehicles is not only saving lives and reducing damages but also saving unnecessary costs.

Operations and Investment

The year 2021 continued to be a challenging year for supply chain functions due to the COVID 19 pandemic, unreliability of supply and changing business environments. The whole world has been affected by the shortage of shipping containers, blockage of the Suez Canal by the Evergreen vessel, and congestions at major seaports. We have capitalized on sharing of resources among our neighboring sister companies to ensure business continuity during these difficult periods.

We have adopted a shorter Sales and Operational planning cycle to be agile and continuously update ourselves with the changing market situation. Despite all the challenges, we have avoided out of stock situations or passage of BBF dates on finished products/raw materials and delivered the highest volume of beer ever. We have been delivering record volumes of beer for more than half of the year.

As part of our commitment to develop the capability of our people and modernize our production facilities, significant investments were made to expand our brew house capacity and modernize our production processes. This project was successfully completed by end of 2021; this project has brought the most up-to-date production automation systems and upgrading of production equipment. The expansion project was able to continue during 2020/21 despite the challenges from COVID-19 and multiple lock downs during the previous two years.

The soft drink sales have also recovered in 2021 after the drop observed in 2020 from the multiple restrictive social activities introduced to contain the COVID-19 pandemic. Our locally produced HEINEKEN® continues to grow together with the portfolio of other brands such as Amstel.

We have fully integrated the commercial services and warehousing functions into the Customer Service and Logistics department under Supply Chain. This allows us to get closer to our distributors and attend to their needs on short notice. We have implemented multiple digital solutions to collect feedback from our customers, listen to their requests, queries, and complaints, and provide solutions.

In a multi-year Strategic Workforce Plan, the Supply Chain department has been working on big steps to make us a World Class organization. Maintenance and Quality control tasks are integrated into the daily work of Packaging and Brewing Operators allowing for more autonomous management on the shopfloor. We use our continuous improvement philosophy, Total Productive Management, as a way of working in our production and logistics area. This way of working allows us to implement a world class way of working like many other operating companies of HEINEKEN.

Directors' Report (Continued)

9. Our Organisation, Our People

Despite the continuous battle against COVID-19, 2021 was a greater year compared to 2020. The increased awareness of COVID-19 in our people helped our business to successfully navigate the challenges and to deliver beyond expectations. We thank and appreciate BRALIRWA employees for their tremendous drive and commitment.

BRALIRWA people are at the heart of our organization and care for our people is the core of what we do. We secured full vaccinations for all our 400 employees and more than 550 contractors. We continued supplying all necessary PPEs to all our people and increased workplace monitoring. As a result, we are proud that all our employees and third party workers remain safe.

As a country, we witnessed another volcano eruption crisis. Since the Brewery is situated near the DRC border, our employees' safety was at high risk. The BRALIRWA Management team ensured fast decisions were taken to support on-ground employees. BRALIRWA provided financial support to employees whose homes were partially or fully destroyed.

With our focus on sustainable growth, talent development becomes very critical. In alignment with HEINEKEN ambition, 2021 was a year of balancing diversity at the Management level. Through our strong succession plan and developmental strategy, we were able to groom internal Rwandan talents who currently occupy senior roles in our organization. Our gender diversity also increased tremendously at the Management level moving from 10% female vs male in 2018 to 50/50 female vs males by 2021. These achievements were possible because BRALIRWA promotes equal opportunity and trust in its people.

Directors' Report (Continued)

10. Our Corporate Social Responsibility

Brewing a Better World, our commitment to sustainable operations and improving lives

The UN Sustainable Development Goals (SDGs) are a universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere.

To achieve SDGs, HEINEKEN committed its support by setting up a Brew a Better World as a set of strategies extended to 2030. With the 2030 agenda of Brew a Better World, we are raising the bar on our support for the SDGs as we look ahead to a decade in which more ambitious collective action is the only way forward.

Ambitions and commitments are grouped into three pillars: Environmental, Social, and Responsible. Since 2009, all those ambitions have become embedded in everything we do – from the planting of barley seeds to the moment an empty glass is set down on the bar.

ENVIRONMENT

To keep the environment healthy and safe, BRALIRWA Plc initiated innovations to reduce CO2 emissions in production. The reduction of energy consumption and the use of renewable energy contributed significantly to the reduction of CO2 in our value chain. At the end of 2021, we were at 11% with a target to be net-zero by 2030.

Our commitment to source some of our raw materials like barley locally played a great role in the journey to CO2 reduction. The transportation of barley from outside countries to Rwanda used to produce more CO2 to the environment, so far it was reduced as barley is now locally sourced. The use of mineral fertilizers in barley agriculture is another major contributor to the CO2 reduction by replacing industrial fertilizers.

Regarding circularity, BRALIRWA Plc improved the management of spent yeast and grains. The spent yeast is feeding a large

Directors' Report (Continued)

number of livestock around the brewery resulting in increasing farming production. In 2021, the Kieselguhr decantation project was initiated. This will lead us to be a responsible company with zero-waste landfills.

Water is essential to life and a basic human right – we cannot live without it. But freshwater ecosystems are under increasing pressure from the competing demands of agriculture, business, and communities. We are aware that globally, over 70% of freshwater resources are devoted to crop and livestock production. To play our role, in 2021, BRALIRWA Plc donated fruit and agroforestry trees to Rubavu District and planted them together with the community to promote environmental conservation.

There were initiatives and commitments to treat all our used water to be reused, efficient use of water in production, and other factors that contributed to the reduction of water consumption.

SOCIAL

Inclusion & Diversity

Embracing Inclusion & Diversity (I&D) is not only the right thing to do for people but also essential to be successful as a business. A diverse workforce brings diverse viewpoints and perspectives to the company. It leads to better decision-making, a deeper understanding of diverse consumers and customers, more innovation, and increased performance.

Growing with Communities

Embedded in our business model is the passion to see the communities where we work grow and live better-quality lives. This desire, also strongly considered by our BaBW strategy, guides all our Corporate Social Responsibility initiatives. In 2021, we navigated the COVID-19 crisis, and here below are some interventions we did to join efforts with our stakeholders to contain the spread of the virus:

COVID-19 Response

In the fight against COVID-19, Heineken Africa Foundation granted EUR 200,000 for Phase II of the project. With the said amount, we partnered with WaterAid Rwanda to contribute to national efforts for COVID-19 prevention through support to national awareness campaign "SINDOHOKA" and the construction of 10 permanent handwashing facilities and water supply systems to connect health centers.

Construction of handwashing facilities:

- Nyamagabe District (3): Kitabi, Shaba, and Mugano health centers completed now in use.
- Rwamagana District (2): Gahengeri and AVEGA health centers were completed now in use.
- Nyaruguru District (2): The construction of the handwashing facility at Munini Hospital was completed and it is now in use.
- Bugesera District (3): Nyamata and Mayange health centers' hand washing facilities are completed, but construction of the facility at Mwogo health center has not yet started.

Water supply systems connected to health centers:

- Nyamagabe District: Shaba Health center is already connected and now in use.
- Rwamagana District: The construction of the water supply network to Gahengeri Health center is completed and in use.
- Rubavu District: The water supply networks for Bulinda, Basa, Nyacyonga, and Rwanyakayaga health centers are completed and are now in use.

Sourcing Sustainably

To increase our contribution to the growth of the Rwandan economy, BRALIRWA Plc continued to invest in building local value chains for the commodities used in the production of our beverages, to progressively grow the percentage of raw materials sourced locally.

In collaboration with Rwanda Agriculture Board (RAB), we took part in barley trials in Musanze District, Northern Province. These barley trials benefit farmers by providing extra income & a ready market for their barley, boosting the local economy and beer production time (through sourcing locally), and contributing to the reduction of carbon emissions and energy usage (through reduced shipping costs).

Advocating responsible Consumption

Beer is a naturally fermented drink that, when enjoyed in moderation, can be part of a balanced lifestyle. However, when alcohol is not consumed responsibly there are clear health and behavioral risks. That is why we have always been committed to advocating responsible consumption and supporting efforts to decrease harmful consumption.

Our journey for advocating responsible alcohol consumption continued in 2021 and has been contributing to existing initiatives by other stakeholders, to encourage our consumers to enjoy in moderation. We have made good progress in terms of transparency as of now 100% of our products contain clear and transparent information about ingredients, nutrition, calories, alcohol by volume, and allergens, as well as responsible drinking symbol and 10% of our media budget was spent on responsible consumption,


ORIGINAL
HEINEKEN
DIPLOME D'HONNEUR
TRADE
EST.
HORS

Directors' Report (Continued)

11. Digital Transformation (D&T)

Our understanding of consumers, customers, and route to markets is our competitive advantage. Digitalization, data & modern technology can deepen the value of these relations, accelerate growth for everyone.

However, we are faced with a challenging reality: fragmentation of our technology & data landscape is preventing us from moving forward at steady pace. Digital & Technology (D&T) aims to accelerate, orchestrate & deliver on BRALIRWA's journey to becoming the best-connected brewer.

We started our Data Driven Transformation (DDT) program in 2021, and this forms the basis of our new "Digital and Technology" (D&T) function, focusing on four pillars:

[I] Business Value & Orchestration
[II] Quality Data
[III] Modern Technology
[IV] People & Change

As part of pillar [IV], we are enabling our people and organization to truly embed 'Digital & Technology' as an inherent part of both strategy shaping and execution.

We plan to further shape our strategy, focusing on 3 main objectives:

[I] Enabling BRALIRWA to address challenges in delivering local business priorities related to digital
[II] Ensuring the use of a common digital language to support seamless collaboration
between BRALIRWA & other Heineken markets
[III] Streamline cross-functional collaboration to organize for priorities, leveraging
Optimal ways of working

An organization that adopts an **Agile** mindset remains flexible & receptive. We will also focus on driving digital transformation through agile methodologies. Our four key considerations are:

Speed for change: The future is less certain, and the speed of change is increasing. To win, we need to be the quickest and the most adaptable to this continuously changing environment.

Consumer Expectations: Consumer expectations and behaviors are changing, and digital channels are core to interacting with our customers and consumers. Value increasingly migrates to who "understands" the customer.

Workplace Appeal: To attract and engage an increasingly millennial workforce we need to create a highly collaborative working environment and continuous learning culture.
In conclusion, the Digital and technology team is committed to driving the winning spirit within the BRALIRWA organization, with enhanced tools, capabilities & competencies. This guarantees improved customer engagement & satisfaction.

Directors' Report (Continued)

12. Independent Auditors

The auditors, Ernst and Young Rwanda Limited, have expressed their willingness to continue in office in accordance with Law No. 007/2021 of 5 February 2021 governing companies.

Kigali, 24 March 2022

For the Board of Directors

Pascal Sabrié
Chairman of the Board

Etienne Saada
Vice Chairman of the Board

PART SIX

BRALIRWA PLC STATEMENT OF
FINANCIAL ACCOUNTS

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Law No. 007/2021 of 05/02/2021 governing companies requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the operating results of the Company for that year. It also requires the Directors to ensure that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company.

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Law No. 007/2021 of 05/02/2021 governing companies, and for such internal controls as Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Law No. 007/2021 of 05/02/2021 governing companies.

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, its operating results as at 31 December 2021 and of its profit and cash flows for the year then ended in accordance with the International Financial Reporting Standard and the requirements of the Law No. 007/2021 of 05/02/2021 governing companies.

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.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

Approval of the financial statements

The financial statements, as indicated above, were approved by the Board of Directors on 24 March 2022 and were signed on its behalf by:

Pascal Sabrié
Chairman of the Board

Etienne Saada
Vice Chairman of the Board

Ernst & Young Rwanda Limited
Certified Public Accountants
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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BRASSERIES ET LIMONADERIES DU RWANDA (BRALIRWA) PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Brasseries et Limonaderies du Rwanda (Bralirwa) Plc (the Company), set out on pages 57 to 60 which comprise the statement of financial position as at 31 December 2021, and the 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.

In our opinion, the accompanying financial statements presents fairly,in all material respects, the financial position of the Company as at 31 December 2021, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of Law No. 007/2021 of 05/02/2021 governing companies.

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 Institute of Certified Public Accountants of Rwanda Code of ethics (ICPAR Code of Ethics), which is consistent with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with other ethical requirements that are relevant to our audit of the financial statements of the company and in Rwanda. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the company and in Rwanda. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BRASSERIES ET LIMONADERIES DU RWANDA (BRALIRWA) Plc

Report on the Audit of the Financial Statements (continued)

Key audit matter

Deposit liability for returnable packaging material

Included in trade and other payables in note 7.3 to the financial statements is an amount of Rwf 14,084,968,329 relating to deposit on returnable packaging material (RPM deposit). The Directors have made significant estimates and judgement in determining the value of the deposit on returnable packaging material.

Judgement and estimates are made in relation to the number of containers, bottles and crates in circulation, the average useful lives of the bottles and crates and the average circulation time for the containers in the market. Once the number of containers in the market has been estimated, this is multiplied by the price of the containers and the liability at period end is determined. The price of the containers is the amount that the Company would refund customers if they returned the containers for cash.

The key assumptions related to deposit liability for returnable packaging material have been included in note 4 "Use of estimates and judgement" in the financial statements.

We focused on the deposit liability for returnable packaging material because the liability is material to the financial statements and its determination requires significant judgement and estimates.

How the matter was addressed in the audit

Our audit procedures included the following:

- We reviewed the reconciliation for the estimate of the deposit liability for RPM.
- We evaluated and tested the reasonableness of the methods and assumptions the Directors used to determine the estimates and amount.
- We evaluated whether the methods for calculating the estimates and amount are applied consistently. The key assumptions applied are related to circulation time and market loss for RPM.
- We recomputed the RPM deposit and assessed the inputs of the calculation for reasonableness.

The directors are responsible for the other information. The other information consists of the information included in the company's 2021 Annual Report other than the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information 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.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BRASSERIES ET LIMONADERIES DU RWANDA (BRALIRWA) Plc

Report on the Audit of the Financial Statements (Continued)

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the International Financial Reporting Standards and the requirements of Law No. 007/2021 of 05/02/2021 governing companies, and for such internal controls 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.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BRASSERIES ET LIMONADERIES DU RWANDA (BRALIRWA) Plc

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We are required to communicate with the Audit & Risk Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We are also required to provide the Audit & Risk Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other Legal and Regulatory Requirements

As required by the Law No. 007/2021 of 05/02/2021 governing companies, we report to you based on our audit that:

i. We have no relationship, interests and debts in the company;

ii. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

iii. In our opinion, proper books of account have been kept by the company, so far as appears from our examination of those books;

iv. We have communicated to you through the management letter, internal control weaknesses identified in the course of our audit including our recommendations with regard to those matters.

