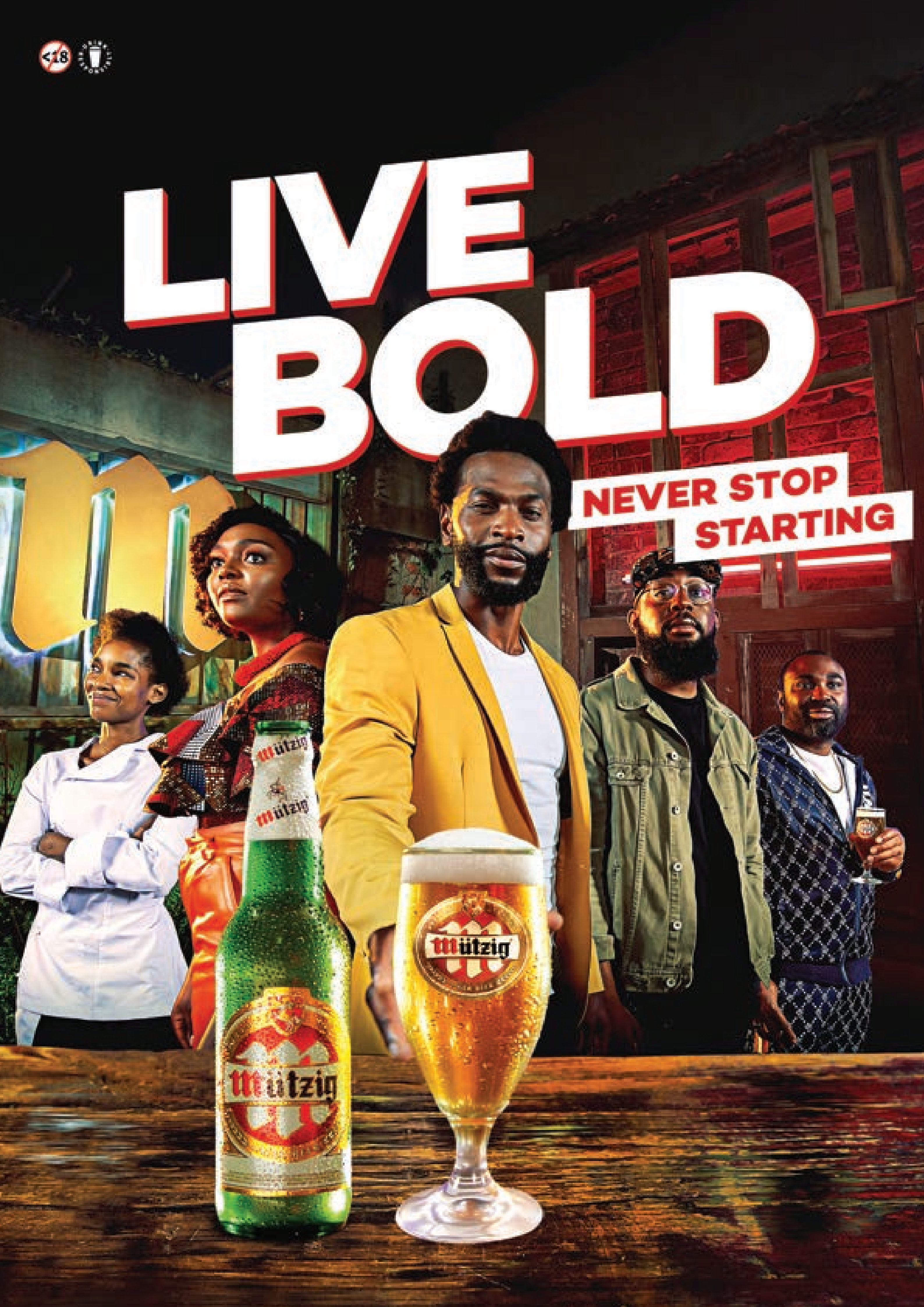
Bralirwa

PART OF THE HEINEKEN COMPANY

Annual Report and Accounts 2022


LIVE
BOLD
NEVER STOP
STARTING
Mützig
Mützig
Mützig
Mützig

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18+
Brewed for that
refreshing
first sip.
Heineken
HEINEKEN ORIGINAL
Heineken
PURE MALT LAGER
Heineken

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 cheer 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 & 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.

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.

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.

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 sustainably.

PART ONE

QUICK READ

QUICK READ

Results At A Glance

Results in Rwf millions	2022	2021	Change (%)
Revenue	157,656	123,596	27.6%
EBIT	42,171	31,214	35.1%
EBITDA	55,249	44,161	25.1%
Net Profit	22,545	17,525	28.7%
Dividend (proposed)	22,536	17,517	28.7%
Free Operating Cash flow	-1,675	15,142	(111.1%)
Statement of financial position in Rwf millions			
Total Assets	155,989	116,408	34.0%
Net Working Capital	-25,647	-22,450	14.2%
Shareholder's equity	56,141	51,112	9.8%
Net debt	29,469	21,198	39.0%
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	21.92	17.04	28.6%
Dividend Proposed 'Rwf	21.91	17.03	28.7%
Free Operating Cash (deficit) flow 'Rwf	-1.63	14.72	(111.1%)
Employees in Numbers			
Average Number of Employees	418	418	0.0%
Key Ratios (in %)			
EBIT as % of Revenue	26.7%	25.3%	5.5%
Net Profit as % of Average Shareholder's Equity	40.2%	34.3%	17.2%
Net Debt/EBITDA	53.3%	48.0%	11.0%
EBITDA/Interest expenses (times covered)	1373.1%	994.9%	38.0%
RONA	28.7%	27.1%	5.9%
Cash Conversion Rate	-7.4%	86.4%	(108.6%)
Dividend % Payout (% of Net Profit)	100.0%	100.0%	0.0%

HISTORY OF BRALIRWA

1957

Bralirwa Plc founded

1959

First Rwandan beer, Primus produced

1971

HEINEKEN acquires majority shares in Bralirwa

1974

Bralirwa Plc starts production of Coca-Cola products under license

1987

Introduction of Mutzig, the first Rwandan premium beer

2011

First company listed on the Rwanda Stock Exchange (RSE)

2018

Started local production of Heineken beer


CONSOMMER RESPONSABLE
18+
PRIMUS
Yacu Iwacu
PRIMUS

PART TWO

CHAIRMAN'S STATEMENT

CHAIRMAN'S **STATEMENT**

Pascal Sabrié
Chairman of the Board

> In addition to our strong growth in 2022, Bralirwa Plc has remained committed to Rwanda's social development and the overall well-being of our community. As a socially responsible company, we continue to support a diverse range of projects, from environmental protection to stakeholder relations, to name a few.

I am delighted to present to you Bralirwa Plc's annual report for 2022, which marks a year of strong growth for the company. We were able to achieve our results and move forward with our strategic plan despite a year of unprecedented challenges. Such challenges have highlighted one timeless principle: change is the only constant. This is playing out in various contexts around the world, with varying implications for our business. COVID-19 has had a significant impact on consumer behavior, accelerated supply chain and inflationary pressures and the effects of climate change continue to be felt.

Revenue increased by 27.6% % in 2022 to Rwf 157.6 billion (2021: Rwf 123.6 billion), mainly due to volume growth and responsible pricing. Volume growth and higher input costs drove a 18.6% increase in cost of sales to Rwf 85.9 billion in 2022 (2021: Rwf 72.4 billion). The operating result increased by 35.1% to Rwf 42.1 billion (2021: Rwf 31.2 billion), driven by the topline performance, partially offset by selling and distribution costs increase, mainly marketing costs due to investments done after the full business re-opening and higher administrative costs in 2022.

Net finance costs increased 14.2% to Rwf 6.3 billion in 2022 (2021: Rwf 5.5 billion), primarily due to currency volatility and a slight increase in interest expense.

In view of the aforementioned factors, the net profit and total comprehensive income increased by 28.7% to Rwf 22.5 billion (2021: Rwf 17.5 billion) driven primarily by the top line and operational improvements. This resulted in better earnings per share of Rwf 21.92 (2021: Rwf 17.04).

A cash dividend of Rwf 21.91 per share (2021: Rwf 17.03) will be proposed to the Annual General Meeting of Shareholders on June 5, 2023. If approved, the proposed dividend will be paid on June 30, 2023. The dividend is equal to 100% of the net profit for the fiscal year 2022, and it is subject to withholding tax. Bralirwa shares will have a book close date of 31 May 2023, which means that the final dividend will be paid to all shareholders whose names appear in the Register of Shareholders at the close of business on 31 May 2023.

In addition to our strong growth in 2022, Bralirwa Plc has remained committed to Rwanda's social development and the overall well-being of our community. As a socially responsible company, we continue to support a diverse range of projects, from environmental protection to stakeholder relations, to name a few.

In February 2021, we launched our EverGreen strategy with the goal of future-proofing the business, adapting to new external dynamics, and emerging stronger from the COVID-19 crisis. EverGreen is a daring strategy for delivering superior and balanced growth in a fast-challenging environment.

Winning with EverGreen reflects how we intend to win in the marketplace and position ourselves to deliver top-tier financial performance, while also transforming ourselves to create value for all our stakeholders. We firmly established EverGreen at the heart of our business, from how we innovate to how we operate to how we manage our teams and build our brands.

From the outside, our success may appear to be inevitable after such an impressive year, but we know the truth. We faced the same supply chain and inflationary pressures, consumer behavioral shifts, and climate challenges as everyone else. We do, however, have something no one else does: an incredible team of employees. Over the last year, our team has worked together as one to outperform the odds and become an even faster, stronger, and better company. In the coming years, we will continue to rely on our people.

In the coming year, African economies are expected to be impacted by ongoing uncertainties and resulting volatility in the global economy, particularly in input costs. Our initial plan for 2023 is to continue growing the top line, margins, and profit to outperform in the Rwandan market as well as the broader African Region, driven by continued volume and value growth, cost management, and debt reduction.

As Rwanda's economic environment continues to evolve, Bralirwa Plc. will strive to keep delivering the highest quality products, developing our processes, and expanding our positive community impact.

We can make a bigger impact for long-term success when we collaborate across our organization and with our external partners around the world—our shareholders, consumers, customers, and communities.

Thank you for joining us on the next phase of our journey and for your continued confidence in us through your investment.

Pascal Sabrié
Chairman of the Board
Kigali, 23th March 2023

14.2%

NET FINANCE COSTS INCREASED BY 14.2% TO
Rwf 6.3 billion in 2022

27.6%

REVENUE INCREASED BY 27.6%
in 2022 to Rwf 157.6 Billion

18.6%

VOLUME GROWTH AND HIGHER INPUT COSTS DROVE A 18.6% INCREASE IN COST OF SALES TO
Rwf 85.9 Billion in 2022

35.1%

THE OPERATING RESULT INCREASED BY 35.1% TO
Rwf 42.1 Billion

THE NET PROFIT AND TOTAL COMPREHENSIVE INCOME INCREASED BY 28.7% TO
Rwf 22.5 Billion

HEINEKEN EverGreen 2025

WE LAUNCHED
our Evergreen strategy with the goal of future-proofing the business,
ADAPTING TO NEW EXTERNAL DYNAMICS, AND EMERGING STRONGER FROM THE COVID-19 CRISIS.

IJAMBO RY'UMUYOBOZI

Pascal Sabrié
Umuyobozi w'Inama y'Ubutegetsi

"Uretse kuba twaragize izamuka rihambaye mu 2022, Bralirwa Plc yanakomeje gutanga umusanzu mu iterambere ry'imibereho myiza y'Abanyarwanda. Nk'ikigo cyita ku mibereho myiza y'abantu, dukomeje gufasha mu mishinga itandukanye, kuva ku kubungabunga ibidukikije, kugeza ku mibanire y'abafatanyabikorwa n'ibindi ntarondoye.

Nishimiye kubagezaho raporo ngarukamwaka ya Bralirwa Plc, 2022, raporo y'umwaka igaragaza umusaruro ushimishije ku kigo cyacu. Twabashije kugera ku ntego zacu no gutera imbere mu igenamigambi ryacu nubwo ari umwaka wabayemo imbogamizi zitari zitezwe. Izo mbogamizi zagaragaje ihame rimwe ridahindurwa n'ibihe: impinduka ni cyo kintu rukumbi gihoraho. Ibi biboneka mu buryo butandukanye ku isi, hamwe n'ibikorwa bitandukanye mu bushabitsi bwacu. Icyorezo cya COVID-19 cyagize ingaruka zigaragara ku myitwarire y'abakiliya bacu, gitiza umurindi ibibazo byo kugeza ibicuruzwa ku bakiliya n'igitutu cy'itakazagaciro k'ifaranga kandi cyatumye ingaruka z'imihindagurikire y'ibihe zikomeza kutugeraho.

Amafaranga yose yacurujwe yazamutse ku kigero cya 27,6% mu 2022 agera kuri miliyari 157,6 Frw avuye kuri miliyari 123,6 Frw mu 2021, ahanini bitewe n'izamuka ry'ibinyobwa byacurujwe hamwe n'ibiciro binogeye abakiliya. Kwiyongera kw'ibinyobwa byacurujwe no kuzamuka kw'igiciro cy'ibyashowe byageze ku kigero cya 18,6% aho ikiguzi cy'ibyacurujwe cyageze kuri miliyari 85,9 Frw mu 2022 mu gihe mu 2021 byari miliyari 72,4 Frw. Amafaranga yinjiye udakuyemo imisoro n'ibindi byishyurwa, yazamutse ku rugero rwa 35,1% aba miliyari 42,1 Frw avuye kuri miliyari 31,2 Frw muri 2021, biturutse ku mikorere ihambaye, kuzamuka kw'ikiguzi cy'ibyakoreshejwe kugira ngo ibicuruzwa bigere ku baguzi cyane cyane imbaraga zashyizwe mu kwamamaza bitewe n'ishoramari ryakozwe nyuma yo kongera gufungura ibikorwa by'ubucuruzi mu buryo bwuzuye hamwe n'amafaranga menshi yashowe mu bikorwa by'umunsi ku wundi mu 2022.

