

# ABRIDGED AUDITED FINANCIAL STATEMENTS YEAR ENDED 31<sup>ST</sup> DECEMBER 2024

Company Registration No BW00000952293 | BSE Share Code: SECHABA | P.O.BOX 1956 AAD, Gaborone, Botswana | sechabaenquiries@sbhl.co.bw



**SECHABA BREWERY HOLDINGS LIMITED**  
Incorporated in the Republic of Botswana

## SECHABA BREWERY HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	31-Dec-2024 P'000	31-Dec-2023 P'000
<b>INCOME</b>		
Share of profit after tax of associates	338,638	303,147
Interest income	5,150	3,797
Other Investment Income	-	-
Administration and other expenses	(4,954)	(4,093)
<b>OPERATING PROFIT</b>	<b>338,834</b>	<b>302,851</b>
Finance costs	(20)	-
<b>PROFIT BEFORE TAX</b>	<b>338,814</b>	<b>302,851</b>
Income tax expense	(34,982)	(31,139)
<b>PROFIT FOR THE PERIOD</b>	<b>303,832</b>	<b>271,712</b>
Other comprehensive income	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>303,832</b>	<b>271,712</b>
<b>Earnings per share</b>		
Per share information		
<b>Basic earnings per share (thebe)</b>	<b>274.67</b>	<b>245.63</b>

## SECHABA BREWERY HOLDINGS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 2024

	31-Dec-2024 P'000	31-Dec-2023 P'000
<b>Cash flows from operating activities</b>		
Net cash utilised in operations	(4,974)	(4,210)
Interest received	5,150	3,797
Interest paid	(20)	-
Income tax paid	(41,075)	(47,535)
<b>Net cash utilised in operating activities</b>	<b>(40,919)</b>	<b>(47,948)</b>
<b>Cash flows from investing activities</b>		
Dividends received	399,043	471,233
Purchase of office equipment	(50)	(39)
<b>Net cash utilised in investing activities</b>	<b>398,993</b>	<b>471,194</b>
<b>Cash flows from financing activities</b>		
Dividends paid to shareholders	(480,364)	(156,965)
Principal repayments on lease liabilities	(109)	-
<b>Net cash utilised in financing activities</b>	<b>(480,473)</b>	<b>(156,965)</b>
<b>Changes in cash and cash equivalents</b>	<b>(122,399)</b>	<b>266,281</b>
<b>Movement in cash and cash equivalents</b>		
At beginning of the period	311,281	45,000
Changes in cash and cash equivalents	(122,399)	266,281
<b>At end of the year</b>	<b>188,882</b>	<b>311,281</b>

**Statement on basis and preparation of the Financial Results**  
The Board of Directors of Sechaba Brewery Holdings Limited (SBHL) have the pleasure to present to you the abridged financial results and position for the year ended 31 December 2024. These abridged financial statements are an extract from the audited financial statements prepared in accordance with the international Financial Reporting Standards. The accounting policies adopted comply in all material respects with the International Financial Reporting Standards and are consistent with the previous reported period.

**Audit Report**  
Ernst & Young, who issued an unqualified audit opinion, have audited the financial statements from which the abridged results were extracted. This summary itself has not been audited.

