



**CAR & GENERAL (KENYA) PLC**

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 31 MARCH 2021**

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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 MARCH 2021**

	6 Months to 31 March 2021 Sh '000	6 Months to 31 March 2020 Sh '000	12 Months to 30-Sep-2020 Sh '000
Revenue	8,194,696	6,325,945	12,117,976
Cost of sales	(6,663,531)	(5,274,047)	(10,147,703)
Other costs	(64,180)	(12,143)	(19,498)
Gross profit	1,466,985	1,039,755	1,950,775
Other income	14,871	27,849	131,866
Gain in fair value of investment properties	-	-	(50,452)
Impairment provision for financial assets	2,215	-	1,163
Selling and distribution costs	(342,220)	(306,091)	(595,747)
Administrative expenses	(401,816)	(338,657)	(737,753)
Share of profit in an associate	188,773	120,001	247,452
Share of (loss)/profit in joint venture	19,537	17,187	(10,324)
<b>Earnings Before Finance Costs, Depreciation, Amortization and Taxation - EBITDA</b>	<b>948,345</b>	<b>560,044</b>	<b>936,980</b>
Finance costs	(192,687)	(231,868)	(483,863)
Lease Interest Charge	(23,200)	(17,434)	(47,246)
Net foreign exchange gains/(losses)	(24,528)	(8,858)	(81,774)
Depreciation of Property, Plant & Equipment	(47,161)	(40,573)	(89,278)
Amortisation of Intangible Assets	(1,834)	(2,281)	(4,557.00)
Depreciation of Right of Use Asset	(50,112)	(49,774)	(100,423)
Profit/(loss) before taxation	608,823	209,256	129,839
Taxation (charge)/credit	(148,208)	(44,492)	144,295
<b>Profit for the period</b>	<b>460,615</b>	<b>164,764</b>	<b>274,134</b>
Other comprehensive income:			
Revaluation surplus on property, net of deferred tax	-	-	28,532
Effect of change in tax rate on revaluation surplus	(27,382)	-	25,727
Exchange differences arising on translation of foreign operations	(14,693)	(1,746)	30,495
	(42,075)	(1,746)	84,754
<b>Total comprehensive income/(loss) for the period</b>	<b>418,540</b>	<b>163,018</b>	<b>358,888</b>
Profit/(loss) for the period attributable to:			
Owners of the parent	460,957	165,042	274,627
Non-controlling interests	(342)	(278)	(493)
<b>Profit/(loss) for the period</b>	<b>460,615</b>	<b>164,764</b>	<b>274,134</b>
Total comprehensive income attributable to:			
Owners of the parent	418,882	163,296	359,381
Non-controlling interests	(342)	(278)	(493)
<b>Total comprehensive income/(loss) for the period</b>	<b>418,540</b>	<b>163,018</b>	<b>358,888</b>
	Sh	Sh	Sh
Earnings per share - basic and diluted	11.49	4.12	6.85

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021**

	At 31-Mar-2021 Sh '000	At 31-Mar-2020 Sh '000	At 30-Sep-2020 Sh '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	3,510,473	3,495,491	3,509,690
Property, plant and equipment	1,835,202	1,730,379	1,784,105
Intangible assets	16,165	22,229	17,236
Right of Use Asset (RoUA)	514,608	415,612	566,702
Investment in an associate	607,603	320,378	418,830
Investment in joint venture	310,284	318,258	290,747
Deferred tax asset	342,117	299,973	364,154
	<u>7,136,452</u>	<u>6,602,320</u>	<u>6,951,464</u>
<b>Current assets</b>			
Inventories	3,148,520	3,307,500	2,999,196
Trade and other receivables	1,307,492	1,616,318	1,295,796
Due from related companies	197,613	47,713	10,110
Corporate tax recoverable	116,338	65,996	78,951
Cash and bank balances	268,234	181,162	232,575
	<u>5,038,197</u>	<u>5,218,689</u>	<u>4,616,628</u>
<b>Total assets</b>	<u>12,174,649</u>	<u>11,821,009</u>	<u>11,568,092</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital	200,516	200,516	200,516
Revaluation surplus	759,904	744,283	788,445
Retained earnings	3,159,924	2,642,290	2,729,890
Exchange translation reserve/(deficit)	(12,726)	(30,274)	1,967
Equity attributable to owners of the parent	4,107,618	3,556,815	3,720,818
Non-controlling interests	218,160	218,717	218,502
<b>Total equity</b>	<u>4,325,778</u>	<u>3,775,532</u>	<u>3,939,320</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities	895,712	932,383	741,025
Due to related parties	165,267	159,205	165,266
Lease Liability	461,138	357,527	478,320
Borrowings	676,633	842,716	857,718
	<u>2,198,750</u>	<u>2,291,831</u>	<u>2,242,329</u>
<b>Current liabilities</b>			
Borrowings	3,238,571	3,835,067	2,834,910
Lease Liability	100,444	77,670	123,771
Trade and other payables	2,196,360	1,668,455	2,295,193
Due to related parties	106,654	141,747	111,494
Corporate tax payable	8,092	30,707	21,075
	<u>5,650,121</u>	<u>5,753,646</u>	<u>5,386,443</u>
<b>Total equity and liabilities</b>	<u>12,174,649</u>	<u>11,821,009</u>	<u>11,568,092</u>