Ikiguzi cy'imari cyazamutse ku kigero cya 14,2% kigera kuri miliyari 6,3 Frw mu 2022 mu gihe muri 2021 zari miliyari 5,5 Frw, ahanini bitewe n'ihindagurika ry'agaciro k'ifaranga ndetse n'izamuka rito ku nyugu yishyurwa ku nguzanyo.

Ushingiye ku ngingo zimaze kuvugwa, muri rusange, inyungu yazamutse ku rugero rwa 28,7% iba miliyari 22,5 Frw mu gihe mu 2021 yari miliyari 17,5 Frw, aho ibi byaturutse ku izamuka ry'ibinyobwa byacurujwe no kuvugurura imikorere. Ibi byatumye habaho kwinjiza kwiza ku banyamigabane aho bazabona 21, 92 Frw ku mugabane mu gihe mu 2021 yari 17,04 Frw ku mugabane. Amafaranga 21,91 Frw ku mugabane (yari 17,03 Frw mu 2021) azigwaho mu Nama Rusange Ngarukamwaka y'Abanyamigabane izaba ku wa 5 Kamena 2023. Mu gihe yakwemezwa, aya mafaranga azahabwa abanyamigabane ku wa 30 Kamena, 2023. Uyu mugabane ungana na 100% y'inyungu yabonetse muri rusange mu mwaka w'ingengo y'imari wa 2022, kandi avanwaho umusoro wa leta. Ibijyanye n'imigabane ya Bralirwa bizaba byamaze gushyirwa mu Gitabo cy'Abanyamigabane ku wa 31 Gicurasi, 2023, bivuze ko abo amazina yabo azaba ari muri icyo gitabo ku wa 31 Gicurasi ari bo bazishyurwa.

Uretse kuba twaragize izamuka rihambaye mu 2022, Bralirwa Plc yanakomeje gutanga umusanzu mu iterambere ry'imibereho myiza y'Abanyarwanda. Nk'ikigo cyita ku mibereho myiza y'abantu, dukomeje gufasha mu mishinga itandukanye, kuva ku kubungabunga ibidukikije, kugeza ku mibanire y'abafatanyabikorwa n'ibindi ntarondoye.

Muri Gashyantare 2021, twatangije gahunda ya 'EverGreen' dufite intego yo kugaragaza ahazaza heza h'ubushabitsi, tujyana n'imikorere mishya igezweho hanze aha, kandi tukagaragara dukomeye mu gusohoka mu ihungabana ryatewe na COVID-19. EverGreen ni gahunda igamije gutanga umusanzu mu guhangana n'imbogamizi zihuta zugarije urwego rw'umurimo.

Kugera ku ntego hamwe na EverGreen bigaragaza uburyo dushaka kwesa imihigo ku isoko no kwishakamo ibisubizo kugira ngo dutange umusaruro wo mu rwego rwo hejuru mu by'imari, mu gihe kandi twishakamo uburyo bwo guha agaciro abafatanyabikorwa bacu bose. Bishyira EverGreen ku isonga mu buryo bufatika bw'ubushabitsi bwacu, kuva ku buryo duhanga udushya kugeza ku buryo dukora kugeza no ku buryo bw'imicungire y'abakozi bacu no gusigasira izina ryacu.
Mu buryo bworoshye, birigaragaza ko twabashije kugera ku ntego nyuma y'uyu mwaka ushimishije. Gusa ukuri turakuzi. Kimwe n'abandi, twahuye n'ibibazo byo kugeza ibicuruzwa ku bakiliya, igitutu cy'itakazagaciro k'ifaranga, imihindagurikire y'imyitwarire y'abakiliya n'imihindagurikire y'ibihe. Icyakora, hari umwihariko wacu wo gukora ibyananiye abandi; ni itsinda ry'abakozi ntagereranwa. Mu mwaka ushize, itsinda ryacu ry'abakozi ryakoreye hamwe nk'umuntu umwe ribasha gukemura ibitaragendaga neza bituma ikigo cyacu kirushaho gukomera no gukora neza kandi vuba. Mu myaka iri imbere, tuzakomeza kwishingikiriza ku bantu bacu.

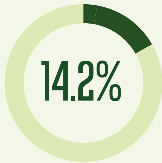
Mu mwaka utaha byitezwe ko ubukungu bwa Afurika buzakorwaho no kutagaragaza icyerekezo gifatika cy'aho bugana, ibi bikazagira ingaruka ku ihungabana ry'ubukungu ku isi muri rusange by'umwihariko ibiciro by'ibintu. Intego yacu nyamukuru mu 2023 ni ugukomeza gukora cyane ku isoko ry'u Rwanda ndetse no ku ruhando rwa Afurika tubifashijwe no kongera ingano n'agaciro, igenamigambi ku micungire y'ibiguzi ndetse no kugabanya umwenda.

Nk'uko u Rwanda rukataje mu gukomeza kuzamura ubukungu, Bralirwa Plc izaharanira gukomeza gutanga ibinyobwa byujuje ubuziranenge, duteza imbere imikorere yacu, kandi twagura ibikorwa byacu byiza ku baturage.

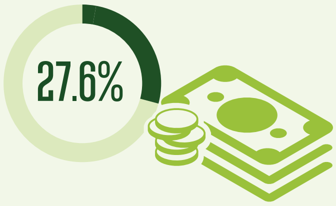
Dushobora kugira uruhare runini mu kugera ku ntego z'igihe kirekire turamutse dukoranye mu muryango wacu ndetse n'abafatanyabikorwa bacu bo hanze hirya no hino ku isi - abanyamigabane bacu, abakiliya, n'imiryango migari.

Mbashimiye kutwiyungaho mu cyiciro gikurikira cy'urugendo rwacu hamwe n'icyizere mudahwema kutugirira binyuze mu ishoramari ryanyu.

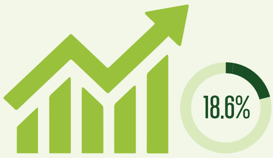
Pascal Sabrié
Perezida w'Inama y'Ubutegetsi
Kigali, kuwa 23 Werurwe 2023



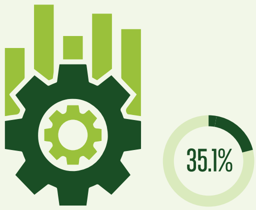
IKIGUZI CY'AMAFARANGA CYIYONGEREYEHO 14.2% KIGERA KURI
MILIYARI 6.3 Z'AMAFARANGA Y'U RWANDA MURI 2022



AMAFARANGA YINJIYE YIYONGEREYEHO 27,6%
MURI 2022 KUGEZA RWF MILIYARI 157.6



IGICIRO CYO KUGURISHA KIYONGERAHO 18.6% KIGERA KURI
MILIYARI 85.9 MU 2022



IGICIRO K'IBIKORWA (OPERATING RESULT) KIYONGEYEHO 35.1% KIGERA KURI
MILIYARI 42.1 Z'AMAFARANGA Y'U RWANDA

INYUNGU N'AMAFRANGA YOSE YINJIJWE BYIYONGEYEHO 28.7% KUGEZA KURI
MILIYARI 22.5 Z'AMAFARANGA Y'U RWANDA

TWATANGIJE GAHUNDA YA **"EVERGREEN" : DUFITE INTEGO YO KWEREKANA EJO HAZAZA HEZA H'UBUCURUZI,** DUHUZA IMBARAGA NSHYA ZO HANZE, N'IMIKORERE MISHYA TWIZE MU GIHE CYA COVID-19.

18+

DRINK RESPONSIBLY

100%
PURE MALT

PREMIUM BEER
1870
AMSTEL
BEER
BREWED TO THE AMSTEL TRADITION

PART THREE

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Pascal Sabrie (French)	Chairman of the Board	**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**
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:+250 786 090 102

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

Bank of Kigali Plc
P.O. Box 175
Kigali-Rwanda

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

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

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

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

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

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

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

BOARD OF DIRECTORS

Pascal Sabrié

Chairman of the Board

Pascal Sabrié was appointed to the Board of Bralirwa Plc in 2020.
He joined HEINEKEN France in 1993 where he held several senior roles including Marketing Manager Brasserie Heineken and General Manager Brasserie Fischer. After the merger of these two companies, Pascal was appointed Vice President Heineken Enterprise. During his successful career within HEINEKEN, he has held various Commerce, Marketing and General Management roles in France and Western Europe. He is currently the Managing Director of Middle East, West and Central Africa.

Etienne Saada

Vice Chairman of the Board & Managing Director

Etienne Saada joined Bralirwa Plc in January 2022 as the Managing Director.
He joined HEINEKEN in 1994 through France-Boissons and held various positions including Manager Sales, Director Sales, Director Subsidiary, Director Regional, and Director Key Account. Prior to joining Bralirwa Plc, Etienne was the General Manager of Tango SARL in Algeria for three years. He effectively managed various crises, most notably leading the company through the commercial crisis that shut down the Algerian market for 11 months due to the global Covid-19 outbreak while maintaining a positive operating profit margin. In 2017, he was appointed Sales Director for Brarudi S.A. in Burundi, where he made major contributions to the growth of the Opco company, both in volume and value.

BOARD OF **DIRECTORS** (Continued)

Chantal Mubarure

Independent Non-Executive Director

Chantal Mubarure was appointed to the Board of Directors of Bralirwa Plc in 2005. She has worked with the government and development partners for over 15 years and is a Certified Performance Technologist (CPT) and Kirk Patrick certified. She is currently a public sector capacity building consultant and a member of several Rwandan boards.

John Bosco Sebabi

Independent Non-Executive Director

John Bosco Sebabi was appointed to the Board of Directors of Bralirwa Plc in 2017. He was the founder and CEO of Fortis Consult and previously served as the DDG of the Rwanda Social Security Board (RSSB) in charge of funds management from July 2014 to October 2018. Prior to joining RSSB, he held several high managerial positions in Rwanda's financial industry, including Chief Operating Officer for the East Africa Exchange and Director General of the National Bank of Rwanda's Operations Directorate. John Bosco Sebabi holds a MSc in International Economics, Banking, and Finance from Cardiff University in Wales (UK), as well as a BSc in Economics and an associate degree in economics from the National University of Rwanda.

Chidum Ayeni

Non-Executive Director

Chidum Ayeni was appointed to the Board of Directors of Bralirwa Plc in 2020. She joined Heineken through Nigeria Breweries Plc in the IT department in 1995 and rose through various leadership positions in breweries to become Head of IT in 2014. In 2019, she was appointed Head of Digital & Business Transformation for Nigeria Breweries, and since 2020 she has been the General Manager at Brasseries et Limonaderies du Burundi (Brarudi) S.A. Chidum Ayeni graduated with honors from the MIT Sloan School of Management in Massachusetts, USA.

SENIOR MANAGEMENT

Etienne Saada
Managing Director & Vice Chairman of the Board

Etienne Saada joined Bralirwa Plc in January 2022 as the Managing Director. He joined HEINEKEN in 1994 through France-Boissons and held various positions including Manager Sales, Director Sales, Director Subsidiary, Director Regional, and Director Key Account. Prior to joining Bralirwa Plc, Etienne was the General Manager of Tango SARL in Algeria for three years. He effectively managed various crises, most notably leading the company through the commercial crisis that shut down the Algerian market for 11 months due to the global Covid-19 outbreak while maintaining a positive operating profit margin. In 2017, he was appointed Sales Director for Brarudi S.A. in Burundi, where he made major contributions to the growth of the Opco company, both in volume and value.

Mustapha Gammar
Finance Director

Mustapha Gammar joined Bralirwa Plc as Finance Director in February 2021. He began his career in food industry in Tunisia, where he held various finance positions in a private biscuits company (part of Kraft Group), including ten years as Finance Director.
Mustapha joined Heineken Tunisia in 2007 as Finance & ICT Director, where he was instrumental in establishing the beer company, acquiring a local soft drink company, and adopting Heineken standards throughout the operational company. In 2011, he was appointed as Finance Director in Algeria, where he made significant contributions to the Cash Management and Tax Optimization initiatives. Mustapha was appointed Finance Director for CBL in the Bahamas in 2015. He has led the Finance, Procurement, and Information Technology functions with passion and commitment, building a professional, motivated, and high-performing local teams. He is an industrial engineer with an Executive MBA.

Opeyemi Oluwalusi
Sales Director (Outgoing)

Opeyemi Oluwalusi joined Bralirwa Plc in May 2019 as Sales Director. Between 2015 and 2019, he worked for Nigerian Breweries Plc as the Zonal Business Manager West/ Mid-West and North Zones until May 2019. In July 1996, Opeyemi joined Heineken through Nigerian Breweries as a Sales Representative. Opeyemi has worked in the Sales Departments of both Nigerian Breweries Plc and Heineken Ethiopia. He was the Sales Director for Heineken Ethiopia from June 2012 until January 2015. He holds a Master of Business Administration degree from Ladoke Akintola University in Nigeria.

SENIOR **MANAGEMENT** (Continued)

Fleury Sekiyuku
Sales Director (Incoming)

Fleury Sekiyuku joined Bralirwa Plc in April 2023 as Sales Director. He joined Bralirwa from Brarudi (our Burundi Operational Company), where he held several responsibilities in Commerce including Sales Representative, Channel Strategy Manager, and Regional Sales Manager since 2010. In this capacity, he oversaw the Below the Line transformation strategy and was responsible for the successful introduction and rapid distribution development of the Nyongera brand, the world's first sorghum-based brand. As Brarudi's Sales Director, Fleury was responsible for the successful implementation of the redesigned commercial strategy, which he translated into executional plans that resulted in solid business outcomes in a competitive market.

