

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 twelve month period ended 31 December 2020.

FINANCIAL HIGHLIGHTS

	2020 Tshs'M	2019 Tshs' M	% Change
Revenue	961,886	1,025,960	(6.2%)
Gross Profit	364,765	397,670	(8.3%)
Operating Profit	163,391	220,070	(25.8%)
Basic Earnings Per Share	270	487	(44.4%)

Financial Review

The Group is pleased to announce its Full Year 2020 results. The Group's revenue decreased by 6.2% impacted by the global covid-19 pandemic. Beer revenue and volumes have been mostly affected during April and May, whilst spirits have achieved single digit growth in the period. With covid-19 measures easing in the country, signs of recovery have been observed in the second half of the year.

Operating Profit decreased by 25.8% contributed mostly by a decrease of revenues impacted by covid-19. Operational Overhead and Sales and distribution (S&D) costs increased during the year mostly due to central costs and exceptional items. Operating margin ended up at 17.0% compared to prior year at 21.5%.

A total of TShs 39,717 million was invested in capital expenditure during the year compared to TShs 64,178 million of previous year.

The Group's reported cash generated from operations was TShs 253,451 million, of which TShs 82,195 million was utilized to pay corporate income tax, TShs 39,717 million to pay capital expenditure, TShs 7,383 million used in financing activities and the remaining funds was retained for future activities. Total dividends of TShs 52,966 million were paid during the year.

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.

Philip Redman
Managing 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 Gin and Redds Premium Cold, Dodoma and Imagi wine. The TBL Group is listed on the Dar es Salaam Stock Exchange, employs about 1,375 people and is represented throughout the country with four clear beer breweries, a spirit manufacturing facility, an 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 year ended 31 December 2020

	2020 Tsh's M	2019 Tsh's M	Change in %
Revenue	961,886	1,025,960	
Cost of sales	(597,121)	(628,290)	
Gross profit	364,765	397,670	-8%
Selling and distribution costs	(131,231)	(118,688)	
Administrative expenses	(61,070)	(50,258)	
Other expenses	(9,073)	(7,623)	
Fair value (loss) / gain on derivatives	-	(1,031)	
Operating profit	163,391	220,070	-26%
Finance income	5,797	2,777	
Finance costs	(4,363)	(1,349)	
Profit before Income tax	164,825	221,498	
Income tax expense	(75,739)	(71,286)	
Profit for the year	89,086	150,212	-41%
Attributable to:			
Non-controlling interests	9,280	6,552	
Owners of the parent	79,806	143,660	
	89,086	150,212	
Other comprehensive income:			
Items that may be reclassified to profit or loss:			
Gain on re-measurement of defined benefit plan	53	308	
Deferred tax on re-measurement of defined pension benefit	(16)	(92)	
Total comprehensive income	89,123	150,428	-41%
Attributable to:			
Non-Controlling Interests	9,282	6,550	
Equity holders of company	79,841	143,878	
	89,123	150,428	

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

Statement of Financial Position

For the year ended 31 December 2020

	2020 Tsh's M	2019 Tsh's M	Change in %
ASSETS			
Non-current assets			
Property, plant and equipment	488,349	542,214	
Intangible assets	43,696	43,334	
Right-of-use assets	12,540	10,302	
Investments	88	88	
Deferred income tax asset	7,052	6,419	
	551,725	602,357	-8%
Current assets			
Derivative financial instruments	-	32	
Inventories	108,299	112,726	
Trade and other receivables	92,592	100,439	
Restricted bank balance	38,300	38,300	
Bank and cash balances	155,925	85,574	
	395,116	337,071	17%
Total assets	946,841	939,428	1%
EQUITY			
Capital and reserves attributable to owners of the parent			
Share capital	29,506	29,506	
Share premium	45,346	45,346	
Retained earnings	442,991	414,359	
Other reserves	66,643	66,643	
	584,486	551,854	6%
Non-controlling Interests	23,149	13,867	
Total equity	607,635	565,721	7%
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities	36,589	35,705	
Lease liability	9,377	4,900	
Defined pension benefits	1,496	1,933	
	47,462	42,538	12%
Current liabilities			
Provisions	12,469	12,862	
Trade and other payables	268,527	298,267	
Current income tax payable	5,547	12,915	
Lease liability	5,201	5,811	
Borrowings	-	1,214	
	291,744	331,169	-12%
Total liabilities	339,206	373,707	-9%
Total equity and liabilities	946,841	939,428	1%

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

Statement of Cash Flows

For the year ended 31 December 2020

	2020 Tsh's M	2019 Tsh's M	Change in %
Cash flows from operating activities			
Cash generated from operations	253,451	297,107	
Interest paid	(4,363)	(1,946)	
Income tax paid	(82,872)	(65,284)	
Net cash inflow from operating activities	166,216	229,877	-28%
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets	(39,717)	(64,178)	
Interest received	5,797	2,777	
Proceeds from disposal of property, plant and equipment	189	54	
Net cash used in investing activities	(33,731)	(61,347)	-45%
Cash flows from financing activities			
Dividends paid to owners of the parent	(52,966)	(137,753)	
Payment of lease liability	(6,169)	(6,859)	
Repayment of bank borrowings	(1,214)	-	
Net cash utilised in financing activities	(60,349)	(144,612)	-58%
Net increase in cash and cash equivalents	72,136	23,918	
Cash and cash equivalents at beginning of the year	84,360	60,702	
Exchange loss on cash and cash equivalent	(571)	(261)	
Cash and cash equivalents at the end of the year	155,925	84,359	85%

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

Statement of Change in Equity

For the year ended 31 December 2020

	Attributable to owners of the parent				Total	Non-controlling Interests	Total Equity
	Share capital	Share premium	Other reserves	Retained earnings			
	Tsh's M	Tsh's M	Tsh's M	Tsh's M	Tsh's M	Tsh's M	Tsh's M
Group							
Year ended 31 December 2020:							
Balance at 1 January 2020.	29,506	45,346	66,643	410,359	555,504	13,867	565,721
Profit for the year	-	-	-	79,806	79,806	9,280	89,086
Other comprehensive income							
Re-measurement of defined benefit plan (net of tax)	-	-	-	35	35	2	37
Total comprehensive income	-	-	-	79,841	79,841	9,282	89,123
Transaction with owners							
Dividends declared	-	-	-	(47,209)	(47,209)	-	(47,209)
At 31 December 2020	29,506	45,346	66,643	442,991	584,486	23,149	607,635