

Strategic Brands Holding Company Limited

Financial Statements

For the year ended March 31, 2022

Strategic Brands Holding Company Limited
Financial Statements
For the year ended March 31, 2022

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Directors' report

The Directors submit their report along with the audited financial statements of Strategic Brands Holding Company Limited for the year ended March 31, 2022.

Main business and operations

Strategic Brands Holding Company Limited (the "Company") is a limited liability registered in Jebel Ali Free Zone Authority (JAFZA) Offshore Companies Regulations 2003 (replaced and repealed with JAFZA Offshore Companies Regulations 2018) vide registration no. OF2998 dated 20 February 2007.

The Company's registered activities are to invest in private equity and/or listed shares.

The Company's registered office address is PO Box 4421, Dubai United Arab Emirates.

The operating results and state of financial position of the Company are fully set out in the attached financial statements. The Company reported a net profit of USD Nil for the year ended March 31, 2022 (2021: USD Nil).

Directors


The Directors of the Company during the year and as of the date of this report are as follows:

- Mr Nusli Wadia;
- Mr. Varun Berry;
- Mr. Vishal Bhimani; and
- Mr. Annu Gupta.


Auditors

Grant Thornton were appointed as auditors of the Company for the year ended March 31, 2022. The Directors resolved to release Grant Thornton from any liabilities on auditing the financial statements for the year ended March 31, 2022. Grant Thornton being eligible, have offered themselves for re-appointment for the year ending March 31, 2023.

These financial statements for the year ended March 31, 2022 (including comparatives) were approved by the Board of Directors on April 29, 2022 and were signed on their behalf by:



Mr. Annu Gupta
Director
Dubai, United Arab Emirates



Mr. Vishal Bhimani
Director
Dubai, United Arab Emirates

Independent Auditor's Report To the Shareholder of Strategic Brands Holding Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Strategic Brands Holding Company Limited (the "Company"), which comprise the statement of financial position as at March 31, 2022, and the statement of 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 give a true and fair view of the financial position of the Company as at March 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and their preparation in compliance with the applicable provisions of the Jebel Ali Free Zone companies implementing Regulations of 2016, and for such internal control as management determines 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report**To the Shareholder of Strategic Brands Holding Company Limited****Report on the Audit of the Financial Statements (continued)****Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Grant Thornton

Independent Auditor's Report

To the Shareholder of Strategic Brands Holding Company Limited

Report on Other Legal and Regulatory Requirements

As required by the Jebel Ali Free Zone companies implementing Regulations of 2016, we also confirm that we have obtained all the information and explanations necessary for our audit, proper books of account have been kept by the Company and the contents of the report of the Directors relating to these financial statements are in agreement with the Company's books of account. To the best of our knowledge and belief, no violations of the above mentioned law or of the Memorandum of Association of the Company have occurred during the year which would have had a material effect on the business of the Company or on its financial position.


GRANT THORNTON
Farouk Mohamed
Registration No. 86
Dubai, April 29, 2022



Strategic Brands Holding Company Limited
Financial Statements

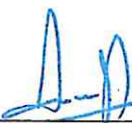
Statement of financial position
As at March 31, 2022

	Notes	2022 USD	2021 USD
ASSETS			
Non-current			
Financial assets	5	5,000	2,500
		<u>5,000</u>	<u>2,500</u>
Current			
Other receivables	6	681	681
		<u>681</u>	<u>681</u>
TOTAL ASSETS		<u>5,681</u>	<u>3,181</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital	7.1	270	270
Retained earnings		<u>411</u>	<u>411</u>
TOTAL EQUITY		<u>681</u>	<u>681</u>
LIABILITIES			
Current			
Amounts due to a related party	8	5,000	2,500
TOTAL LIABILITIES		<u>5,000</u>	<u>2,500</u>
TOTAL EQUITY AND LIABILITIES		<u>5,681</u>	<u>3,181</u>

These financial statements (including comparatives) were approved by the Board of Directors on April 29, 2022 and were signed on their behalf by:



Mr. Vishal Bhimani
 Director



Annu Gupta
 Director

The accompanying notes from 1 to 14 form an integral part of these financial statements.

