

Tanzania Breweries Public Limited Company

PRESS ANNOUNCEMENT



HEADLINE RESULTS

Tanzania Breweries Public Limited Company (TBL Plc) and its subsidiaries together 'the Group' today announces its results for the six month period ended 30 June 2021.

FINANCIAL HIGHLIGHTS

	2021 Tshs' M	2020 Tshs' M	% Change
Revenue	450,923	429,030	5%
Gross Profit	161,365	151,899	6%
Operating Profit	73,484	73,310	0.2%
Basic Earnings Per Share	184	147	25%

Financial Review

The Group is pleased to announce its Half Year 2021 results. The Group's Revenue increased by 5% with growth in both beer and spirits, demonstrating strong momentum and recovery from the impact of Covid-19 in the first half of 2020.

Despite the growth in revenue, operating profit remained relatively flat, with a marginal increase of 0.2%. This is primarily due to a significant increase in sales and marketing investment compared to the same period last year. Similarly, the increased sales and marketing investment coupled with higher employee bonus accruals compared to prior year have led to a decline in operating margin from 17.1% last year to 16.3% in the current year.

The Group profit after tax for the period grew by 23% compared to last year driven by prior year deferred tax adjustments.

A total of TShs 16,185 million was invested in capital expenditure during the 6 month period compared to TShs 10,885 million in the first Half Year of 2020.

The Group's reported cash generated from operations was TShs 82,776 million, of which TShs 33,484 million was utilized to pay corporate income tax, TShs 16,185 million to pay capital expenditure, TShs 1,047 million used in financing activities and the remaining funds were retained for future activities. To preserve liquidity in the light of uncertainty caused by COVID 19, a dividend decision will be taken in the second half of 2021.

I would like to thank the Board, management and employees for their efforts and continued support as well as our customers, consumers and all stakeholders for their loyalty during this time of global pandemic. We continue to work closely with a wide range of stakeholders to leverage our scale, capabilities and resources in the fight against the COVID-19 pandemic and to do our part in the economic recovery. Our people are rising to the challenge each day, demonstrating creativity, passion and strength to keep us moving forward.

Jose D Moran
Country Director

Date

Company Profile

TBL Plc, sells and distributes clear beer, alcoholic fruit beverages and non-alcoholic beverages within Tanzania. TBL Plc as a major player in the beverage sector is committed to the export of its products to niche and neighboring markets under the East Africa common market trading arrangement.

TBL Plc has a controlling interest in Tanzania Distilleries Limited, Darbrew Limited and Kibo Breweries Limited. TBL Plc's most popular clear beer brands include Safari Lager, Kilimanjaro Premium Lager, Ndovu Special Malt, Castle Lager and Castle Lite. Other prominent brands associated with the TBL group are Konyagi and Redds Premium Cold, Dodoma and Imagi wine. TBL Plc is listed on the Dar es Salaam Stock Exchange, employs about 1,287 people and is represented throughout the country with four clear beer breweries, a spirit manufacturing facility, a traditional beer manufacturing facility and 8 distribution depots.

TANZANIA BREWERIES PUBLIC LIMITED
COMPANY (TBL PLC) AND ITS SUBSIDIARIES

Statement of Profit or Loss and Other Comprehensive Income

For the 6 months ended 30 June 2021

	2021 Tshs' M	2020 Tshs' M	Change in %
Revenue	450,923	429,030	5%
Cost of sales	(289,558)	(277,131)	4%
Gross profit	161,365	151,899	6%
Selling and distribution costs	(68,051)	(57,806)	
Administrative expenses	(18,539)	(19,718)	
Other expenses	(1,291)	(1,066)	
Operating profit	73,484	73,309	0.2%
Finance income	695	2,887	
Finance costs	(1,743)	(849)	
Profit before income tax	72,436	75,347	-4%
Income tax expense	(13,730)	(27,753)	
Profit for the year	58,706	47,594	23%
Attributable to:			
Non-controlling interests	4,428	4,261	
Owners of the parent	54,278	43,333	
	58,706	47,594	23%
Other comprehensive income:			
Items that may be reclassified to profit or loss	-	-	
Total comprehensive income	58,706	47,594	23%
Attributable to:			
Non-Controlling Interests	4,428	4,261	
Equity holders of company	54,278	43,333	
	58,706	47,594	
Basic earnings per share (Tshs)	184	147	25%
Diluted earning per share (Tshs)	184	147	

