

Distell boosted by growing beverages demand

By [Ngobile Dlodla](#)

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South African drinks maker Distell, [set to be taken over](#) by Dutch beverage company Heineken, has reported that its full-year profit rose by 36.7%, as consumers bought more wine, ciders and spirits despite cost of living pressures.



Source: Reuters

The maker of J.C. Le Roux sparkling wine, Savanna cider and Klipdrift brandy sold more alcohol than expected, as all three categories grew revenues by double digits.

Distell grew headline earnings per share, the main profit measure in South Africa, to 1,051.8 cents in the year to 30 June, compared to 769.6 cents a year earlier.

Group revenue increased by 20.8% to R34.1bn on 17.6% higher volumes, significantly ahead of pre-Covid levels, Distell said.

Domestic revenues increased by 24.4%, with volumes up by 18.7%. This was during a period with 47 more trading days compared to the comparable period in the previous year when there was a ban on alcohol sales.



3 Aug 2022



In African markets, outside South Africa, revenue increased by 14.4% on 16.3% higher sales volumes, while sales in international markets outside Africa increased by 7.9% alongside volume growth of 9.4%, primarily driven by single malts and Amarula cream liqueur.

"Impressive revenue growth was achieved against a backdrop of rising commodity cost pressures, global supply chain disruptions, an increase in the cost of imported goods, and glass shortages in our domestic market caused by rampant demand for Savanna cider and core spirits brands," Distell said.

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