Stephen K Sang
For Ernst & Young Rwanda Limited

31 March 2022

BRASSERIES ET LIMONADERIES DU RWANDA (BRALIRWA) PLC
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 Rwf '000	2020 Rwf '000
Revenue	**6.1.1**	**123,596,476**	**100,520,707**
Cost of sales		(72,454,395)	(64,323,916)
Gross Profit		**51,142,081**	**36,196,791**
Other income	6.2	785,017	461,284
Selling and distribution costs	6.1.3	(10,646,726)	(3,178,720)
Administrative Expenses	6.1.4	(9,949,050)	(10,136,997)
Impairment charge for related party loan1	10.1	-	(3,516,397)
Impairment charge for Trade receivables2	7.2	(117,810)	
Total expenses		**(20,713,586)**	**(16,832,094)**
Results from Operating Activities		**31,213,512**	**19,825,981**
Foreign Exchange gains/(losses)[3]	11.1b	(1,150,652)	(1,333,828)
Finance costs	11.1a	(4,438,565)	(5,498,174)
Profit before income tax		**25,624,295**	**12,993,979**
Income tax expense	**12.1**	**(8,099,580)**	**(3,988,775)**
Profit after tax		**17,524,715**	**9,005,204**
Other Comprehensive Income		**-**	**-**
Total comprehensive Income for the year		**17,524,715**	**9,005,204**
Basic and diluted earnings per share	**6.7**	**17.03**	**8.75**

The notes on pages 61 to 107 are an integral part of these financial statements

[1]The company has disaggregated the presentation within the impairment of related party loans line item of Frw 3,516,397,000 previously presented within the other expenses line item within the prior year. These reclassifications had no impact on any reported totals or on any amounts presented in the statement of financial position.

[2]The company has disaggregated the presentation within the impairment of financial assets line item of Frw 117,810,000 previously presented within the administrative expenses line item within the prior year. These reclassifications had no impact on any reported totals or on any amounts presented in the statement of financial position.

[3]The company has disaggregated the presentation within the foreign exchange losses line item of Frw 1,333,828 previously presented within the finance cost line item within the prior year. These reclassifications had no impact on any reported totals or on any amounts presented in the statement of financial position

BRASSERIES ET LIMONADERIES DU RWANDA (BRALIRWA) PLC
STATEMENT OF FINANCIAL POSITION AS AT 31 December 2021

Year ended 31 December	Notes	2021 Rwf '000	2020 Rwf '000
ASSETS			
Non-current assets			
Property, plant and equipment & Right of Use assets	6.6&8.3	84,980,931	87,554,336
Intangible assets	8.2	1,535,817	1,696,529
Equity Investments	8.4	9,224	9,224
Receivable from related parties- principal	13.2	**592,160**	**-**
Total non-current assets		**87,118,132**	**89,260,089**
Current assets			
Inventories	7.1	19,474,631	19,962,794
Receivable from related parties	13.2	1,314,757	1,934,132
Trade and other receivables	7.2	5,618,110	10,261,117
Tax recoverable	12.1	1,018,636	895,783
Bank and cash balances	11.2	1,863,612	4,956,841
Total current assets		**29,289,746**	**38,010,667**
Total assets		**116,407,878**	**127,270,756**
Equity & Liabilities			
Equity			
Share capital	11.4	5,142,850	5,142,850
Share premium	11.4	84,857	84,857
Other reserves	11.4	2,071,990	2,071,990
Retained earnings		43,812,566	35,287,839
Total equity		**51,112,263**	**42,587,536**
Liabilities			
Non-current liabilities			
Loans and borrowings LT	11.3.1	8,273,943	11,343,015
Lease liability non current portion[4]	11.3.2	186,983	268,529
Deferred tax liability	12.2	5,095,126	4,194,803
Total non-current liabilities		**13,556,053**	**15,806,347**
Current liabilities			
Loans and borrowings ST	11.3.1	3,186,290	6,138,140
Bank Overdraft[4]	11.2	11,601,697	29,837,015
Lease liability current Portion[4]	11.3	55,397	53,734
Payable to related parties	13.2	6,738,497	3,880,965
Trade and other payables	7.3	30,157,681	28,967,019
Total current liabilities		**51,739,562**	**68,876,873**
Total liabilities		**65,295,615**	**84,683,220**
Total equity and liabilities		**116,407,878**	**127,270,756**

The Board of Directors approved the financial statements set out on pages 57 to 60 on 24 March 2022 and were signed on its behalf by:

Chairman of the Board
Pascal Sabrié

Vice Chairman of the Board
Etienne Saada

The notes set out on pages 61 to 107 are an integral part of these financial statements.

[4] The company has disaggregated the presentation within the loans and borrowing line item and separated the lease liability and bank overdraft previously presented within the loans and borrowings line item within the prior year. These reclassifications had no impact on any reported totals or on any amounts presented in the statement of financial position

BRASSERIES ET LIMONADERIES DU RWANDA (BRALIRWA) PLC
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 December 2021

	Notes	Share capital Rwf '000	Share premium Rwf '000	Other reserves Rwf '000	Retained earnings Rwf '000	Total equity Rwf '000
1st January 2021		**5,142,850**	**84,857**	**2,071,990**	**35,287,839**	**42,587,536**
Profit after tax		-	-	-	17,524,715	17,524,715
Dividends paid in the year	11.4	-	-	-	(8,999,988)	(8,999,988)
Long term incentive plan					-	-
Balance at 31 December 2021		**5,142,850**	**84,857**	**2,071,990**	**43,812,566**	**51,112,263**
1st January 2020		**5,142,850**	**84,857**	**2,071,990**	**27,311,205**	**34,610,902**
Profit after tax		-	-	-	9,005,204	9,005,204
Dividends paid in the year		-	-	-	(1,028,570)	(1,028,570)
Total transactions with owners					-	-
Balance at 31 December 2020		**5,142,850**	**84,857**	**2,071,990**	**35,287,839**	**42,587,536**

The notes on page 61 to 107 are an integral part of these financial statements.

BRASSERIES ET LIMONADERIES DU RWANDA (BRALIRWA) PLC
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 December 2021

Year ended 31 December	Notes	2021 Rwf'000	2020 Rwf'000
Operating activities			
Profit before tax		25,624,295	12,993,979
Adjustments for:			
Impairment of investment in joint venture loan	10.1	-	3,516,397
Interest on expense	11.1	4,424,528	5,471,858
Interest on lease expense	11.1	14,037	26,316
Foreign exchange difference on loans	11.3	124,065	882,679
Depreciation	6.6 & 8.3	12,418,380	12,604,361
Amortization of intangible assets	8.2	528,364	451,583
(Gain)/Loss on sale of property, plant, and equipment	6.1	1,882	-
(Gain)/Loss on sale of property, plant, and equipment	6.2	(375,293)	(26,613)
Cash from operations before changes in working capital		**42,760,258**	**35,920,560**
Changes in working capital			
Changes in trade and other receivables	7.2	4,643,007	(3,730,979)
Changes in related party balances	13.2	3,476,907	(3,576,474)
Changes in inventories	7.1	488,163	(1,485,847)
Changes in trade and other payables	7.3	1,319,680	(122,222)
Cash generated from operating activities		**52,688,015**	**27,005,038**
Income tax paid	12.1	(7,322,109)	(6,042,725)
Net cash flow from operating activities		**45,365,906**	**20,962,313**
Cash flow from investing activities			
Investments in related party	13.2	(592,160)	-
Proceeds from sale of property, plant, and equipment	6.2	375,293	26,613
Purchase of property, plant and equipment	6.6 & 8.3	(9,846,857)	(14,244,963)
Purchase of intangible assets	8.2	(367,652)	(475,636)
Net cash used in investing activities		**(10,431,376)**	**(14,693,986)**
Cash flow from financing activities			
Repayment of loans and borrowings	11.3	(6,226,532)	(6,368,573)
Dividends paid to equity holders of the company	11.4	(6,749,991)	(771,428)
Dividend paid to other shareholders	11.4	(2,249,997)	(257,143)
Payment of lease liabilities (principal portion)		(127,356)	(190,551)
Payment of Interest portion on Lease liabilities	11.1	(14,037)	(26,316)
Interest expense	11.1	(4,424,528)	(5,471,858)
Net cash flows used in financing activities		**(19,792,441)**	**(13,085,869)**
Net increase in cash and cash equivalents		**15,142,089**	**(6,817,542)**
Cash and cash equivalents at 1 January	11.2	(24,880,174)	(18,062,632)
Cash and cash equivalents as at 31 December	11.2	**(9,738,085)**	**(24,880,174)**

The notes on pages 61 to 107 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1.Reporting entity

Brasseries et Limonaderies du Rwanda (Bralirwa) Public Listed Company (PLC) is incorporated in Rwanda under the Law No. 007/2021 of 05/02/2021 governing companies as modified to date and is domiciled in Rwanda. The address of its registered office is:
Kicukiro
P.O. Box 131
Kigali, Rwanda

The principal activities of the Company are the marketing, brewing and selling of beer and non-alcoholic beverages.

Its parent and ultimate holding company is Heineken N.V. based in the Netherlands.

2.Basis of preparation

The financial statements are:

- Prepared in accordance with International Financial Reporting Standards (IFRSs) and comply with the financial reporting requirements by the law No 007/2021 of 05/02/2021. Consequently, the accounting policies applied by the Company also comply fully with IFRS as issued by the IASB.
- Prepared by the Management of the Company and authorised for issue on 29 March 2021 and will be submitted for adoption to the Annual General Meeting of Shareholders on 13 May 2021.
- Prepared on the historical cost basis unless otherwise indicated.
- Presented in RWF, which is the Company's functional currency.
- Rounded to the nearest thousand unless stated otherwise.

3.Application of new and revised International Financial Reporting Standards (IFRSs) and interpretations (IFRICs)

Amendments to IFRS that are mandatorily effective for the current year

- Definition of Accounting Estimates - Amendments to IAS 8
- Reference to the Conceptual Framework – Amendments to IFRS 3
- Covid-19-Related Rent Concessions beyond 30 June 2021 – Amendments to IFRS 16
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
- Interest Rate Benchmark Reform - Amendments to IFRS 9, IAS 39 and IFRS 7

Issued but not yet effective

- IFRS 17 Insurance Contracts- Amendments to IFRS 4-Beginning on or After 1 January 2021
- Reference to the Conceptual Framework – Amendments to IFRS 3
- Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

3.1 Application of new and revised International Financial Reporting Standards (IFRSs) and interpretations (IFRICs) (continued)

Definition of Accounting Estimates - Amendments to IAS 8

Effective for annual periods beginning on or after 1 January 2023.

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that
period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the company.

Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' on Onerous Contracts—Cost of Fulfilling a Contract

Effective for annual periods beginning on or after 1 January 2022.

The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the costs to fulfil the contract. The amendment clarifies the meaning of 'costs to fulfil a contract'. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract

Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

Effective for annual periods beginning on or after 1 January 2021

Key requirements

In August 2020, the IASB published Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. With publication of the phase two amendments, the IASB has completed its work in response to IBOR reform. The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR)

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable

Covid-19-Related Rent Concessions beyond 30 June 2021 – Amendments to IFRS 16

Effective for annual periods beginning on or after 1 April 2021

Key requirements

In March 2021, the Board amended the conditions of the practical expedient in IFRS 16 that provides relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic.

As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. Following the amendment, the practical expedient now applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

3.2 New and revised IFRSs and interpretations in issue but not yet effective

Reference to the Conceptual Framework – Amendments to IFRS 3

Effective for annual periods beginning on or after 1 January 2022.

Key requirements

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to a previous version of the IASB's Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing its requirements.

The amendments add a n exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

Transition

The amendments must be applied prospectively. Earlier application is permitted if, at the same time or earlier, an entity also applies all of the amendments contained in the Amendments to References to the Conceptual Framework in IFRS Standards (March 2018).

Impact

The amendments are intended to update a reference to the Conceptual Framework without significantly changing requirements of IFRS 3. The amendments will promote consistency in financial reporting and avoid potential confusion from having more than one version of the Conceptual Framework in use.

This standard is not applicable to the company and therefore, it will not have an impact on the company's financial statements.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

Effective for annual periods beginning on or after 1 January 2022.

Key requirements

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Transition

The amendments must be applied prospectively to contracts for which an entity has not yet fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Earlier application is permitted and must be disclosed.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

3.1 Application of new and revised International Financial Reporting Standards (IFRSs) and interpretations (IFRICs) (continued)

3.2 New and revised IFRSs and interpretations in issue but not yet effective (Continued)

Impact

The amendments are intended to provide clarity and help ensure consistent application of the standard. Entities that previously applied the incremental cost approach will see provisions increase to reflect the inclusion of costs related directly to contract activities, whilst entities that previously recognised contract loss provisions using the guidance from the former standard, IAS 11 Construction Contracts, will be required to exclude the allocation of indirect overheads from their provisions. Judgement will be required in determining which costs are "directly related to contract activities", but we believe that guidance in IFRS 15 Revenue from Contracts with Customers will be relevant.

This standard will not have an impact on the company's financial statements.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalized any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.

Key requirements

The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

Transition

The amendments must be applied prospectively. Early application is permitted and must be disclosed.

Impact

The amendments are intended to eliminate diversity in practice and give preparers a consistent set of principles to apply for such transactions. However, the application of the definition of a business is judgmental and entities need to consider the definition carefully in such transactions.
This standard will not have an impact on the company's financial statements.

The Conceptual Framework for Financial Reporting

Effective immediately for the IASB and the IFRS IC. For preparers who develop accounting policies based on the Conceptual Framework, it is effective for annual periods beginning on or after 1 January 2020.

Purpose

The revised Conceptual Framework for Financial Reporting (the Conceptual Framework) is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist the Board in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

3.1 Application of new and revised International Financial Reporting Standards (IFRSs) and interpretations (IFRICs) (continued)

3.2 New and revised IFRSs and interpretations in issue but not yet effective (Continued)

Key provisions

The IASB issued the Conceptual Framework in March 2018. It sets out a comprehensive set of concepts for financial reporting, standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards. The Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. It is arranged in eight chapters, as follows:

Chapter 1 – The objective of financial reporting
Chapter 2 – Qualitative characteristics of useful financial information
Chapter 3 – Financial statements and the reporting entity
Chapter 4 – The elements of financial statements
Chapter 5 – Recognition and derecognition
Chapter 6 – Measurement
Chapter 7 – Presentation and disclosure
Chapter 8 – Concepts of capital and capital maintenance

The Conceptual Framework is accompanied by a Basis for Conclusions. The Board has also issued a separate accompanying document, Amendments to References to the Conceptual Framework in IFRS Standards, which sets out the amendments to affected standards in order to update references to the Conceptual Framework. In most cases, the standard references are updated to refer to the Conceptual Framework. There are exemptions in developing accounting policies for regulatory account balances for two standards, namely, IFRS 3 and for those applying IAS 8.

Impact

The changes to the Conceptual Framework may affect the application of IFRS in situations where no standard applies to a particular transaction or event.

This standard will not have an impact on the company's financial statements.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. The standard will not have an impact to the company

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

3.1 Application of new and revised International Financial Reporting Standards (IFRSs) and interpretations (IFRICs) (Continued)

Definition of Material - Amendments to IAS 1 and IAS 8 (Continued)

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The amendments are not expected to have a material impact on the Company.

Classification of Liabilities as Current or Non-current - Amendments to IAS 1

Effective for annual periods beginning on or after 1 January 2022.

Key requirements

In January 2020, the Board issued amendments to paragraphs 69 to 76 of IAS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current.

The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument, would the terms of a liability not impact its classification

Right to defer settlement
The Board decided that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date.

