



TANZANIA BREWERIES PUBLIC LIMITED COMPANY

GROUP'S RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2023.



REVENUE



Q2 - 2023
301,122 Tsh's M

Q2 - 2022
260,152 Tsh's M

CHANGE
16%

OPERATING PROFIT

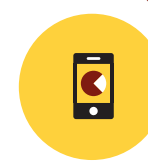


Q2 - 2023
59,295 Tsh's M

Q2 - 2022
40,003 Tsh's M

CHANGE
48%

BASIC EARNING PER SHARE



Q2 - 2023
123 Tsh's M

Q2 - 2022
86 Tsh's M

CHANGE
43%

I am pleased to announce the business results for the second quarter ended 30 June 2023.

Revenue for the quarter increased by 16% over the second quarter of the prior year, with growth across the beer and spirit categories driven by strong performance especially within the Core+ segment of the beer business.

Operating profit increased by 48% driven by the strong volume performance, and an improvement in brand sales mix. Operating costs were slightly lower than quarter two of the prior year due to optimization and efficiencies in operations. Finance costs increased due to the increase in foreign currencies exchange rate. The operating margin increased by 4.3% to 19.7% compared to 15.4% in the similar period last year.

Profit after tax for the quarter increased by 42% mainly contributed by the revenue performance.

A total of TShs 21,364 million was invested in capital expenditure over the period compared to TShs 15,647 million in 2022 with a focus on capacity improvement to support the volume growth. Cash generated from operations was TShs 81,997 million, net of a corporate tax payment of TShs 35,672 million and, after utilising TShs 21,364 million to pay for capital expenditure, the remaining funds were largely retained for future activities.

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.

Jose D. Moran
Managing Director

UNAUDITED QUARTERLY FINANCIAL STATEMENTS

Group and Company Statement of Cashflows
For the Quarter Ended 30 June 2023

	GROUP		COMPANY	
	2023 Apr-June TZS'M	2022 Apr-June TZS'M	2023 Apr-June TZS'M	2022 Apr-June TZS'M
Cash flows from operating activities				
Cash generated from operations	118,977	61,589	115,147	60,290
Interest paid	(1,308)	(529)	(2,603)	(1,181)
Income tax paid	(35,672)	(17,469)	(31,505)	(14,589)
Net cash inflow from operating activities	81,997	43,591	81,040	44,520
Cash flows from investing activities				
Purchase of property, plant and equipment	(21,364)	(15,647)	(20,842)	(14,249)
Interest received	1,947	2,522	1,947	2,522
Net cash used in investing activities	(19,417)	(13,125)	(18,895)	(11,727)
Cash flows from financing activities:				
Repayments of lease liability	(2,548)	(2,172)	(1,761)	(1,846)
Net cash used from financing activities	(2,548)	(2,172)	(1,761)	(1,846)
Net increase in cash and cash equivalents	60,032	28,295	60,383	30,948
Cash and cash equivalents at the beginning of the quarter	329,801	260,930	325,151	245,175
Cash and cash equivalents at the end of the period	389,833	289,225	385,534	276,123

Unaudited quarterly financial statements have been approved by:

