

SENS ANNOUNCEMENT
(the “Notice” or “Announcement”)

ISSUER



ZAMBIAN BREWERIES PLC (“ZAMBREW”)
[Incorporated in the Republic of Zambia]

Company registration number: 31609
Share Code: ZAMBREW
ISIN: ZM0000000078
Authorised by: Mwamba Chibesakunda – Company Secretary

SPONSOR



Stockbrokers Zambia Limited
[Founder Member of the Lusaka Securities Exchange]
[Regulated and licensed by the Securities and Exchange Commission of Zambia]

Contact Number: +260-211-232456
Website: www.sbz.com.zm

APPROVAL

The captioned Notice or Announcement has been approved by:

- i. the Lusaka Securities Exchange
- ii. the Securities and Exchange Commission

RISK WARNING

The Notice or Announcement contained herein contains information that may be of a price sensitive nature.

Investors are advised to seek the advice of their investment advisor, stockbroker, or any professional duly licensed by the Securities and Exchange Commission of Zambia to provide securities advice.

ISSUED: 24 April 2025

The Board of Directors of Zambian Breweries Plc is pleased to announce the audited results of the company for the year ended 31 December 2024.

Consolidated and Company statement of profit or loss and other comprehensive income

| | Group | | Company | |
|--|---------------|---------------|---------------|---------------|
| | 2024 K'000 | 2023 K'000 | 2024 K'000 | 2023 K'000 |
| Revenue from contracts with customers | 5,341,595 | 4,152,666 | 4,579,816 | 3,816,306 |
| Cost of goods sold | (4,103,825) | (3,113,013) | (4,101,444) | (3,116,215) |
| Gross profit | 1,237,770 | 1,039,653 | 478,372 | 700,091 |
| Other income | 17,416 | 40,803 | 60,314 | 39,324 |
| Other expenses | (674,442) | (717,256) | (936,226) | (972,226) |
| Administrative expenses | (675,095) | (581,833) | (342,283) | (364,900) |
| Distribution costs | (279,516) | (235,808) | (96,951) | (74,611) |
| Net impairment (losses)/reversal on financial assets | (2,287) | 13,053 | 340 | 5,062 |
| Operating loss | (376,154) | (441,388) | (836,434) | (667,260) |
| Finance income | 308 | 32 | 308 | 32 |
| Finance costs | (415,140) | (354,085) | (415,140) | (354,073) |
| Loss before income tax | (790,986) | (795,441) | (1,251,266) | (1,021,301) |
| Income tax credit | 118,310 | 259,840 | 251,887 | 339,434 |
| Loss for the year | (672,676) | (535,601) | (999,379) | (681,867) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive loss for the year | (672,676) | (535,601) | (999,379) | (681,867) |
| Basic and diluted earnings per share | (1.23) | (0.98) | - | - |

Consolidated and Company statement of changes in equity

| | Share capital | Share premium | Retained earnings | Total |
|---|---------------|----------------|-------------------|------------------|
| | K'000 | K'000 | K'000 | K'000 |
| Group | | | | |
| Year ended 31 December 2023 | | | | |
| At the start of the year | 5,460 | 450,207 | 782,585 | 1,238,252 |
| Loss for year | - | - | (535,601) | (535,601) |
| Total comprehensive loss for the year | - | - | (535,601) | (535,601) |
| At the end of the year | 5,460 | 450,207 | 246,984 | 702,651 |
| Year ended 31 December 2024 | | | | |
| At the start of the year | 5,460 | 450,207 | 246,984 | 702,651 |
| Loss for year | - | - | (672,676) | (672,676) |
| Total comprehensive income for the year | - | - | (672,676) | (672,676) |
| At the end of the year | 5,460 | 450,207 | (425,692) | 29,975 |
| Company | | | | |
| Year ended 31 December 2023 | | | | |
| At the start of the year | 5,460 | 450,207 | 729,548 | 1,185,215 |
| Loss for year | - | - | (681,867) | (681,867) |
| Total comprehensive loss for the year | - | - | (681,867) | (681,867) |
| At the end of the year | 5,460 | 450,207 | 47,681 | 503,348 |
| Year ended 31 December 2024 | | | | |
| At the start of the year | 5,460 | 450,207 | 47,681 | 503,348 |
| Loss for year | - | - | (999,379) | (999,379) |
| Total comprehensive loss for the year | - | - | (999,379) | (999,379) |
| At the end of the year | 5,460 | 450,207 | (951,698) | (496,031) |

Financial Performance

Total volumes increased by 7.5% against 2023, reaching an all-time high in sales. This growth was achieved despite challenges such as drought conditions that reduced agricultural output and hydroelectric power generation, leading to widespread electricity shortages, high inflation and exchange rates volatility.

Net revenue grew by 29% year on year, driven by price adjustments and strong volume growth across nearly all brands in our portfolio. The affordable segment saw a remarkable 45% increase over 2023, led by brands such as Eagle and Eagle Extra. In the premium category, Corona demonstrated an impressive 106% growth rate. Flavoured Alcoholic Beverages (FABs) also performed well, growing by over 15%, with Brutal Fruit continuing its upward trajectory. Additionally, high-end products recorded growth above 50%.

Cost of goods sold increased by 32% (2023 35%) versus prior year, driven by increases in raw materials, energy prices and finished goods imports. The input price increases were due to widespread electricity shortages, high inflation and exchange rates volatility impacting raw materials, energy and imported finished goods.