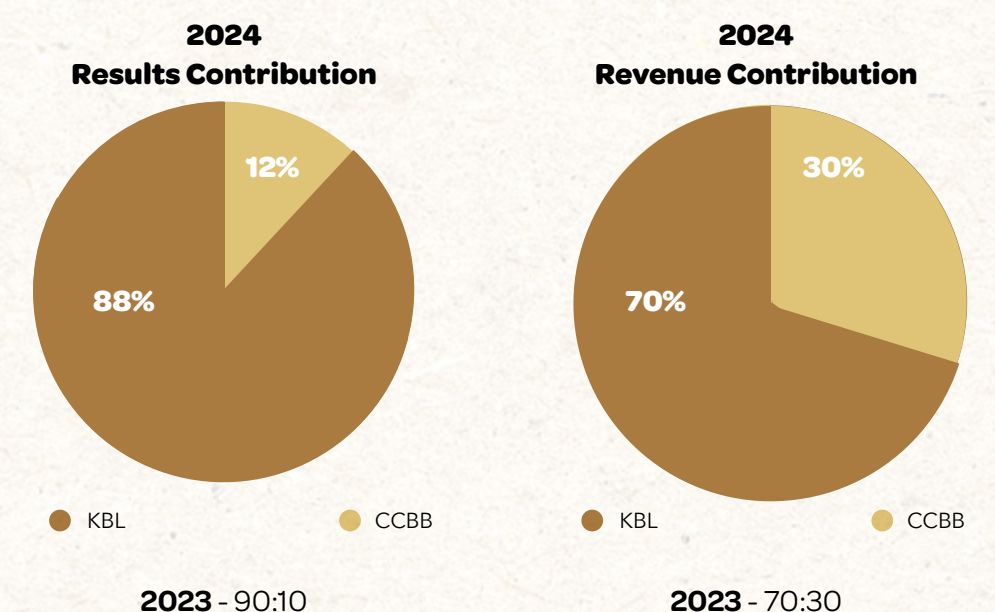
**About SBHL**  
Sechaba Brewery Holdings Limited (SBHL) holds 49.9% shareholding in Kgalagadi Breweries (Pty) Ltd (KBL) and 49.9% in Coca Cola Beverages (Botswana) (Pty) Ltd (CCBB). SBHL's results for the year are therefore directly relating to those of its two associates - KBL and CCBB. KBL is a company registered in Botswana involved in the manufacturing, import, distribution and marketing of portfolio of clear beers, alcoholic fruit beverages and traditional beers. CCBB is also a company registered in Botswana, involved in the manufacturing, import, distribution and marketing of a portfolio of soft drinks, purified water, and other non-alcoholic beverages.

**Volume performance**  
Overall sales volumes increased during the year ended 31 December 2024, with KBL volumes increasing by 4% (from 1,608.8 HL to 1,677.4 HL) whilst CCBB volumes increased by 11% (from 1,195.6 HL to 1,323.2 HL) resulting in 7% total volume increase (from 2,804.4 HL to 3,000.6 HL).

**Financial performance**  
Overall Sechaba Brewery Holdings Limited (SBHL) achieved a 12% increase in profit after tax in comparison to the previous year. The main drivers for this performance being the increase in income. Both CCBB and KBL had a positive net revenue growth rate at 12% for CCBB and 14% for KBL. In terms of profit after tax, KBL achieved a 9% increase in comparison to prior year mainly driven by price, volume as well as product mix. CCBB had a 32% increase in profit after tax mainly due to increase in net sales revenue as driven by increased volumes. The company believes that there is sufficient liquidity to sustain operations for the next 12 months and beyond.

**Business outlook**  
Botswana's economy is expected to continue its recovery in 2024 and 2025, driven by stable growth in both the mining and non-mining sectors. The World Bank projects a 4.1% GDP growth rate in 2024, slightly lower than the government's estimate of 4.4%. The economy is anticipated to strengthen further in 2025, reaching 4.4%, as inflationary pressures ease and financial conditions improve. It is anticipated that this favourable economic environment will facilitate improved performance for SBHL and its associates. Despite encountering challenges inherent in today's complex and uncertain business landscape, SBHL and its associates are committed to adapting and thriving to ensure maximizing shareholder value.

The charts below depict the contributions per entity to the total share of revenue as well as the contributors to the share of profit earned by Sechaba:



**Dividend Declaration**  
In line with the provisions of Section 58 of the Botswana Companies Act (Cap 42:01), the Board of Directors of Sechaba Brewery Holdings Limited declared dividends as follows: final dividend of 194.63 thebe per share and special dividend of 133.98 thebe per share. The dividend distribution is subject to approval by the shareholders at the Annual General Meeting. These dividends shall be paid on Friday 23 May 2025, to those shareholders registered on the last date to register, being close of business on Tuesday 13 May 2025. The ex-dividend date will be Friday 9 May 2025. Withholding taxes in terms of the Republic of Botswana Income Tax Act (Cap 52:01), as amended, has been applied to the dividend payment. No provision has been raised in the financial statements for the year ended 31 December 2024 for the dividend amount.