Jose D Moran
Managing Director

Avito Swai
Finance Director

UNAUDITED QUARTERLY FINANCIAL STATEMENTS

Group and Company Statements of Profit
Or Loss and Other Comprehensive Income

	GROUP		COMPANY	
	2023 Apr-June TZS'M	2022 Apr-June TZS'M	2023 Apr-June TZS'M	2022 Apr-June TZS'M
Revenue	301,122	260,152	252,841	220,507
Cost of Sales	(188,821)	(162,003)	(156,679)	(134,794)
Gross Profit	112,301	98,149	96,162	85,713
Selling and distribution costs	(27,885)	(28,920)	(24,823)	(26,561)
Administrative expenses	(25,300)	(28,342)	(24,439)	(27,686)
Other income and (expenses)	180	(884)	90	(961)
Operating Profit	59,296	40,003	46,990	30,505
Finance Income	1,947	2,522	1,947	2,522
Finance Cost	(5,601)	(2,106)	(6,004)	(2,444)
Profit before income tax	55,642	40,419	42,933	30,583
Income tax expense	(16,157)	(12,694)	(12,513)	(9,473)
Profit for the period	39,485	27,725	30,420	21,110
Attributable to:				
Non- controlling interests	3,173	2,307	-	-
Equity holders of company	36,312	25,418	-	-
Total comprehensive Income	39,485	27,725	30,420	21,110
Basic Earning per share (TZS)	123	86	-	-
Diluted earning per share (TZS)	123	86	-	-

UNAUDITED QUARTERLY FINANCIAL STATEMENTS

Group and Company Statement of Financial Position
As at 30 June 2023

	GROUP		COMPANY	
	2023 30-Jun TZS'M	2023 31-Mar TZS'M	2023 30-Jun TZS'M	2023 31-Mar TZS'M
ASSETS				
Non current assets				
Property, Plant and Equipment	437,025	437,263	407,498	407,406
Intangible assets	41,041	41,337	1,297	1,525
Right of use assets	10,238	10,540	8,089	9,295
Investments	88	88	45,108	45,108
Deferred Income tax asset	11,639	11,365	-	-
	500,031	500,593	461,991	463,334
Current assets				
Inventories	129,996	146,460	103,197	109,440
Trade and other receivables	105,779	112,742	100,145	107,679
Current income tax receivable	17,502	-	13,514	-
Restricted bank balance	38,300	38,300	38,300	38,300
Bank and cash balances	389,833	329,801	385,534	325,151
	681,410	627,303	640,690	580,570
Total Assets	1,181,440	1,127,896	1,102,680	1,043,904
EQUITY				
Capital and reserve 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	622,261	585,949	506,158	475,738
Other reserves	66,643	66,643	66,683	66,683
	763,756	727,444	647,693	617,273
Non- controlling interests	44,554	41,381	-	-
Total equity	808,310	768,825	647,693	617,273
LIABILITIES				
Non-current liabilities				
Deferred income tax liability	2,599	2,092	4,347.84	3,842
Lease liability - LT	3,666	3,836	3,058	3,459
Defined pension benefits	2,439	1,915	2,222	1,719
	8,704	7,843	9,628	9,020
Current liabilities				
Provisions	26,213	26,213	6,559	6,559
Trade and other payables	330,296	314,311	432,740	398,444
Current income tax payable	-	2,581	-	5,984
Lease liability - CL	7,917	8,123	6,060	6,624
	364,426	351,228	445,359	417,611
Total liabilities	373,130	359,071	454,987	426,631
Total equity and liabilities	1,181,440	1,127,896	1,102,680	1,043,904



UNAUDITED QUARTERLY FINANCIAL STATEMENTS

Group and Company Statement of Change in Equity
For Period Ended 30 June 2023

	Share Capital TZS' M	Share Premium TZS' M	Other Reserves TZS' M	Retained earnings TZS' M	Total TZS' M	Non-Controlling Interests TZS' M	Total Equity TZS' M
GROUP							
Balance at 1 April 2023	29,506	45,346	66,643	585,949	727,444	41,381	768,825
Profit for the period	-	-	-	36,312	36,312	3,173	39,485
Total comprehensive income	-	-	-	36,312	36,312	3,173	39,485
Balance at 30 June 2023	29,506	45,346	66,643	622,261	763,756	44,554	808,310
COMPANY							
Balance at 1 April 2023	29,506	45,346	66,683	475,738	617,273	-	617,273
Profit for the period	-	-	-	30,420	30,420	-	30,420
Total comprehensive income	-	-	-	30,420	30,420	-	30,420
Balance at 30 June 2023	29,506	45,346	66,643	506,158	647,693	-	647,693