

March 31<sup>st</sup> 2022  
Our ref: Div. 112/CS. 27/2022

The Chief Executive Officer  
Rwanda Stock Exchange (RSE)  
1<sup>st</sup> Floor, Kigali City Tower,  
P. O. Box 3882, Kigali Rwanda

Attention: Mr. Pierre Célestin Rwabukumba;

Dear Sir,



**Subject: BRALIRWA Plc- 2021 full year financial results**

I am pleased to share with you Bralirwa Plc's Press Release announcing the full year financial results for the Period ended 31 December 2021.

The detailed Press Release is attached hereto for your convenience.

We thank you for a continued good working relations and cooperation.

Yours sincerely,



**David KARUHANGA**  
Company Secretary



**Enclosure:** Press Release for the financial results for period ended 31 December 2021

**Cc:** Executive Director, CMA

## **BRALIRWA Plc REPORTS 2021 FULL YEAR RESULTS**

**Kigali, 31<sup>st</sup> March 2022** – Bralirwa Plc (“Bralirwa”) announces:

**2021 full year highlights:**

- Total volume increased by 9.6%:
  - Beer volume increased by 7.5 % versus last year as a result of continued re-opening of the market as COVID-19 measures were relaxed. This was supported by consistent focus on Off-trade and On-Trade channels (Boutiques, Mini Markets, Supermarkets and on trade Restaurants).
  - Soft Drink volume increased by 17.7% versus last year also driven by continued relaxation of measures against the spread of COVID-19 coupled with the revamp of the non-alcoholic beverages route-to-consumer.
- Revenue increased by 15.4% versus last year mainly due volume growth coupled with better mix from growth of premium products.
- Results from operating activities increased by 57.4% compared to 2020 driven by efficiency in operations, cost saving initiatives and increase of the top line.

### **Managing Director Statement**

“In 2021, the overall top line results increased compared to 2020 driven by volume growth for both beer and soft drinks and improved mix. Revenue management combined with a focus on cost savings initiatives as well as operational efficiencies significantly impacted positively the operating results. However, to drive sustainable performance, we continued to invest in our people, brands, capacity, sustainability and digital solutions.”

### **Operational Review 2021**

Top line results improved driven by volume and improved mix. Revenue was 15.4% higher than last year at Rwf 123.5 billion (2020: Rwf 107 billion), mainly due to volume growth for both beer and soft drinks and better mix from growth of premium products. A continued focus on cost saving coupled with operational efficiencies resulted in an improved Gross Profit (GP) which increased by 19.5%.

Operating result increased by 57.4% to Rwf 31.2 billion (2020: Rwf 19.8 billion) mainly due to operational efficiencies and revenue increase. Profit and total comprehensive income increased by 94.6% to Rwf 17.5 billion (2020: Rwf 9 billion), due to the reasons above. This resulted in better earnings per share of Rwf 17.03 (2020:Rwf 8.75).



### **Investment**

Capital expenditure in 2021 decreased to Rwf 10.4 billion (2020: Rwf 14.6 billion), explained by the completion of brewhouse expansion and fermentation and storage tanks' projects that was initiated in 2020.

### **Bramin**

The Bramin JV farm was engaged in commercial farming and was established to produce seed and commodity. In 2020, the loan to Bramin was fully repaid and the liquidation process is ongoing by the Registrar General Office.

### **Debt**

Debt reduction remains a priority at Bralirwa. The net debt position decreased significantly to Rwf 21.3 billion (2020: Rwf 42.6 billion) mainly due to the reduction of overdraft and the enforcement in cash collection.

### **Outlook 2022**

Ongoing uncertainties and resulting from volatility in the global economy are expected to continue to impact African economies in the coming year. Our initial plan for 2022 is further top line, profit and margin growth in the context of continued outperformance of the Rwandan economy relative to the broader African Region driven by continued growth of volume and value, cost management and further debt reduction.

