

BRALIRWA Plc REPORTS 2022 FULL YEAR RESULTS

Kigali, 30th March 2023 – Bralirwa Plc announces:
2022 full year highlights:

- Total volume increased by 11.7%:
 - Beer volume increased by 5.9% versus last year driven by higher Amstel, Heineken, and Turbo King growth.
 - Soft Drinks volume increased by 31.6% versus last year driven by the full re-opening of the market and events and additionally, the revamping of the non-alcoholic beverages route-to-consumer.
- Revenue increased by 27.6% versus last year mainly due to volume growth coupled with pricing offsetting the increase of input costs.
- Results from operating activities increased by 35.1% compared to 2021 driven by the operational improvements and increase of the top line.
- Profit and total comprehensive income grew by 28.7% to Rwf 22.5 billion.

Managing Director Statement

“In 2022, the overall top line results increased compared to 2021 driven by volume growth for both beer and soft drinks and improved price and mix. Revenue management combined with a focus on cost savings initiatives as well as operational efficiencies significantly impacted positively the operating results. During 2022, we continued to invest in our people, brands, capacity, sustainability, and digital solutions to drive sustainable performance”.

Operational Review 2022

Top line results improved driven by volume and pricing, the revenue was 27.6% higher than last year at Rwf 157.6 billion (2021: Rwf 123 billion), mainly driven by volume growth and responsible pricing.

Volume growth and higher input costs drove a 18.6% increase in cost of sales to Rwf 85.9 billion in 2022 (2021: Rwf 72.4 billion). The operating result increased by 35.1% to Rwf 42.1 billion (2021: Rwf 31.2 billion), driven by the topline performance, partially offset by selling and distribution costs increase, mainly marketing costs due to investments done after the full business re-opening and higher administrative costs in 2022.

As result, the net profit and total comprehensive income increased by 28.7% to Rwf 22.5 billion (2021: Rwf 17.5 billion). This resulted in better earnings per share of Rwf 21.91 (2021:Rwf 17.03).

Investment

Capital expenditure in 2022 increased to Rwf 29.4 billion (2021: Rwf 10.4 billion), explained by the project of the expansion for the brewery in Gisenyi.

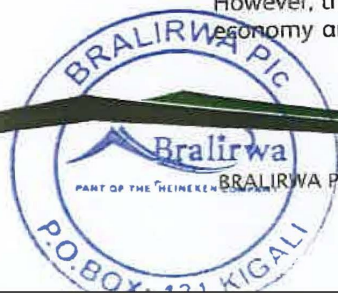
Debt

Debt reduction has been a priority at Bralirwa. The net debt position decreased to Rwf 16.1 billion (2021: Rwf 21.3 billion) mainly due to the continued enhancement in cash collection.

Outlook 2023

Ongoing uncertainties and resulting volatility in the global economy especially the input costs are expected to continue to impact African economies in the coming year. Our plan for 2023 is to further grow the top line, margin, and profit growth to continuously outperform in the Rwandan market as well as the broader African Region driven by continued growth of volume and value, cost management and further debt reduction.

However, the input costs continue to present a macro- economic risk, which is likely to have an impact on the economy and our business. The Rwandan franc has been depreciating and the average annual inflation for



2022 stood at 13.9 % and these represent a major challenge to the Rwandan economy and to our business as well. The uptick observed in core inflation mainly reflects the food inflation of 32.2%, the upward trend is consistent with high imported and domestic costs of production. Source document: Monetary Policy Report - February 2023.

Dividend 2022

A cash dividend of Rwf 21.91 per share (2021: Rwf 17.03) will be proposed to the Annual General Meeting of Shareholders on June 5, 2023. If approved, the proposed dividend will be paid on June 30, 2023. The dividend is equal to 100% of the net profit for the fiscal year 2022, and it is subject to withholding tax. Bralirwa shares will have a book close date of 31 May 2023, which means that the final dividend will be paid to all shareholders whose names appear in the Register of Shareholders at the close of business on 31 May 2023.

About Bralirwa

BRALIRWA Plc is a world-class sustainable beverage company in Rwanda. It is the market leader in premium and non-alcoholic brand manufacturing and distribution. Founded in 1957, Bralirwa Plc has been part of the HEINEKEN Group since 1971. Our values are what we stand for. Passion for consumers and customers, Courage to dream and pioneer, Care for people and planet and Enjoyment of life. With a portfolio of more than 17 international and local beers and beverages, we ignite the moments that bring people together and create unforgettable bonds. Bralirwa has been dedicated to making a positive difference in Rwanda for over 66 years. We recognize that we can only thrive if all our people, communities, and planet thrive as well. As a socially responsible company, we always support a wide range of projects, from the environment to stakeholder relationships, to name a few.

To remain a pioneer in the market, we strive for the highest quality while maintaining the trust of our customers and partners. Our goal is to shape the future of beer and win the hearts of consumers. We are committed to long-term brand investment, disciplined sales execution, and operational efficiencies.

