



TANZANIA BREWERIES PUBLIC LIMITED COMPANY PRESS ANNOUNCEMENT

Results for the Second Quarter ended 30th June 2024.

Financial Review



I am pleased to announce the business results for the second quarter ended 30th June 2024.

Revenue for the quarter increased by 14% compared to the same period last year. The increase in revenue was driven by volume and category mix; strong performance in the spirits business and brand mix in Beer mainly due to solid performance in the core segment and spirits compared to the prior year. Beer volume performance gained momentum on a quarterly basis in 2024, growing low single digits compared to the previous year quarter.

Operating profit decreased by 26%, despite good top-line performance. Escalating price pressures relating to cost inputs are still impacting the business, including the impact of an increase in excise duty rates in July last year, higher administrative expenses and the one-off impairment of receivables during the quarter.

Finance costs deteriorated in the quarter due to a negative impact from foreign currency exchange rate movements. The operating margin decreased by 6.8p.p. to 12.9% compared to 19.7% over the similar period last year.

Profit after tax for the quarter decreased by 72% and was significantly impacted by the excise duty increases and foreign exchange losses incurred in the quarter.

In the quarter a total of TShs 27,766 million was invested in capital expenditure compared to TShs 21,364 million in 2023. In addition, cash generated was utilized in operational activities, including a corporate tax payment of TShs 15,517 million.

We remain focused on the consistent execution of our business plan by investing behind our brands, innovation and digital transformation and we continue to drive revenue growth despite challenges arising from escalating input costs and depreciation of exchange rate of TZS against US dollar.

I would like to thank the Board, Management and employees for their engagement and commitment in delivering the results and most importantly our customers, consumers and partners for their continued support and trust in our brands.

Michelle Kilpin
Managing Director

Company and Group Profile

TBL Plc, is a member of the Anheuser Busch InBev Group of companies that manufacture, sell and distributes clear beer and beyond beer alcoholic beverages and non-alcoholic beverages within Tanzania and exports to neighbouring countries.

TBL Plc is listed on the Dar es salaam stock exchange and has a controlling interest in Tanzania Distilleries Limited and Kibo Breweries Limited and employs around 1,220 people. It operates breweries in Dar es salaam, Arusha, Mwanza, and Mbeya, a distillery in Dar es salaam, and has seven depots across the country.

TBL Plc's popular beer brands include Safari Lager, Kilimanjaro Premium Lager, Castle Lite, Balimi Extra Lager, Castle Lager, Bia Bingwa, Eagle Lager, Redds, Flying Fish, Kilimanjaro Light and Grand Malt. Other prominent brands associated with the TBL Group are Konyagi Gin, Valuer Brandy, Zanzi Creamy Liqueur and Dodoma and Imagi wines.

Unaudited Quarterly Financial Statements have been approved by:

Michelle Kilpin
Managing Director:

Avito Swai
Finance Director:



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2024

	Group		Company	
	2024 April-June	2023 April-June	2024 April-June	2023 April-June
	Tsh's M	Tsh's M	Tsh's M	Tsh's M
Revenue	342,685	301,122	273,238	252,841
Cost of sales	(228,225)	(192,483)	(179,639)	(160,341)
Gross profit	114,460	108,639	93,599	92,500
Selling and distribution costs	(31,640)	(30,868)	(28,384)	(27,879)
Administrative expenses	(29,787)	(18,099)	(28,494)	(17,583)
Impairment of financial assets	61	(556)	59	(158)
Other expenses	(8,955)	180	1,019	90
Operating profit	44,139	59,296	37,799	46,970
Finance income	6,820	1,947	6,820	1,947
Finance cost	(31,383)	(5,601)	(32,675)	(6,004)
Profit before income tax	19,576	55,642	11,944	42,913
Income tax expense	(8,324)	(16,157)	(4,277)	(12,513)
Profit for the year	11,252	39,485	7,667	30,400
Attributable to:				
Non-controlling interests	944	3,182	-	-
Equity holders of company	10,307	36,303	7,667	30,400
Basic earnings per share (Tshs)	35	123	-	-
Diluted earning per share (Tshs)	35	123	-	-

STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 JUNE 2024

	Group		Company	
	30 Jun 2024	30 Jun 2023	30 Jun 2024	30 Jun 2023
	Tsh's M	Tsh's M	Tsh's M	Tsh's M
Cash flows from operating activities:				
Cash generated from operations	55,989	118,977	60,512	115,147
Interest paid	(211)	(1,308)	(1,682)	(2,603)
Income tax paid	(15,517)	(35,672)	(11,672)	(31,505)
Net cash inflow from operating activities	40,261	81,997	47,158	81,039
Cash flows from investing activities				
Purchase of property, plant and equipment	(27,766)	(21,364)	(27,676)	(20,842)
Interest Received	6,820	1,947	6,820	1,947
Net cash used investing activities	(20,946)	(19,417)	(20,856)	(18,895)
Cash flows from financing activities:				
Dividends paid to company's shareholders	(158,445)	-	(158,445)	-
Repayments of lease liability	(3,204)	(2,548)	(2,618)	(1,761)
Net cash used from financing activities	(161,649)	(2,548)	(161,063)	(1,761)
Net Increase in cash and cash equivalents	(142,334)	60,032	(134,761)	60,383
Cash and cash equivalents at beginning of the quarter	462,308	329,801	448,769	325,151
Cash and cash equivalents at the end of the period/year	319,974	389,833	314,008	385,534

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Group		Company	
	30- Jun 2024	31- Dec 2023	30- Jun 2024	31- Dec 2023
	Tsh's M	Tsh's M	Tsh's M	Tsh's M
ASSETS				
Non-current assets				
Property, plant and equipment	471,543	482,163	445,695	450,388
Intangible assets	40,243	42,696	573	3,212
Right-of-use of assets	13,599	12,304	12,883	11,274
Investments	88	88	45,108	45,108
Deferred income tax asset	12,327	11,994	-	-
	537,800	549,245	504,259	509,982
Current assets				
Inventories	131,087	112,454	112,962	95,972
Trade and other receivables	142,962	99,337	141,302	94,726
Current income tax asset	19,132	290	18,754	-
Restricted bank balance	38,300	38,300	38,300	38,300
Bank and cash balances	319,974	524,919	314,008	517,446
	651,455	775,300	625,326	746,444
Total assets	1,189,255	1,324,545	1,129,585	1,256,426
EQUITY				
Capital and reserves attributable to the company				
Share capital	29,506	29,506	29,506	29,506
Share premium	45,346	45,346	45,346	45,346
Retained earnings	557,837	682,906	414,991	549,368
Other reserves	66,643	66,643	66,683	66,683
	699,332	824,401	556,526	690,903
Non-controlling Interests	57,788	53,258	-	-
Total equity	757,120	877,659	556,526	690,903
LIABILITIES				
Non-current liabilities				
Deferred income tax liability	5,454	2,904	4,740	1,959
Lease liability - LT	7,663	5,342	7,218	4,928
Defined pension benefits	3,585	3,519	3,422	3,398
	16,702	11,765	15,380	10,285
Current liabilities				
Provisions	30,873	25,565	11,219	5,911
Trade and other payables	377,829	401,544	540,107	541,159
Current income tax payable	-	-	-	1,068
Lease liability - CL	6,731	8,012	6,353	7,100
	415,433	435,121	557,679	555,238
Total Liabilities	432,135	446,886	573,059	565,523
Total Equity and Liabilities	1,189,255	1,324,545	1,129,585	1,256,426

STATEMENT OF CHANGES IN EQUITY FOR YEAR QUARTER 30 JUNE 2024

	Attributable to owners of the parent							
	Share TZS' M	Capital TZS' M	Share Premium TZS' M	Other reserves TZS' M	Retainer Earnings TZS' M	Total TZS' M	Non-Controlling Interests TZS' M	Total Equity TZS' M
GROUP								
Balance at 1 April 2024		29,506	45,346	66,643	705,975	847,470	56,844	904,314
Profit for the period		-	-	-	10,307	10,307	944	11,251
Total comprehensive income		-	-	-	10,307	10,307	944	11,251
Transaction with Owners								
Dividends provided for or paid		-	-	-	(158,445)	(158,445)	-	(158,445)
Balance at 30 June 2024		29,506	45,346	66,643	557,837	699,332	57,788	757,120
COMPANY								
Balance at 1 April 2024		29,506	45,346	66,683	565,769	707,304	-	707,304
Profit for the period		-	-	-	7,667	7,667	-	7,667
Total comprehensive income		-	-	-	7,667	7,667	-	7,667
Transaction with Owners								
Dividends provided for or paid		-	-	-	(158,445)	(158,445)	-	(158,445)
Balance at 30 June 2024		29,506	45,346	66,683	414,991	556,526	-	556,526

**To a Future With
More Cheers**