Strategic Brands Holding Company Limited
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Statement of comprehensive income
For the year ended March 31, 2022

	Notes	2022 USD	2021 USD
Administrative and general expenses	9	-	(6,025)
Other income	10	-	6,025
Net profit for the year		<u>-</u>	<u>-</u>
Other comprehensive income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>-</u>	<u>-</u>

The accompanying notes from 1 to 14 form an integral part of these financial statements.

Strategic Brands Holding Company Limited
Financial Statements

Statement of changes in equity
For the year ended March 31, 2022

	Share capital USD	Retained earnings USD	Total USD
Balance at April 01, 2020	270	411	681
Net profit for the year	-	-	-
Balance at March 31, 2021	270	411	681
Net profit for the year	-	-	-
Balance at March 31, 2022	270	411	681

The accompanying notes from 1 to 14 form an integral part of these financial statements.

Strategic Brands Holding Company Limited
Financial Statements

Statement of cash flows
For the year ended March 31, 2022

	Notes	2022 USD	2021 USD
OPERATING ACTIVITIES			
Net profit for the year		-	-
Changes in working capital			
Amounts due to a related party	8	<u>2,500</u>	<u>2,500</u>
Net cash from operating activities		<u>2,500</u>	<u>2,500</u>
INVESTING ACTIVITIES			
Investment during the year	5	<u>(2,500)</u>	<u>(2,500)</u>
		<u>(2,500)</u>	<u>(2,500)</u>
Net change in cash and cash equivalents		-	-
Cash and cash equivalents, beginning of year		-	-
Cash and cash equivalents, end of year		<u>-</u>	<u>-</u>

The accompanying notes from 1 to 14 form an integral part of these financial statements.

Strategic Brands Holding Company Limited

Financial Statements

Notes to the financial statements

For the year ended March 31, 2022

1 Legal status and nature of operations

Strategic Brands Holding Company Limited ("the Company") is a limited liability company formed under Jebel Ali Free Zone Authority ("JAFZA") Offshore Companies Regulations 2003 (replaced and repealed with JAFZA Offshore Companies Regulations 2018) vide registration no. OF2998 dated 20 February 2007.

The Company's registered activities are to invest in private equity and/or listed shares.

The Company's registered office address is PO Box 4421, Dubai, United Arab Emirates.

The Company is wholly owned by Britannia and Associates (Dubai) Pvt. Limited.

2 Statement of compliance

These financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board ("IASB").

3 Standards, interpretations and amendments to existing standards

3.1 Standards, interpretations and amendments to existing standards that are effective in 2021

Following relevant new amendments to existing standards were issued by the IASB, which are effective for the accounting period beginning on or after January 1, 2021, and have been adopted by the Company:

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

On May 28, 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16-Leases. The amendment provides relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. The amendment was intended to apply until June 30, 2021, but as the impact of the Covid-19 pandemic is ongoing, the IASB, on March 31, 2021, extended the period of application of the practical expedient to June 30, 2022. The amendment applies to annual reporting periods beginning on or after April 1, 2021.

The above amendments do not have a significant impact on the financial statements and therefore the disclosures have not been made.

3.2 Standards, interpretations and amendments to existing standards that are not yet effective and have not been adopted early by the Company

Other standards, amendments and interpretations that are not yet effective and have not been adopted early by the Company include:

- References to the Conceptual Framework
- Proceeds before Intended Use (Amendments to IAS 16)
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018-2020 Cycle (Amendments to IFRS 1, IFRS 9, IFRS 16, IAS 41) Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Deferred Tax related to Assets and Liabilities from a Single Transaction

These standards, amendments and interpretations are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made.