Existence at the end of the reporting period
The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies regardless of whether the lender tests for compliance at that date or at a later date.
Management expectations
IAS 1.75A has been added to clarify that the 'classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period'. That is, management's intention to settle in the short run does not impact the classification. This applies even if settlement has occurred when the financial statements are authorised for issuance.
Meaning of the term settlement
The Board added two new paragraphs (paragraphs 76A and 76B) to IAS 1 to clarify what is meant by 'settlement' of a liability. The Board concluded that it was important to link the settlement of the liability with the outflow of resources of the entity. Settlement by way of an entity's own equity instruments is considered settlement for the purpose of classification of liabilities as current or non-current, with one exception.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

3.1 Application of new and revised International Financial Reporting Standards (IFRSs) and interpretations (IFRICs) (Continued)

In cases where a conversion option is classified as a liability or part of a liability, the transfer of equity instruments would constitute settlement of the liability for the purpose of classifying it as current or non-current. Only if the conversion option itself is classified as an equity instrument would settlement by way of own equity instruments be disregarded when determining whether the liability is current or non-current. Unchanged from the current standard, a rollover of a borrowing is considered the extension of an existing liability and is therefore, not considered to represent 'settlement'.

Transition

Many entities will find themselves already in compliance with the amendments. However, entities need to consider whether some of the amendments may impact their current practice. Entities need to carefully consider whether there are any aspects of the amendments that suggest that terms of their existing loan agreements should be renegotiated. In this context, it is important to highlight that the amendments must be applied retrospectively.

Improvements to International Financial Reporting Standards

Key requirements

The IASB's annual improvements process deals with non-urgent, but necessary, clarifications and amendments to IFRS.

2018-2020 cycle (issued in May 2020)

The following is a summary of the amendments from the 2018-2020 annual improvements cycle:

IFRS 1 First Time adoption of International Financial Reporting Standards

Subsidiary as a first-time adopter

- The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

- An entity applies the amendment for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted.

IFRS 9 Financial Instruments

Fees in the '10 per cent' test for derecognition of financial liabilities

- The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39.
- An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.
- An entity applies the amendment for annual reporting periods beginning on or after1 January 2022. Earlier application is permitted.

Illustrative Examples accompanying IFRS 16 Leases

Lease incentives

- The amendment removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

The amendment is not applicable to the company and therefore, it will not have an impact on the company's financial statement

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

3. Application of new and revised International Financial Reporting Standards (IFRSs) and interpretations (IFRICs) (Continued)

3.2 New and revised IFRSs and interpretations in issue but not yet effective (continued)

IAS 41 Agriculture

Taxation in fair value measurements

- The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.
- An entity applies the amendment to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted.

The amendment is not applicable to the company and therefore, it will not have an impact on the company's financial statement

4. Significant events in the period and accounting estimates and judgements

(a) Impact of COVID-19 on the financial statements

Since the end of the last annual reporting period, the COVID-19 outbreak has evolved into a pandemic that has far reaching impact on Bralirwa PLC's people and business. Containment measures such as restrictions of movement for populations and outlet closures, sometimes combined with the mandatory lockdown of production facilities presented key challenges to the execution of Bralirwa PLC's strategy, and materially affected performance. The impact from lower volume, adverse product and channel mix and incremental expenses driven by the pandemic, including impairments on a long-term loan receivable, was partially offset through continued cost mitigation.

Since the outbreak of the COVID-19 many currencies have devalued significantly versus the Euro. Currency translations also had a negative impact on Bralirwa PLC's statement of comprehensive income.

As at 31 December 2021, government's effort to roll out vaccines coupled with the relaxation of COVID-19 measures had a positive impact on Bralirwa PLC's statement of comprehensive income.

During its financial reporting process, Bralirwa PLC assessed the impact of COVID-19 on its financial estimates and judgements. The impact of COVID-19 on financial estimates and judgements is mainly reflected in impairment of financial assets. All significant estimates and judgements are disclosed in the notes to the consolidated financial statements (if applicable). Notes containing the most significant estimates and judgements are referred to in note 3(b).

(b) Significant accounting estimates and judgements

In preparing these consolidated financial statements, management is required to make estimates and judgements that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expenses.

The application of accounting policies requires judgements that impact the amounts recognised. Additionally, amounts recognised are based on factors that are by default associated with uncertainty. Therefore, actual results may differ from estimates.

The uncertainty around the depth and duration of the COVID-19 pandemic specifically impacted the assumptions used for impairment testing. Refer to note 8.1.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

5. General accounting policies

(a) General
The accounting policies described in these financial statements have been applied consistently to all periods presented in these financial statements.

(b) Foreign currency transactions
Transactions in foreign currencies are translated to the respective functional currencies using the exchange rates at transaction date. Receivables, payables and other monetary assets and liabilities denominated in foreign currencies are re-translated to the functional currency using the exchange rates at the balance sheet date. Resulting foreign currency differences are recognised in the income statement, except for foreign currency differences arising on re-translation of Fair Value through Other Comprehensive Income (FVOCI) investments and financial liabilities designated as a hedge of a net investment, which are recognised in other comprehensive income.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are re-translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured at cost are translated into the functional currency at the exchange rate at transaction date.

(c) Cash flow statement
The cash flow statement is prepared using the indirect method. Dividends paid to shareholders and interests paid are included in financing activities.

(d) Offsetting financial instruments
If Bralirwa PLC has a legal right to offset financial assets with financial liabilities and if HEINEKEN intends either to settle on a net basis or to realise the asset and settle the liability simultaneously, financial assets and liabilities are presented in the statement of financial position as a net amount.

6. Operating activities

6.1. Operating segments

The Company only operate in one geographical segment and it distinguishes the reportable segments by product for beer and soft drink as described below, which are the Company's strategic business units. The strategic business units offer different products and are managed separately because they require different technology and located at different sites. For each of the strategic business units, the Company's Managing Director reviews internal management reports on at least a quarterly basis. The Company has multiple distributor models to deliver goods to end customers. The Company does not rely on any major customers, neither does it generate revenue in excess of 10 percent of the Company's revenue from a single customer.

The following summary describes the operations in each of the Company's reportable segments:

Business segments
The two main business segments are:

- Beer: Includes purchasing, manufacturing, sale, and distribution of beer products; and
- Soft drinks: Includes purchasing, manufacturing, sale and distribution of soft drinks.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Year ended 31 December 2021	Beer Rwf '000'	Soft Drink Rwf '000'	Total Rwf '000'
Revenue	**97,158,648,164**	**26,437,827,544**	**123,596,476**
Results from operating actitvities	26,862,724,056	4,350,788,560	31,213,512
Net Finance Cost	(4,425,543,267)	(1,163,673,583)	(5,589,217)
Depreciation and amortization	(9,407,770,830)	(3,538,972,420)	(12,946,743)
Profit before income tax	22,437,180,789	3,187,114,978	25,624,295
Income tax expense	(6,385,006,343)	(1,714,574,051)	(8,099,580)
Profit for the year	**16,052,174,446**	**1,472,540,927**	**17,524,715**

Year ended 31 December 2020	Beer Rwf '000'	Soft Drink Rwf '000'	Total Rwf '000'
Revenue	**79,329,024**	**21,191,683**	**100,520,707**
Results from operating actitvities	17,767,039	2,058,942	19,825,981
Net Finance Cost	(5,333,194)	(1,498,808)	(6,832,002)
Depreciation and amortisation	(9,268,450)	(3,787,494)	(13,055,944)
Profit before income tax	12,433,845	560,134	12,993,979
Income tax expense	(3,072,215)	(916,560)	(3,988,775)
Profit for the year	**9,361,630**	**(356,426)**	**9,005,204**

The segmented assets and liabilities at 31 December 2021 and capital expenditure for the year then ended are as follows:

Year ended 31 December 2021	Beer Rwf '000'	Soft Drink Rwf '000'	Total Rwf '000'
Assets	90,706,977,696	24,682,264,304	**115,389,242**
Liabilities	46,956,381	13,244,108	60,200,489
Capital Expenditures			
(i)Additions to property, plant and equipment	7,694,645,877	2,093,789,123	**9,788,435**
(ii)Additions to intangible assets	289,009,524	78,642,345	**367,652**
Assets	99,732,717	26,642,256	**126,374,973**
Liabilities	63,585,849	16,902,568	**80,488,417**
Capital Expenditures			
(iii)Additions to property, plant and equipment	11,241,855	3,003,110	**14,244,965**
(iv)Additions to intangible assets	375,363	100,273	**475,636**

Segment assets compromises primarily property, plant and equipment, intangible assets, inventories, receivables and operating cash. They exclude deferred tax

Capital expenditure comprises additions to property, plant and equipment.

6.1.1 Revenue

Year ended 31 December	Beer Rwf '000'	Soft Drink Rwf '000'	Total Rwf '000'
Net turnover			
Beer		97,158,648	79,329,024
Soft drinks		26,437,828	21,191,683
		123,596,476	**100,520,707**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

6.1.2. Key expenses included in the segment profit or loss

The table below presents the key expenses included in both the cost of sales and administrative expenses:

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Depreciation on property. plant and equipment (Note 8.3)	12,237,382	12,431,326
Amortization and intangible assets (Note 8.2)	528,364	451,583
Repairs and maintenance of property, plant & equipment	1,702,616	1,564,953
Raw materials and consumables	38,693,615	32,881,548
Personnel expenses (see Note 11)	15,099,862	13,066,188
Auditors and consultancy remuneration	60,325	93,383
Impairment of related party loan	-	3,516,397
Net loss on sale and property, plant and equipment	1,882	-

b) Directors remuneration:

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Non-Executive Directors	-	-
Executive Director	-	-
	-	-

6.1.3. Selling and Distribution expenses*

	2021 Rwf '000'	2020 Rwf '000'
Advertising Development expenses	398,098	302,059
Advertising Media expenses	551,203	609,003
Sponsorship expenses	468,837	319,934
Brand development	34,422	4,940
Market research	54,259	45,168
Other selling expenses	9,139,907	1,897,616
Total	**10,646,726**	**3,178,720**

6.1.4. Administrative Expenses*

	2021 Rwf '000'	2020 Rwf '000'
Salaries & Allowances	5,573,865	5,339,517
Depreciation & Amortisation	1,284,856	732,792
Repairs & Maintenance	142,515	115,533
Admin Energy and Water	168,559	175,024
Travelling expenses	395,801	541,226
Other Administrative Expenses	2,383,454	3,232,885
Total	**9,949,050**	**10,136,997**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

*The selling and administrative expenses disclosure was not available in the prior year. The additional presentation done in the current year has no impact on any reported totals or on any amounts presented in the statement of comprehensive income.

Bralirwa PLC has not introduced new exceptional items related to COVID-19 or classified COVID-19 as an exceptional item as such. Although COVID-19 is an exceptional situation, it is not considered as an incident as it is unfolding over time, with an impact on many different financial statement line items. Therefore, any effect of COVID-19 is not considered as an exceptional item, unless the effect relates to the exceptional items as mentioned in the accounting policy sections below.

Accounting estimates and judgments
Bralirwa PLC makes estimates when determining discount accruals in revenue at year-end, specifically for conditional discounts. Refer to note 7.3. for more explanation on how discount accruals are estimated.

Accounting policies

Segment reporting
Operating segments are reported in a consistent manner with the internal reporting provided to the Management Team, which is considered to be Bralirwa PLC's Managing Director decision-maker. An operating segment is a component of Bralirwa PLC that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of Bralirwa PLC's other components. All operating segments' operating results are reviewed regularly by the Management Team to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results, assets and liabilities that are reported to the Management Team include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

Performance is measured based on operating profit, as included in the internal management reports that are reviewed by the Management Team.

Operating profit is not a financial measure calculated in accordance with IFRS. Operating profit is used to measure performance as management believes that this measurement is the most relevant in evaluating the results of the segments. The presentation of these financial measures may not be comparable to similarly titled measures reported by other companies due to differences in the ways the measures are calculated.

Bralirwa PLC has multiple distribution models to deliver goods to end customers. There is no reliance on major clients. Deliveries to end consumers include deliveries via third party distribution, key accounts (hotels, supermarkets and hotels) and wholesalers. In addition, these various distribution models are not centrally managed or monitored. Consequently, the Management Team does not allocate resources or assess the performance based on business type information. Accordingly, no segment information on business type is provided.
Inter-company transfers or transactions are determined on an arm's length basis.

Revenue

The majority of BRALIRWA PLC's revenue is generated by the sale and delivery of products to customers. The product portfolio of BRALIRWA PLC mainly consists of beer and soft drinks. Products are mostly own-produced finished goods from BRALIRWA PLC's brewing activities. BRALIRWA PLC's customer group can be split between on-trade customers like cafés, bars and restaurants and off-trade customers like retailers, distributors and wholesalers.

Revenue is recognised when control over products has transferred and BRALIRWA PLC fulfilled its performance obligation to the customer. For the majority of the sales, control is transferred either at delivery of the products or upon pickup by the customer from BRALIRWA PLC's premises.

Revenue recognised is based on the price specified in the contract, net of returns, discounts, sales taxes and excise taxes collected on behalf of the Rwanda Revenue Authority.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Discounts

BRALIRWA PLC uses different types of discounts depending on the nature of the customer. Some discounts are unconditional, like cash discounts, early payment discounts and temporary promotional discounts. Unconditional discounts are recognised at the same moment of the related sales transaction.

BRALIRWA PLC also provides conditional discounts to customers. These contractually agreed conditions include volume and promotional rebates. Conditional discounts are recognised based on estimated target realisation. The estimation is based on accumulated experience supported by historical and current sales information.

A discount accrual is recognised at each reporting date for discounts payable to customers based on their expected or actual volume up to that date.

Other discounts include listing and shelving visibility fees charged by the customer whereby the payments to customers are closely related to the volumes sold. BRALIRWA PLC assesses the substance of contracts with customers to determine the classification of payments to customers as either discounts or marketing expenses.

Discounts are accounted for as a reduction of revenue. Only when these payments to customers relate to a distinct service, the amount is classified as operating expense.

Excise tax expense

Local tax authorities impose multiple taxes, duties and fees. Excise duties are common in the beverage industry. Increases in excise duties are not always (fully) passed on to customers and BRALIRWA PLC cannot, or can only partly, reclaim the excise duty in the case products are eventually not sold to customers. Excise tax is borne by BRALIRWA PLC and shown as expenses.

To provide transparency on the impact of the accounting for excise, BRALIRWA PLC presents the excise tax expense on a separate account and included in the Revenue subtotal line in the income statement. This 'Revenue' subtotal is 'revenue' as defined in IFRS 15 (after discounts) minus the excise tax expense where the excise is borne by BRALIRWA PLC.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

6.2. Other income

Other income includes the gain on sale from transactions that do not arise from contracts with customers and are therefore presented separately from revenue.

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Transport income less distribution expenses	-	-
Miscellaneous income	409,724	336,085
Release of deposit liabilities	-	98,586
Net gain on sale of property, plant and equipment	375,293	26,613
	785,017	**461,284**

Accounting policies

Other income is recognised in profit or loss when control over the asset sold is transferred to the buyer. The amount recognised as other income equals the proceeds obtained from the buyer minus the carrying value of the sold asset.

6.4. Personnel expenses

Bralirwa PLC's employees receive compensations such as salaries and wages, pensions, and share-based payments The personnel expenses are included under the cost of sales and administrative expenses as shown in statement of comprehensive income.

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Wages and salaries	8,769,663	8,008,577
Compulsory social security contributions	928,027	929,278
Contributions to defined contribution plans	703,450	1,429,000
Expenses related to defined benefit plans	282,137	322,057
Expenses related to other long-term employee benefits	-	-
Heineken equity-settled share-based payment plan	(284)	25,641
Other personnel expenses	4,416,869	2,351,635
	15,099,862	**13,066,188**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Accounting policies
Personnel expenses are recognised when the related service is provided. For more details on accounting policies related to post-retirements obligations and share-based payments (refer to note 6.5)

6.5. Share-based payments

Bralirwa PLC has Long-term incentive plan (as part of the Short-term incentive plan of the Executive Board).