Martine Gatabazi
Marketing Director

Martine Gatabazi joined Bralirwa Plc in September 2021 as Marketing Director. She started her career with HEINEKEN in 2006 as a Marketing Management Trainee in Bralirwa Plc, and later held a variety of positions within the Marketing Department. After completing her traineeship, Martine successfully performed the roles of Brand Manager and Marketing Manager, where she drove the brand strategy agenda to establish strong brands in the Rwandan market. She was instrumental in revitalizing Bralirwa's flagship brand Primus through the Primus Guma Guma campaign and the introduction of the 50cl bottle to name a few. Martine moved to Amsterdam in November 2014 to take on the role of Regional Brands Manager for the Africa, Middle East, and Eastern Europe Region (AMEE). Martine later joined Brassivoire in 2018, where she and her team made significant contributions to the development and growth of the brand portfolio by successfully launching various brands in Cote d'Ivoire over the last three years, including Ivoire Black, Rhino Energy Malt, locally produced Heineken, and Desperados.

Carla Anigbo
Digital & Technology Manager

Carla Anigbo joined Bralirwa Plc in February 2022 as the Digital & Technology Manager. She began her career with HEINEKEN in 2010 as a Sales & Distribution Officer at Nigerian Breweries Plc. She held various positions over the course of five years, including Senior Analyst and Digital Platform Manager. Carla began a 3.5-year assignment in South Africa in 2015, as part of the team that delivered the HEINEKEN demerger from Brandhouse. In the first 2 years, she held the role of Sales Systems Manager, creating solutions and processes to support the sales organization. She then went into the E-Commerce field as the E - Commerce Product Manager, where she delivered digital strategies for both the indirect and direct routes to markets. Carla then moved to HEINEKEN Global in 2019 as the Global Product Owner for the B2B Platform Heineken DOT, where she delivered great value to over 16 countries and supported thousands of customers globally as the E-Commerce Product Manager, delivering digital strategies for both indirect and direct routes to markets.

SENIOR MANAGEMENT (Continued)

Laetitia Uwera
Human Resources Director

Laetitia Uwera joined Bralirwa Plc in October 2018 as the Human Resources 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 graduated with honors from Napier University in Edinburgh, UK, with a degree in Hospitality and Human Resources Management, and she is a Chartered Member of the Chartered Institute of Personnel and Development in London, UK.

Samuel Murumu
Supply Chain Director

Samuel Murumu joined Bralirwa Plc in May 2022 as the Supply Chain Director. He began his career with HEINEKEN as the Supply Chain Manager in Sierra Leone Brewery Limited in 2017. During his time in Sierra Leone, Samuel oversaw the brewery's improvement and modernization, including the installation of the country's first canning line. He also significantly improved supply chain efficiencies and the local sourcing agenda, which positively influenced the Operational Company's financial outcomes. In 2019, Samuel joined Heineken Ethiopia in 2019 as the Brewery Manager for Kilinto Brewery.
Samuel spent 15 years with Diageo before joining Heineken. He served numerous operational leadership positions in Uganda, Kenya, Tanzania, Jamaica, Cameroon, and Scotland. Samuel graduated from Makerere University with a Bachelor of Science (Mech) Engineering degree, a Diploma in Brewing from the Institute and Guild of Brewing, and a Master of Business Administration degree from Edinburgh University.

Aline-Pascale Batamuliza
Corporate Affairs & Communication Manager (Outgoing)

Aline-Pascale Batamuliza joined Bralirwa Plc in November 2018as Corporate Affairs & Communication Manager. She formerly worked as a Program & Project Manager at Africa Improved Foods before joining Bralirwa Plc. She began her banking career with I&M Bank Rwanda and rose through the ranks, holding increasingly senior positions, with her last position as Product Development Manager, where she contributed to the development and deployment of digital payment systems. She is a Rwanda Bank Association Certified Professional Banker. She holds a bachelor's degree in Marketing Management from the Kigali Institute of Science, Technology, and Management, as well as an MA in International Business from Anglia-Ruskin University in Cambridge, UK, and an MBA in International Business from Hanze University in Groningen, the Netherlands.

Rosette Mutoni

Corporate Affairs & Communication Manager (incoming)

Rosette Mutoni joined Bralirwa Plc in March 2023 as the Communications and Corporate Affairs Manager. She brought with her over 13 years of expertise in communications, public relations, government relations, and brand management in a variety of sectors including international NGOs, international business, technology, finance, and banking. Prior to joining Bralirwa Plc, Rosette was the Senior Communications Manager at Irembo Ltd, where she led the communications and marketing department. She previously worked as the Communication, Marketing, and Public Relations Manager at the University of Global Health Equity in Rwanda, as well as the Communication and Public Engagement Manager at World Vision Rwanda, the Corporate Communication Manager at KCB Bank in Rwanda, and the Communications Specialist at Compassion International Rwanda.

Rosette holds a bachelor's degree in communication from the University of Rwanda, as well as a master's degree in international relations and diplomacy from Mount Kenya University.

David Karuhanga

Company Secretary

David Karuhanga joined BRALIRWA Plc in June 2019 as the Legal Officer. He has been addressing legal concerns within the company's Legal Department and has since successfully streamlined the operation of the Legal Department. His expertise was crucial in assisting other teams with legal and regulatory compliance. Prior to joining BRALIRWA, David worked as a Legal Advisor for the Ministry of Finance and Economic Planning, the Ministry of Justice of the Government of Rwanda, and Greater Virunga (2010-2019), primarily advising management and employees on legal and regulatory compliance.

David now has over 9 years of legal expertise and has significantly contributed to the development of various legal instruments and frameworks inside both the organization and the prior public and private institutions for which he worked. He holds a Bachelor of Laws (LLB) from the National University of Rwanda, as well as a Post Graduate Diploma in Legal Practice (LDP) from the Institute of Legal Practice and Development (ILPD).

PART FOUR

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE OF ANNUAL MEETING

Notice is hereby given that the 13th annual general meeting of shareholders of Bralirwa Plc as a listed company will be held by teleconference on 05th June 2023 at 2:00 pm for the following purposes:

ORDINARY BUSINESS

1. **Consideration 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 2022.**
5. **Discharge of the Directors and Auditors for the financial year 2022.**
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 BK Capital Rwanda Ltd, the registrars located at KN 30 St Kigali, Street Kigali/ Rwanda, by 3rd June 2023.

(b) DIVIDEND

The payment of a total cash dividend for 2022 of Rwf 21.91 (twenty-one-point ninety-one Rwanda francs) per share of Rwf 5.00 (five Rwandan Francs nominal value) will be proposed to the annual general meeting of shareholders on 05th June 2023.

THE PAYMENT OF A TOTAL CASH DIVIDEND FOR 2022 OF RWF

21.91

PER SHARE OF RWF

5.00

WILL BE PROPOSED TO THE ANNUAL GENERAL MEETING

Please note that the payment will be subject to a withholding tax. The books close date for Bralirwa Plc shares will be on 31 May 2023, meaning that the final dividend will be paid to all whose names appear in the Register of Shareholders on 31 May 2023 before close of business.

By order of the Board

David Karuhanga

The Company Secretary

Kigali, 23rd March 2023

PROPOSED RESOLUTIONS

To the annual general meeting of shareholders of Bralirwa Plc to be held on 05th June 2023.

RESOLUTION 1

CONSIDERATION 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 2022.

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 2022 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 2022 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 2022 of Rwf 22,544, 991,281 and received the recommendation of the Board of Directors to declare the total dividend of Rwf 21.91 per share.

The Annual General Meeting of Shareholders approves and declares a dividend of Rwf 21.91 per share.

The Annual General Meeting of Shareholders decides that the book close date is 31 May 2023 and the final dividend will be paid on 30th June 2023.

The Annual General Meeting of Shareholders decides to also allocate the balance of the non-distributed net profit amounting to Rwf 0.01 per share to retained earnings.

RESOLUTION 5

DISCHARGE OF DIRECTORS AND AUDITORS FOR FINANCIAL YEAR 2022

The Annual General Meeting of Shareholders discharges by ordinary resolution the members of the Board and the Auditors for the year 2022.

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 Ernest 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
For the Company Secretary
Kigali, 23rd March 2023

PART FIVE

DIRECTORS' REPORTS

DIRECTORS' REPORTS

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 19.

The Directors submit their report together with the audited financial statements for the year ended 31 December 2022, which discloses the state of affairs of the company.

THE COMPANY SHARES

25% **Public shares**

75% **Heineken N.V. shares**

THE BOARD OF DIRECTORS IS COMPOSED OF

5 Members

THE COMPANY HAS A CAPITAL OF

FRW 5,142,850,000

divided

INTO

FRW 1,028,570,000

ordinary shares

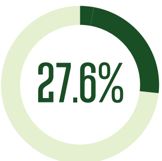
DIRECTORS' REPORTS (CONTINUED)

2. OPERATIONAL **REVIEW**

Top line results improved driven by volume and pricing, the revenue was 27.6% higher than last year at Rwf 157.6 billion (2021: Rwf 123.5 billion), mainly driven by volume growth and responsible pricing.

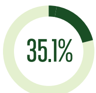
Volume growth and higher input costs drove a 18.6% increase in cost of sales to Rwf 85.9 billion in 2022 (2021: Rwf 72.4 billion). The operating result increased by 35.1% to Rwf 42.1 billion (2021: Rwf 31.2 billion), driven by the topline performance, partially offset by selling and distribution costs increase, mainly marketing costs due to investments done after the full business re-opening and higher administrative costs in 2022.

As result, the net profit and total comprehensive income increased by 28.7% to Rwf 22.5 billion (2021: Rwf 17.5 billion). This resulted in better earnings per share of Rwf 21.91 (2021: Rwf 17.03).

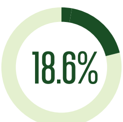


THE REVENUE WAS 27.6% HIGHER THAN LAST YEAR AT
Rwf 157.6 Billion

THE OPERATING RESULT INCREASED BY 35.1% TO
Rwf 42.1 Billion



VOLUME GROWTH AND HIGHER INPUT COSTS DROVE A 18.6% INCREASE IN COST OF SALES TO
Rwf 85.9 Billion In 2022



THE NET PROFIT AND TOTAL COMPREHENSIVE INCOME INCREASED BY 28.7% TO
Rwf 22.5 Billion

DIRECTORS' REPORTS (CONTINUED)

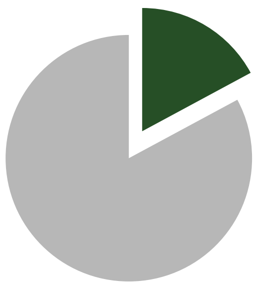
The following is a summary of our results for the year ended 31 December 2022:

The Directors of Bralirwa Plc announce the following audited results for the year ended December 31, 2022.

Rwf millions	2022	2021	Change (%)
Revenue	**157,656**	**123,596**	**27.6%**
Results from operating activities	**42,171**	**31,214**	**35.1%**
Net finance cost	-6,381	-5,589	14.2%
Profit before income tax	**35,789**	**25,625**	**39.7%**
Income tax expense	-13,245	-8,100	63.5%
Profit and total comprehensive income for the year	**22,544**	**17,525**	**28.6%**

3. DIVIDEND

The Directors are recommending to the 13th Annual General Meeting of Shareholders the declaration of a total dividend of Rwf 21.91 per share (2021: Rwf 17.03). 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 31st May 2023



TOTAL DIVIDEND OF

FRW 21.91

per share

4. CORPORATE GOVERNANCE

Bralirwa Plc's 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 re-appointment in accordance with the company's Articles of Association.

DIRECTORS' REPORTS (CONTINUED)

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.

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	MEMBER OF SHARES	CLASS OF SHARES	PERCENTAGE OF ISSUES CAPITAL
HEINEKEN INTERNATIONAL B.V.	411,480,000	Ordinary	40%
BELEGGINGSMAATSCHAPPIJ LIMBA B.V.	359,950,000	Ordinary	35%
RWANDA SOCIAL SECURITY BOARD RSSB	87,823,000	Ordinary	8.50%
SBSA NOM OBO ISL STEYN BEST IDEAS T143C	55,061,800	Ordinary	5.40%
FRONTAURA GLOBAL FRONTIER FUND LLC T150A	25,000,000	Ordinary	2.40%
SBSA NOM OBO ISL STEYN AFRICA-T143D	20,721,700	Ordinary	2.00%
STANDARD CHARTERED BANK (MAURITIUS) LTD T113 BL	14,762,000	Ordinary	1.40%
SBSA NOM OBO ISL AFRICA LONGTERM VA-T143B	11,919,000	Ordinary	1.20%
STANDARD CHARTERED BANK (MAURITIUS) LTD T113 BJ	5,843,600	Ordinary	0.60%
STANDARD CHARTERED BANK (MAURITIUS) LTD T113 AF	5,000,000	Ordinary	0.50%
OTHER SHAREHOLDERS	31,008,900	Ordinary	3.00%
TOTAL	**1,028,570,000**		**100%**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DIRECTORS' REPORTS (CONTINUED)

6. OUR **BRANDS**

Mützig

With a strong brand power, the Mützig brand remains at the top of the beer category. The year 2022 marked the brand's deeper relationship with consumers.
In Q1, Mützig expanded its nationwide "Live Bold - Never Stop Starting" campaign, which is centered on and aims to demonstrate that Mützig is for the Bold Ones, the Shapers who become Game Changers. For those who start something new and never quit.
The campaign inspires us all to be bold and to never give up. The live bold campaign went live in Q3 with a DJ activation through Mützig DJ Amabeats.