**Tabuya Tau**  
Chairman

**Faith Asnath Nteta**  
Managing Director

Date: 28 March 2025

## SECHABA BREWERY HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	31-Dec-2024 P'000	31-Dec-2023 P'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment in associates	769,615	830,020
Office equipment	83	44
Right of Use assets	121	-
	<b>769,819</b>	<b>830,064</b>
<b>Current assets</b>		
Trade and other receivables	503	440
Cash and cash equivalents	188,882	311,281
	<b>189,385</b>	<b>311,721</b>
<b>Total assets</b>	<b>959,204</b>	<b>1,141,785</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Stated capital	194,548	194,548
Retained earnings	706,151	884,055
Total equity	<b>900,699</b>	<b>1,078,603</b>
<b>Non-current liabilities</b>		
Deferred taxation	47,807	53,847
<b>Current liabilities</b>		
Trade and other payables	423	513
Dividend payable	9,560	8,188
Current taxation payable	581	634
Right of use Liability	134	-
	<b>10,698</b>	<b>9,335</b>
<b>Total liabilities</b>	<b>58,505</b>	<b>63,182</b>
<b>Total equity and liabilities</b>	<b>959,204</b>	<b>1,141,785</b>

## SECHABA BREWERY HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED DECEMBER 2024

	Attributable to equity holders of the company			
	Stated Capital P'000	Hedging Reserves P'000	Retained Earnings P'000	Total P'000
<b>Balance at 1 January 2023</b>	<b>194,548</b>	<b>388</b>	<b>769,363</b>	<b>964,299</b>
Profit for the period	-	-	271,712	271,712
Other Comprehensive income	-	-	-	-
Total Comprehensive income for the period	-	-	271,712	271,712
Transfer of hedging reserves	-	(388)	388	-
2023 financial year Dividends paid	-	-	(157,408)	(157,408)
Total transaction with owners	-	(388)	114,692	114,304
<b>Balance at 31 December 2023</b>	<b>194,548</b>	<b>-</b>	<b>884,055</b>	<b>1,078,603</b>
<b>Balance at 1 January 2024</b>	<b>194,548</b>	<b>-</b>	<b>884,055</b>	<b>1,078,603</b>
Profit for the period	-	-	303,832	303,832
Other Comprehensive income	-	-	-	-
Total Comprehensive income for the period	-	-	303,832	303,832
Dividends paid	-	-	(481,736)	(481,736)
2024 financial year dividends paid	-	-	(481,736)	(481,736)
Total transaction with owners	-	-	(177,904)	(177,904)
<b>Balance at 31 December 2024</b>	<b>194,548</b>	<b>-</b>	<b>706,151</b>	<b>900,699</b>

## SECHABA BREWERY HOLDINGS LIMITED

SUMMARISED FINANCIAL INFORMATION OF MATERIAL ASSOCIATES FOR THE YEAR ENDED DECEMBER 2024

	Coca cola Beverages (Botswana) (Pty) Ltd		Kgalagadi Breweries Limited (Pty) Ltd	
	2024 P'000	2023 P'000	2024 P'000	2023 P'000
<b>Summarised Statement of Profit or Loss or Other Comprehensive income as at 31 December</b>				
Revenue	1,254,386	1,123,520	2,988,566	2,590,324
Income and other expenses	(1,156,810)	(1,049,682)	(2,272,567)	(1,935,302)
	97,576	73,838	715,999	655,022
Profit before tax	(15,732)	(11,687)	(119,209)	(109,664)
Tax expense	-	-	-	-
<b>Profit from continuing operations</b>	<b>81,844</b>	<b>62,151</b>	<b>596,790</b>	<b>545,358</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>81,844</b>	<b>62,151</b>	<b>596,790</b>	<b>545,358</b>
<b>Summarised Statement of Financial position as at</b>	<b>31-Dec-24 P'000</b>	<b>31-Dec-23 P'000</b>	<b>31-Dec-24 P'000</b>	<b>31-Dec-23 P'000</b>
<b>Assets</b>				
Non-current	505,616	470,854	607,089	653,532
Current	419,474	343,873	964,538	1,056,633
<b>Total assets</b>	<b>925,090</b>	<b>814,727</b>	<b>1,571,627</b>	<b>1,710,165</b>
<b>Liabilities</b>				
Non-current	28,511	145,369	68,052	64,627
Current	587,808	354,746	451,810	478,564
<b>Total liabilities</b>	<b>619,319</b>	<b>500,115</b>	<b>519,862</b>	<b>543,191</b>
<b>Total net assets</b>	<b>308,771</b>	<b>314,612</b>	<b>1,051,765</b>	<b>1,166,974</b>
<b>Reconciliation of net assets to equity accounted investments in associates</b>				
	<b>31-Dec-2024 P'000</b>	<b>31-Dec-2023 P'000</b>	<b>31-Dec-2024 P'000</b>	<b>31-Dec-2023 P'000</b>
Interest in associates 49.9% (2022: 49.9%)	154,079	158,593	524,836	839,513
Goodwill	-	-	90,700	90,700
Carrying value of investment in associate	<b>154,079</b>	<b>156,994</b>	<b>615,536</b>	<b>673,026</b>
Investment at beginning of period	156,994	158,593	673,026	839,513
Share of profit	40,840	31,013	297,798	272,134
Share of dividends received from associate	(43,755)	(32,612)	(355,288)	(438,621)
<b>Investment at end of period</b>	<b>154,079</b>	<b>156,994</b>	<b>615,536</b>	<b>673,026</b>