However, the outbreak of COVID-19 continues to present an unprecedented health crisis and macro- economic risk, which is likely to have an impact on the economy and our business in the short term while we stay optimistic with the Government's effort to roll-out vaccines that we expect to further reduce new COVID-19 cases here in Rwanda. The Rwandan franc has been depreciating since the outbreak of the pandemic and the continuous rise in global inflation rates in 2022 represents a major challenge to the Rwandan economy and to our business.

As always, our priority is the safety and health of our employees, their families, customers and partners, and in playing a constructive role supporting the government as they work to contain the spread of the virus.

### **Dividend 2021**

Payment of a cash dividend for 2021 of Rwf 17.03 per share (2020: Rwf 8.75) will be proposed to the Annual General Meeting of shareholders scheduled for 11 May 2022. The proposed dividend, if approved, will be paid on 11 June 2022. The dividend represents 100% of the net profit of the year 2021. Please note that the payment will be subject to a withholding tax. The book close date for Bralirwa shares will be 16 May 2022, such that the final dividend will be paid to all shareholders,



whose names appear in the Register of Shareholders at the close of business on 16 May 2022.

### About Bralirwa Plc

Bralirwa Plc is a Rwandan company producing and selling beers and soft drinks. The Company's beer brand portfolio includes Mützig, Primus, Turbo King, Legend, Amstel and Heineken produced in the Gisenyi Brewery. Primus, one of the Company's largest selling beer brands has been available to consumers since 1959. Since 1974, the Company has been producing and selling soft drink brands under a licensing agreement with The Coca-Cola Company. These include Coca Cola, Fanta Orange, Fanta Citron, Fanta Fiesta, Sprite, Krest, Tonic, Stoney and the Company's own brand Vital'O and Cheetah.

The Company was founded in 1957 with the construction of a Brewery located in Gisenyi. Since 1971, Bralirwa Plc is a subsidiary of Heineken N.V., which holds 75% of the shares of Bralirwa with the remaining 25% listed on the Rwanda Stock Exchange. As a socially responsible company, Bralirwa supports a variety of projects from Health to Environment.

### Statement of Profit or Loss and other comprehensive income

(In '000hl and Rwf millions)	2021	2020	% Change
Sales volume	2,076	1,894	9.6%
Revenue	123,596	107,111	15.4%
Cost of sales	(72,454)	(64,324)	12.6%
Gross profit	51,142	42,787	19.5%
Other income	785	461	70.3%
Selling and distribution expenses	(10,647)	(9,769)	9.0%
Administrative expenses	(10,021)	(10,084)	(0.6%)
Other operating expenses	(45)	(3,570)	(98.7%)
Results from operating activities	31,214	19,825	57.4%
Finance costs	(5,589)	(6,832)	(18.2%)
Net finance cost	(5,589)	(6,832)	(18.2%)
Profit before income tax	25,624	12,994	97.2%
Income tax expense	(8,100)	(3,989)	103.1%
Profit after tax	17,525	9,005	94.6%
Other Comprehensive income	-	-	0.0%
Profit and total comprehensive income for the year	17,525	9,005	94.6%

Attributable to:

Equity holders of the parent	13,144	6,754	94.6%
Equity attributable to other shareholders	4,381	2,251	94.6%
	<b>17,525</b>	<b>9,005</b>	<b>94.6%</b>
Earnings per share (basic and diluted) - Rwf	17.03	8.75	94.6%
Dividend per share - Rwf	17.03	8.75	94.6%
Net Debt	21,385	42,630	(49.8%)
EBITDA	44,161	32,882	34.3%

