



UGANDA CLAYS LIMITED

EXTRACT FROM THE AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2020

1. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	DEC 2020 (UGX 'M)	DEC 2019 (UGX 'M)
Revenue	29,663	30,737
Cost of sales	(16,133)	(21,282)
Gross profit	13,530	9,455
Other Income	1,843	857
Overhead costs	(9,447)	(11,116)
Profit/ (Loss) before income tax	5,926	(804)
Income tax credit/(expense)	(1,052)	716
Profit / (Loss) after tax for the period	4,874	(88)
Other comprehensive income	1,359	1,359
Total comprehensive income	6,233	1,271
Basic earnings per share	5.42	(0.10)

2 STATEMENT OF FINANCIAL POSITION

	DEC 2020 (UGX 'M)	DEC 2019 (UGX 'M)
Equity	35,954	31,080
Non - Current Liabilities	26,061	26,801
	62,015	57,881
Non - Current Assets	44,270	41,461
Current Assets (Working Capital)	24,586	20,776
Current Liabilities (Working Capital)	(6,841)	(4,356)
	62,015	57,881

3. STATEMENT OF CHANGES IN EQUITY

	Ordinary share capital (UGX 'M)	share premium (UGX 'M)	Revaluation reserve (UGX 'M)	Retained earnings (UGX 'M)	Proposed dividends (UGX 'M)	Total (UGX 'M)
At start of the year	900	9,766	4,931	15,484	-	31,081
Transfer of excess depreciation	-	-	(1,942)	-	-	(1,942)
Differed tax on excess transfer of excess depreciation	-	-	582	-	-	582
Proposed dividends	-	-	-	(1,218)	1,218	-
Profit for the year	-	-	-	6,233	-	6,233
At end of year	900	9,766	3,571	20,499	1,218	35,954

4 STATEMENT OF CASHFLOWS

	DEC 2020 (UGX 'M)	DEC 2019 (UGX 'M)
Operating activities		
Net cash generated from operating activities	6,055	6,342
Investing activities		
Net cash used in investing activities	8,707	(4,507)
Financing activities		
Net cash used in financing activities	-	(900)
Increase in cash and cash equivalents	14,762	935
Movement in cash and cash equivalents		
At start of the year	3,131	2,195
Increase	14,762	935
At end of year	17,893	3,130

Overview

The Directors of Uganda Clays Ltd are pleased to announce the condensed financial statements for the year ended 31st December 2020. The year 2020 was unprecedented because of the impact of the Covid-19 pandemic on most businesses. Despite the tough times, the company's business continued to show resilience but was not immune to the impact of the Covid-19 pandemic. Our main focus was maintaining production to build inventory and employee safety.

Performance Highlights

Revenue decreased by 3% to UGX 29.7 Billion for the period compared to UGX 30.7 Billion in the year 2019, notably due to business disruptions impacted by the Covid-19 pandemic.

Gross profit for the period increased by 43% to UGX 13.5 Billion- from UGX 9.5 Billion in the year 2019, driven by cost management initiatives put in place during the year resulting in a decrease of production costs.

Overhead costs decreased by 15% to UGX 9.4 Billion from UGX 11.1 Billion due to cost-cutting management initiatives put in place during the period.

As a result, **profit after tax** for the period increased by 5639% to UGX 4.9 Billion from a loss of UGX 88 Million (2019).

Balance Sheet - Total assets increased by 11% to UGX 68.8 Billion from UGX 62.2 Billion in the year 2019.

Cash flow- Cash generated for the period from operating activities was UGX 6.1 Billion compared to UGX 6.3 Billion over the same period in 2019 due to a decline in sales as a result of the impact of covid-19 on the business.

These results are extracted from the audited financial statements of Uganda Clays Limited for the year ended 31 December 2020. The financial statements were audited by PKF Uganda Certified Public Accountants and have received an unmodified opinion.

A copy of the full audited financial statements is available on our website, www.ugandaclays.co.ug with effect from 28th April 2021. Alternatively, the financial statements can be obtained from our Head Office Entebbe Road Kajjansi, or the Company Secretary Lex Uganda Advocates, 8th Floor Communications House, Kampala.


Dividend

Taking into consideration the current uncertainty of the business environment and the need to invest in the business to improve production capacity and product quality, the Board of Directors recommends a dividend payment of UGX 1.21 Billion (UGX 1.35 per share) for the year ended 31 December 2020.

The proposed dividend is subject to approval by the shareholders in an annual general meeting to be held on 30th June 2021. If approved the book closure date will be 30th June 2021 and the dividend will be paid by 21st July 2021.

The financial statements were approved for issue by the Board of Directors on 26th April 2021 and signed on their behalf by:


Reuben Tumwebaze
Managing Director


Eng. Martin Kasekende
Chairman of the Board