Primus

Primus brand power was stable in 2022 and remained one of the strongest in the beer category. By leveraging National Football League sponsorship, ambassadorship with Bruce Melodie and the Yacu Iwacu campaign, we continued to build a strong brand and position the Primus brand as a brand worth paying more for.

Primus remains Rwanda's number one beer, a beer that continues to thrive through generations."

Amstel

Our Amstel brand volume increased by 60% in 2022 compared to 2021, and brand power was also strengthened.
We introduced Amstel's new brand identity (Red, Gold, and White) to drive brand differentiation, particularly with the Heineken brand. We launched the "Friends of Amstel" platforms in a series of concerts that featured regional and international artists such as Timaya, Adeluke Gold from Nigeria, and Slaï from Guadeloupe.

Amstel, as the Official Sponsor of the Tour du Rwanda, has once again connected thousands of cycling and Amstel enthusiasts across the country.
Cycling has caught the hearts and minds of Rwandans and has evolved into a well-known competition in which riders from all over the world compete. Cycling as a sport has a strong connection to the brand's heritage, as Amstel was born in Amsterdam, the city of bikes.

DIRECTORS' REPORTS (CONTINUED)

Heineken®

2022 was a great year for the Heineken® brand. We carried out major commercial activities such as the Heineken® UCL campaign and activations, as well as the Heineken® Afterwork campaign, which provided our customers with an unforgettable experience.
We had a premium final event and were able to send some customers to Nigeria to participate in the Trophy Tour experience. To provide once-in-a-lifetime experiences for our customers and influencers, we teamed with one of Rwanda's best DJs, DJ Marnaud, as well as renowned Amapiaono DJs from South Africa.
Heineken® continued to advocate responsible alcohol consumption through its 'Enjoy Heineken Responsibly' communication and taped into 0.0 category with the Launch of Heineken 0.0 at the end of 2022.

Cheetah

2022 was the year of the re-launch of Cheetah energy drink. A campaign was launched to drive brand awareness and trial nationwide to unlock the real energy of the brand. Cheetah stepped into extreme sports such as Hiking and Iron Man, sports that requires a person to go the extra mile and unlock his/her real potential.

Mid-year 2022 saw the signature of a partnership between Cheetah and Basketball. Basketball is gaining traction among Rwandans of all ages. Basketball requires speed and energy, hence the synergy with Cheetah.

DIRECTORS' REPORTS (CONTINUED)

7. OUR **SALES**

In 2022, our company had great volume and revenue performance despite the pandemic (COVID-19) that afflicted the entire world, including Rwanda. With a solid start to the year, Bralirwa Plc total volume (Beer and Soft Drink) increased by 12.3%, delivering strong revenue growth through 2022.

Inflation rose astronomically in the second half of 2022, forcing us to follow with an upward price review of our products in order to mitigate the effect. Despite this, we ensured that our brands were available and affordable throughout the year in order to satisfy the expectations of our customers. We also expanded the reach of our field personnel, particularly in off-trade channels, in order to better serve the market.

The call center contributed significantly to the great expansion in our premium portfolio, and unlocked massive value opportunities in the on and off-trade channels segments.

Furthermore, we achieved outstanding results in terms of NPS (Net Promoter Score) and BTV (Business Transaction Value, online revenue). Customers response rate of 81% (indicates customer engagement) is quite impressive. Excellent outcomes, a testament to what a team with the right mindset can accomplish.

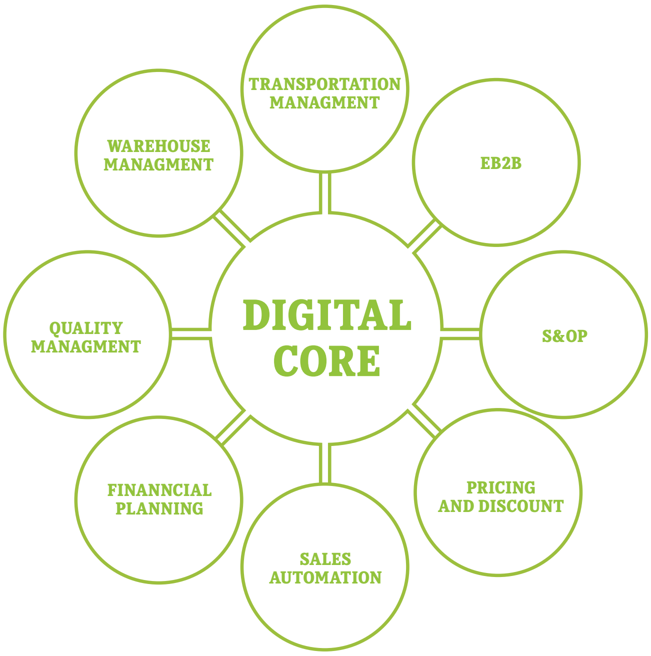
We maintained our brands' deep and broad availability while maintaining the proper pricing at the moment of purchase and consumption. We were able to stay top of mind and penetrate the market with new rates without receiving any negative responses from customers.

Lastly, the flawless execution of our capacity development strategy continues to improve our level of customer engagement as well as market executions and activations.

8. OUR DIGITAL & **TECHNOLOGY**

Our global Digital & Technology (D&T) ambition is to accelerate, orchestrate & deliver on HEINEKEN's journey to become the best-connected brewer.
For Bralirwa D&T, we focused on 4 key areas:

1. Building a strong D&T team
2. Building the foundation for digital core
3. Driving digital transformation and change management
4. Driving cross-functional alignment to deliver on key objectives



Pilot of digital core

We are proudly one of 4 Operational Companies (OpCos) to be selected as pilot for CORE Backbone. This will allow us to move faster & Stay competitive.

CORE is the new HEINEKEN global cross-functional business programme, and at the heart of the EverGreen ambition to become the best-connected brewer.

CORE links up our processes and systems all around the world. It is the power behind HEINEKEN's new super-modern Digital Backbone. What will set us up for the digital future. Knitting all our technology together perfectly will make life simpler for everyone.

Rollout of D&T processes

As part of BOLD MOVE 3; 'Streamlining & Automating Processes,' we are proud to work with different functions in delivering end-to-end Process alignment. Continuous training is important to drive stakeholder adoption.

PLATFORM DEVELOPMENT	INCIDENT & CHANGE REQUEST	MASTERDATA & ACCESS MANAGEMENT	ASSET MANAGEMENT & CONFLUENCE
Launched in July '22	Launched in August '22	Launched in September '22	to be Launched in 2023

DIRECTORS' REPORTS (CONTINUED)

Capability building & digital upskilling

Our cultural transformation journey aims to provide a clear framework showcasing our strengths & highlighting opportunities; to deliver balanced growth.

We play a critical role in this ambition with our focus not only on driving the digital evolution journey in Bralirwa, but also cultivating a climate within the D&T team that encourages engagement & supports capability development.

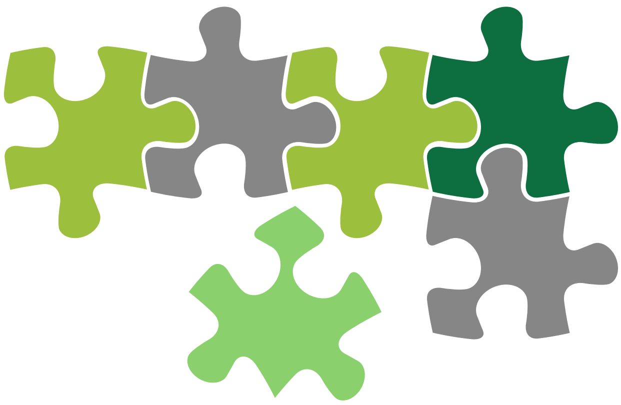
In 2021, we launched the DigiFit program with emphasis on the '5 Foundational Pillars of Digital' .

In 2022, we extended this agenda to the rest of the organization. we also launched the D&T Competency assessment for our managers focusing on 4 categories within 3 capability buckets.

Finally, "all work & no play" is the recipe for an unhappy team. To ensure we celebrate our wins, we engaged in a 2 -day offsite team building workshop.

Functional partnerships

We have made significant progress in digital transformation and customer engagement. The extension of our DOT platform and the launch of DATA PRIME+ Customer 360 are notable achievements. We have also put significant efforts into addressing customer pain points through a holistic assessment of strategy, processes, capabilities and technology. These initiatives show strong commitment in optimizing our customer experience!



9. OUR CORPORATE SOCIAL RESPONSIBILITY

We are proud to be a socially responsible corporate organization with a strong track record of corporate social initiatives. We have been very active in supporting our national development aspirations in line with that vision over the years. Through our massive corporate social investments, we have continued to identify and respond to major challenges confronting our nation, particularly in the areas of the environment, water, and talent development, among others.

Brewing a Better World

As we face even more complex climate challenges, we are increasing our commitment to the UN SDGs. As Rwanda's leading brewing company, developing brands that support our sustainability agenda will remain a top priority for the next decade. As a result, our Brew a Better World 2030 ambitions are integrated into the foundation of our business, putting sustainability and responsibility at the forefront as we continue to Win with Rwanda. We are raising our climate action targets, accelerating our efforts to support the social agenda, and being bold in promoting responsible drinking. 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

On the path to net-zero impact

As the world faces complex issues such as climate change, biodiversity loss, water scarcity, and diminishing natural resources, we are committed to addressing these challenges and raising the bar on our environmental ambitions.

Healthy Watersheds

Water is becoming increasingly scarce in many parts of the world, including Rwanda. As water is essential to life and our brewing processes, it is natural that it is central to our environmental commitments. Healthy Watersheds encompasses not only what we do internally through water efficiency and effective Wastewater Management, but also what we do outside of our brewery gates through water management and water circularity.

In 2022, we plant trees near our watersheds to conserve and restore the environment. These trees help replenish the water we use, save the environment, and improve the nutritional status of residents in the surrounding area. In collaboration with the Ministry of Environment, we planted 20,000 fruit and agroforestry trees in Rubavu District, Kimironko, Nduba, and Bumbogo Sectors, as well as bamboo trees along the Rugunga canal in Kigali.
All these 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.

DIRECTORS' REPORTS (CONTINUED)

WE FUNDED PHASE III OF OUR COVID-19 RESPONSE PROJECT

EUR 225,000

in collaboration with the Heineken Africa Foundation

THROUGH THE COCA COLA FOUNDATION, WE DONATED

RWF 141,000,000

to help Rwanda reach its national goal of vaccination against COVID-19.

Growing with Communities

Bralirwa is devoted to creating a positive difference in the communities in which we operate. This commitment is ingrained in our company strategy and represented in our BaBW strategy, which informs all our CSR operations.

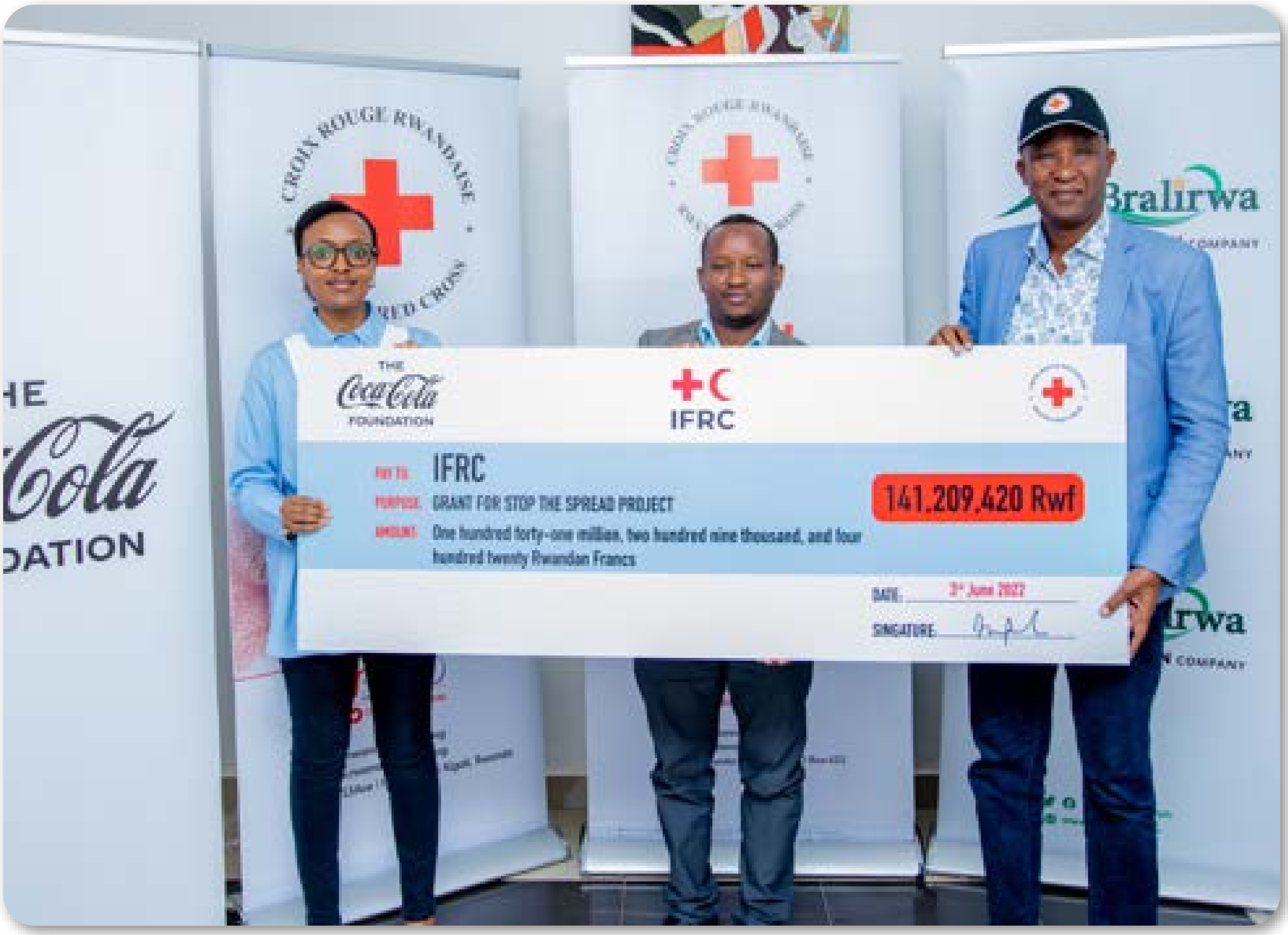
The COVID-19 pandemic provided tremendous hurdles throughout 2022, but we stayed consistent in our determination to help our stakeholders and combat the virus. Several initiatives were launched in collaboration with our partners to prevent the spread of COVID-19 and mitigate its impact.

