



UGANDA CLAYS LIMITED

EXTRACT OF THE UNAUDITED FINANCIAL STATEMENT FOR THE SIX MONTHS ENDED 30TH JUNE 2021

1. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	JUNE 2021 (Ushs 'M)	JUNE 2020 (Ushs 'M)
Revenue	17,515	13,033
Cost of sales	(10,146)	(10,494)
Gross profit	7,369	2,539
Other Income	1,133	217
Overhead costs	(5,398)	(4,799)
Profit/ (Loss) before income tax	3,105	(2,043)
Income tax credit/(expense)	(355)	613
Profit / (Loss) after tax for the period	2,750	(1,430)
Basic earnings per share	3.056	(1.59)

2. STATEMENT OF FINANCIAL POSITION

	JUNE 2021 (Ushs 'M)	JUNE 2020 (Ushs 'M)
Non - Current Assets	41,597	39,935
Current assets	29,314	22,967
Total assets	70,911	62,902
Equity	38,704	30,988
Non - Current Liabilities	26,061	26,799
Current Liabilities	6,146	5,115
Total equity and liability	70,911	62,902

3. STATEMENT OF CHANGES IN EQUITY

	Ordinary share capital (US\$ 'M)	share premium (US\$ 'M)	Revaluation reserve (US\$ 'M)	Retained earnings (US\$ 'M)	Proposed dividends (US\$ 'M)	Total (US\$ 'M)
At start of the year	900	9,766	3,571	20,499	1,218	35,954
Transfer of excess depreciation	-	-	-	-	-	-
Deferred tax on excess transfer of excess depreciation	-	-	-	-	-	-
Proposed dividends	-	-	-	-	-	-
Profit for the year	-	-	-	2,750	-	2,750
At end of year	900	9,766	3,571	23,249	1,218	38,704

4. STATEMENT OF CASHFLOWS

	JUNE 2021 (Ushs 'M)	JUNE 2020 (Ushs 'M)
Operating activities		
Net cash generated from operating activities	7,129	4,494
Investing activities		
Net cash used in investing activities	(6,970)	(5,351)
Financing activities		
Net cash used in financing activities	-	-
Increase in cash and cash equivalents	159	(857)
Movement in cash and cash equivalents		
At start of the year	2,180	3,335
Increase	159	(857)
At end of year	2,339	2,478

Overview

The Directors of Uganda Clays Ltd are pleased to announce the interim condensed financial statements (un-audited) for the six months 1 January to 30 June 2021. The first half of 2021 posed serious challenges for the industry and the economy as a whole. The country was emerging from general elections and was hit by a severe second wave of Covid-19 which eventually led to a second national lockdown in June. Despite the devastating effects of the Covid-19 pandemic, the Company has continued to show resilience and has posted strong results for the period, as is evident from the numbers. Amidst the strong headwinds, the Company has continued to focus on maintaining business continuity, production to build inventory while ensuring the health and safety of staff.

Performance Highlights

Revenue for the period increased by 34% to Ushs 17.5 Billion for the period compared to Ushs 13 Billion in the same period in 2020, notably due to improved efficiencies in production and an increase in sales volumes.

Gross profit for the period increased by 190% to Ushs 7.4 Billion from Ushs 2.5 Billion in the same period in 2020, driven by efficiencies and continued cost management measures put in place resulting in controlled production costs.

Overhead costs increased by 12% to Ushs 5.4 Billion from Ushs 4.8 Billion driven by increased funding of operating expenditure initiatives for the period.

As a result, **profit after tax** for the period increased by 292% to Ushs 2.8 Billion from a loss position of Ushs 1.4 Billion in the same period in 2020.

Balance Sheet analysis - Total assets increased by 13% to Ushs 70.9 Billion, mainly attributable to deliberate investment in our factories.

Net cash from operating activities increased to Ushs 7.1 Billion from Ushs 4.5 Billion over the same period in 2020, driven by increased production and sales volume and effective management of working capital.

Outlook The fundamentals for our market remain positive with actions having been taken to strengthen the business and enhance operational flexibility leaving the Company well positioned in the sector.

Message from the Directors

The interim condensed financial statements have been prepared in accordance to IAS 34 (Interim Financial Reporting) and the accounting policies used are consistent with those used in the annual financial statements for the year ended 31st December 2020. The statements should be read in conjunction with the company's audited annual financial statements for the year ended 31st December 2020.

A copy of the full audited financial statements is available on the Company's website: www.ugandaclays.co.ug.

The financial statements were approved for issue by the Board of Directors on 11 August 2021 and signed on their behalf by:

Eng. Martin Kasekende
CHAIRMAN OF THE BOARD

Reuben Tumwebaze
MANAGING DIRECTOR