The summarised information presented above reflects the financial statements of the associates after adjusting for differences in accounting policies between the company and the associates

## PERFORMANCE OF ASSOCIATES

	2024 P'000	2023 P'000	% Change
<b>KBL Volumes (HL '000)</b>	<b>1,677.4</b>	<b>1,608.8</b>	<b>4%</b>
<b>KBL results</b>			
Profit before tax	715,999	655,022	9%
Taxation	(119,209)	(109,664)	9%
Profit after tax	596,790	545,358	9%
<b>CCBB Volumes (HL '000)</b>	<b>1,323.2</b>	<b>1,195.6</b>	<b>11%</b>
<b>CCBB results</b>			
Profit before tax	97,576	73,838	32%
Taxation	(15,732)	(11,687)	35%
Profit after tax	81,844	62,151	32%
<b>Sechaba results</b>			
Share of results of associates	338,638	303,147	12%
Profit for the period	303,832	271,712	12%
Total comprehensive income	303,832	271,712	12%
<b>Earnings per share</b>			
Thebe	274.67	245.63	12%

## SECHABA BREWERY HOLDINGS LIMITED CONTACTS

Company Secretaries & Registered Office	Operational address	Sponsoring Brokers	Transfer Secretaries	External Auditors
<b>GRANT THORNTON BUSINESS SERVICES</b> Grant Thornton Business Services Plot 50370 Acumen Park, Fairgrounds, Gaborone P O Box 1157, Gaborone, Botswana	Plot 54367, CBD 2nd Floor Mogobe Plaza P O Box 1956 AAD Gaborone, Botswana Email: sechabaenquiries@sbhl.co.bw	<b>IMARA CAPITAL SECURITIES (PTY) LTD</b> A Member of the Botswana Stock Exchange Plot 74770 Western Commercial Road, New CBD. Private Bag 173, Gaborone, Botswana Tel: +267 318 8886	<b>CENTRAL SECURITIES DEPOSITORY BOTSWANA</b> Plot 70667 Fairscape Precinct Fourth Floor Fair grounds Office Park Gaborone, Botswana Tel: +267 367 4400	<b>ERNST &amp; YOUNG</b> 2nd Floor Plot 22, Khama Crescent P O Box 41015, Gaborone Botswana Tel: +267 365 4000

## Directors

Name	Chairman	Managing Director	Member	Non-executive Independent
Tabuya Tau	Chairman	Managing Director	Member	Non-executive Independent
Faith Asnath Nteta	Member	Member	Member	Non-executive Independent
Meshack Tshakedi	Member	Member	Member	Non-executive Independent
Botumelo Paya	Member	Member	Member	Non-executive Independent
Modise Mokone	Member	Member	Member	Non-executive Independent
Jayaraman Ramesh	Member	Member	Member	Non-executive Independent
Gorata Dibotelo	Member	Member	Member	Non-executive Independent
Lorato Morapedi	Member	Member	Member	Non-executive Independent