



HALF YEAR RESULTS

The directors announce the un-audited financial results for the six months ended 31 December 2023.

Consolidated Statement of Income For the six months ended 31 December			
	2023 Shs'000	2022 Shs'000	
Revenue	12,426,424	12,009,805	
Operating (loss)/ profit	(32,232)	(107,456)	
Finance Income	43,474	41,473	
Finance Costs	(492,995)	(112,321)	
Loss before tax	(481,753)	(178,304)	
Income tax credit	140,194	46,966	
Loss/ (profit) for the period	(341,559)	(131,338)	
Other Comprehensive Income	56,875	9,249	
Total Comprehensive Income for the period	(284,684)	(122,089)	
Due to owners of the parent	(188,642)	(85,168)	
Due to non-controlling interest	(96,042)	(36,921)	
	(284,684)	(122,089)	
Basic and diluted earnings per share (Shs)	(2.49)	(1.12)	
Consolidated Statement of Financial Position As at 31 December			
	2023 Shs'000	2022 Shs'000	
Assets			
Non-Current Assets	5,029,201	4,347,876	
Current Assets	5,870,808	8,495,646	
Total Assets	10,900,009	12,843,522	
Equity and Liabilities			
Share Capital	378,535	378,535	
Reserves	3,233,216	3,961,671	
Minority Interests	1,878,737	2,225,206	
Non-Current Liabilities	511,302	350,406	
Current Liabilities	4,898,219	5,927,704	
Total Equity and Liabilities	10,900,009	12,843,522	
Consolidated Statement of Cash Flows			
	2023 Shs'000	2022 Shs'000	
Cash generated from operations	(1,618,077)	298,157	
Tax Paid	(11,154)	(12,470)	
Net cash (used)/from in operating activities	(1,629,231)	285,687	
Net cash used in investing activities	(132,320)	(11,923)	
Net cash used in financing activities	1,080,253	(87,805)	
Net (decrease)/increase in cash and & cash equivalents	(681,298)	185,959	
At the beginning of the period	493,684	734,719	
	(187,614)	920,678	
At the end of period			
Consolidated Statement of Changes in Equity			
	Attributable to equity holders Shs'000	Non- controlling interest Shs'000	Total Sh'000
At 1 July 2023	3,800,493	1,974,779	5,775,272
Loss for the year	(225,610)	(115,948)	(341,559)
Other comprehensive Income for the year	36,868	19,906	56,775
Total comprehensive income for the year	(188,742)	(96,042)	(284,784)
At 31 December 2023	3,611,751	1,878,737	5,490,488

COMMENTARY

The 3% increase in revenue compared to the same period last year can be attributed to higher volumes, coupled with adjustments in prices aimed at partially offsetting the rise in raw material costs.

Profitability for this period has been negatively affected by the high costs of inputs. There has been a local supply deficit resulting in increased importation at increased raw material and shipping expenses.

The continued sharp depreciation of the Kenyan Shilling caused major foreign currency exchange losses, putting further pressure on working capital. Margins remained strained while borrowing costs remained elevated as interest rates increased.

Demand for finished products remained subdued as affordability by consumers continued to be affected by macro and micro economic factors.

The Company continues to work on cost management and efficiency initiatives. In line with our sustainability strategy, installation of solar is nearing completion, with three out of five sites now completed and commissioned.

Looking ahead

The US dollar exchange rate and liquidity has shown improvement. However, should foreign currency exchange risk persist, it will potentially influence the costs of our imported raw materials and thus impact the overall cost of our products.

Despite the challenges, the Group will capitalize on its strengths to drive performance enhancements across all operations in response to the dynamic business landscape.

Additionally, we will maintain collaborative efforts with our key partners to foster efficiency and improved business performance.

The Directors do not recommend payment of an interim dividend.

By order of the Board

W Jumba
Company Secretary
29 February 2024