Long-term incentive plan (LTIP)
HEINEKEN has a performance-based Long-term incentive plan (LTIP) for the Executive Board and senior management. Under this LTIP, share rights are conditionally awarded to participants on an annual basis. The vesting of these rights is subject to the performance of Heineken N.V. on specific internal performance conditions and continued service over a three-calendar year period by the employee. The share rights are not dividend-bearing during the performance period.

The performance conditions for LTIP are organic net revenue growth, organic operating profit beia growth, earnings per share beia growth and free operating cash flow. The performance conditions are equally weighted.

At target performance, 100% of the awarded share rights vest. At threshold performance, 50% of the awarded share rights vest and at maximum performance, 200% of the awarded share rights vest.

The number of outstanding share rights and the movement over the year under the LTIP of the Executive Board and senior management are as follows:

Year ended 31 December	Number of share rights 2021	Number of share rights 2020
Outstanding as at 1 January	264	260
Granted during the year	195	136
Forfeited during the year	-	-
Vested previous year	-	-
Cancellation*	275	(132)
Outstanding as at 31 December	**734**	**264**
Share price as at 31 December	**91**	**91**

Accounting policies
HEINEKEN's share-based compensation plans are equity-settled share rights granted to the Executive Board and senior management.

The grant date fair value is calculated by deducting expected foregone dividends from the grant date during the performance period share price. The costs of the share plans are adjusted for expected performance and forfeiture and spread evenly over the service period.

Share-based compensation expenses are recorded in the profit or loss, with a corresponding adjustment to equity.

In the Bralirwa records, only the LTIP accrual communicated by the Global HR needs to be recorded LTIP accruals.The accrual is included in the other payables.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

6.6. Amortisation, depreciation and impairments

Property, plant and equipment are fixed assets that are owned by Bralirwa PLC, as well as right of use (ROU) assets under a lease agreement. Owned and ROU assets are held for use in Braliwa PLC's operating activities. Refer to the table below for the split between owned assets and ROU assets as per balance sheet date:

In Rwf '000'	Note	2021	2020
Property, plant and equipment - owned assets	8.3	84,917,168	87,367,997
Right of use assets	8.3	63,763	186,339
Property, plant and equipment		**84,980,931**	**87,554,336**

Refer to note 8.1 for the impairment losses.
Property, plant and equipment includes depreciation of ROU assets of RWF 173 million (2020: RWF 173 million).

Accounting policies
Refer to note 8.2 for the accounting policy on impairments and amortization, and to note 8.3 for the policy on depreciation.

6.7. Earnings per share

The calculation of earnings per share (EPS) for the period ended 31 December 2021 is based on the profit attributable to the shareholders of the Company (net profit/(loss)) and the weighted average number of shares outstanding (basic and diluted) during the year ended 31 December 2020.

The calculation of basic earnings per share at 31 December 2021 was based on the profit attributable to ordinary shareholders of Rwf 17,524,715,000 (2020: Rwf 9,005,204,000) and on 1,028,570,000 ordinary shares of Rwf 5 each being the weighted average number of ordinary shares in issue

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
a) Profit attributable to ordinary shareholders		
Profit of the year	17,524,715	9,005,204
b) Weighted average ordinary shares		
Issued ordinary shares as at 1 January	1,028,570,000	1,028,570,000
Weighted average ordinary shares as at 31 December	1,028,570,000	1,028,570,000
Earnings per share	**17.03**	**8.76**

In Rwf per share (basis or diluted) for the period ended 31 December	2020 Rwf	2020 Rwf
Basic earnings per share	17.03	8.75
Diluted earnings per share	17.03	8.75

Accounting policies
Bralirwa PLC presents basic and diluted earnings per share (EPS) data for its shares. Basic EPS is calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the year, adjusted for the weighted average number of own shares held in the year. Diluted EPS is determined by dividing the profit or loss attributable to shareholders by the weighted average number of shares outstanding, adjusted for the weighted average number of own shares held in the year and for the effects of all dilutive potential shares which comprise share rights granted to employees and the Executive Board. The effects of anti-dilutive potential ordinary shares are ignored in calculating Diluted EPS.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

7. Working capital

7.1. Inventories

Inventories include raw and packaging materials, work in progress, spare parts, goods for resale and finished products.

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Raw materials	7,572,789	9,668,915
Work in progress	1,639,196	1,035,309
Finished goods	913,465	462,479
Goods for resale	(5,135)	(3,380)
Non-returnable packaging	2,150,894	2,429,755
Spare parts	6,341,817	5,753,984
Other inventories	1,335,989	1,018,977
	19,949,015	**20,366,039**
Provision for spare parts	(474,384)	(403,245)
	19,474,631	**19,962,794**

The cost in inventories recognized as an expense during the year in respect to continuing operations was include in the cost of sales being Rwf 72,454 million (2020: Rwf 64,324 million)

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on standard cost and weighted average cost, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

7.2. Trade and other receivables

Trade and other receivables arise during the course of ordinary activities, for example from the sale of inventory.

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Trade receivables	6,262,190	10,578,888
Less: Impairment losses	(1,533,529)	(1,415,719)
Trade receivables – net	**4,728,661**	**9,163,169**
Other receivables and prepayments- net	889,449	1,097,948
	5,618,110	**10,261,117**
The allowance at the end of the year is made up of:		
Provision for trade receivables (note 5a)	1,533,529	1,415,719
Provision for other receivables (note 5a)	31,999	31,999
At end of year	**1,565,528**	**1,447,718**
Movement in provision		
Opening balance	1,447,718	1,286,085
Movements in income statement	117,810	161,633
Closing balance	**1,565,528**	**1,447,718**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Trade and other receivables contain a net impairment loss of RWF 117 million (2020: RWF 161 million) from contracts with customers, which is included in selling and distribution expenses. The increase in ECL did not increase in line with the increase in the trade receivables balance due to the fact that in the prior year a provision was raised in respect of a specific distributor that had gone into bankruptcy.

The ageing of trade and other receivables as at 31 December 2021 is as follows:

Ageing of trade receivables at the reporting date was:

2021	Gross Rwf '000	Impaired Rwf '000	Net Rwf '000
Current			
0-30 days	6,262,190	(1,533,529)	4,728,661
31-120 days	-	-	-
120 days and above	-	-	-
Trade receivables	**6,262,190**	-	**4,728,661**

2020	Gross Rwf '000	Impaired Rwf '000	Net Rwf '000
Current			
0-30 days	10,578,888	(1,415,719)	9,163,169
31-120 days	-	-	-
120 days and above	-	-	-
Trade receivables (Note 19)	**10,578,888**	**(1,415,719)**	**9,163,169**

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

2021	Gross Rwf '000	Impaired Rwf '000	Net Rwf '000
Current			
0-30 days	-	-	-
31-120 days	1,314,757	-	1,314,757
120 days and above	-	-	-
Receivables from related parties (Note 30 (d))	**1,314,757**	-	**1,314,757**

2020	Gross Rwf '000	Impaired Rwf '000	Net Rwf '000
Current			
0-30 days	-	-	-
31-120 days	1,474,309	-	1,474,309
120 days and above	1,791,932	-	1,791,932
Receivables from related parties (Note 30 (d))	**3,266,241**	-	**3,266,241**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

The ageing of other receivables the reporting date was:

2021	Gross Rwf '000	Impaired Rwf '000	Net Rwf '000
Current			
0-30 days	889,449	-	889,449
31-120 days	-	-	-
120 days and above	31,999	(31,999)	-
Other receivables (Note 19)	**921,448**	**(31,999)**	**889,449**

2020	Gross Rwf '000	Impaired Rwf '000	Net Rwf '000
Current			
0-30 days	1,097,948	-	1,097,948
31-120 days	-	-	-
120 days and above	31,999	(31,999)	-
Other receivables (Note 19)	**1,129,947**	**(31,999)**	**1,097,948**

For all categories of receivables, the amount over 30 days are past due their contractual due dates.. Refer to note 11.5

	2021 Rwf '000'	2020 Rwf '000'
Balance at 1 January	1,447,718	1,286,085
Movement in provision during the year	117,810	161,633
Balance at 31st December	**1,565,528**	**1,447,718**

Accounting estimates
Bralirwa PLC determines on each reporting date the impairment of trade and other receivables using a model (e.g. flow rate method) which estimates the lifetime expected credit losses that will be incurred on these receivables. Individually significant financial assets are tested for impairment on an individual basis. Due to the uncertainty relating to the depth and duration of the COVID-19 pandemic and its related impact on Bralirwa PLC's customers, more judgement is required in the calculation of expected credit losses compared to the prior year. As part of these assessments, Bralirwa PLC has incorporated all reasonable and supportable information available such as whether there has been a breach or deterioration of payments terms, a request for extended payment terms or a request for waived payment terms. For more information on Bralirwa PLC's credit risk exposure refer to note 11.5.

Accounting policies
Trade and other receivables are held by Bralirwa PLC in order to collect the related cash flows. These receivables are measured at fair value and subsequently at amortised cost minus any impairment losses. Trade and other receivables are derecognised by Bralirwa PLC when substantially all risks and rewards are transferred or if Bralirwa PLC does not retain control over the receivables.The company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and economic environment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

7.3. Trade and other payables

In the ordinary course of business, payable positions arise towards suppliers of goods and services, as well as to other parties. Refer to the table below for the different types of trade and other payables.

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Trade payables	4,728,056	4,977,516
Deposit on returnable containers (note 7.4)	14,748,066	14,084,968
Other payables and accrued expenses	10,681,559	9,904,535
	30,157,681	**28,967,019**

Accounting estimates
Bralirwa PLC makes estimates in the determination of discount accruals. When discounts are provided to customers, these reduce the transaction price and consequently the revenue. The conditional discounts in revenue (refer to note 6.1) are estimated based on accumulated experience supported by historical and current sales information. Expected sales volumes are determined considering (historical) sales patterns and other relevant information. A discount accrual is recognised for expected volume and year-end discounts payable to customers in relation to sales made until the end of the reporting period.

Accounting policies
Trade and other payables are initially measured at fair value and subsequently at amortised cost.
Trade payables are derecognised when the contractual obligation is either discharged, cancelled, or expired.

7.4. Returnable packaging materials

Bralirwa PLC uses returnable packaging materials such as glass bottles, crates and kegs in selling the finished products to the customer.

Returnable packaging materials
Most returnable packaging materials is classified as property, plant and equipment. The category 'Returnable Packaging' in Property, plant and equipment (refer to note 8.3).

Returnable packaging deposit liability
Bralirwa PLC has a constructive obligation to take back the materials from the market. A deposit value is generally charged upon sale of the finished product, which is reimbursed when the empty returnable packaging material is returned.

Accounting estimates
The main accounting estimate relating to returnable packaging materials is determining the returnable packaging materials in the market and the expected return thereof. This is based on circulation times and losses of returnable packaging materials in the market.

Accounting policies
Returnable packaging materials
Returnable packaging materials may be classified as property, plant and equipment or inventory.
The classification mainly depends on whether ownership is transferred and if Bralirwa PLC has the legal or constructive obligation to buy back the materials.
Refer to note 8.3 for the general accounting policy on property, plant, and equipment. Specifically, for returnable packaging materials, the estimated useful life depends on the loss of the materials in the market as well as on HEINEKEN sites.

Returnable packaging deposit liability
Bralirwa PLC recognises a deposit liability when a legal or constructive obligation exists to reimburse the customer for returnable packaging materials that are returned. The returnable packaging deposit liability is based on the estimated returnable packaging materials in the market, the expected return thereof and the deposit value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

8. Non-current assets

8.1 Impairment testing of intangible assets and Property, plant, and equipment

(a) Introduction
The results of impairment testing for non-financial non-current assets covers the impairment testing for Property, plant, and equipment (PP&E) and intangible assets with a finite useful life.

(b) Impact of the COVID-19 pandemic on impairment testing
Due to the uncertainty of the depth and duration of the COVID-19 pandemic, including the resurgence of the virus, limitations on operations and adverse effects on disposable income, projecting future cash flows for cash generating units (CGUs) for 2021 involves a higher degree of judgement compared to previous years.

Bralirwa PLC therefore prepared multiple recovery scenario's for the impairment trigger testing with regard to the short-term impact (e.g. short-term impact on sales volumes and revenue) and the longer term impact of COVID-19 (e.g. the recovery of sales volumes to pre-COVID-19 levels).

In the event of an impairment indicator, the final forecasts used for impairment testing were prepared for a single most likely scenario. These forecasts were prepared under the assumption of a full recovery to the 2019 sales volumes over a two-year planning horizon. The forecasts considered the continuation of the current wave and its containment measures into 2021, but no additional waves beyond 2021.

(c) Summary of impairments on Intangible assets and Property, plant and equipment During the year, no impairment losses have been recorded for tangibles and intangibles.

8.2. Intangible assets

Intangible assets within Bralirwa PLC are mainly software. Most intangible assets have been recognised by Bralirwa PLC as part of acquisitions. Refer to the table below for the historical cost per asset class and the movements during the year including amortisation.

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Cost		
Cost		
Balance at 1 January	2,709,621	2,233,985
Additions	367,652	475,636
Disposals	-	-
Balance at 31 December	**3,077,273**	**2,709,621**
Amortization and impairment loss		
Balance at 1 January	1,013,092	561,509
Charge for the year(Amortization)	528,364	451,583
Disposals	-	-
Balance at 31 December	**1,541,456**	**1,013,092**
Net book value at end of year	**1,535,817**	**1,696,529**

Impairment losses
The software impairment test did not result in an impairment loss for the current year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Sensitivity to changes in assumptions
The outcome of a sensitivity analysis of a 100 basis points adverse change in key assumptions (i.e. lower growth rates or higher discount rates respectively) did not result in a materially different outcome for the impairment test and the headroom for no software would have been reduced to nil.

Accounting estimates and judgements
The cash flow projections used in the value in use calculations for software impairment testing contain various judgements and estimations as described in the key assumptions for the Value In Use (VIU) calculations.

For intangible assets, other than goodwill, estimates are required to determine the (remaining) useful lives. Useful lives are determined based on the market position (for brands), estimated remaining useful life of the customer relationships or the period of the contractual arrangements, or estimates on technological and commercial developments (for software/development expenditure).

Amortisation is charged to profit or loss on a straight-line basis over the estimated useful life. Bralirwa PLC believes that straight-line depreciation most closely reflects the expected pattern of consumption of the future economic benefits embodied in the intangible asset.

Accounting policies

Software
Purchased software is measured at cost less accumulated amortisation. Expenditure on internally developed software is capitalised when the expenditure qualifies as development activities, otherwise it is recognised in profit or loss when incurred.

Expenditure on research activities, undertaken with the prospect of gaining new technical knowledge, is recognised in profit or loss when incurred.

Amortisation
Amortisation is calculated over the cost of the asset less its residual value. Intangible assets with a finite life are amortised on a straight-line basis over their estimated useful lives from the date they are available for use.
The estimated useful life for software is 3 to 7 years.

The amortisation method, useful lives and residual values are reassessed annually. Changes in useful lives or residual value are recognised prospectively.

De-recognition of intangible assets
Intangible assets are derecognised when disposed or sold. Gains on sale of intangible assets are presented in profit or loss as other income (refer to note 6.2); losses on sale are included in amortisation.