Strategic Brands Holding Company Limited

Financial Statements

Notes to the financial statements (continued)

For the year ended March 31, 2022

4 Summary of significant accounting policies

4.1 Overall considerations

The significant accounting policies summarized below have been used in the preparation of these financial statements and are consistent with those used in the previous year.

These financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

4.2 Foreign currency

Functional and presentation currency

These financial statements are presented in United States Dollar ("USD"), which is the Company's functional currency.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognised in profit or loss.

Non-monetary items are measured at historical cost and are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

4.3 Financial instruments

Recognition, initial measurement and de-recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value plus transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset has expired, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or has expired.

Financial assets and financial liabilities are measured initially at fair value adjusted by transactions costs. Financial assets and financial liabilities are measured subsequently as described below:

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified and measured at amortised cost if both of the following conditions are met:

- The asset is held in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest, if any, on the principal amount outstanding.

Strategic Brands Holding Company Limited
Financial Statements

Notes to the financial statements (continued)
For the year ended March 31, 2022

4 Summary of significant accounting policies (continued)

4.3 Financial instruments (continued)

Classification and subsequent measurement of financial assets (continued)

If the financial asset does not pass either of the above conditions, or only one of the above conditions, it is measured at fair value through profit or loss ('FVTPL'). Even if both conditions are met, management may designate a financial asset at FVTPL if doing so reduces or eliminates a measurement or recognition inconsistency.

As at the reporting date, the Company's financial assets include investment in equity shares. Discounting is omitted where the effect of discounting is immaterial.

All income and expenses relating to financial assets measured at amortised cost are recognised in statement of comprehensive income and presented within 'finance costs - net' or 'other income – net', except for impairment of trade receivables which is presented within 'administrative and general expenses'.

Classification and subsequent measurement of financial assets (continued)

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

Impairment of financial assets

IFRS 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Company considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1')
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Strategic Brands Holding Company Limited
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Notes to the financial statements (continued)
For the year ended March 31, 2022

4 Summary of significant accounting policies (continued)

4.3 Financial instruments (continued)

Classification and subsequent measurement of financial liabilities

The Company's financial liabilities include amounts due to a related party. Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through profit or loss, that are carried subsequently at fair value with gains or losses recognised in the statement of comprehensive income.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in the statement of comprehensive income are included within 'finance income or finance costs'.

Offsetting financial instruments

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

4.4 Financial assets

Financial assets comprise unquoted equity investments designated at Fair Value Through Other Comprehensive Income (FVTOCI). The Company elects to present in Other Comprehensive Income (OCI) changes in fair value of equity investments as they are not held for trading. The election is made on initial recognition and is irrevocable. Gains and losses on such equity instruments are never reclassified to profit or loss and no impairment is recognized in profit or loss. Dividends are recognized in profit or loss unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognized in OCI.

4.5 Equity and reserves

Share capital represents the nominal value of shares that have been issued.

Retained earnings include all current and prior period retained profits.

4.6 Operating expenses

Operating expenses are recognised in profit or loss upon utilization of the service or at the date of their origin.

4.7 Provisions and contingent liabilities

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Strategic Brands Holding Company Limited
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Notes to the financial statements (continued)
For the year ended March 31, 2022

4 Summary of significant accounting policies (continued)

4.7 Provisions and contingent liabilities (continued)

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases, where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

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Notes to the financial statements (continued)
For the year ended March 31, 2022

5 Financial assets

	2022 USD	2021 USD
Balance as at April 1,	2,500	-
Investment during the year (b)	2,500	2,500
Balance as at March 31,	<u>5,000</u>	<u>2,500</u>

Financial assets represents the Company's investment as follows:

- a) 1% investment consisting of 5 equity shares, with value of USD 500 per share, of Britannia Egypt LLC which was incorporated in Egypt on October 13, 2020 and has its registered office at 1 Maadi Station, Cairo, Egypt
- b) 1% investment consisting of 5 equity shares, with value of USD 500 per share, of Strategic Foods Uganda Limited which was incorporated in Uganda on September 30, 2020 and has its registered office at Plot 41, 2nd floor, Lugogo House, Lugogo Bypass, Uganda

During the year, the Company made an additional investment in Strategic Foods Uganda Limited of USD 2,500.