Statement of Profit or Loss and other comprehensive income			
(In '000Rwf and Rwf millions)			
	2022	2021	% Change
Sales volume	2,318	2,076	11.7%
Revenue	157,656	123,596	27.6%
Cost of sales	(85,957)	(72,454)	18.6%
Gross profit	71,699	51,142	40.2%
Other income	580	785	(26.1%)
Selling and distribution expenses	(15,976)	(10,647)	50.1%
Administrative expenses	(14,072)	(10,021)	40.4%
Other operating expenses	(60)	(46)	30.4%
Results from operating activities	42,171	31,213	35.1%
Finance costs	(6,381)	(5,589)	14.2%
Net finance cost	(6,381)	(5,589)	14.2%
Profit before income tax	35,790	25,624	39.7%
Income tax expense	(13,245)	(8,100)	63.5%
Profit after tax	22,545	17,524	28.7%
Other Comprehensive income	-	-	0.0%
Profit and total comprehensive income for the year	22,545	17,524	28.7%
Attributable to:			
Equity holders of the parent	16,909	13,144	28.6%
Equity attributable to other shareholders	5,636	4,381	28.6%
	22,545	17,525	28.6%
Earnings per share (basic and diluted) - Rwf	21.91	17.03	28.7%
Dividend per share - Rwf	21.91	17.03	28.7%
Net Debt	16,169	21,385	(24.4%)
EBITDA	55,249	44,161	25.1%
Gross Profit Margin	45.5%	41.4%	
EBITDA Margin	35.0%	35.7%	



Net Profit Margin

14.3%

14.2%

Statement of Financial Position

(In Rwf millions)	2022	2021	% Change
Assets			
Non-current assets			
Property, plant and equipment	102,647	84,981	20.8%
Intangible assets	966	1,536	(37.1%)
Investments	9	9	0.0%
Receivable from related parties - principal	587	592	(0.8%)
Total non-current assets	104,209	87,118	19.6%
Current assets			
Inventories	32,526	19,475	67.0%
Receivable from related parties	3,009	1,315	128.8%
Trade and other receivables	14,358	5,618	155.6%
Tax recoverable	-	1,019	(100.0%)
Bank and cash balances	1,887	1,864	1.2%
Total current assets	51,780	29,291	76.8%
Total assets	155,989	116,409	34.0%
Equity			
Share capital	5,143	5,143	0.0%
Share premium	85	85	0.0%
Other reserves	2,072	2,072	0.0%
Retained earnings	48,841	43,813	11.5%
Total equity	56,141	51,113	9.8%
Non-current liabilities			
Loans and borrowings	18,243	8,460	115.6%
Deferred tax liability	4,178	5,095	(18.0%)
Total non-current liabilities	22,421	13,555	65.4%
Current liabilities			
Loans and borrowings ST	13,493	14,843	(9.1%)
Payable to related parties	6,202	6,739	(8.0%)
Trade and other payables	52,692	30,159	74.7%
Tax payable	5,039	-	0.0%
Total current liabilities	77,426	51,741	49.6%
Total liabilities	99,847	65,296	52.9%
Total equity and liabilities	155,989	116,409	34.0%



Statement of Cash Flows

(In Rwf millions)	2022	2021	% Change
Cash flow from operating activities			
Profit before tax	35,790	25,624	39.7%
Adjustments for:			
Interest expense	4,001	4,425	(9.6%)
Interest lease expense	23	14	64.3%
Foreign exchange difference on loans	-	124	(100.0%)
Depreciation	12,468	12,418	0.4%
Amortization of intangible assets	610	528	15.5%
Loss / (Gain) on sale of property, plant, and equipment	(457)	(375)	21.9%
	52,435	42,758	22.6%
Changes in working capital			
(Increase)/ decrease in trade and other receivables	(10,384)	4,643	(323.6%)
Increase in related party balances	(2,231)	3,477	(164.2%)
Increase in inventories	(13,052)	488	(2774.6%)
(Decrease)/increase in trade and other payables	22,534	1,320	1607.1%
Cash generated from operating activities	49,302	52,686	(6.4%)
Income tax received/(paid)	(6,459)	(7,322)	(11.8%)
Net cash flows generated from operating activities	42,843	45,364	(5.6%)
Cash flow from investing activities			
Investments	4	(592)	(100.7%)
Proceeds from sale of property, plant, and equipment	630	375	68.0%
Purchase of property, plant and equipment	(30,013)	(9,847)	204.8%
Purchase of intangible assets	(40)	(368)	(89.1%)
Net cash used in investing activities	(29,419)	(10,432)	182.0%
Cash flow financing activities			
Proceeds from loans and borrowings	10,000	-	0.0%
Repayment of loans and borrowings	(3,405)	(6,227)	(45.3%)
Dividends paid to equity holders of the company	(13,137)	(6,750)	94.6%
Dividends paid to other shareholders	(4,380)	(2,250)	94.7%
Payment of lease commitments	(154)	(127)	21.3%
Interest on leases	(25)	(14)	78.6%
Interest expense	(4,000)	(4,425)	(9.6%)
Net cash flows used in financing activities	(15,100)	(19,793)	(23.7%)
Net decrease in cash and cash equivalents	(1,675)	15,139	(111.1%)
Cash and cash equivalents at 1 January	(9,738)	(24,880)	(60.9%)
Cash and cash equivalents as at 31 December	(11,413)	(9,741)	17.2%