Impairment of non-financial assets
At each reporting date Bralirwa PLC reviews the carrying amounts of its non-financial assets (except for inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use. The CGU for other non-financial assets is often the operating company on country level. The recoverable amount of an asset or CGU is the higher of an asset's FVLCD and VIU. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset or CGU.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its CGU exceeds its recoverable amount. Impairment losses are first allocated to goodwill and intangible assets with an indefinite useful life. A remaining impairment loss is then allocated to the other assets in the unit on a pro rata basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

8.3 Property, plant, and equipment

PP&E are fixed assets that are owned by Bralirwa PLC, as well as right of use (ROU) assets under a lease agreement. Owned and ROU assets are held for use in BRALIRWA's operating activities. Refer to the table below for the split between owned assets and ROU assets as per balance sheet date:

In Rwf '000'	Note	2021	2020
Property, plant and equipment - owned assets	8.3	84,917,168	87,367,997
Right of use assets	8.3	63,763	186,339
Property, plant and equipment		**84,980,931**	**87,554,336**

Owned assets

The table below details the historical cost per asset class and the movements during the year for owned assets:

Year ended 31 December	Land and Buildings Rwf '000'	Plant and Equipment Rwf '000'	Furniture & Fittings Rwf '000'	Commer-cial Assets Rwf '000'	Motor Vehicles Rwf '000'	Work in progress Rwf '000'	Returnable packaging Rwf '000'	Total Rwf '000'
Cost								
As at 1 January 2020	**7,653,482**	**79,708,185**	**6,005,048**	**5,642,913**	**7,316,219**	**5,964,252**	**53,871,909**	**166,162,008**
Reclassification								-
Additions	49,370	517,003	486,004	-	-	12,267,471	925,117	14,244,965
Transfers	24,005	309,160	58,686	1,089,118	1,348,868	-4,950,669	2,120,832	-
Disposals	-	-	-53,663	-	-562,006	-	-	-615,669
As at 31 December 2020	**7,726,857**	**80,534,348**	**6,496,075**	**6,732,031**	**8,103,081**	**13,281,054**	**56,917,858**	**179,791,304**
Balance at 1 January 2021	**7,726,857**	**80,534,348**	**6,496,075**	**6,732,031**	**8,103,081**	**13,281,054**	**56,917,858**	**179,791,304**
Additions	19,708	264,363	508,890	516,553	10	7,171,042	1,307,869	9,788,435
Transfers	5,514,870	6,639,895	193,167	-	(10)	(15,941,918)	3,593,996	-
Disposals			(43,628)	(102,052)	(1,078,798)	-		(1,224,478)
As at 31 December 2021	**13,261,435**	**87,438,606**	**7,154,504**	**7,146,532**	**7,024,283**	**4,510,178**	**61,819,723**	**188,355,261**
Depreciation								
As at 1 January 2020	**1,625,987**	**27,458,857**	**5,141,426**	**4,520,535**	**6,444,863**	**-**	**35,415,982**	**80,607,650**
Reclassification								-
Charge for the year	326,621	4,838,984	470,551	865,177	653,318	-	5,276,675	12,431,326
Disposals	**-**	**-**	**(53,663)**	**-**	(562,006)	**-**	**-**	(615,669)
As at 31 December 2020	**1,952,608**	**32,297,841**	**5,558,314**	**5,385,712**	**6,536,175**	**-**	**40,692,657**	92,423,307
Balance at 1 January 2021	1,952,608	32,297,841	5,558,314	5,385,712	6,536,175	-	40,692,657	92,423,307
Charge for the year	514,916	5,016,629	479,182	462,841	518,604	-	5,245,209	12,237,382
Disposals			(43,628)	(101,515)	(1,077,453)			(1,222,596)
As at 31 December 2021	**2,467,524**	**37,314,470**	**5,993,868**	**5,747,038**	**5,977,326**	**-**	**45,937,866**	**103,438,093**
Net book value as at 31 December 2020	**5,774,249**	**48,236,507**	**937,761**	**1,346,319**	**1,566,906**	**13,281,054**	**16,225,201**	**87,367,997**
Net book value as at 31 December 2021	**10,793,911**	**50,124,135**	**1,160,636**	**1,399,494**	**1,046,957**	**4,510,178**	**15,881,857**	**84,917,168**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Commercial assets are items (usually branded) with significant individual value that are expected to be used for more than 1 year such as draught beer installations, outlet visibility materials, merchandise refrigerators and other vending equipment.

There are no assets pledged as a collateral for liabilities (2020: Rwf 0)

Land and buildings include the brewery and soft drinks plants, offices of Bralirwa PLC as well as depots and residential houses. The plant and machinery asset class contain all the assets needed in Bralirwa PLC's brewing, packaging, and filling activities. Other fixed assets mainly consist of returnable packaging materials, commercial fixed assets and furniture, fixtures, and fittings. Refer to note 7.4 for further information on returnable packaging materials that are included in this category.

Impairment losses
Given the impact of COVID-19 on Bralirwa PLC's markets and businesses, Bralirwa PLC assessed its CGUs for an indication of an impairment. Following the assessment, CGUs with a total fixed asset base of Rwf 178b (2020: Rwf 166b) were tested for asset impairment. As a result, no impairment losses have been recorded for tangible assets.

Impairments are recorded on the line 'Amortisation, depreciation and impairments' in the Income Statement.

Right of use (ROU) assets
Bralirwa PLC leases offices and residential houses. Refer to the table below for the carrying amount of ROU assets per asset class per reporting date:

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Office	431,398	431,398
Residential house	159,432	101,010
Carrying amount ROU assets as at 31 December	**590,830**	**532,408**

During 2021, no additional ROU assets rather an adjustment of the existing contract. The depreciation of ROU assets for the financial year ending 31 December is as follows:

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Cost		
Balance at 1 January	532,408	532,408
Additions	-	-
Disposals	-	-
Adjustments	58,422	-
Transfers from work in progress	-	-
Balance at 31 December	**590,830**	**532,408**
Depreciation		
Balance at 1 January	346,069	173,034
Charge for the year	180,998	173,035
Disposals	-	-
Adjustments	-	-
Balance at 31 December	**527,067**	**346,069**
Net book value at end of year	**63,763**	**186,339**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Lease/Rent contractual arrangements
The Company leases offices and residential houses in the ordinary course of business. The leases run for a period of three years, with no option of renewal after that date.

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Less than one year	55,397	53,733
Between one and three years	186,983	268,529
	242,380	**322,262**

Accounting estimates and judgements
Estimates are required to determine the (remaining) useful lives of fixed assets. Useful lives are determined based on an asset's age, the frequency of its use, repair and maintenance policy, technology changes in production and expected restructuring.

Bralirwa PLC estimates the expected residual value per asset item. The residual value is the higher of the expected sales price (based on recent market transactions of similar sold items) and its material scrap value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of items of PP&E. Bralirwa believes that straight-line depreciation most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Significant judgement is required to determine the lease term. The assessment of whether Bralirwa is reasonably certain to exercise such options impacts the lease term, which as a result could affect the amount of lease liabilities and ROU assets recognised.

Accounting policies

Owned assets
A fixed asset is recognised when it is probable that future economic benefits associated with the PP&E item will flow to Bralirwa PLC and when the cost of the PP&E can be reliably measured. The majority of the PP&E of Bralirwa PLC are owned assets, rather than leased assets.

PP&E are recognised at historical cost less accumulated depreciation and impairment losses. Historical cost includes all costs directly attributable to the purchase of an asset. The cost of self-constructed assets includes all directly attributable costs to make the asset ready for its intended use. Spare parts that meet the definition of PP&E are capitalised and accounted for accordingly. If spare parts do not meet the recognition criteria of PP&E, they are either carried in inventory or consumed and recorded in profit or loss.

Subsequent costs are capitalised only when it is probable that the expenses will lead to future economic benefits and can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

For the contractual commitments on ordered PP&E refer to note 13.1.

Depreciation and impairments
Depreciation is calculated using the straight-line method, based on the estimated useful life of the asset class. The estimated useful lives of the main asset classes are as follows:
- Buildings 15-40 years
- Plant and equipment 15-25 years
- Motor vehicles 5-8 years
- Furniture and fittings 5-15 years
- Commercial assets 5-10 years
- Returnable packaging 5-7 years

Land and assets under construction are not depreciated. When assets under construction are ready for its intended use, they are transferred to the relevant category and depreciation starts. All other PP&E items are depreciated over their estimated useful live to the asset's residual value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

The depreciation method, residual value and useful lives are reassessed annually. Changes in useful lives or residual value are recognised prospectively.

Bralirwa PLC reviews whether indicators for impairment exist on CGU level. When an indicator of impairment exists, assets are tested for impairment. Impairment losses on assets, other than goodwill, recognised in prior periods are assessed at each reporting date for any indication of a reversal.

De-recognition of Property, plant, and equipment
PP&E is derecognised when it is scrapped or sold. Gains on sale of PP&E are presented in profit or loss as other income (refer to note 6.2); losses on sale are included in depreciation.

Right of use (ROU) assets

Definition of a lease
A contract is or contains a lease if it provides the right to control the use of an identified asset for a period of time in exchange for an amount payable to the lessor. The right to control the use of the identified asset exists when having the right to obtain substantially all of the economic benefits from use of that asset and when having the right to direct the use of that asset.

Bralirwa PLC as a lessee
At the start date of the lease, Bralirwa PLC (lessee) recognises a right of use (ROU) asset and a lease liability on the balance sheet. The ROU asset is initially measured at cost, and subsequently at cost less accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.
For measurement of the lease liability, refer to note 11.3.

Lease related notes
For lease liabilities, refer to note 11.3 Borrowings. For the contractual maturities of lease liabilities, refer to note 11.5 Credit, liquidity, and market risk.

8.4.Investment

Accounting estimates
The management has considered whether there is any impairment of their investments in joint ventures and has made an assessment to impair the investment Joint venture as it is deemed not recoverable This due to the fact that the joint venture is in a net liability position and has been making losses. This has been considered as a single cash-generating unit and impairment undertaken in accordance with the requirements of IAS 36.

Bralirwa PLC determines on each reporting date the impairment of other receivables using an expected credit loss model, which estimates the credit losses over 12 months. Only in case a significant increase in credit risk occurs (e.g. more than 30 days overdue, change in credit rating, payment delays in other receivables from the customer) the credit losses over the lifetime of the asset are incurred. The loan to joint venture is tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. For more information on Bralirwa PLC's credit risk exposure refer to 11.5.

Accounting policies
Fair value through OCI investments
BRALIRWA PLC's investments in equity securities are classified as FVOCI. These investments are interests in entities where BRALIRWA PLC has less than significant influence. This is generally the case by ownership of less than 20% of the voting rights. Upon the sale of these equity securities the accumulated fair value- and currency translation changes are transferred to retained earnings.
FVOCI investments are measured at fair value. The fair value changes are recognised in OCI and presented within equity in the fair value reserve. Dividend income is recognised in profit or loss.

Other non-current assets mainly consist of a loan to a joint venture with a duration longer than 12 months.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Fair value through OCI investments	9,224	9,224
	9,224	9,224

Equity investments

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Development Bank of Rwanda	9,224	9,224
Cogelgaz	-	179,861
Less: Impairment (Cogelgaz)	-	(179,861)
	9,224	**9,224**

9. Provisions and contingent liabilities

9.1 Provisions

Provisions within Bralirwa PLC mainly relate to tax, civil and litigations that arise in the ordinary course of business. The outcome depends on future events, which are by nature uncertain.

There are certain lawsuits and claims pending against the company in various courts of law which are being handled by the external legal counsel. The contingent liabilities in respect of pending litigation and claims amounted to 192 million as at 31 December 2021 (2020: Rwf 88 Million), The directors made a provision of the same amount in financial statements.

Claims and litigation
There are certain lawsuits and claims pending against the company in various courts of law which are being handled by the external legal counsel. The contingent liabilities in respect of pending litigation and claims amounted to Rwf 192 million as at December 31, 2021 (2020: Rwf 88 million. The directors made a provision of the same amount in financial statements.

Accounting estimates
In determining the likelihood and timing of potential cash out flows, Bralirwa PLC needs to make estimates.
For claims, litigation, and tax provisions, Bralirwa PLC bases its assessment on internal and external legal assistance and established precedents. For large restructuring, management assesses the timing of the costs to be incurred, which influences the classification as current or non-current liabilities.

Accounting policies
A provision is a liability of uncertain timing or amount. A provision is recognised when Bralirwa PLC has a present legal or constructive obligation as a result of past events that can be estimated reliably, and it is probable (>50%) that an outflow of economic benefits will be required to settle the obligation. In case of accounting for business combinations, provisions are also recognised when the likelihood is less than probable, but more than remote (>5%).
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 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 part of net finance expenses.

Other provisions
A provision for guarantees is recognised at the time the guarantee is issued. The provision is initially measured at fair value and subsequently at the higher of the amount determined in accordance with the expected credit loss model and the amount initially recognised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

9.2. Contingencies

Bralirwa PLC's contingencies are mainly in the area of tax, litigations (part of other contingencies).

Tax
The tax contingencies mainly relate to tax positions in Rwanda and include a large number of cases with a risk assessment lower than probable but possible. Assessing the amount of tax contingencies, is highly judgmental, and the timing of possible outflows is uncertain. The best estimate of tax related contingent liabilities is Rwf 0 (2020: Rwf 2.4billion).

Other contingencies
Other contingencies mainly relate to certain lawsuits and claims pending against the company in various courts of law which are being handled by the external legal counsel.
Management's best estimate of the potential financial impact for these cases is Rwf 192 million (2020: Rwf 88 million).

Accounting estimates and judgements
Bralirwa PLC operates in one single jurisdictions. Bralirwa PLC is required to exercise significant judgement in the recognition of taxes payable and determination of tax contingencies.
Also, for the other contingencies, Bralirwa is required to exercise significant judgement to determine whether the risk of loss is possible but not probable. Contingencies involve inherent uncertainties including, but not limited to, court rulings, negotiations between affected parties and governmental actions.

Accounting policies
A contingent liability is a liability of uncertain timing and amount. Contingencies are not recognised in the balance sheet because the existence can only be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Bralirwa PLC or because the risk of loss is estimated to be possible (>5%) but not probable (<50%) or because the amount cannot be measured reliably.

10. Acquisitions, disposals, and investments

10.1 Investments in joint ventures

Accounting policies
Associates are entities in which Bralirwa PLC has significant influence, but not control or joint control.
Significant influence is generally obtained by ownership of more than 20% but less than 50% of the voting rights. Joint ventures (JVs) are the arrangements in which Bralirwa PLC has joint control.

BRALIRWA PLC's investments in associates and JVs are accounted for using the equity method of accounting, meaning they are initially recognised at cost. The consolidated financial statements include BRALIRWA PLC's share of the net profit or loss of the associates and JVs whereby the result is determined using the accounting policies of BRALIRWA PLC.

When BRALIRWA PLC's share of losses exceeds the carrying amount of the associate or joint venture, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that BRALIRWA PLC has an obligation or has made a payment on behalf of the associate or JV.

Investment joint ventures

Investment in joint ventures continued After application of the equity method, the company determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the company determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the company calculates the amount of impairment as the

difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within joint venture' in the statement of profit.
The company based its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
As at 1 January	-	1,156,496
Reclassification of loan to joint venture investment during the year	-	2,359,901
Less Impairment allowance	-	(3,516,397)
As at 31 December	-	-

11. Financing and capital structure

11.1a Net finance income and expense

Interest expenses are mainly related to interest charges over long-term loan from IFC (International Finance Corporation) and bank commercial loans (refer to note 11.3). Other net finance income and expenses comprises unwinding of discount for lease liability.