We collaborated with the Heineken Africa Foundation, which funded Phase III of our COVID-19 response project with EUR 225,000. We contributed to national prevention efforts by supporting the "SINDOHOKA" awareness campaign and installing 10 permanent handwashing facilities and water supply systems to connect health centers with WaterAid Rwanda. We expect that these efforts will have long-term effects on health and hygiene practices, even after the pandemic has passed.

Through the Coca Cola Foundation, we donated 141,000,000 Rwandan Francs to the Rwanda Red Cross and the Ministry of Health. The donation will help Rwanda reach its national goal of vaccination 70% of the population against COVID-19. The project was implemented in ten districts and demonstrated our dedication to supporting our community during difficult times.

Social

We strengthened our commitment to one of our core values, caring for people, through our partnership with the Breast Cancer Initiative East Africa (BCIEA). We accomplished this by creating awareness among the women who work with us and others affected in Rwandan communities about the steps that must be done to detect early signs of breast cancer and prevent it.



DIRECTORS' REPORTS (CONTINUED)

Responsible Consumption

As an accountable organization, we remain committed to promoting responsible consumption and developing strategies in collaboration with relevant stakeholders to help mitigate the harmful effects of irresponsible alcohol consumption.

Our experience shows that our awareness campaigns on responsible consumption is effective in guiding consumers to make informed decisions to always adopt a responsible attitude toward alcohol. We cannot address the sometimes-complex issues associated with alcohol misuse and abuse on our own. To promote responsible consumption, Bralirwa trains employees on the company's alcohol policy and we provide supportive materials to encourage adherence .

In the last 7 years, Bralirwa's collaboration with the Rwandan National Police (RNP) has primarily focused on communication to change drivers' attitudes toward alcohol. Our Don't Drink and Drive campaign encourages responsible drinking, throughout the year.

We are pleased of our accomplishments thus far and remain committed to creating a more sustainable future for all. We believe that by working together with our partners and communities, we can achieve this goal.

Bralirwa Plc. is dedicated to making a positive difference in the communities in which it operates. We recognize our obligation to use our business as a positive force for change, and we are committed to making a positive contribution to the communities in which we operate.

DIRECTORS' REPORTS (CONTINUED)

10. OUR SUPPLY **CHAIN**

Safety

Safety First, Safety always. We continue to put safety first for our people, plant and also processes. This means that we continuously strive to create a safe working environment and ensure safe behaviors in all that we do. We have embraced the Heineken Life Saving Commitments which aim to put people at the front and center since safety is all about people and their behaviors.
All people managers have undergone the Life Saving Commitment training which equips them with the necessary safety knowledge and skills. We have also launched the 'Golden Principle' which empowers everyone to stop work and speak up if the work cannot be executed safely. During the year 2022, We did not record any accidents across our two production sites in 2022, with the Soft drinks plant achieving 8 years accident-free record and the Gisenyi brewery achieving more than one year accident-free record.

Quality

Quality, no debate. We strongly believe this and use it to reinforce the highest quality standards in all our processes from the grain to the glass. This implies that we use quality best practices from raw material selection to brewing, packaging, and distribution to ensure our products fulfill the needs of our customers and consumers. Our production processes are fully certified by international quality management and food safety systems. Our passion for quality ensures that we deliver consistently great looking and great tasting products to our consumers.

Operations and Investment

Even after the COVID 19 epidemic receded, the container shipping crisis and the war in Ukraine continued to disrupt global supply chains. This meant longer lead times for imported raw materials as well as greater costs. We relied on our robust Sales and Operations Planning cycle to plan ahead and minimize a disruption in product availability.

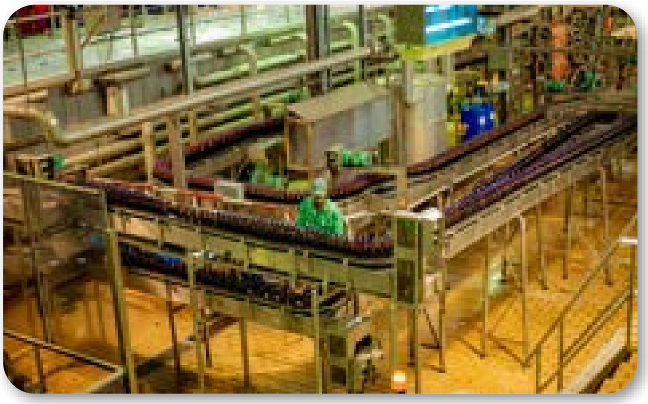
We continue to drive operational excellence in all our production facilities through our Total Productive Management (TPM) programme. Through this, we have been able to increase operational efficiencies and reduce waste to deliver higher volume output. Produced volumes for both beer and soft drinks were the highest ever.

Our investment project to upgrade and modernize the brewery is on going. This also includes an expansion of the capacity, which will be realized in 2023. As a result, we will be able to deliver the foreseen consumer demand volumes in the short to medium term.

Through our connected brewery program, we are implementing digital tools in our production and customer services, which enable us eliminate manual processes and have real-time access to performance data. This enables our operational teams to make faster choices and focus on value-added work, increasing their productivity.

Local Sourcing

Our local sourcing goal strives to source more of our raw materials from within the country or from Africa. Following a series of successful trials, we were able to register eleven barley varieties through Rwanda Agricultural Board (RAB). This is a significant boost for our local barley growing program, which is about to start the scaling-up phase. This means that we will work with farmers to raise awareness and adoption of barley as a cash crop alternative. We intend to supply high-quality seed and technical assistance to farmers in order to help them effectively cultivate barley in the country. Bralirwa Plc will provide a ready market for the locally grown barley.



11. OUR ORGANISATION, OUR PEOPLE

With our HEINEKEN purpose of Brewing the Joy of True Togetherness to inspire a better world, the care of our people is at the heart of what we do. As a result, our people become more passionate, courageous, and eager to brew the beer that bring enjoyment to them and our consumers.

We believe that through unleashing the full potential of our people, our organization will thrive. This reminds us of the ongoing emphasis and investment in improving workplace/ organization culture components

Our people brew with care and courage

We embraced 2022 with humbleness. We posed to reassess where we are in relation to where we need to be. Together with our top 45 Managers, we defined the areas we needed to sustain, improve, and transform. The ability to learn, challenge the status quo, and define the future with our Senior Management team made defining our Transformation journey extremely engaging for our staff.
It was a year to celebrate our refreshed purpose, values, and behaviors, as well as to embed them in our ways of working, which is essential to enhancing our performance culture and differentiating ourselves as an employer.

2022 Key Highlights

- The End to End (E2E) Culture Transformation Program in place to deliver the dream.
- Significant investment in compensation and benefits strategy for our people' well-being.
- Increased recruitment of diverse talents (+62 new hires, 31% females, internal promotions, 5 local talents were assigned international positions).
- Bralirwa employee engagement has increased by 8% since 2021.

DIRECTORS' REPORTS (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 2023 For the Board of Directors

....

Chairman of the Board
Pascal Sabrié

....

Vice Chairman of the Board
Etienne Saada

PART SIX

BRALIRWA STATEMENT OF FINANCIAL ACCOUNTS


CHEETAH
ENERGY DRINK
MALT BASED
UNLOCK YOU ENERGY
CHEETAH
ENERGY DRINK
STAY ENERGIZED
<18
Zero Alcohol,
no more than 3 bottles
Bralirwa
PART OF THE HEINEKEN COMPANY

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 2022 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 authorised for issue by the Board of Directors on 30th March 2023 and were signed on its behalf by:

....

Chairman of the Board
Pascal Sabrie

....

Vice Chairman of the Board
Etienne Saada

Ernst & Young Rwanda Limited
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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 54 to 57 which comprise the statement of financial position as at 31 December 2022, 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 2022, 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 (continued)
To the Shareholders of Brasseries et Limonaderies du Rwanda (Bralirwa) Plc(continued)

Report on the Audit of the Financial Statements (continued)

Key audit matters (continued)

Deposit liability for returnable packaging material	*How the matter was addressed in the audit*
Included in trade and other payables in note 7.3 to the financial statements is an amount of Rwf 19,136,312,804 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.	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 2022 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.

Building a better
working world

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INDEPENDENT AUDITOR'S REPORT (continued)
To the Shareholders of Brasseries et Limonaderies du Rwanda (Bralirwa) Plc(continued)

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 (continued)
To the Shareholders of Brasseries et Limonaderies du Rwanda (Bralirwa) Plc(continued)

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
30th March 2023

BRASSERIES ET LIMONADERIES DU RWANDA (BRALIRWA) Plc
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

Year ended 31 December	Note	2022	2021
		Rwf '000	Rwf '000
Revenue	**6.1**	**157,656,425**	**123,596,476**
Cost of sales		(85,957,083)	(72,454,395)
Gross profit		**71,699,342**	**51,142,081**
Other income	6.2	580,453	785,017
Selling and distribution costs		(15,976,838)	(10,646,726)
Administrative expenses		(14,411,715)	(9,949,050)
Impairment charge for Trade receivables		279,830	(117,810)
Total expenses		**(30,108,723)**	**(20,713,586)**
Results from operating activities		**42,171,072**	**31,213,512**
Foreign Exchange gains/(losses)	**11.1**	(2,357,630)	(1,150,652)
Finance costs	11.1	(4,023,795)	(4,438,565)
Net finance cost		(6,381,425)	(5,589,217)
Profit before income tax		**35,789,647**	**25,624,295**
Income tax expense	12.1	(13,244,656)	(8,099,580)
Profit after tax		**22,544,991**	**17,524,715**
Other Comprehensive Income		-	-
Total comprehensive income for the year		**22,544,991**	**17,524,715**
Attributable to:			
Equity holders of the parent		16,908,743	13,143,536
Equity attributable to other shareholders		5,636,248	4,381,179
		22,544,991	**17,524,715**
Basic earnings per share – Rwf	**6.7**	**21.92**	**17.04**

The notes on pages 58 to 103 are an integral part of these financial statements

BRASSERIES ET LIMONADERIES DU RWANDA (BRALIRWA) Plc
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2022

Year ended 31 December	Note	2022 Rwf '000	2021 Rwf '000
Assets			
Non-current assets			
Property, plant and equipment	6.6	102,646,554	84,980,931
Intangible assets	8.2	965,665	1,535,817
Investments	8.4	9,224	9,224
Receivable from related parties - principal	13.2	587,706	592,160
Total non-current assets		**104,209,149**	**87,118,132**
Current assets			
Inventories	7.1	32,526,497	19,474,631
Receivable from related parties	13.2	3,009,020	1,314,757
Trade and other receivables	7.2	14,358,259	5,618,110
Tax recoverable	12.1	-	1,018,636
Bank and cash balances	11.2	1,886,131	1,863,612
Total current assets		**51,779,907**	**29,289,746**
Total assets		**155,989,056**	**116,407,878**
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	11.4	48,841,010	43,812,566
Total equity		**56,140,707**	**51,112,263**
Liabilities			
Non-current liabilities			
Loans and borrowings LT	11.3.1	18,055,569	8,273,944
Lease liability non current portion	11.3.2	186,982	186,983
Deferred tax liability	12.2	4,178,594	5,095,126
Total non-current liabilities		**22,421,145**	**13,556,053**
Current liabilities			
Loans and borrowings ST	11.3	-	3,186,290
Bank Overdraft	11.2	13,299,419	11,601,697
Lease liability current Portion4	11.3	194,162	55,397
Payable to related parties	13.2	6,201,795	6,738,497
Trade and other payables	7.3	52,691,863	30,157,680
Tax payable	12.1	5,039,965	-
Total current liabilities		**77,427,204**	**51,739,562**
Total liabilities		**99,848,349**	**65,295,615**
Total equity and liabilities		**155,989,056**	**116,407,878**

The Board of Directors approved the financial statements set out on pages 54 to 57 on .... 2023 and were signed on its behalf by:

....
Chairman of the Board
Pascal Sabrie

....
Vice Chairman of the Board
Etienne Saada

The notes set out on pages 58 to 103 are an integral part of these financial statements.

BRASSERIES ET LIMONADERIES DU RWANDA (BRALIRWA) Plc
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

Year ended 31 December	Note	Share capital	Share premium	Other reserves	Retained earnings	Total equity
		Rwf '000	Rwf '000	Rwf '000	Rwf '000	Rwf '000
1st January 2022		**5,142,850**	**84,857**	**2,071,990**	**43,812,566**	**51,112,263**
Profit after tax		-	-	-	22,544,991	22,544,991
Dividends paid in the year	11.4	-	-	-	(17,516,547)	(17,516,547)
Long term incentive plan						
Balance as at 31 December 2022		**5,142,850**	**84,857**	**2,071,990**	**48,841,010**	**56,140,707**
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		-	-	-	(8,999,988)	(8,999,988)
Total transactions with owners					-	-
Balance as at 31 December 2021		**5,142,850**	**84,857**	**2,071,990**	**43,812,566**	**51,112,263**

The notes on page 58 to 103 are an integral part of these financial statements.

