

# BAMBURI CEMENT PLC

The Directors of Bamburi Cement PLC are pleased to announce the audited Group Financial results for the year ended 31 December 2021

Condensed Group Statement of Comprehensive Income for the Period Ended 31 December 2021	2021	2020	Condensed Statement of Financial Position As at 31 December 2021	2021	2020
	KES Million	KES Million		KES Million	KES Million
<b>Turnover</b>	<b>41,381</b>	<b>34,884</b>	<b>Assets</b>		
Total operating costs	(39,174)	(33,127)	<b>Non-current assets</b>		
Other gains	290	344	Property, plant & equipment	35,396	35,159
Impairment losses	(182)	(118)	Right of use assets	424	407
			Intangibles	29	35
<b>Operating profit</b>	<b>2,315</b>	<b>1,983</b>	Other equity investments	75	124
Finance costs-net	(143)	(207)	Biological assets	119	119
			Limestone reserves	604	560
<b>Profit before tax</b>	<b>2,172</b>	<b>1,776</b>	Prepaid operating leases	116	116
Taxation	(792)	(647)	Goodwill	217	217
				<b>36,980</b>	<b>36,737</b>
<b>Profit for the period</b>	<b>1,380</b>	<b>1,129</b>	<b>Working capital</b>		
Other comprehensive income net of tax	91	790	Current assets	7,815	6,322
			Current liabilities	(7,632)	(6,881)
<b>Total Comprehensive Income</b>	<b>2,291</b>	<b>1,919</b>		<b>183</b>	<b>(559)</b>
EPS* - KES per Share	3.58	2.89	Cash and bank balances	6,934	6,387
			Short term borrowings	(245)	(136)
				<b>43,852</b>	<b>42,429</b>
			<b>Capital and reserves</b>		
			Share capital	1,815	1,815
			Reserves	29,327	28,487
			<b>Equity attributable to owners of the Company</b>	<b>31,142</b>	<b>30,302</b>
			<b>Non-Controlling Interests</b>	4,111	3,749
			Other non-current liabilities	6,326	6,187
			Long term Loan	2,273	2,191
			<b>Total equity and non-current liabilities</b>	<b>43,852</b>	<b>42,429</b>

\*EPS calculated on profit after tax attributable to shareholders of the parent and based on average number of shares

Condensed Statement of Cash Flows For the Period ended 31 December 2021	2021	2020
	KES Million	KES Million
<b>Cash generated from operations</b>	<b>4,390</b>	<b>6,860</b>
Interest received	78	62
Interest paid	(110)	(218)
Tax paid	(1,250)	(577)
<b>Net cash generated from operating activities</b>	<b>3,108</b>	<b>6,127</b>
Net cash used in investing activities	(1,412)	(1,106)
Net cash used in financing activities	(1,266)	(165)
<b>Net increase in cash &amp; cash equivalents</b>	<b>430</b>	<b>4,856</b>
Effects of foreign exchange movement	8	61
At beginning of the year	6,251	1,334
<b>At end of the period</b>	<b>6,689</b>	<b>6,251</b>

Explanatory notes: These results are extracted from the consolidated financial statements of Bamburi Cement PLC for the year ended 31 December 2021. The financial statements have been audited by Deloitte & Touche and have received an unmodified opinion.

## RESULTS HIGHLIGHTS

The Group's profit before tax for 2021 grew to KShs 2.2bn which is 22.2% higher compared to prior year, largely driven by the growth in operating profit while profit after tax level was KShs 1.4bn which is higher than 2020 level.

### Revenue

The Group Turnover for the full year 2021 was up 19% to KShs 41.4bn compared to the prior year (2020: KShs 34.9bn). This significant increase was driven by volume growth in both Kenya and Uganda on account of strong performance in retail and key accounts segments. This also reflects the continued economic recovery from the impact of the Covid-19 pandemic. The Group's overall average selling price improved compared to prior year on account of Kenya's higher proportion of premium products sales.

### Operating Profit

The Group's Operating Profit for 2021 grew by 17% to KShs 2.3bn compared to the prior year (2020: KShs 2.0bn). The growth was driven by strong topline performance coupled with robust cost management through various cost initiatives and operational efficiencies. This solid performance was achieved despite increases in coal, power, imported clinker and global fuel prices which continued to adversely affect our cost base.

### Profit after tax

The Group's profit before tax for 2021 grew to KShs 2.2bn higher compared to the prior year (2020: KShs 1.8bn) largely driven by the growth in operating profit. Profit after tax level was KShs 1.4bn which was higher than prior year (2020: KShs 1.1bn).

### Cash flow

The cash flow generated from operations at KShs 4.4bn was lower compared to the prior year (2020: KShs 6.9bn). The 2021 position reflects additional investment in working capital of KShs 2.4bn on account of a higher level of business operations in the current year. The Group's cash flow position and balance sheet remains strong and provides a solid foundation for future growth.

## 2022 OUTLOOK

In East Africa, we envisage growth in cement demand supported by a stable economic environment. In Kenya, the big four government agenda in the areas of affordable housing projects and the significant investments in infrastructure projects is expected to fuel this growth. The Eastern European conflict is expected to have an adverse impact on the global economy and especially on freight and imported raw material prices. In addition, the impact of the coming general election is an unquantified risk factor which potentially might affect market dynamics. In Uganda, cement demand is expected to be fuelled by greater investment in public infrastructure especially in the oil industry.

## DIVIDEND

In consideration of the strong performance delivered in both bottom-line and cash generation in the year 2021, the Board of Bamburi Cement PLC, recommends the payment of a first and final dividend of KShs 3.58 per ordinary share amounting to KShs 1.3bn (2020: KShs 3 per ordinary share amounting to KShs 1.1bn) in respect of the year ended 31 December 2021.

Subject to the approval of shareholders at the subsequent Annual General meeting, the dividend will be paid on or about 26 July 2022 to shareholders on the register at the close of business on 26 May 2022.

By Order of the Board,

Dr. John P. N. Simba  
Board Chair

26 April 2022

Seddiq Hassani  
Group Managing Director