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Finance costs:		
Interest expense	4,424,528	5,471,858
Interest on lease liability	14,037	26,316
	4,438,565	**5,498,174**

11.1b Foreign exchange losses

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Foreign Exchange gain and losses:		
Foreign exchange (gain)/loss	1,150,652	1,333,828
Total	**1,150,652**	**1,333,828**

Accounting policies

Interest income and expenses are recognised as they accrue, using the effective interest method.

11.2 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. In general bank overdrafts form an integral part of Bralirwa PLC's cash management and are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Bank and cash balances	1,863,612	4,956,841
Bank overdrafts (Note 23)	(11,601,697)	(29,837,015)
Total Cash and cash equivalents per cash flow statement	**(9,738,085)**	**(24,880,174)**

Cash and cash equivalents increased in order to build liquidity buffers in relation to the COVID-19 pandemic. For more information on Bralirwa PLC's liquidity risk exposure refer to note 11.5.

The following table presents recognised 'Cash and cash equivalents' and 'Bank overdrafts', and the impact of the netting of gross amounts. The 'Net amount' below refers to the impact on Bralirwa PLC's balance sheet if all amounts subject to legal offset rights are netted.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

					2021 Rwf' 000
Year ended 31 December	**Gross amounts**	**Gross amounts offset in the statement of financial position**	**Net amounts presented in the statement of financial position**	**Amounts subject to legal offset rithts**	**Net amount**
Assets					
Cash and cash equivalents	1,863,612	-	1,863,612	-	**1,863,612**
Liabilities					
Bank overdrafts	(11,601,697)	-	(11,601,697)	-	**(11,601,697)**

					2020 Rwf' 000
Assets					
Cash and cash equivalents	4,956,841	-	4,956,841	-	**4,956,841**
Liabilities					
Bank overdrafts	(29,837,015)	-	(29,837,015)	-	**(29,837,015)**

Accounting policies
Cash and cash equivalents are initially recognised at fair value and subsequently at amortised cost.

Bralirwa PLC has cash and cash equivalents with legally enforceable rights to offset cash and overdraft balances. Where there is an intention to settle on a net basis, cash and overdraft balances relating to the cash and cash equivalents are reported on a net basis in the statement of financial position.

11.3 Borrowings and Leases

Bralirwa PLC mainly uses bank loans to ensure sufficient financing to support its operations. Net interest-bearing debt is the key metric for Bralirwa PLC to measure its indebtedness.

Loan from related parties; this refers to a facility given by Heineken International N.V on 8 August 2014 with an interest rate of USD LIBOR or its successor as determined by the lender plus a margin of 100 basis points payable at the end of the relevant drawing period. The loan is unsecured. During the year the tenor of the loan was increased by 3 years to terminate in March 2022.
The loan from International Finance Corporation is unsecured and has been used for expanding and upgrading Bralirwa's production capacity.

11.3.1 Borrowings

Reconciliation in non-current loans and borrowings Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Balance as at January 1	**17,749,684**	**23,235,578**
Loans obtained	-	-
Loans repaid	(6,226,532)	(6,368,573)
Exchange differences	(62,918)	614,151
Balance as at December 31	**11,460,234**	**17,481,156**
Total Borrowings	**11,460,234**	**17,481,156**
Less current borrowings	(3,186,291)	(6,138,141)
Non-current borrowings	**8,273,944**	**11,343,015**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Breakdown of the Borrowings balances

Loans and Borrowings long term

Year ended 31 December	Rwf '000'	Rwf '000'
Outstanding loan - Heineken International BV	8,273,943	8,273,943
Outstanding IFC Loan	-	3,069,070
	8,273,943	**11,343,015 -**

Loans and Borrowing short term

Year ended 31 December	Rwf '000'	Rwf '000'
Outstanding IFC Loan	3,186,290	6,138,140
	3,186,290	**6,138,140**

Changes in borrowings

Cash flows from financing activities are mainly generated by bank loans and other interest-bearing liabilities presented above. The above table details the reconciliation of the liabilities and assets arising from financing activities to the cash flow from financing activities.

Bank overdrafts form an integral part of Bralirwa PLC's cash management and are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

The interest rate on the net debt position as at 31 December 2021 was 12% (2020: 12.5%).

Accounting estimates and judgements

Significant judgement is required to determine the lease term and the incremental borrowing rate. The assessment of whether Bralirwa PLC is reasonably certain to exercise extension options or not to make use of termination options impacts the lease term, which as a result could affect the amount of lease liabilities recognised. The assumptions used in the determination of the incremental borrowing rate could impact the rate used in discounting future payments, which as a result could have an impact on the amount of lease liabilities recognised.

Accounting policies

Borrowings
Borrowings are initially measured at fair value less transaction costs. Subsequently the borrowings are measured at amortised cost using the effective interest rate method.

Borrowings for which Bralirwa PLC has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date are classified as non-current liabilities. For the accounting policy on cash and cash equivalents refer to 11.2

11.3.2 Lease liability

Movement in non-current loans and borrowings Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Balance as at January 1	**322,262**	**499,311**
Payment of interest portion on lease liabilities	(14,037	(26,316)
Payment of the Principal portion	(127,356)	(190,551)
Accretion of interest	14,037	26,316
Unrealized foreign exchange differences	47,473	13,502
Balance as at December 31	**242,380**	**322,262**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Maturity analysis

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Less than 12 months	55,397	53,733
1 to 3 years	186,983	268,529
	242,380	**322,262**

Lease liabilities
Lease liabilities are measured at the present value of the lease payments to be paid during the lease term, discounted using the incremental borrowing rate ('IBR'). Lease liabilities are subsequently increased by the interest cost on the lease liabilities and decreased by lease payments made. The lease liabilities will be remeasured when there is a change in the amount to be paid (e.g. due to indexation) or when there is a change in the assessment of the lease terms.

The IBR is determined on a country level. For each country there are separate rates depending on the contract currency and the term of the lease. The IBR is calculated based on the local risk-free rate plus a country default spread and a credit spread.

The lease term is determined as the non-cancellable period of a lease, together with:
- Periods covered by a unilateral option to extend the lease if BRALIRWA PLC is reasonably certain to make use of that option.
- Periods covered by an option to terminate the lease if BRALIRWA PLC is reasonably certain not to make use of that option.

BRALIRWA PLC applies the following practical expedients for the recognition of leases:
- Apply a single discount rate per country to a portfolio of leases with reasonably similar characteristics.
- Include non-lease components in the lease liability for equipment leases.

Maturity analysis

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Less than 12 months	55,397	53,733
1 to 3 years	186,983	268,529
	242,380	**322,262**

11.4 Capital and reserves

Share capital
Refer to the table below for the issued share capital as at 31 December. All issued shares are fully paid.

Year ended 31 December	2021	2020
As at 1 January and 31 December	1,028,570,000	1,028,570,000
Authorized par value (Rwf)	5	5
Ordinary share capital (Rwf)	**5,142,850,000**	**5,142,850,000**

The shareholders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings of the Company.

Share premium
As at 31 December 2021, the share premium amounted to Rwf 84,856,750 (2020: Rwf 84,856,750) relating to share premium.

Other legal reserves
For retained earnings of subsidiaries which cannot be freely distributed due to legal or other restrictions, a legal reserve is recognised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Fiscal reserve	148,252	148,252
Statutory reserve	1,885,167	1,885,167
Legal reserve	38,571	38,571
	2,071,990	**2,071,990**

Fiscal reserves
The fiscal reserve is based on Article 138 paragraph 3 of the Ministerial order of 1994 which required the company to maintain a special reserve of 20% of the profits for 1994. The reserve is not distributable to shareholders.

Statutory reserve
The statutory reserve is a voluntary reserve created by the shareholders of the company and is distributable to shareholders.
The reserve includes revaluation of inventory done in 1994 after a strong depreciation of the Rwandese franc (Rwf -1,297,370 thousand) and Rwf 212,466 thousand being the outstanding balance of revaluation reserve for property, plant, and equipment. The Company elected to apply the optional exemption to use this previous revaluation as deemed cost at 1 January 2009, the date of transition to IFRS.

Legal reserve
The legal reserve was based on a Government decree of 12 February 1998 which required an appropriation of 5% of net income for the prior year until a maximum level of 10% of the issued share capital. The legal reserve is not distributable to shareholders and is no longer required.

Dividends
The following dividends were declared and paid by Bralirwa PLC in the table here-below.
For 2021, a payment of a total cash dividend of Rwf 17.31 per share (2020: 8.75) will be proposed at the AGM on 11 May 2022. If approved, the full dividend will be paid on 11 June 2022, as no interim dividend was paid during 2021. The payment will be subject to a 15% withholding tax.
After the balance sheet date, Directors proposed the following appropriation of net profit. The dividends have not been provided for.

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Final dividend Rwf 17.31 per qualifying ordinary share (2020: Rwf 1)	17,516,547	8,999,988
Dividends paid to equity holders of the company	13,137,410	6,749,991
Dividends paid to other shareholders	4,379,137	2,249,997
	17,516,547	**8,999,988**

Long term incentive plan

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Long term incentive plan	2,502	2,502

Capital management
There were no major changes in Bralirwa PLC's approach to capital management during the year. The Management Team'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 and acquisitions.

Bralirwa PLC is not subject to externally imposed capital requirements other than the legal reserves.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Loans and borrowings	23,061,930	47,318,170
Bank and cash balances	(1,863,612)	(4,956,841)
Net debt	**21,198,318**	**42,361,329**
Equity	**51,112,263**	**42,587,536**
Gearing (Net debt/Equity)	**42%**	**100%**

Accounting policies
Shares are classified as equity. When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effects recognised as a deduction from equity. Repurchased shares recorded at purchase price are classified as treasury shares and are presented in the reserve for own shares.

When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to or from retained earnings.
Dividends are recognised as a liability in the period in which they are declared.

11.5 Credit, liquidity, and market risk

This note summarises the financial risks that Bralirwa PLC is exposed to, and Bralirwa PLC's policies and processes that are in place for managing these risks.

Risk management framework
The Executive Board sets rules and monitors the adequacy of Bralirwa PLC's risk management and control systems. These systems are regularly reviewed to reflect changes in market conditions and Bralirwa PLC's activities.

Managing the financial risks and financial resources includes the use of derivatives, primarily spot and forward exchange contracts, options, and interest rate swaps. It is Bralirwa PLC's policy not to enter into speculative transactions.

In the normal course of business Bralirwa PLC is exposed to the following financial risks:

- Credit risk
- Liquidity risk
- Market risk

Credit risk

	Note	External credit rating	12-month or lifetime ECL	"Gross carrying amount"	Loss allow-ance	Net carrying amount
31 December 2021						
Receivable from related parties (Non-current)	13.2	N/A	Lifetime ECL	638,495	46,335	592,160
Receivable from related parties (current)	13.2	N/A	Lifetime ECL	1,314,757	-	1,314,757
Trade and other receivables	7.2	N/A	Lifetime ECL	6,262,190	(1,533,529)	4,728,661
Bank and cash balances	11.2	N/A	Lifetime ECL	1,863,612	-	1,863,612
31 December 2020						
Receivable from related parties (Non-current)	13.2	N/A	Lifetime ECL	3,569,606	3,569,606	-
Receivable from related parties (Non-current)	13.2	N/A	Lifetime ECL	1,934,132	-	1,934,132
Trade and other receivables	7.2	N/A	Lifetime ECL	10,578,888	(1,415,719) -	9,163,169
Bank and cash balances	11.2	N/A	Lifetime ECL	4,956,841	-	4,956,841

Credit risk is the risk of a loss to BRALIRWA PLC when a customer or counterparty fails to pay.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

The company considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

All local operations are required to comply with the Global Credit Policy and develop local credit management procedures accordingly. BRALIRWA PLC reviews and updates the Global Credit Policy periodically to ensure that adequate controls are in place to mitigate credit risk.
Credit risk arises mainly from BRALIRWA PLC's receivables from customers like trade receivables, loans to customers and advances to customers. At the reporting date, there were no significant concentrations of credit risk.

Trade and other receivables

BRALIRWA PLC's local management has credit policies in place and the exposure to credit risk is monitored on an ongoing basis. Under these policies all customers requiring credit above a certain amount are reviewed and new customers are analysed individually for creditworthiness before BRALIRWA PLC's standard payment and delivery terms and conditions are offered. This review can include external ratings, where available, and in some cases bank references. Credit limits are determined for each customer and are reviewed regularly. Customers that fail to meet BRALIRWA PLC's credit requirements transact only with BRALIRWA PLC on either a prepayment or cash on delivery basis.

Customers are monitored, on a region basis, according to their credit risk characteristics. Distinction is made between individuals and legal entities, type of distribution channel, geographic location, ageing profile, maturity, and existence of previous financial difficulties.

BRALIRWA PLC has a policy in place in respect of compliance with Anti-Money Laundering Laws. BRALIRWA PLC considers it important to know with whom business is done and from whom payments are received.

Allowances
BRALIRWA PLC establishes allowances for impairment of trade and other receivables using an expected credit losses model. These allowances cover specific loss components that relate to individual exposures, and a collective loss component established for groups of similar customers. The collective loss allowance is determined based on historical data of payment statistics and updated periodically to incorporate forward looking information. Management considers GDP and Inflation when calculating the expected credit loss. The loans and advances to customers, trade and other receivables are written off when there is no reasonable expectation of recovery.

Due to the uncertainty relating to the depth and duration of the COVID-19 pandemic and its related impact on BRALIRWA PLC's customers, more judgement is required in the calculation of expected credit losses compared to previous years. As part of these assessments, BRALIRWA PLC has incorporated all reasonable and supportable information available such as whether there has been a breach or deterioration of payments terms, a request for extended payment terms or a request for waived payment terms. The company has assessed the low credit risk relating to its financial assets particularly the bank balances and balance due to related party for which the impairment assessed was immaterial.

The Expected Credit Losses model
simplified approach requires an company to recognise credit losses on their financial assets that they expect to incur.
Recognising the credit loss can be done in 2 ways: (a.) recognising an allowance account and (b.) incurring direct credit losses.

a. Allowance account for expected credit losses on trade and other receivables depending on the Company and quantity of customers, this can be done individually or collectively using provisioning matrices.

i. Individually assessed customers: when the customers of an company are monitored individually each month the allowance account for the specific customers is determined individually.
ii. Collectively assessed customers: when the amount of customers is too high to assess individually, the allowance for credit losses is determined collectively using provisioning matrices. The following steps apply:

1. Segmentation:
Customer should be grouped in customer segments with similar risk characteristics, based on: Geographic Location, Customer Business Model, Customer Size,Customer Channel (On –Trade/Off Trade) , Collateral or other credit insurance i.e. On Premise, Off Premise, Property Companies, Single Landlord Owned Customers, etc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2. Determine default rates for each channel based on historical collection data.
3. Adjust rates for forward looking information ie GDP, inflation rates etc

When a customer is 100% sure of not being able to pay the outstanding amount, the receivable is written-off in full in the P&L. The company considers a financial asset in default when contractual payments are 30 days past due. Below is the summary of the loss rate and the impairment amount as per the trade receivable aging.