BRASSERIES ET LIMONADERIES DU RWANDA (BRALIRWA) Plc
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

Year ended 31 December	Note	2022 Rwf '000	2021 Rwf '000
Operating activities			
Profit before tax		35,789,64	25,624,295
Adjustments for:			
Impairment of related party loan	6.1	-	-
Interest expense	11.1	4,000,906	4,424,528
Interest lease expense	11.1	22,888	14,037
Foreign exchange difference on loans	11.3	-	124,065
Depreciation	8.3	12,468,150	12,418,380
Amortization of intangible assets	8.2	609,931	528,364
Loss / (Gain) on sale of property, plant, and equipment	6.1	-	1,882
Loss / (Gain) on sale of property, plant, and equipment	6.2	(456,938)	(375,293)
Cash from operations before changes in working capital		**52,434,584**	**42,760,258**
Changes in working capital			
Changes in trade and other receivables	7.2	(10,383,644)	4,643,007
Changes in related party balances	13.2	(2,230,964)	3,476,907
Changes in inventories	7.1	(13,051,866)	488,163
Changes in trade and other payables	7.3	22,534,166	1,319,680
Cash generated from operating activities		**49,302,276**	**52,688,015**
Income tax paid	12.1	(6,459,093)	(7,322,109)
Net cash flow from operating activities		**42,843,183**	**45,365,906**
Cash flow from investing activities			
Investments	13.2	4,454	(592,160)
Proceeds from sale of property, plant, and equipment	6.2	629,720	375,293
Purchase of property, plant and equipment	8.3	(30,013,137)	(9,846,857)
Purchase of intangible assets	8.2	(39,778)	(367,652)
Net cash used in investing activities		**(29,418,741)**	**(10,431,376**)
Cash flow from financing activities			
Proceeds of loans and borrowings	11.3	10,000,000	-
Repayment of loans and borrowings	11.3	(3,404,665)	(6,226,532)
Dividends paid to equity holders of the company	11.4	(13,137,410)	(6,749,991)
Dividends paid to other shareholders	11.4	(4,379,137)	(2,249,997)
Payment of lease commitments	11.3	(154,637)	(127,356)
Interest on leases	11.1	(22,890)	(14,037)
Interest expense	11.1	(4,000,906)	(4,424,528)
Net cash flows used in financing activities		**(15,099,645)**	**(19,792,441)**
Net increase in cash and cash equivalents		**(1,675,203)**	**15,142,089**
Cash and cash equivalents at 1 January	11.2	(9,738,085)	(24,880,174)
Cash and cash equivalents as at 31 December	11.2	**(11,413,288)**	**(9,738,085)**

The notes on pages 58 to 103 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 authorized for issue and will be submitted for adoption to the Annual General Meeting of Shareholders.
- 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)

IFRS 17 Insurance Contracts

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

Impact

IFRS 17, together with IFRS 9, will result in profound changes to the accounting in IFRS financial statements for insurance companies. This will have a significant impact on data, systems and processes used to produce information for financial reporting purposes. The new model is likely to have a significant impact on the profit and total equity of some insurance entities, resulting in increased volatility compared to today's models.
Key performance indicators will also likely be affected.

No IFRS 17 impact is expected in the financial statements of Brasseries et Limonaderies du Rwanda

Reference to the Conceptual Framework – Amendments to IFRS 3

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

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).

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

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.

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

Effective for annual periods beginning on or after 1 January 2022

Key requirements

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of 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.

Transition

The amendment must be applied retrospectively only to items of PP&E made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

There is no transition relief for first-time adopters.

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 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.

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.

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

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 finalised 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 judgemental and entities need to consider the definition carefully in such transactions.

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

Effective for annual periods beginning on or after 1 January 2024.

Key requirements

In January 2020 and October 2022, the Board issued amendments to 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
- Disclosures

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 the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. Furthermore, the Board specified that the requirements in paragraph 72B apply only to liabilities arising from loan arrangements.

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.

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

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.
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 on- 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'.

Disclosures

IAS 1.76ZA has been added to require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities.

Transition

The amendments must be applied prospectively. Early application is permitted and must be disclosed. However, an entity that applies the 2020 amendments early is also required to apply the 2022 amendments, and vice versa.

Impact

The combined impact of the 2020 amendments and the 2022 amendments will have implications for entities applying them. Entities will, therefore, need to carefully consider the impact of the amendments on existing and planned loan agreements. In this context, it is important to highlight that the amendments must be applied retrospectively.

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

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

Key requirements

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements (the PS), in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies
  And
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

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

Replacement of the term 'significant' with 'material'

In the absence of a definition of the term 'significant' in IFRS, the Board decided to replace it with 'material' in the context of disclosing accounting policy information. 'Material' is a defined term in IFRS and is widely understood by the users of financial statements, according to the Board.
In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them.
Examples of circumstances in which an entity is likely to consider accounting policy information to be material have been added.

Disclosure of standardised information

Although standardised information is less useful to users than entity-specific accounting policy information, the Board agreed that, in some circumstances, standardised accounting policy information may be needed for users to understand other material information in the financial statements. In those situations, standardised accounting policy information is material, and should be disclosed.
The amendments to the PS also provide examples of situations when generic or standardised information summarising or duplicating the requirements of IFRS may be considered material accounting policy information.

Transition

Earlier application of the amendments to IAS 1 is permitted as long as this fact is disclosed.
Since the amendments to the PS provide non-mandatory guidance on the application of the definition of material to accounting policy information, the Board concluded that transition requirements and an effective date for these amendments were not necessary.

Impact

The amendments may impact the accounting policy disclosures of entities. Determining whether accounting policies are material or not requires use of judgement. Therefore, entities are encouraged to revisit their accounting policy information disclosures to ensure consistency with the amended standard.
Entities should carefully consider whether 'standardised information, or information that only duplicates or summarises the requirements of the IFRSs' is material information and, if not, whether it should be removed from the accounting policy disclosures to enhance the usefulness of the financial statements.

Definition of Accounting Estimates - Amendments to IAS 8

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

Key requirements

In February 2021, the Board issued amendments to IAS 8, in which it introduces a new 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.

Changes in accounting estimates

The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.
The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board.

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

Transition

The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date. Earlier application is permitted.

Impact

The amendments are intended to provide preparers of financial statements with greater clarity as to the definition of accounting estimates, particularly in terms of the difference between accounting estimates and accounting policies. Although the amendments are not expected to have a material impact on entities' financial statements, they should provide helpful guidance for entities in determining whether changes are to be treated as changes in estimates, changes in policies, or errors.

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

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

Key requirements

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

Determining the tax base of assets and liabilities

The amendments clarify that where payments that settle
a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

Changes to the initial recognition exception

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal. Nevertheless, it is possible that the resulting deferred tax assets and liabilities are not equal (e.g., if the entity is unable to benefit from the tax deductions or if different tax rates apply to the taxable and deductible temporary differences). In such cases, which the Board expects to occur infrequently, an entity would need to account for the difference between the deferred tax asset and liability in profit or loss.

Transition

An entity should apply the amendments to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, it should also recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

Effective for annual periods beginning on or after 1 January 2024.

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

Key requirements

In September 2022, the Board issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16).
The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.
After the commencement date in a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46, the seller- lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease, as required by paragraph 46(a) of IFRS 16.
The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from
a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8.

Transition

A seller-lessee applies the amendment to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted and that fact must be disclosed.
A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application (i.e., the amendment does not apply to sale and leaseback transactions entered into prior to the date of initial application). The date of initial application is the beginning of the annual reporting period in which an entity first applied IFRS 16.

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 in the parent's consolidated financial statements, based on the parent's date of transition to IFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. 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

1 January 2022. Earlier application is permitted.

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

2018-2020 cycle (issued in May 2020)

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 after 1 January 2022. Earlier application is permitted.

Illustrative examples accompanying IFRS 16

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.

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.

4. 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.

Year ended 31 December 2022	Beer	Soft Drink	Total
	Rwf '000'	Rwf '000'	Rwf '000'
Revenue	**118,592,444,446**	**39,063,980,089**	**157,656,425**
Operating Profit	34,943,464,437	7,227,606,360	**42,171,072**
Net Finance Cost	(4,478,781,002)	(1,902,641,605)	**(6,381,425)**
Depreciation and amortisation	(9,543,549,148)	(3,534,531,277)	**(13,078,080)**
Profit before income tax	30,154,334,697	5,635,315,568	**35,789,647**
Income tax expense	(9,969,724,701)	(3,274,931,694)	**(13,244,656)**
Profit for the year	**20,184,609,996**	**2,360,383,874**	**22,544,991**

Year ended 31 December 2021	Beer	Soft Drink	Total
	Rwf '000'	Rwf '000'	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	**31,213,513**
Net Finance Cost	(4,425,543,267)	(1,163,673,583)	**(5,589,217)**
Depreciation and amortisation	(9,407,770,830)	(3,538,972,420)	**(12,946,743)**
Profit before income tax	22,437,180,789	3,187,114,978	**25,624,296**
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**

6. Operating activities (Continued)

The segmented assets and liabilities at 31 December 2022 and capital expenditure for the year then ended are as follows:

Year ended 31 December 2022	Beer	Soft Drink	Total
	Rwf '000'	Rwf '000'	Rwf '000'
Assets	117,338,215,125	38,650,840,875	**155,989,056**
Liabilities	70,691,236	19,938,554	**90,629,790**
Capital Expenditure:			
(i) Additions to property, plant and equipment	22,576,506,430	7,436,630,570	**30,013,137**
(ii) Additions to intangible assets	29,921,906	9,856,182	**39,778**

Year ended 31 December 2021	Beer	Soft Drink	Total
	Rwf '000'	Rwf '000'	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 Expenditure:			
(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**

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	2022	2021
	Rwf '000'	Rwf '000'
Net turnover		
Beer	118,592,444	97,158,648
Soft drinks	39,063,980	26,437,828
Total	**157,656,425**	**123,596,476**

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	2022 Rwf '000'	2021 Rwf '000'
Depreciation on property. plant and equipment (Note 14)	12,323,433	12,237,382
Amortization and intangible assets (Note 15)	609,931	528,364
Repairs and maintenance of property, plant & equipment	1,645,418	1,702,616
Raw materials and consumables	50,022,297	38,693,615
Personnel expenses (see Note 11)	16,266,713	15,099,862
Auditors and consultancy remuneration	76,637	60,325
Impairment of related party loan	-	-
Net loss on sale and property, plant and equipment	172,782	1,882

b) Directors remuneration:

Year ended 31 December	2022 Rwf '000'	2021 Rwf '000'
Non-Executive Directors		
Executive Director		

6.1.3 Selling and Distribution expenses

Year ended 31 December	2022 Rwf '000'	2021 Rwf '000'
Advertising Development expenses	582,558	398,098
Advertising Media expenses	1,088,194	551,203
Sponsorship expenses	1,056,007	468,837
Brand Development	27,961	34,422
Market Research	745,097	54,259
Other selling expenses	12,477,021	9,139,907
	15,976,838	**10,646,726**

6.1.4 Administrative Expenses

Year ended 31 December	2022 Rwf '000'	2021 Rwf '000'
Salaries & Allowances	7,553,614	5,573,865
Depreciation & Amortisation	1,674,108	1,284,856
Repairs & Maintenance	143,591	142,515
Admin Energy and Water	71,734	168,559
Travelling expenses	835,792	395,801
Other Administrative Expenses	4,132,876	2,383,454
	14,411,715	**9,949,050**

6. Operating activities (Continued)

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.

6. Operating activities (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.

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	2022 Rwf '000'	2021 Rwf '000'
Transport income less distribution expenses	-	-
Miscellaneous income	93,038	409,724
Release of deposit liability	30,477	-
Net gain on sale of property. plant and equipment	456,938	375,293
	580,453	**785,017**

6. Accounting activities (Continued)

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	2022 Rwf '000'	2021 Rwf '000'
Wages and salaries	10,887,444	8,769,663
Compulsory social security contributions	933,922	928,027
Contributions to defined contribution plans	(10,361)	703,450
Expenses related to defined benefit plans	100,725	282,137
Expenses related to other long-term employee benefits	-	-
Equity-settled share-based payment plan	34,084	(284)
Other personnel expenses	4,320,899	4,416,869
	16,266,713	**15,099,862**

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 2022	Number of share rights 2021
Outstanding as at 1 January	733	264
Granted during the year	215	195
Forfeited during the year	-	-
Vested previous year	(99)	-
Cancellation*	204	275
Outstanding as at 31 December	**1,053**	**734**
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.

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:

Year ended 31 December	Note	2022	2021
Property, plant and equipment - owned assets		102,434,090	84,917,168
Right of use assets	2	212,464	63,763
Property, plant and equipment		**102,646,554**	**84,980,931**

Refer to note 8.1 for the impairment losses.
Property, plant and equipment includes depreciation of ROU assets of RWF 173 million (2021: 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 2022 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 2022.

