

Company: Zambian Breweries

Business: Clear Beer Manufacturing & Retail

Founded: 1952 Listed: 1994 Country: Zambia Sector Report
Equity Research
The Analyst: nsichone@pangaea.co.zm
August 29<sup>th</sup>, 2021.



### **ZAMBIAN BREWERIES PIC**

Zambian Breweries Plc ("Zambrew" or the "Company") is part of Anheuser-Busch InBev ("AB InBev"), the largest brewer in the world. The Company's product range includes clear beers such as Mosi Lager, Castle, Carling Black Label, Eagle, Stella Artois, and Budweiser.

Shareholder Name	Percentage Owned
AB InBev Africa BV	87.13 %
Public Free Float	12.87 %

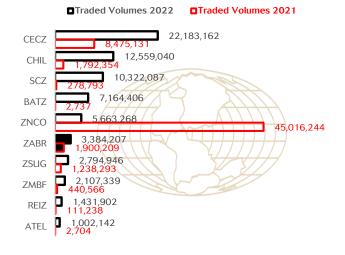
#### MARKET INFORMATION AND PERFORMANCE

LuSE Ticker	ZABR
Zambrew Share Price, in ZMW (Current)	7.00
Zambrew Share Price in USD	0.43
Issued Shares	546,000,000
Fully Diluted Shares	546,000,000
Zambrew Market Cap in ZMW [Fully Diluted]	3,822,000,000
Zambrew Market Cap in USD [Fully Diluted]	236,509,01
52-Week High, in ZMW	7.23
52-Week Low, in ZMW	6.50
Forex USD to ZMW [August 29th, 2021]	16.16

#### ZAMBREW AND LuSE INDEX AVERAGE PERFORMANCE

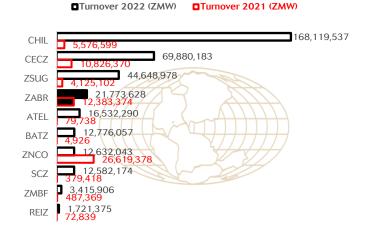


### INTERIM ZAMBREW TRADING STATS UPDATE - 2022



The Zambrew share price has been flat compared to its operational and financial performance. It is one of the few companies that has had an inverse relationship with the improving performance of the LuSE index.

Despite the current share price Zambrew continues to be one of the top 5 stocks based on volume and turnover activity. Investors clearly believe in the company's value, and this is reflected in its financial performance.



## 2020 HALF-YEAR FINANCIAL AND PERFORMANCE RESULTS

	Dec 22	Dec 21	Change (%)
Financials (ZMW '000)			
Revenue	1,638,587	1,337,909	22.47%
Net Income	72,916	90,341	(19.29%)
Operating Profit	645,001	511,665	26.06%
Total Assets	3,764,214	3,267,116	15.22%
Total Liabilities	2,552,297	2,185,723	16.77%
Total Equity	1,211,917	1,139,004	6.40%

	Jun 22	Jun 21	Jun 20
Earnings Per Share	0.13	0.16	(0.03)
PE	53.85	45.19	19.17
Profit Margin	4.45%	6.75%	(1.69%)
Return on Assets	1.94%	2.77%	(0.56%)
Return on Equity	6.02%	7.93%	(1.51%)

Zambrew has had a positive business experience in the first half of 2022 due to:

- Consumer demand for both local and premium global brands
- Strengthening economic environment due to stable exchange rates which has allowed for cost control of both operational and financial costs

The business has continued to enjoy healthy free cash flows which currently stand at ZMW 256.40 million (USD 16.03 million).

## OUTLOOK

# <u>June 27</u>

The Zambrew Board announced plans of investing up to USD 80 million for infrastructure expansion. The Company stated this "comes about in response to the enabling investment climate under the New Dawn government. This investment will not only enhance the production capacity of Zambian Breweries but will also significantly contribute to the wider national economy. The investment commitment is expected to create additional direct and indirect employment."

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