2021	Gross Rwf '000	ECL loss Rate	ECL Rwf '000'	Net Rwf '000'
Current				
0-30 days	4,729,133	0.01%	472	4,728,661
31-120 days	1,533,056	100%	1,533,056	0
120 days and above	0			
Total	**6,262,190**		**1,533,529**	

2021	Gross Rwf '000	ECL loss Rate	ECL Rwf '000'	Net Rwf '000'
Current				
0-30 days	9,164,085	0.01%	916	9,162,253
31-120 days	1,414,803	100%	1,414,803	-
120 days and above	0			
Total	**10,578,888**		**1,415,719**	

The indicator for the significant increase in credit risk is if the customer contractual payment 30 days past due.

Investments
BRALIRWA PLC did not make any investment for the year ended 31 December 2021 (2020:0).

Guarantees
BRALIRWA PLC's policy is to avoid issuing guarantees unless this leads to substantial benefits for BRALIRWA PLC. For some loans (to customers) BRALIRWA PLC does issue guarantees. In these cases, BRALIRWA PLC aims to receive security from the customer to limit the credit risk exposure.

Liquidity risk

Year ended 31 December	Carrying amount Rwf '000	6 months or less Rwf '000	6-12 months Rwf '000	More than 12 months Rwf '000	Total
2021					
Assets					
Receivable from related parties	1,314,757	1,314,757	-	-	1,314,757
Trade and other receivables	7,151,639	7,151,639	-	-	7,151,639
Bank and cash balances	1,863,612	1,863,612	-	-	1,863,612
Total financing assets	**10,330,008**	**10,330,008**	**-**	**-**	**10,330,008**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Liabilities					
Loans and borrowings LT	8,273,943			14,843,766	14,843,766
Loans and borrowings ST	3,186,290	-	3,186,290		3,186,290
Lease liability	242,380		55,397	251,325 -	306,723
Bank overdraft	11,601,697	11,601,697	-	-	11,601,697
Trade payables	30,387,541	30,387,541	-	-	30,387,541
Payable to related companies	6,738,497	6,738,497	-	-	6,738,497
Total financial liabilities	**60,430,348**	**48,727,735**	**3,214,687**	**15,095,091**	**67,064,514**
Net Liquidity Gap	**(50,100,340)**	**(38,397,727)**	**(3,214,687)**	**(15,095,091)**	**(56,723,506)**
2020					
Assets					
Receivable from related parties	3,266,241	1,474,309	1,791,932	-	
Trade and other receivables	11,676,836	11,676,836	-	-	
Bank and cash balances	4,956,841	4,956,841	-	-	
Total financing assets	**19,899,918**	**18,107,986**	**1,791,932**	**-**	
Loans and borrowings	17,749,684	-	6,138,141	11,611,543	11,611,543
Lease liability	-			-	
Bank overdraft	29,837,015	29,837,015	-	-	29,837,015
Trade payables	29,020,753	29,020,753	-	-	29,020,753
Payable to related companies	3,880,965	3,880,965	-	-	3,880,965
Total financial liabilities	**80,488,417**	**62,738,733**	**6,138,141**	**11,611,543**	**80,488,417**
Net Liquidity Gap	**(60,588,499)**	**(44,630,747)**	**(4,346,209)**	**(11,611,543)**	**60,588,499**

Liquidity risk is the risk that Bralirwa PLC will have difficulties to meet payment obligations associated with its financial liabilities, like payment of financial debt or trade payables when they are due. Bralirwa PLC's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient funds to meet its liabilities when due without incurring unacceptable losses. As a result of the COVID-19 pandemic, there is increased attention for and monitoring of risks associated with working capital that might impact liquidity Bralirwa PLC remains focused on ensuring sufficient access to capital markets to finance long-term growth and to refinance maturing debt obligations. Bralirwa PLC seeks to align the maturity profile of its long-term debts with its forecasted cash flow generation. More information about borrowing facilities is presented in note 11.3. Furthermore, strong cost and cash management as well as controls over investment proposals are in place.

Exposure to credit risk

The maximum exposure to credit risk as at 31 December is as follows:

Year ended 31 December	2021 Rwf '000'	2020 Rwf '000'
Bank and cash balances (Note 11.2)	1,863,612	4,956,841
Trade receivables (Note 7.2)	6,262,190	10,578,888
Other receivables (Note 13.2)	889,449	1,097,948
Receivables from related companies (Note 13.2)	1,314,757	3,266,241
	10,330,008	**19,899,918**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices, will adversely affect Bralirwa PLC's income or the value of its financial instruments.

During the COVID-19 pandemic, the financial markets became very volatile. The objective of our market risk management was to manage and control market risk exposures within acceptable boundaries.

Foreign currency and interest rate operations are governed by internal policies and rules.

Foreign currency risk

BRALIRWA PLC is exposed to:
- Transactional risk on (future) sales, working capital, (future) purchases, deposits, borrowings, and dividends paid in a currency other than the respective functional currencies of BRALIRWA PLC entities.
- Translational risk, which is the risk resulting from the translation of foreign operations into the reporting currency of BRALIRWA PLC.

The main currencies that give rise to this risk are the US Dollar and Euro. Overall, COVID-19 negatively impacted currency developments for BRALIRWA PLC.

In managing foreign currency risk, BRALIRWA PLC aims to ensure the availability of foreign currencies and to reduce the impact of short-term fluctuations on earnings. Over the longer term, however, permanent changes in foreign exchange rates and the availability of foreign currencies, especially in emerging markets, will have an impact on profit.

BRALIRWA PLC services a long-term financial liability in foreign currencies (US Dollar).

The corresponding interest on these liabilities is also denominated in currencies that match the cash flows generated by the underlying operations of BRALIRWA PLC.

In respect of other monetary assets and liabilities denominated in currencies other than the functional currencies of BRALIRWA PLC, BRALIRWA PLC ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to foreign currency risk
Based on notional amounts, BRALIRWA PLC's transactional exposure to the US Dollar and Euro as at 31 December is as follows. The amounts below include intra-BRALIRWA PLC cash flows.

	31 December 2021		31 December 2020	
	Euro Rwf '000	US$ Rwf '000	Euro Rwf '000	US$ Rwf '000
Bank and cash balances	263,356	256,636	2,523,738	602,665
Related party balances	(5,668,392)	12,444	1,339,234	251,681
Trade and other payables	(412,519)	256,598	(1,508,136)	(2,512,522)
Net exposure	**(5,817,555)**	**525,678**	**2,354,836**	**(1,658,176)**

The following exchange rates applied during the year

Currency	Average rate		Reporting date spot rate	
	2021	2020	2021	2020
EUR	1,142.88	1,089.03	1,158.37	1,207.20
USD	1,009.61	952.99	1,013.67	982.10

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Sensitivity analysis on foreign currency rates
A 10 percent strengthening of the Rwanda francs against the following currencies at 31 December would have increased/(decreased) equity and profit by the amount shown below. This analysis assumes

Effect	Income statement	
	2020 Rwf '000	2019 Rwf '000
EUR		
+10% Rwf Movement	581,756	(52,568)
-10% Rwf Movement	(581,756)	52,568
USD		
+10% Rwf Movement	(52,568)	(235,484)
-10% Rwf Movement	52,568	235,484

The sensitivity analysis above shows the impact on equity and profit of a 10% strengthening of the US Dollar against the Euro or, in case of the Euro, a strengthening of the Euro against all other currencies as at 31 December 2021. This analysis assumes that all other variables, in particular interest rates, remain constant. In case of a 10% weakening, the effects are equal but with an opposite effect.

Interest rate risk

The company has term deposits and loan and borrowings that have fixed interest rates.

The table below summarises the interest rate profile of the company's interest-bearing financial assets and liabilities.

	2021 Rwf '000	2020 Rwf '000
Fixed rate instruments		
Loans and borrowings	11,460,233	17,481,155
Variable rate instruments		
Bank overdrafts	11,601,697	29,837,015

Fair value sensitivity analysis for fixed rate instruments

The company does not account for any fixed rate financial asset and liabilities at fair value through profit and loss.

Therefore a change in interest rate at the reporting date would not affect profit and loss.

Interest rate sensitivity for variable rate instruments

A 5% increase/decrease in interest rates in the bank overdraft would have reduced or increased the pre-tax profit by Rwf 580,084,850 (2020: Rwf 1,491,850,750)

Interest rate risk is the risk that changes in market interest rates affect the fair value or cash flows of a financial instrument. The most significant interest rate risk for BRALIRWA PLC relates to borrowings (note 11.3).

By managing interest rate risk, BRALIRWA PLC aims to reduce the impact of short-term fluctuations on earnings. Over the longer term however, permanent changes in interest rates will have an impact on profit.

BRALIRWA PLC opts for bank loans. Currently, BRALIRWA PLC's interest rate position is more weighted towards fixed than floating.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Interest rate risk – profile
At the reporting date, the interest rate profile of BRALIRWA PLC's interest-bearing financial instruments is as follows:
Bralirwa PLC has term loan and borrowings that have fixed interest rates.
The table below summarises the interest rate profile of the company's interest-bearing financial assets and liabilities.

12. Tax

12.1 Income tax expense

Recognised in profit or loss.

Year ended 31 December	2021 Rwf '000	2020 Rwf '000
Current tax expense	7,199,257	5,598,850
Tax penalties from uncertain tax provision	-	-
	7,199,257	**5,598,850**
Deferred income tax		
Deferred tax charged-(note 12.2)	543,883	(1,610,075)
Prior year (over)/under provision-(note 12.2)	356,440	-
Deferred income tax charged to profit and loss	**900,323**	**(1,610,075)**
Income tax expense	**8,099,580**	**3,988,775**

The tax on the company's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

Year ended 31 December	2021 Rwf '000	2020 Rwf '000
Profit before income tax	25,624,295	12,993,979
Tax calculated at the statutory income tax rate of 30%	7,687,289	3,898,194
Expense not deductible for tax purposes	412,291	90,581
Prior year (over)/under provision	-	-
Income tax expense	**8,099,580**	**3,988,775**
Effective tax rate	**31.6%**	**31%**

b. Tax recoverable

Year ended 31 December	2021 Rwf '000	2020 Rwf '000
At January 1	**895,783**	**451,909**
Income tax charge for the year	(7,199,256)	(5,598,851)
Tax paid during the year	7,322,109	6,042,725
As at December 31	**1,018,636**	**895,783**

For the income tax impact on items recognised in other comprehensive income, refer to note 12.1.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

12.2 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities
Deferred tax assets and liabilities are attributable to the following items:

Deferred income tax liability is calculated using the enacted income tax rate of 30% (2020: 30%). Deferred income tax liabilities, deferred income tax charge/ (credit) in the income statement and deferred income tax charge/ (credit) in equity are attributable to the following items:

Year ended 31 December	2021 Rwf '000	2020 Rwf '000
Property. plant and equipment	9,321,359	**8,167,135**
Provisions	(4,226,233)	**(3,972,332)**
Net deferred income tax liability	**5,095,126**	**4,194,803**

Management's projections support the assumption that it is probable that the results of future operations will generate sufficient taxable income to utilise these deferred tax assets. This judgement is performed annually and based on budgets and business plans for the coming years, including planned commercial initiatives and the impact of COVID-19.

No deferred tax liability has been recognised in respect of undistributed earnings of joint ventures and associates, with no impact in 2020 and 2019. This is because Bralirwa PLC is able to control the timing of the reversal of the temporary differences, and it is probable that such differences will not reverse in the foreseeable future.

Movement in deferred tax balances during the year

2021	At 1 January Rwf '000	(Over)/Under Provision Rwf '000	Recognised in profit or loss Rwf '000	At 31 December Rwf '000
Property,plant and equipment	8,167,135	173,073	981,150	**9,321,358**
Provisions	(3,972,332)	183,367	(437,268)	**(4,226,233)**
Net deferred income tax liability	**4,194,803**	**356,440**	**543,882**	**5,095,126**

2020	At 1 January Rwf '000	(Over)/Under Provision Rwf '000	Recognised in profit or loss Rwf '000	At 31 December Rwf '000
Property, plant and equipment	8,981,312	-	(814,177)	**8,167,135**
Provisions	(3,176,434)	-	(795,898)	**(3,972,332)**
Net deferred income tax liability	**5,804,878**	**-**	**(1,610,075)**	**4,194,803**

Accounting estimates and judgements
In determining the current and deferred income tax position, judgement is required. New information may become available that causes BRALIRWA PLC to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact the income tax expense in the period that such a determination is made.

Accounting policies
Income tax comprises current and deferred tax. Current tax is the expected income tax payable or receivable in respect of taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to income tax payable in respect of previous years.

Deferred tax is a tax payable or receivable in the future and is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.
Deferred tax is not recognised on temporary differences related to:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

- The initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.
- Investments in subsidiaries, associates and joint ventures to the extent that Bralirwa PLC is able to control the timing of the reversal of the temporary differences and it is probable (>50% chance) that they will not reverse in the foreseeable future.
- The initial recognition of non-deductible goodwill.

The amount of deferred tax provided is based on the expected manner of recovery or settlement of the carrying amount of assets and liabilities, using tax rates (substantively) enacted, at year-end.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised.

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 income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities which intend either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously.

Current and deferred tax are recognised in the income statement (refer to note 12.2), except when it relates to a business combination or for items directly recognised in equity or other comprehensive income.

13. Other

13.1 Off-balance sheet commitments

Year ended 31 December	2021 Rwf '000	2020 Rwf '000
Letters of credit	-	-
Bank Guarantee	3,000	3,000
PPE Contractual commitment	512,007	3,224,693
Undrawn committed bank facilities	32,198,303	13,962,985

Committed bank facilities are credit facilities on which a commitment fee is paid as compensation for the bank's requirement to reserve capital. The bank is legally obliged to provide the facility under the terms and conditions of the agreement.

PPE ordered are fixed assets that have been ordered but not yet received.

Undrawn committed bank facilities are lines of credit on which the bank is legally obliged to provide the facility under the terms and conditions of the agreement.

Accounting policies
Off-balance sheet commitments are reported on an undiscounted basis.

13.2 Related parties

The Company is controlled by Heineken International B.V. incorporated in the Netherlands. The ultimate parent of the Company is Heineken N.V., a group also incorporated in the Netherlands. There are other companies which are related to the Company through common shareholdings or common directorships.

The Company has transactions with its parent (Heineken International B.V.) and other related parties who are related to the Company only by virtue of being members of the Heineken Group. As such all other companies other than Heineken International B.V., are sister companies.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

The matching share entitlements for each year are based on the performance in that year.

Terms and conditions of transactions with related parties
The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Identification of related parties
The following parties are considered to be related to Bralirwa PLC:
- Key management personnel: The Management Team
- Parent company Heineken Holding N.V. and other Heineken Holding N.V. subsidiaries
- Associates and Joint ventures of Bralirwa PLC.