6 Other receivables

	2022 USD	2021 USD
<i>Non-financial asset</i>		
Advance to supplier	<u>681</u>	<u>681</u>

7 Equity

7.1 Share capital

	2022 USD	2021 USD
Issued and fully paid-up:		
100 ordinary shares of AED 10 each (1USD=AED3.7037)	<u>270</u>	<u>270</u>

8 Related parties

The Company in the normal course of business carries on transactions with other enterprises that fall within the definition of a related party. These transactions are carried out in the normal course of business and are measured at exchange amounts, being the amounts agreed by both the parties.

Following are the details of related party balances:

	2022 USD	2021 USD
Amounts due to a related party		
Britannia and Associates Dubai Pvt Limited Company	<u>5,000</u>	<u>2,500</u>

Strategic Brands Holding Company Limited
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Notes to the financial statements (continued)
For the year ended March 31, 2022

8 Related parties (continued)

Transactions with related party

	2022 USD	2021 USD
Expense incurred by a related party on behalf of the Company	-	(6,025)
Extinguishment of amounts due to a related party	-	6,025

9 Administrative and general expenses

	2022 USD	2021 USD
Legal and professional fees	-	6,025

10 Other income

	2022 USD	2021 USD
Extinguishment of amounts due to a related party	-	6,025
	-	6,025

11 Financial instruments risk

Risk management objectives and policies

The Company is exposed to various risks in relation to the financial instruments. The main types of risks are foreign currency risk, credit risk and liquidity risk.

The Company's risk management focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to financial markets.

11.1 Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

Company is exposed to market risk through its use of financial instruments and specifically to currency risk, which result from both its operating and investing activities.

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

There is no significant currency risk as substantially all transactions are denominated in the functional currency (USD) or currencies pegged to USD.

11.2 Credit risk analysis

Credit risk is the risk that a counter party fails to discharge an obligation to the Company.

There is no credit risk as at year end as other receivable comprise of advances to supplier.

Strategic Brands Holding Company Limited
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Notes to the financial statements (continued)
For the year ended March 31, 2022

11 Financial instruments risk (continued)

11.3 Liquidity risk analysis

Liquidity risk also referred to as funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company manages liquidity risk through an ongoing review of future commitments and credit facilities.

Financial liabilities include amounts due to a related party which is payable within the next 12 months (2021: 12 months).

12 Capital management policies and procedures

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to Shareholder.

The Company is financed by its Shareholder. The Company's structure is regularly reviewed to ensure that it remains relevant to the business and its plans for growth. Management has a reasonable expectation that the Company has adequate resources to continue operating in the foreseeable future.

13 Fair value measurement

Financial instruments measured at fair value in the statement of financial position are grouped into three levels of fair value hierarchy. This grouping is determined based on the lowest level of significant inputs used in fair value measurement, as follows:

- level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Note	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
March 31, 2022					
Financial asset	5	-	-	5,000	5,000
March 31, 2021					
Financial asset	5	-	-	2,500	2,500

Financial asset

As at the reporting date, the Company has determined that the cost of the financial asset represents the best estimate of fair value.

Strategic Brands Holding Company Limited
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Notes to the financial statements (continued)
For the year ended March 31, 2022

14 Subsequent event

On January 31, 2022, the UAE Ministry of Finance announced the introduction of a 9% Federal Corporate Tax rate effective for fiscal years commencing on or after June 1, 2023. There is no impact of this announcement on the financial statements of the Company for the year ended March 31, 2022. Management will assess the implications of this Federal Corporate Tax in due course.