The calculation of basic earnings per share at 31 December 2022 was based on the profit attributable to ordinary shareholders of Rwf 22,544,991,281 (2021: Rwf 17,524,715,000) 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	2022	2021
	Rwf' 000	Rwf' 000
a) Profit attributable to ordinary shareholders		
Profit of the year - Rwf '000'	22,544,991	17,524,715
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	**21.92**	**17.04**
Profit attributable to ordinary equity holders of the parent:	16,908,743	13,143,536
Profit attributable to other ordinary equity holders:	5,636,248	4,381,179
	22,544,991	**17,524,715**

In Rwf per share (basis or diluted) for the period ended 31 December	2022	2021
	Rwf millions	Rwf millions
Basic earnings per share	21.92	17.04
Diluted earnings per share	21.92	17.04

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.

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	2022	2021
	Rwf '000'	Rwf '000'
Raw materials	15,881,551	7,572,789
Work in progress	1,355,914	1,639,196
Finished goods	513,960	913,465
Goods for resale	313,727	(5,135)
Non-returnable packaging	5,676,909	2,150,894
Spare parts	6,723,387	6,341,817
Other inventories	3,256,841	1,335,989
	33,722,289	**19,949,015**
Technical allowance for spare parts	(1,195,792)	(474,384)
	32,526,497	**19,474,631**

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 85,957 million (2021: Rwf 72,454 million)
Inventories are measured at the lower of cost and net realizable 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 realizable 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 ordinary activities, for example from the sale of inventory.

Year ended 31 December	2022 Rwf '000'	2021 Rwf '000'
Trade receivables	13,945,056	6,262,190
Less: Impairment losses	(1,253,699)	(1,533,529)
Trade receivables – net	**12,691,357**	**4,728,661**
Other receivables and prepayments- net	1,666,902	889,449
	14,358,259	**5,618,110**
The allowance at the end of the year is made up of:		
Provision for trade receivables	1,253,699	1,533,529
Provision for other receivables	31,999	31,999
At end of year	**1,285,698**	**1,565,528**
Movement in provision		
Opening balance	1,565,528	1,447,718
Movements in income statement	(279,830)	117,810
Closing balance	**1,285,698**	**1,565,528**

Trade and other receivables contain a net impairment gain of RWF (279 million) (2021: RWF 117 million) from contracts with customers, which is included in selling and distribution expenses.
The ageing of trade and other receivables as at 31 December 2022 is as follows:

Ageing of trade receivables at the reporting date was:

2022	Gross Rwf '000	Impaired Rwf '000	Net Rwf '000
Current			
0 – 30 days	13,945,056	-	13,945,056
31 – 120 days	-	-	-
120 days and above	-	-	-
Trade receivables	**13,945,056**	**-**	**13,945,056**

2021	Gross Rwf '000	Impaired Rwf '000	Net Rwf '000
Current			
0 – 30 days	6,262,190	-	6,262,190
31 – 120 days	-	-	-
120 days and above	-	-	-
Trade receivables	**6,262,190**	**-**	**6,262,190**

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

2022	Gross Rwf '000	Impaired Rwf '000	Net Rwf '000
Current			
0 – 30 days	-	-	-
31 – 120 days	3,009,020	-	3,009,020
120 days and above	-	-	-
Receivables from related companies	**3,009,020**	-	**3,009,020**

2021	Gross Rwf '000	Impaired Rwf '000	Net Rwf '000
Current			
0 – 30 days		-	-
31 – 120 days	-	-	1,314,757
120 days and above	1,314,757	-	-
Receivables from related companies	**-**	**-**	**1,314,757**

The ageing of other receivables at the reporting date was:

2022	Gross Rwf '000	Impaired Rwf '000	Net Rwf '000
Current			
0 – 30 days	1,666,902	-	1,666,902
31 – 120 days	-	-	-
120 days and above	31,999	(31,999)	-
Other receivables	**1,698,901**	(31,999)	**1,666,902**

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	**921,448**	**(31,999)**	**889,449**

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

In Rwf per share (basis or diluted) for the period ended 31 December	2022 Rwf '000	2021 Rwf '000
Balance at 1 January	1,565,528	1,447,718
Movement in provision during the year	-279,830	117,810
Balance at 31st December	**1,285,698**	**1,565,528**

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.. 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 amortized cost minus any impairment losses. Trade and other receivables are derecognized 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.

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	2022 Rwf '000	2021 Rwf '000
Trade payables	20,822,590	4,728,056
Deposit on returnable containers	19,136,313	14,748,065
Other payables and accrued expenses	12,732,960	10,681,559
	52,691,863	**30,157,680**

Included in other payables, are provisions of Rwf 265 million (2021: Rwf 192Million) related to ongoing litigations.

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.

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) 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	2022 Rwf '000	2021 Rwf '000
Balance at 1 January	3,077,273	2,709,621
Additions	39,778	367,652
Disposals	-	-
Balance at 31 December	**3,117,051**	**3,077,273**
Amortization and impairment loss		
Balance at 1 January	1,541,456	1,013,092
Amortization for the year	609,931	528,364
Disposals	-	-
Balance at 31 December	**2,151,387**	**1,541,456**
Net book value at end of year	**965,665**	**1,535,817**

8.2 Intangible assets (continued)

Impairment losses

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

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.

8.2 Intangible assets (continued)

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.

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	2022	2021
Property, plant and equipment - owned assets		102,434,090	84,917,168
Right of use assets	2	212,464	63,763
Property, plant and equipment		**102,646,554**	**84,980,931**

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	Plant and Equip-ment	Furniture & Fittings	Com-mercial Assets	Motor Vehicles	Work in progress	Return-able pack-aging	Total
	Rwf '000'	Rwf '000'	Rwf '000'	Rwf '000'	Rwf '000'	Rwf '000'	Rwf '000'	Rwf '000'
Cost								
As at 1 January 2021	**7,726,857**	**80,534,34**	**6,496,075**	**6,732,031**	**8,103,081**	**13,281,054**	**56,917,858**	**179,791,304**
Reclassification								
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**	**87,438,605**	**7,154,504**	**7,146,532**	**7,024,283**	**4,510,178**	**61,819,723**	**188,355,260**
Balance at 1 January 2022	**13,261,435**	**87,438,605**	**7,154,504**	**7,146,532**	**7,024,283**	**4,510,178**	**61,819,723**	**188,355,260**
Reclassification								
Additions	126,970	187,666	260,895	339,723	2,300	28,668,605	426,977	**30,013,137**
Transfers	249,435	601,983	223,239	(105,560)	1,502,542	(5,468,700)	2,997,060	**-**
Disposals		(1,570,417)	(2,349,487)		(2,637,712)	-	(3,777,096)	**(10,334,712)**
As at 31 December 2022	**13,637,840**	**86,657,838**	**5,289,151**	**7,380,695**	**5,891,414**	**27,710,083**	**61,466,664**	**208,033,685**
Depreciation								
As 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**
Reclassification								**-**
Charge for the year	514,916	5,016,62	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**	**103,438,092**
Balance at 1 January 2022	**2,467,524**	**37,314,470**	**5,993,868**	**5,747,038**	**5,977,326**	**-**	**45,937,866**	**103,438,092**
Reclassification								
Charge for the year	530,942	5,076,221	505,557	377,520	706,264	-	5,126,928	**12,323,433**
Transfers	(841)		(24,494)	15,352			9,984	
Disposals		(1,401,270)	(2,345,852)		(2,637,712)		(3,777,096)	**(10,161,930)**
As at 31 December 2022	**2,997,625**	**40,989,421**	**4,129,079**	**6,139,910**	**4,045,878**	**-**	**47,297,682**	**105,599,595**
Net book value as at 31 December 2022	**10,640,215**	**45,668,417**	**1,160,072**	**1,240,786**	**1,845,536**	**27,710,083**	**14,168,982**	**102,434,090**
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**

The transfers relate to assets moved from work in progress being capitalized and others which were reclassified.

8.3 Property, plant, and equipment (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 (2021: 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 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

Bralirwa Plc assessed its CGUs for an indication of an impairment. Following the assessment, CGUs with a total fixed asset base of Rwf 188b (2021: Rwf 179b) 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	2022	2021
	Rwf '000'	Rwf '000'
Office	293,418	431,398
Residential house	-	159,432
Carrying amount ROU assets as at 31 December	**293,418**	**590,830**

During 2022 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	2022	2021
	Rwf '000'	Rwf '000'
Cost		
Balance at 1 January	590,830	532,408
Additions	-	-
Disposals	(590,830)	-
Adjustments	293,418	58,422
Transfers from work in progress	-	-
Balance at 31 December	**293,418**	**590,830**
Depreciation		
Balance at 1 January	527,067	346,069
Charge for the year	144,717	180,998
Disposals	(590,830)	-
Adjustments	-	-
Balance at 31 December	**80,954**	**527,067**
Net book value at end of year	**212,464**	**63,763**

8.3 Property, plant, and equipment (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	2022	2021
	Rwf '000'	Rwf '000'
Less than one year	194,162	55,397
Between one and five years	186,983	186,983
	381,144	**242,380**

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

8.3 Property, plant, and equipment (Continued)

Accounting policies (Continued)

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.
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.

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.

8.4 Investment (continued)

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

Year ended 31 December	2022	2021
	Rwf '000'	Rwf '000'
Fair value through OCI investments	9,224	9,224
Loans to joint ventures and associates	-	-
	9,224	**9,224**

Equity investments

Year ended 31 December	2022	2021
	Rwf '000'	Rwf '000'
Development Bank of Rwanda	9,224	9,224
Cogelgaz	179,861	179,861
Less: Impairment allowance (Cogelgaz & BraMin)	(179,861)	(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.

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 220 million as at December 31, 2022 (2021: Rwf 389 million).

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.

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 (2021: Rwf 0).

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 88 million (2021: Rwf 192 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.

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 finance expenses comprises unwinding of discount for lease liability.

Year ended 31 December	2022	2021
	Rwf '000'	Rwf '000'
Finance costs:		
Interest expense	4,000,906	4,424,528
Interest on lease liability	22,888	14,037
	4,023,794	**4,438,565**

11.1b Foreign exchange losses

Year ended 31 December	2022	2021
	Rwf '000'	Rwf '000'
Foreign Exchange gain and losses:		
Foreign exchange (gain)/loss	2,357,631	1,150,652
Total	**2,357,631**	**1,150,652**

Accounting policies

Interest expenses are recognized 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	2022	2021
	Rwf '000'	Rwf '000'
Bank and cash balances	1,886,131	1,863,612
Bank overdraft	(13,299,419)	(11,601,697)
Total Cash and Cash equivalents per cash flow statement	**(11,413,288)**	**(9,738,085)**

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.

Year ended 31 December					2022 Rwf '000'
	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 riths	Net amount
Assets					
Cash and cash equivalents	1,886,131	-	1,886,131	-	**1,886,131**
Liabilities					
Bank overdrafts	(13,299,419)	-	(13,299,419)	-	**(13,299,419)**

					2021 Rwf '000'
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)**

Accounting policies

Cash and cash equivalents are initially recognized at fair value and subsequently at amortized 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

Movement in non-current loans and borrowings	2022	2021
ear ended 31 December	Rwf '000'	Rwf '000'
Balance as at January 1	**11,460,234**	**17,749,684**
Loans obtained	10,000,000	-
Loans repaid	(3,404,665)	(6,226,532)
Addition of leases	-	-
Exchange differences	-	(62,918)
Balance as at December 31	**18,055,569**	**11,460,234**
Total Borrowings	18,055,569	11,460,234
Less current borrowings		(3,186,290)
Non-current borrowings	**18,055,569**	**8,273,944**

Breakdown of the Borrowings balances

Loans and Borrowings long term	2022	2021
ear ended 31 December	Rwf '000'	Rwf '000'
Outstanding loan - Heineken International BV	8,273,944	8,273,943
International Finance Corporation	-	3,186,290
Bank of Kigali	9,781,625	-
	18,055,569	11,460,233
Loans and Borrowing short term		
ear ended 31 December	Rwf '000'	Rwf '000'
Outstanding IFC Loan	-	3,186,290
	-	**3,186,290**

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 2022 was 12% (2021: 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 recognized. 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 recognized.

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 loan and borrowings

Year ended 31 December	2022	2021
	Rwf '000'	Rwf '000'
Balance as at January 1	242,380	322,262
Payment of interest portion on lease liabilities	(22,888)	(14,037)
Payment of the Principal portion	(154,637)	(127,356)
Accretion of interest	22,888	14,037
Addition of Leases	293,418	-
Unrealized foreign exchange differences	(17)	47,473
As at 31 December	**381,144**	**242,380**

Maturity analysis

Year ended 31 December	2022	2021
	Rwf '000'	Rwf '000'
Less than 12 months	194,162	55,397
1 to 3 years	186,982	186,983
	381,144	**242,380**

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	2022	2021
	Rwf '000'	Rwf '000'
Less than 12 months	194,162	55,397
1 to 3 years	186,982	186,983
	381,144	**242,380**

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	2022	2021
	Rwf '000'	Rwf '000'
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 2022, the share premium amounted to Rwf 84,856,750 (2021: 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 recognized.

Year ended 31 December	2022	2021
	Rwf '000'	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
For 2022, a payment of a total cash dividend of Rwf 21.91 per share (2021: 17.03) will be proposed at the AGM on 02 June 2023 If approved, the full dividend will be paid on 30 June 2023 as no interim dividend was paid during 2022. 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	2022	2021
	Rwf '000'	Rwf '000'
Final dividend Rwf 21.91 per qualifying ordinary share (2021: Rwf 17.31)	22,535,969	17,516,547
Dividends paid to equity holders of the company	16,901,977	13,137,410
Dividends paid to other shareholders	5,633,992	4,379,137
	22,535,969	**17,516,547**

Long term incentive plan

Year ended 31 December	2022	2021
	Rwf '000'	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.