The total amounts due to related parties by the nature of the transaction are shown below:

Key management remuneration

Year ended 31 December	2021 Rwf '000	2020 Rwf '000
Short-term employment benefits	2,165,831	1,949,731
Post-employment benefits	239,193	232,091
Other long term benefits	54,059	214,744
Share based payments	(284)	25,641
Termination benefits	80,305	-
	2,539,104	**2,422,207**

Management fees and royalties paid to group companies

Year ended 31 December	2021 Rwf '000	2020 Rwf '000
i) Management fees		
Heineken International B.V.	492,045	400,949
Heineken Supply Chain B.V.	-	-
Total	**492,045**	**400,949**
ii) Royalties paid/payable		
Amstel Brouwerijen B.V.	269,243	174,651
Heineken International B.V.	-	(130)
Premium Beverages International B.V.	1,167,580	1,019,957
Heineken Brouwerijen B.V.	151,381	121,212
Total	**1,588,204**	**1,315,690**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Purchase and sale of goods and services

Year ended 31 December	2021 Rwf '000	2020 Rwf '000
Sales		
Bralima sarl	812,667	-
Brarudi SA	-	1,738,169
Brasserie Nationale d'Haiti S.A.	17,109	37,731
Brasseries de Bourbon S.A	4,919	58,914
Brassivoire	-	20,607
Heineken Brouwerijen B.V.	167,846	15,747
Heineken Ethiopia	-	4,320
Heineken International B.V.	123,390	71,569
Heineken Tanzania Ltd		57,055
250 Stores	141,676	-
Jamaica Denoes & Geddes	2,095	3,683
Sierra Leone Brewery Ltd	26,043	24,406
	1,295,745	**2,032,201**
Purchases		
Amstel Brouwerij B.V.	99,548	80,707
Bralima sarl	390,632	377,999
Brarudi SA	460	605
Burundi Plastic Industries	-	-
Heineken Brouwerijen B.V.	131,573	88,795
Heineken Ethiopia	-	-
Heineken International B.V.	31,167	597,156
Heineken Supply Chain B.V.	1,686,577	233,032
Heineken Uganda Ltd	-	-
Ibecor N.V.	8,479	1,934,278
Nigerian Breweries PLC	-	-
Premium Beverages International B.V.	-	(3,262)
	2,348,436	**3,309,310**
Total	**3,644,181**	**5,341,511**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Outstanding balances arising from sale and purchase of goods/services

Year ended 31 December	2021 Rwf '000	2020 Rwf '000
Payables to related parties		
Al Ahram Beverages Company	-	-
Amee Export - Heineken Brouwerijen B.V.	27,888	172,422
AMEE Office	-	-
Amstel Brouwerijen B.V.	177,742	131,482
Bralima sarl	27,999	21,904
Brarudi SA	-	930,122
Brasserie Nationale d'Haiti S.A.	-	-
Brassivoire	5,257	-
Burundi Plastic Industries	-	381,266
Heineken Brouwerijen B.V.	33,279	53,125
Heineken Enterprise & Others	-	-
Heineken Ethiopia	-	37,093
Heineken International B.V.	930,256	1,407,284
Heineken Supply Chain B.V.	357,251	204,967
Heineken Tanzania Ltd	189	-
Heineken Uganda Ltd	9,795	6,957
Ibecor N.V.	4,880,952	260,740
Nigerian Breweries PLC	8,583	-
Sub-Saharan Fees	279,306	273,603
	6,738,497	**3,880,965**
Current receivables from related parties		
Bralima sarl	859	-
Brarudi SA	812,667	1,663,590
Brasserie Nationale d'Haiti S.A	17,109	38,059
Brasseries de Bourbon S.A	4,919	58,603
Brassivoire	-	20,660
Heineken Brouwerijen B.V.	184,760	16,594
Heineken Ethiopia	-	4,320
Heineken International B.V.	123,388	76,740
Heineken Tanzania Ltd	-	26,638
Heineken Uganda Ltd	-	-
Jamaica Denoes & Geddes	2,095	3,683
250 Stores	141,676	-
Premium Beverages International B.V.	-	-
Sierra Leone Brewery Ltd	26,043	25,245
Sub-Saharan Fees	1,241	
Tango SARL	-	-
	1,314,757	**1,934,132**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Non-current receivables from related parties		
250 Stores	**592,160**	-
	592,160	-

14. Subsequent events

A. Company disclosures

A.1 Borrowings

The borrowings of the Company comprise the following:

Year ended 31 December	2021 Rwf '000	2020 Rwf '000
Borrowings	11,460,233	17,481,155
Bank overdraft	11,601,697	29,837,015
Total	**23,061,930**	**47,318,170**

B. Other

B.1 Auditor fees

Fees for audit services include the audit of the financial statements of the Company. Fees for other audit services include quality product services. Fees for tax services include tax compliance and tax advice. Fees for other non-audit services include agreed-upon procedures and advisory services.

In 2021 Rwf 92 million of fees are recognised in the financial statements for services provided by Ernst & Young Rwanda, PWC and GPO Partners (2020: Rwf 96 million). In the overview below, the breakdown per type of service is provided:

	Assurance Auditors		PWC		GPO Partners		Total	
Year ended 31 December	2021 Rwf '000	2020 Rwf '000	2021 Rwf '000	2020 Rwf '000	2021 Rwf '000	2020 Rwf '000	2021 Rwf '000	2020 Rwf '000
Audit of Bralirwa PLC	38,546	38,546	-	-	-	-	38,546	38,546
Other audit services	-	-	40,695	52,811	-	-	40,965	52,811
Tax services	-	-	-	4,908	13,550	-	13,550	4,908
Other non-audit services	-	-	-	-	-	-	-	-
Total	**38,546**	**38,546**	**40,695**	**57,719**			**92,791**	**96,265**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

Accounting policies
Fees for audit services are included in the other expenses in the financial statements (refer to note 6.1.2 of the financial statements for more information). These fees are recognised when the service is provided.

B.2 Off-balance sheet commitments

Less than 1 year	2021 Rwf '000	2020 Rwf '000
Undrawn committed bank facility	32,198,303	13,962,985

B.3 Subsequent events

For subsequent events, the Directors are not aware of any events after the reporting date that require disclosure in or adjustments to the financial statements as at the date of this report.

B.4Other disclosures

Remuneration
Refer to note 13.2 of the financial statements for the remuneration and incentives of the Management Team.

Board of Directors
The members of the Board of Directors signed the financial statements in order to comply with their statutory obligation pursuant to Article 123 of the Law Governing Companies.


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PART SEVEN

FIVE YEAR FINANCIAL SUMMARY AND GLOSSARY

FIVE YEAR FINANCIAL SUMMARY

	2020 Rwf millions	2019 Rwf millions	2018 Rwf millions	2017 Rwf millions	2016 Rwf millions
Revenue	**100,521**	**100,691**	**98,954**	**86,354**	**88,799**
Cost of sales	(64,324)	(65,814)	(66,161)	(60,079)	(63,123)
Gross profit	**36,197**	**34,877**	**32,793**	**26,275**	**25,676**
Other income	461	469	315	5,288	1,534
Other expenses	(16,832)	(24,679)	(14,667)	(16,857)	(15,081)
Results from operating activities	**19,826**	**10,667**	**18,441**	**14,706**	**12,129**
Net Finance cost	**(6,832)**	**(7,788)**	**(8,095)**	**(6,997)**	**(9,463)**
Profit before income tax	**12,994**	**2,879**	**10,346**	**7,709**	**2,666**
Income tax expense	(3,989)	(1,687)	(3,104)	(2,630)	(1,268)
Total comprehensive income for the year	**9,005**	**1,192**	**7,242**	**5,079**	**1,398**
Employment of funds					
Fixed assets	87,554	85,914	87,695	85,765	88,001
Intangible Assets	1,697	1,672	903	131	254
Equity investment	9	9	9	9	9
Joint venture investment	1	1,157	-	-	-
Long term debtors and prepayments	-	-	4,341	3,398	4,000
Net current (liabilities)/assets	5,109	(2,774)	11,197	3,682	(6,415)
Loan Capital/Finance Lease	(47,587)	(45,562)	(56,472)	(49,548)	(46,629)
Deferred Income & Taxation	(4,195)	(5,805)	(8,597)	(7,745)	(7,582)
Total net assets	**42,588**	**34,611**	**39,076**	**35,691**	**31,638**
Funds employed					
Share capital	5,143	5,143	5,143	5,143	5,143
Share Premium	85	85	85	85	85
Other reserves	2,072	2,072	2,072	2,072	2,072
Retained earnings	35,288	27,311	31,777	28,391	24,339
Shareholders' Funds	**42,588**	**34,611**	**39,076**	**35,691**	**31,638**
Statistics					
Share price at year end (Rwf)	121	139	150	150	140
Market capitalization in (Rwf millions)	124,457	142,971	154,286	154,286	144,000
Basic and diluted earnings per share (Rwf)*	8.75	1.16	7.04	4.94	1.36
Dividend per share (Rwf)	8.75	-	5.50	3.75	1.00
Dividend Cover (times)	1.00	-	1.28	1.32	1.36
Net worth per share (Rwf)	41.41	33.65	37.99	34.70	30.76
Debt/Equity ratio	1.12	1.32	1.45	1.39	1.47

GLOSSARY

Other information

Revenue
Net realized sales proceeds after deduction of excise duties.

EBIT
Earnings before interest and taxes and net finance expenses.

EBITDA
Earnings before interest and taxes and net finance expenses before depreciation and amortization.

Total and total comprehensive income for the year
Net profit

Net profit
Profit and total comprehensive income for the year (profit attributable to equity holders of the Company).

Free operating cash flow
This represents the total of cash flow from operating activities, cash flow from operational investing activities and cash flow from financing activities.

Earnings per share
Net profit divided by the weighted average number of shares – basic – during the year.

Net Assets
Non-current assets plus net working capital.

Net Working Capital
Current assets minus current liabilities.

Cash and Cash Equivalents
Bank and cash balances plus bank overdrafts.

Net debt
Non-current and current interest-bearing loans and borrowings and bank overdrafts less investments held for trading and cash.

Net debt/EBITDA ratio
The ratio is based on a twelve-month rolling calculation for EBITDA.

Gearing
Net debt/total equity.

Dividend payout
Proposed dividend as percentage of net profit.

Cash conversion ratio
Free operating cash flow/Net profit before deduction of non-controlling interests.

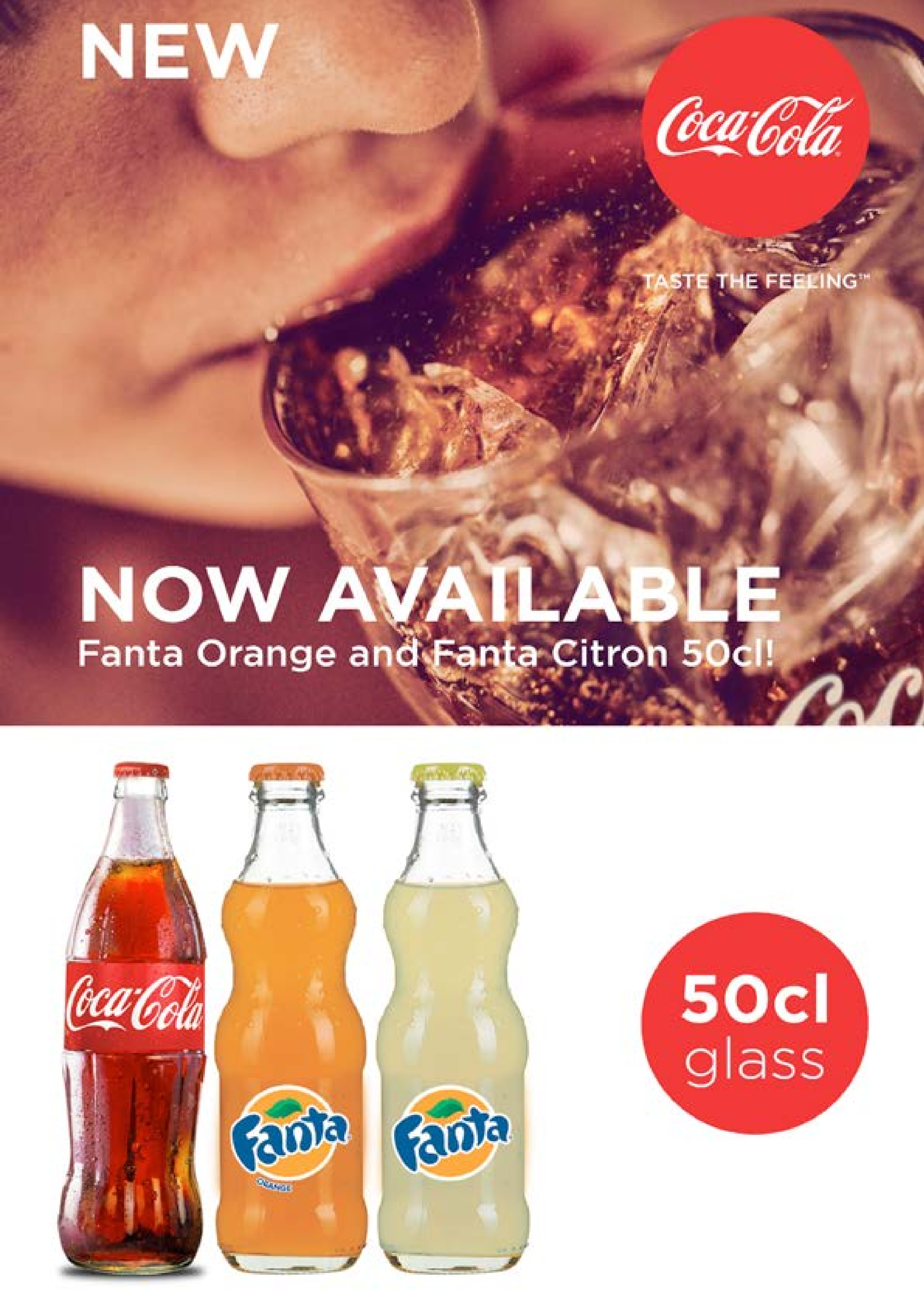
PROXY FORM

The undersigned ....
acting in my capacity of Shareholder of Brasseries et Limonaderies du Rwanda (Bralirwa) Plc with registered Office at Kigali, Rwanda (further "**the Company**"), or at ....do hereby nominate and appoint
....,
as my lawful attorney, to attend on my behalf the annual general meeting of shareholders of "the Company" to be held on 11th May 2022 by Teleconference (Online), according to the following agenda:

1. Consideration and approval of the annual report;
2. Receiving the auditor's report;
3. Consideration and approval of the financial statements;
4. Appropriation of profit and total comprehensive income for the year;
5. Discharge of the Directors and Auditors for the financial year 2021;
6. Appointment of Directors;
7. Appointment of Independent Auditors;

and to execute the right of vote on my behalf in all matters included into the agenda of the meeting at the above-mentioned date or any other date on the same agenda, hereby ratifying and confirming all that the attorney may do in my name.

Given at ...., the .... 2022.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E-DIVIDEND FORM

To:

CDSC REGISTRARS RWANDA LTD.
Centenary House, 4th Floor, Avenue de la Paix.
P. O. Box 5904 Kigali, Rwanda,
Tel: +250 784 110636/+250 786 419333/+254 722 807371
e-mail HYPERLINK: registrarsrw@cdsckenya.com

Only clearing banks are acceptable

I/We hereby request that form now on, all dividend warrant(s) due to me/us from my/our holding(s) in **Bralirwa Plc,** be paid directly to my/our Bank named below.

Shareholder's Full Name:

Surname first

Shareholder's Address:

Shareholder's E-mail:

Shareholder's GSM Number:

Single Shareholder's Signature:

Joint Shareholders' / Company Signatures:

(1)

(2)

Company Seal:

Name of Bank:

Branch Address of Bank:

Bank Account No.

Bank Sort Code:

Bank Authorised Signatures & Stamp:

(1)

Please include page No.

(2)

Please include page No.


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