TANZANIA BREWERIES PUBLIC LIMITED
COMPANY (TBL PLC) AND ITS SUBSIDIARIES

Statement of Financial Position

For the 6 months ended 30 June 2021

	2021 Tshs' M	2020 Tshs' M	Change in %
ASSETS			
Non-current assets			
Property, plant and equipment	462,864	488,349	
Intangible assets	43,191	43,696	
Right-of-use assets	12,474	12,540	
Investments	88	88	
Deferred income tax	7,172	7,052	
	525,789	551,725	-5%
Current assets			
Inventories	111,647	108,299	
Trade and other receivables	124,794	92,592	
Current income tax	338	-	
Restricted bank balance	38,300	38,300	
Bank and cash balances	185,075	155,925	
	460,154	395,116	
Total assets	985,943	946,841	4%
EQUITY			
Capital and reserves attributable to the company			
Share capital	29,506	29,506	
Share premium	45,346	45,346	
Retained earnings	497,269	442,991	
Other reserves	66,643	66,643	
	638,764	584,486	
Non-controlling interests	27,577	23,149	
Total equity	666,341	607,635	10%
LIABILITIES			
Non-current liabilities			
Deferred income tax	28,654	36,589	
Lease liability	9,372	9,377	
Defined pension benefits	1,496	1,496	
	39,522	47,462	17%
Current liabilities			
Provisions for other liabilities and charges	12,871	12,469	
Trade and other payables	264,107	268,527	
Current income tax	-	5,547	
Lease liability	3,102	5,201	
	280,080	291,744	-4%
Total liabilities	319,602	339,206	
Total equity and liabilities	985,943	946,841	4%

TANZANIA BREWERIES PUBLIC LIMITED
COMPANY (TBL PLC) AND ITS SUBSIDIARIES

Statement of Cash Flows

For the 6 months ended 30 June 2021

	2021 Tshs' M	2020 Tshs' M	Change in %
Cash flows from operating activities			
Cash generated from operations	82,776	73,258	
Interest (paid)/received	(1,047)	2,038	
Income tax paid	(33,484)	(42,986)	
Net cash inflow from operating activities	48,245	32,310	49%
Cash flows from investing activities			
Purchase of property, plant and equipment	(16,185)	(10,885)	
Net cash used in investing activities	(16,185)	(10,885)	49%
Cash flows from financing activities			
Dividends paid to company's shareholders	-	(64)	
Repayment of bank borrowings	-	(1,214)	
Repayments of lease liability	(2,910)	(4,074)	
Net cash used in financing activities	(2,910)	(5,352)	
Net increase in cash and cash equivalents	29,150	16,073	81%
Cash and cash equivalents at beginning of the year	155,925	84,360	
Cash and cash equivalents at the end of the period/year	185,075	100,433	

TANZANIA BREWERIES PUBLIC LIMITED COMPANY (TBL PLC) AND ITS SUBSIDIARIES

Statement of Change in Equity

For the 6 months ended 30 June 2021

	Attributable to owners of the parent					Non-controlling interests	Total Equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
	Tshs' M	Tshs' M	Tshs' M	Tshs' M	Tshs' M	Tshs' M	Tshs' M
Group							
Balance at 1 January 2021	29,506	45,346	66,643	442,991	584,486	23,149	607,635
Profit for the period	-	-	-	54,278	54,278	4,428	58,706
Total comprehensive income	-	-	-	54,278	54,278	4,428	58,706
Balance at 30 June 2021	29,506	45,346	66,643	497,269	638,764	27,577	666,341