Year ended 31 December	2022	2021
	Rwf '000'	Rwf '000'
Loans and borrowings	31,354,987	23,061,930
Bank and cash balances	(1,886,131)	(1,863,612)
Net debt	**29,468,855**	**21,198,318**
Equity	**56,140,707**	**51,112,263**
Gearing (Net debt/Equity)	**52%**	**42%**

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

11.5 Credit, liquidity, and market risk (Continued)

	Note	External credit rating	12-month or lifetime ECL	Gross carrying	Loss allowance	Net carrying
				Amount	Amount	Amount
31 December 2022						
Receivable from related parties (non-current)	13.2	N/A	Lifetime ECL	587,706		587,706
Receivable from related parties (current)	13.2	N/A	Lifetime ECL	3,009,020	-	3,009,020
Trade and other receivables	7.2	N/A	Lifetime ECL	13,945,056	-1,253,699	15,198,755
Bank and cash balances	11.2	N/A	Lifetime ECL	1,886,131	-	1,886,131
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 (non-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

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

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.

As part of 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.
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.

2022	Gross Rwf '000	ECL loss Rate	ECL Rwf '000	Net Rwf '000
Current				
0-30 days	15,294,256	0.01%	1529	15,292,724
31-120 days	1,252,170	100%	1,252,170	-
120 days and above	0			
Total	**16,546,426**		**1,253,699**	

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	-
120 days and above	0			
Total	**6,262,190**		**1,533,529**	

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

11.5 Credit, liquidity, and market risk (Continued)

Investments

BRALIRWA Plc did not make any investment for the year ended 31 December 2022 (2021:0).

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	6 months or less	6-12 month	More than 12 month	TOTAL
	Rwf '000	Rwf '000	Rwf '000	Rwf '000	
2022					
Assets					
Receivables from related parties	3,009,020	3,009,020	-	-	3,009,020
Trade and other receivables	15,611,958	15,611,958	-	-	15,611,958
Bank and cash balances	1,886,131	1,886,131	-	-	1,886,131
Total financial assets	**20,507,109**	**20,507,109**	**-**	**-**	**20,507,109**
Liabilities					
Loans and borrowings	18,242,552	-	-	18,242,552	18,242,552
Lease liability	-		-	-	-
Bank overdraft	13,299,419	13,299,419	-	-	13,299,419
Trade payables	52,691,863	52,691,863	-	-	52,648,899
Payable to related companies	6,201,796	6,201,796	-	-	6,201,796
Total financial liabilities	**90,435,630**	**72,193,078**	**-**	**18,242,552**	**90,435,630**
Net Liquidity Gap	**(69,928,521)**	**(51,685,969)**	**-**	**(18,242,552)**	**(69,928,521)**
2021					
Assets					
Receivables 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 financial assets	**10,330,008**	**10,330,008**	**-**	**-**	**10,330,008**
Liabilities					
Loans and borrowings	11,647,217	-	3,186,290	8,460,927	11,647,217
Lease liability	-			-	-
Bank overdraft	11,601,697	11,601,697	-	-	11,601,697
Trade payables	30,157,680	30,157,680	-	-	30,157,680
Payable to related companies	6,738,497	6,738,497	-	-	6,738,497
Total financial liabilities	**60,145,091**	**48,497,874**	**3,186,290**	**8,460,927**	**60,145,091**
Net Liquidity Gap	**(49,815,083)**	**(38,167,866)**	**(3,186,290)**	**(8,460,927)**	**(49,815,083)**

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 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	2022	2021
	Rwf '000'	Rwf '000'
Bank and cash balances (Note 11.2)	1,886,131	1,863,612
Trade receivables (Note 7.2)	13,945,056	6,262,190
Other receivables (Note 13.2)	1,676,126	889,449
Receivables from related companies (Note 13.2)	3,009,020	1,314,757
	20,516,333	**10,330,008**

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.

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.

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 December2022		31 December2021	
	Euro Rwf '000	US$ Rwf '000	Euro Rwf '000	US$ Rwf '000
Bank and cash balances	182,994	204,451	263,356	256,636
Related party balances	(5,645,835)	13,275	(5,668,392)	12,444
Trade and other payables	(410,877)	273,721	(412,519)	256,598
Net exposure	**(5,873,718)**	**491,447**	**(5,817,555)**	**525,678**

The following exchange rates applied during the year

	Average rate		Reporting date spot rate	
Currency	2022	2021	2022	2021
EUR	1,142.88	1,142.88	1,153.76	1,158.37
USD	1,009.61	1,009.61	1,081.31	1,013.67

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

	Average rate	Reporting date spot rate
Currency	2022 Rwf '000'	2021 Rwf '000'
EUR		
+10% Rwf Movement	587,372	581,756
-10% Rwf Movement	(587,372)	(581,756)
USD		
+10% Rwf Movement	(49,145)	(52,568)
-10% Rwf Movement	49,145	52,568

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 2022. 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 summarizes the interest rate profile of the company's interest-bearing financial assets and liabilities.

Year ended 31 December	2022 Rwf '000'	2021 Rwf '000'
Fixed rate instruments		
Loans and borrowings	18,242,552	11,460,233
Variable rate instruments		
Bank overdrafts	13,299,419	11,601,697

11.5 Credit, liquidity, and market risk (Continued)

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

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.

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.

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 summarizes 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	2022	2021
	Rwf '000'	Rwf '000'
Current tax expense	12,517,694	7,199,257
Prior year (over)/under provision	1,643,494	-
Deferred income tax	**14,349,067**	**7,199,257**
Deferred tax charged -	(916,531)	543,883
Prior year (over)/under provision -		356,440
Deferred income tax charged to profit and loss	**(1,104,410)**	**900,323**
Income tax expense	**13,244,656**	**8,099,580**

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	2022	2021
	Rwf '000'	Rwf '000'
Profit before income tax	35,789,647	25,624,295
Tax calculated at the statutory income tax rate of 30%	10,736,894	7,687,289
Expense not deductible for tax purposes	2,507,762	412,291
Prior year (over)/under provision	-	-
Income tax expense	**13,244,656**	**8,099,580**
Effective tax rate writting	**37.0%**	**31.6%**

b. Tax (payable)/recoverable

Year ended 31 December	2022	2021
	Rwf '000'	Rwf '000'
At January 1	1,018,636	895,783
Income tax charge for the year	(12,517,694)	(7,199,256)
Tax paid during the year	6,459,093	7,322,109
As at December 31	**(5,039,965)**	**1,018,636**

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

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% (2019: 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	2022	2021
	Rwf '000'	Rwf '000'
Property. plant and equipment	8,396,421	9,321,358
Provisions	(4,217,827)	(4,226,233)
Net deferred income tax liability	**4,178,594**	**5,095,126**

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

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.

2022	At 1 January	(Over)/Under Provision	Recognised in profit or loss	At 31 December
	Rwf '000'	Rwf '000'	Rwf '000'	Rwf '000'
Property. plant and equipment	9,321,358		(924,937)	8,396,421
Provisions	(4,226,233)		8,406	(6,960,881)
Net deferred income tax liability	**5,095,125**		**(916,531)**	**4,178,594**
2022	At 1 January	(Over)/Under Provision	Recognised in profit or loss	At 31 December
	Rwf '000'	Rwf '000'	Rwf '000'	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**

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:

- 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	2022	2021
	Rwf '000'	Rwf '000'
Letters of credit	-	-
Bank Guarantee	3,000	3,000
PPE Contractual commitment	23,791,072	512,007
Undrawn committed bank facilities	21,275,941	32,198,303

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.

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 including loans 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	2022	2021
	Rwf '000'	Rwf '000'
Short-term employment benefits	2,509,439	2,165,831
Post-employment benefits	212,857	239,193
Other long term benefits	54,059	54,059
Share based payments	34,084	(284)
Termination benefits	247,855	80,305
	3,058,294	**2,539,104**

Management fees and royalties paid to group companies

Year ended 31 December	2022	2021
	Rwf '000'	Rwf '000'
i) Management fees		
Heineken International B.V.	599,994	492,045
Heineken Supply Chain B.V.	-	-
Total	**599,994**	**492,045**
ii) Royalties paid/payable		
Amstel Brouwerijen B.V.	471,857	269,243
Heineken International B.V.	-	-
Premium Beverages International B.V.	1,403,922	1,167,580
Heineken Brouwerijen B.V.	317,127	151,381
Total	**2,192,906**	**1,588,204**

Purchase and sale of goods and services

Year ended 31 December	2022	2021
	Rwf '000'	Rwf '000'
Sales		
Bralima sarl	-	812,667
Brarudi SA	1,010,707	-
Brasserie Nationale d'Haiti S.A.	17,109	17,109
Brasseries de Bourbon S.A	9,786	4,919
Heineken Brouwerijen B.V.	519,500	167,846
Heineken International B.V.	409,186	123,390
Heineken Tanzania Ltd		
250 Stores	1,003,584	141,676
Jamaica Denoes & Geddes	2,095	2,095
Sierra Leone Brewery Ltd	27,355	26,043
	2,999,322	**1,295,745**
Purchases		
Amstel Brouwerij B.V.	-	99,548
Bralima sarl	24,749	390,632
Brarudi SA	-	460
Heineken Brouwerijen B.V.	-	131,573
Heineken International B.V.	736,283	31,167
Heineken Supply Chain B.V.	-	1,686,577
Ibecor N.V.	3,301,402	8,479
Nigerian Breweries Plc	33,009	-
Proseco B.V.	1,150	-
Brasseries De Bourbon La Dodo	2,253	-
	4,098,846	**2,348,436**
Total	**7,098,168**	**3,644,181**

Purchase and sale of goods and services

Year ended 31 December	2022	2021
	Rwf '000'	Rwf '000'
Payables to related parties		
250 Stores	187,565	-
AMEE Export - Heineken Brouwerijen B.V.	-	27,888
Brasseries de Bourbon S.A	2,161	-
Amstel Brouwerijen B.V.	120,448	177,742
Bralima sarl	24,067	27,999
Brasserie Nationale d'Haiti S.A.	43	-
Brassivoire	4,244	5,257
Burundi Plastic Industries	-	-
Heineken Brouwerijen B.V.	51,115	33,279
Heineken Enterprise & Others	1,102	-
Heineken International B.V.	1,508,194	930,256
Heineken Supply Chain B.V.	397,043	357,251
Heineken Tanzania Ltd	-	189
Heineken Uganda Ltd	10,388	9,795
Ibecor N.V.	3,513,888	4,880,952
Nigerian Breweries Plc	32,366	8,583
Sub-Saharan Fees	349,171	279,306
	6,201,795	**6,738,497**
Current receivables from related parties		
Bralima sarl	-	859
Brarudi SA	1,010,707	812,667
Brasserie Nationale d'Haiti S.A	-	17,109
Brasseries de Bourbon S.A	9,786	4,919
Heineken Brouwerijen B.V.	545,120	184,760
Heineken International B.V.	409,184	123,388
Jamaica Denoes & Geddes	2,095	2,095
250 Stores	1,003,584	141,676
Sierra Leone Brewery Ltd	27,355	26,043
Sub-Saharan Fees	1,189	1,241
	3,009,020	**1,314,757**
Loan to related parties (250 stores)		
At 01 Jan	592,160	
(Repayment)/Issue	(4,454)	592,160
At 31 Dec	**587,706**	**592,160**

14. Subsequent events

A. Company disclosures

A.1 Borrowings

The borrowings of the company comprise the following:

Year ended 31 December	2022	2021
	Rwf '000'	Rwf '000'
Borrowings	18,242,552	11,460,233
Bank overdraft	13,299,419	11,601,697
Total	**31,541,971**	**23,061,930**

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 2022 Rwf 48 million of fees are recognised in the financial statements for services provided by Ernst & Young Rwanda (2021: Rwf 43 million). In the overview below, the breakdown per type of service is provided:

Year ended 31 December	Assurance Auditors		Tax		Total	
	2022	2021	2022	2021	2022	2021
	Rwf '000'	Rwf '000'	Rwf '000'	Rwf '000'	Rwf '000'	Rwf '000'
Audit of Bralirwa Plc	38,546	38,54	-	-	38,546	38,546
Tax services	-	-	10,435	4,908	10,435	4,908
Total	**38,546**	**38,546**	**10,435**	**4,908**	**48,981**	**43,454**

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	2022	2021
	Rwf '000'	Rwf '000'
Undrawn committed bank facility	21,275,941	32,198,303

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.4 Other 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

GLOSSARY, PROXY AND DIVIDEND DISPOSAL PREFERENCE FORMS


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GLOSSARY

Other information Revenue

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 05 June 2023 by Teleconference (Online), according to the following agenda:

1. Consideration 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 2022;
5. Discharge of the Directors and Auditors for the financial year 2022;
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 .... 2023.

DIVIDEND DISPOSAL
PREFERENCE FORM

To: BK Capital Ltd
The Registrar, BRALIRWA
KN 30 St, Kigali - Rwanda
Support line: (250) 788 143 241
PO Box: 175, Kigali/Rwanda
Email: bkcapital@bk.rw
Kigali, Rwanda

Client Names:
Client ID/Passport No/Certificate of Incorporation:
CSD Number:
Broker:

Dear Sirs,

RE: Dividend Disposal Preference

I / We hereby request that Dividends due to me/us from BRALIRWA Plc be treated as follows (Check one):

1. Via EFT to Bank Account (Transfer charges apply for transfers outside Rwanda)

Bank Name:

Account Name:

Account Number:

Swift Code (non-local banks):

2. Via Broker for re-investment: Broker Bank Details:

Bank Name:

Account Name:

Account Number:

Sincerely,

Client Name, Date, Stamp and Signature:

Bralirwa

PART OF THE HEINEKEN COMPANY

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Repect for People, Society and Environment

www.bralirwa.co.rw
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