Consolidated and Company statement of financial position

| | Group | | Company | |
|--|------------------|------------------|------------------|------------------|
| | 2024 K'000 | 2023 K'000 | 2024 K'000 | 2023 K'000 |
| Assets | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 4,747,262 | 4,501,731 | 4,733,794 | 4,481,910 |
| Investment in subsidiary | - | - | 22,576 | 22,576 |
| Deferred tax asset | 103,354 | - | 103,574 | - |
| Intangible assets | 18,902 | 20,002 | 18,902 | 20,002 |
| | 4,869,518 | 4,521,733 | 4,878,846 | 4,524,488 |
| Current assets | | | | |
| Inventories | 949,307 | 735,404 | 917,913 | 717,736 |
| Other current assets | 90,906 | 73,471 | 33,317 | 73,259 |
| Trade and other receivables | 466,830 | 288,204 | 201,981 | 707,508 |
| Current income tax receivable | 41,583 | 57,340 | 100,187 | 90,066 |
| Cash at bank and in hand | 394,065 | 301,705 | 348,683 | 233,345 |
| | 1,942,691 | 1,456,124 | 1,602,081 | 1,821,914 |
| Total Assets | 6,812,209 | 5,977,857 | 6,480,927 | 6,346,402 |
| Equity and liabilities | | | | |
| Equity attributable to owners | | | | |
| Share capital | 5,460 | 5,460 | 5,460 | 5,460 |
| Share premium | 450,207 | 450,207 | 450,207 | 450,207 |
| Retained earnings | (425,692) | 246,984 | (951,698) | 47,681 |
| Total equity | 29,975 | 702,651 | (496,031) | 503,348 |
| Liabilities | | | | |
| Non-current liabilities | | | | |
| Deferred income tax | - | 154,361 | - | 153,041 |
| Current liabilities | | | | |
| Trade and other payables | 4,828,066 | 3,085,470 | 5,022,790 | 3,654,638 |
| Borrowings | 1,954,168 | 2,035,375 | 1,954,168 | 2,035,375 |
| | 6,782,234 | 5,120,845 | 6,976,958 | 5,690,013 |
| Total Equity and liabilities | 6,812,209 | 5,977,857 | 6,480,927 | 6,346,402 |
| Consolidated and Company statement of cash flows | | | | |
| | Group | | Company | |
| | 2024 K'000 | 2023 K'000 | 2024 K'000 | 2023 K'000 |
| Cashflows from operating activities | | | | |
| Cash generated from operations | 1,495,509 | 1,513,871 | 1,409,689 | 1,479,949 |
| Interest income | 308 | 32 | 308 | 32 |
| Interest paid | (415,140) | (354,085) | (415,140) | (354,073) |
| Income tax paid | (123,647) | (22,000) | (14,849) | (4,039) |
| Net cash inflow from operating activities | 957,030 | 1,137,818 | 980,008 | 1,121,869 |
| Cashflows from investing activities | | | | |
| Purchase of property, plant and equipment | (783,463) | (1,944,940) | (783,463) | (1,944,940) |
| Proceeds from disposal of property, plant and equipment | - | 10,796 | - | 10,796 |
| Net cash outflow on investing activities | (783,463) | (1,934,144) | (783,463) | (1,934,144) |
| Cashflows from financing activities | | | | |
| Proceeds from borrowings | 1,952,000 | 1,892,500 | 1,952,000 | 1,892,500 |
| Loan principal repayments | (1,892,500) | (905,000) | (1,892,500) | (905,000) |
| Net cash inflow from financing activities | 59,500 | 987,500 | 59,500 | 987,500 |
| Net increase in cash and cash equivalents | 233,067 | 191,174 | 256,045 | 175,225 |
| Movement in cash and cash equivalents | | | | |
| Cash and cash equivalents at the beginning of the financial year | 158,830 | (34,421) | 90,470 | (86,848) |
| Net increase | 233,067 | 191,174 | 256,045 | 175,225 |
| Effects of exchange rate changes on cash and cash equivalents | - | 2,077 | - | 2,093 |
| Cash and cash equivalents at the end of the year | 391,897 | 158,830 | 346,515 | 90,470 |

Operating loss reduced by 15% (ZMW376 million) against 2023 (ZMW441m) given the above factors and the various cost reduction measures that were taken by the business to reduce the negative impact of input price escalation.

Finance costs increased by 17% as we renewed the facilities obtained for the \$110m expansion project and taxes paid increased by 53% resulting in a ZMW673 million net loss for the year ended 31 December 2024.

Final Dividend

At the Board meeting held on 17 April 2025, the Directors of the Board resolved not to declare a dividend for the year ended 31 December 2024.

2025 OUTLOOK

Looking ahead, we remain focused on sustainable growth and innovation. Our priorities for 2025 include investing further in alternative energy solutions to enhance operational sustainability, expanding our product portfolio to align with evolving consumer preferences, strengthening community engagement and local farmer partnerships, and enhancing cost discipline measures for long-term financial stability. We are confident that these initiatives will enable us to continue delivering value to our consumers, employees, and shareholders while contributing to Zambia's socio-economic development

By order of the Board

Mwamba Chibesakunda

COMPANY SECRETARY
24 April 2025

Issued in Lusaka, Zambia on 24 April 2025

Lusaka Securities Exchange Sponsoring Broker



STOCKBROKERS ZAMBIA LIMITED

T | +260-211-232456

E | advisory@sbz.com.zm

W | www.sbz.com.zm

Stockbrokers Zambia Limited (SBZ) is a founder member of the Lusaka Securities Exchange and is regulated by the Securities and Exchange Commission of Zambia

First Issued on 24 April 2025