### Statement of Financial Position

(In Rwf millions)	2021	2020	% Change
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	84,981	87,554	(2.9%)
Intangible assets	1,536	1,697	(9.5%)
Investments	9	9	0.0%
Receivable from related parties - principal	592	-	0.0%
<b>Total non-current assets</b>	<b>87,118</b>	<b>89,260</b>	<b>(2.4%)</b>
<b>Current assets</b>			
Inventories	19,475	19,963	(2.4%)
Receivable from related parties	1,315	1,934	(32.0%)
Trade and other receivables	5,618	10,261	(45.2%)
Tax recoverable	1,018	896	13.6%
Bank and cash balances	1,864	4,957	(62.4%)
<b>Total current assets</b>	<b>29,290</b>	<b>38,011</b>	<b>(22.9%)</b>
<b>Total assets</b>	<b>116,408</b>	<b>127,271</b>	<b>(8.5%)</b>
<b>Equity</b>			
Share capital	5,143	5,143	0.0%
Share premium	85	85	0.0%
Other reserves	2,072	2,072	0.0%
Retained earnings	43,813	35,288	24.2%
<b>Total equity</b>	<b>51,113</b>	<b>42,588</b>	<b>20.0%</b>
<b>Non-current liabilities</b>			
Loans and borrowings	8,461	11,611	(27.1%)
Deferred tax liability	5,095	4,195	21.5%
<b>Total non-current liabilities</b>	<b>13,556</b>	<b>15,806</b>	<b>(14.2%)</b>



#### Current liabilities

Loans and borrowings	14,788	35,975	(58.9%)
Payable to related parties	6,738	3,881	73.6%
Trade and other payables	30,213	29,021	4.1%
<b>Total current liabilities</b>	<b>51,739</b>	<b>68,877</b>	<b>(24.9%)</b>
<b>Total liabilities</b>	<b>65,295</b>	<b>84,683</b>	<b>(22.9%)</b>
<b>Total equity and liabilities</b>	<b>116,408</b>	<b>127,271</b>	<b>(8.5%)</b>

#### Statement of Cash Flows

(In Rwf millions)	2021	2020	% Change
<b>Cash flow from operating activities</b>			
Profit before tax	25,624	12,994	97.2%
Adjustments for:			
Impairment of related party loan	-	3,516	(100.0%)
Interest expense	4,425	5,472	(19.1%)
Interest lease expense	14	26	(46.2%)
Foreign exchange difference on loans	124	883	(86.0%)
Depreciation	12,418	12,604	(1.5%)
Amortization of intangible assets	528	452	16.8%
Loss / (Gain) on sale of property, plant, and equipment	(373)	(27)	1281.5%
	<b>42,760</b>	<b>35,920</b>	<b>19.0%</b>
<b>Changes in working capital</b>			
(Increase)/ decrease in trade and other receivables	4,643	(3,731)	(224.4%)
Increase in related party balances	3,477	(3,576)	(197.2%)
Increase in inventories	488	(1,486)	(132.8%)
(Decrease)/increase in trade and other payables	1,320	(122)	(1182.0%)
<b>Cash generated from operating activities</b>	<b>52,688</b>	<b>27,005</b>	<b>95.1%</b>
Income tax received/(paid)	(7,322)	(6,043)	21.2%
<b>Net cash flows generated from operating activities</b>	<b>45,366</b>	<b>20,962</b>	<b>116.4%</b>
<b>Cash flow from investing activities</b>			
Investments	(592)	-	0.0%
Proceeds from sale of property, plant, and equipment	375	27	1288.9%
Purchase of property, plant and equipment	(9,847)	(14,245)	(30.9%)
Purchase of intangible assets	(367)	(476)	(22.9%)

<b>Net cash used in investing activities</b>	<b>(10,431)</b>	<b>(14,694)</b>	<b>(29.0%)</b>
<b>Cash flow financing activities</b>			
Proceeds from loans and borrowings	-	-	0.0%
Repayment of loans and borrowings	(6,227)	(6,369)	(2.2%)
Dividends paid to equity holders of the company	(6,750)	(771)	775.5%
Dividends paid to other shareholders	(2,251)	(257)	775.9%
Payment of lease commitments	(126)	(191)	(34.0%)
Interest on leases	(15)	(26)	(42.3%)
Interest expense	(4,424)	(5,472)	(19.2%)
<b>Net cash flows used in financing activities</b>	<b>(19,792)</b>	<b>(13,086)</b>	<b>51.2%</b>
<b>Net decrease in cash and cash equivalents</b>	<b>15,142</b>	<b>(6,818)</b>	<b>(322.1%)</b>
Cash and cash equivalents at 1 January	(24,880)	(18,063)	37.7%
Cash and cash equivalents as at 31 December	(9,738)	(24,881)	(60.9%)