

BAMBURI CEMENT PLC

The Directors of Bamburi Cement PLC are pleased to release the unaudited Group Financial Statements for six months ending 30 June 2022

Condensed Group Statement of Comprehensive Income	2022 June	2021 June	Condensed Statement of Financial Position	2022 June	2021 December
	KES Million	KES Million		KES Million	KES Million
Turnover	20,133	19,628	Assets		
Total operating costs	(19,743)	(18,497)	Non-current assets		
Other gains and losses	(180)	48	Property, plant & equipment	34,252	35,396
Operating profit	210	1,179	Right of use assets	427	424
Finance costs-net	(86)	(70)	Intangibles	27	29
Profit before tax	124	1,109	Other equity investments	90	75
Taxation	(29)	(333)	Biological assets	471	119
Profit for the period	95	776	Limestone reserves	589	604
Other comprehensive income net of tax	(286)	181	Prepaid operating leases	107	116
Total Comprehensive Income	(191)	957	Goodwill	217	217
EPS* - KES per Share	0.43	1.86		36,180	36,980
			Working capital		
			Current assets	11,744	7,815
			Current liabilities	(7,698)	(7,632)
				4,046	183
			Dividends payable	(1,299)	
			Cash and bank balances	3,849	6,934
			Short term borrowings	(282)	(245)
				42,494	43,852
			Capital and reserves		
			Share capital	1,815	1,815
			Reserves	27,986	29,327
			Equity attributable to owners of the Company	29,801	31,142
			Non-Controlling Interests	3,961	4,111
			Other non-current liabilities	6,379	6,326
			Long term Loan	2,353	2,273
			Total equity and non-current liabilities	42,494	43,852

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

Condensed Statement of Cash Flows	2022 June	2021 June
	KES Million	KES Million
Cash generated from operations	(1,810)	1,436
Interest received	43	42
Interest paid	(111)	(88)
Net foreign exchange gains	(25)	(3)
Tax paid	(506)	(583)
Net cash generated from operating activities	(2,409)	804
Net cash used in investing activities	(615)	(534)
Net cash used in financing activities	(86)	(121)
Net increase in cash & cash equivalents	(3,110)	149
Effects of foreign exchange movement	(10)	(13)
At beginning of the year	6,689	6,251
At end of the period	3,569	6,387

Condensed Statement of Changes in Equity	2022 June	2021 December
	KES Million	KES Million
Share Capital	1,815	1,815
Revaluation reserve	11,029	11,160
Fair value and translation reserves	(1,011)	(803)
Retained Earnings	17,968	18,970
Non-controlling interests	3,961	4,111
At end of the period	33,762	35,253

Explanatory notes: These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The financial statements do not include all of the information required for full annual statements, and should be read in conjunction with the consolidated annual financial statements of the Group for the year ended 31 December 2021.

RESULTS HIGHLIGHTS

Revenue

The Group Turnover in H1 of 2022 at KES 20.1 billion is 2.6% above prior year H1 2021 at KES 19.6 billion. This was driven by volume growth along with improved average selling price compared to prior year.

Operating Profit

The first half of the year was challenging with operating profit reducing to KES 210 million from KES 1,179 million. Significant inflation of the fuel prices, logistics costs and imported clinker prices in both Kenya and Uganda adversely impacted the operating profit. This was also adversely impacted by forex losses of the Kenya shilling and Uganda shilling against other major currencies.

Profit Before Tax

The profit before tax declined to KES 124 million from KES 1,109 million mainly influenced by lower operating profit.

Cash Flow

The cash flow generated from operations at KES -1,810 million was lower compared to (H1 2021:KES +1,436 million). The H1 2022 position reflects additional investment in working capital due to inflation of input prices compared to the closing December 2021 position. The Group's liquidity and balance sheet remains strong and is a sure foundation for future growth.

Interim Dividend

The Board does not recommend the payment of an interim dividend for the Financial Year 2022.

2022 OUTLOOK

The company will continue to drive its strategy in a bid to maximise revenues and optimise the cost base so as to drive profitability. The Kenya cement market is expected to recover after the general elections while in Uganda cement demand is anticipated to be fueled by greater investment in public infrastructure especially in the oil industry. However, the Global on-going conflict is expected to have an adverse impact on the markets and especially on freight and imported raw material prices.

By Order of the Board,

Dr. John P. N. Simba (EGH., MBS., OGW)
Board Chair

Seddiq Hassani
Group Managing Director

25 August 2022



For more information about the company please visit www.lafarge.co.ke