N Ng'ang'a  
Director

V V Gidoomal  
Director

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2021**

	Share capital	Revaluation surplus	Retained earnings	Exchange translation reserve (deficit)	Attributable to owners of the parent	Non-controlling interests	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
<b>6 Months to 31 March 2020</b>							
At 1 October 2019	200,516	744,283	2,477,248	(28,528)	3,393,519	218,995	3,612,514
Profit for the period	-	-	165,042	-	165,042	(278)	164,764
Other comprehensive income for the year	-	-	-	-	-	-	-
Exchange difference arising on translation of foreign operations ***	-	-	-	(1,746)	(1,746)	-	(1,746)
Total comprehensive income for the period	-	-	165,042	(1,746)	163,296	(278)	163,018
At 31 March 2020	200,516	744,283	2,642,290	(30,274)	3,556,815	218,717	3,775,532
<b>6 Months to 31 March 2021</b>							
At 1 October 2020	200,516	788,445	2,729,890	1,967	3,720,818	218,502	3,939,320
Profit for the period	-	-	460,957	-	460,957	(342)	460,615
Other comprehensive loss for the year	-	(27,382)	-	-	(27,382)	-	(27,382.00)
Exchange difference arising on translation of foreign operations ***	-	-	-	(14,693)	(14,693)	-	(14,693)
Total comprehensive income for the period	-	(27,382)	460,957	(14,693)	418,882	(342)	418,540
Transfer of excess depreciation	-	(1,655)	1,655	-	-	-	-
Deferred tax on excess depreciation transfer	-	497	(497)	-	-	-	-
Dividend paid - 2020	-	-	(32,082)	-	(32,082)	-	(32,082)
At 31 March 2021	200,516	759,905	3,159,924	(12,726)	4,107,618	218,160	4,325,778

\*\*\*Exchange difference on translation of foreign operations arise as a result of reserves opening balances of subsidiaries outside Kenya.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 31 MARCH 2021**

	6 Months to 31 March 2021 Sh '000	6 Months to 31 March 2020 Sh '000	12 Months to 30 Sep-2020 Sh '000
<b>Cash flows from operating activities</b>			
Net cash (used in)/generated from operations	298,890	426,222	1,991,791
Corporate tax paid	(83,268)	(29,296)	(56,799)
<b>Net cash (used in)/generated from operating activities</b>	<b>215,622</b>	<b>396,926</b>	<b>1,934,992</b>
<b>Cash flows from investing activities</b>			
Additions to investment properties	-	-	(84,912)
Purchase of property, plant and equipment	(90,854)	(148,251)	(165,713)
Purchase of intangible assets	-	-	(187)
Right of Use Asset (RoUA)	(3,169)	(465,386)	-
Investment in an associate company	-	(38,620)	(38,621)
Proceeds on disposal of property, plant and equipment	(315)	3,362	3,210
Dividend received from an associate	-	36,040	65,040
<b>Net cash used in investing activities</b>	<b>(94,338)</b>	<b>(612,855)</b>	<b>(221,183)</b>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities	(56,425)	435,197	(112,280)
Loans received	5,658,185	5,753,525	9,374,640
Loans repaid	(5,511,943)	(5,624,453)	(10,311,066)
Dividend paid	(32,082)	-	(32,082)
Interest paid	(192,687)	(249,302)	(483,863)
Hire - purchase finance	(1,148)	(993)	(2,070)
<b>Net cash generated from/(used) in financing activities</b>	<b>(136,100)</b>	<b>313,974</b>	<b>(1,566,721)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(14,816)</b>	<b>98,045</b>	<b>147,088</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>229,779</b>	<b>79,380</b>	<b>79,380</b>
<b>Effects of exchange rate changes on the balance of cash held in foreign operations</b>	<b>(389)</b>	<b>(181)</b>	<b>3,311</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>214,574</b>	<b>177,244</b>	<b>229,779</b>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2021**

## Basis of preparation

The accounting policies and methods of computations followed in the preparation of these interim financial statements are consistent with those used in the annual financial statements as at and for the year ended 30 September 2020.

**NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	6 Months to 31 March 2021 Sh '000	6 Months to 31 March 2020 Sh '000	Year to 30-Sep-2020 Sh '000
<b>Reconciliation of profit before taxation to net cash generated from/(used in) operations</b>			
Profit before taxation	608,823	209,256	129,839
<i>Adjustments for:</i>			
Depreciation on property, plant and equipment	47,161	40,573	89,278
Intangible assets amortisation	1,834	2,281	4,557
Depreciation of Right-of-use asset	50,112	49,774.00	100,423
Fair value gains on investment properties	-	-	50,452
Loss/(gain) on disposal of property and equipment	260	(2,349)	2,835
Write off of intangible assets	-	-	953
Interest expense on borrowing	192,687	231,868	483,863
Interest expense on lease liability	23,200	17,434	47,246
Exchange translation (opening)	(14,693)	(31,641)	-
Exchange rate adjustment on borrowings	26,619	(9,170)	73,371
Share of profit from associate	(188,773)	(120,001)	(247,452)
Share of (profit)/loss from joint venture	(19,537)	(17,187)	10,324
<i>Movements in working capital items;</i>			
Inventories	(149,324)	406,460	714,764
Trade and other receivables	11,696	35,283	277,548
Movement in JV/Associates	(192,342)	(129,917)	(116,506)
Trade and other payables	(98,833)	(256,442)	370,296
Net cash (used in)/generated from operations	298,890	426,222	1,991,791
<b>Analysis of changes in borrowings:</b>			
At the beginning of the period	3,692,628	4,554,957	4,554,957
Loans received	5,658,185	5,753,525	9,374,640
Repayments	(5,511,943)	(5,624,453)	(10,311,066)
Hire purchase facility	(1,148)	(993)	(2,070)
Bank overdrafts	53,660	-	2,796
Exchange rate adjustments	26,619	(9,170)	73,371
At the end of the period	3,918,001	4,673,866	3,692,628

**NOTES TO THE STATEMENT OF CASH FLOWS (continued)**  
**FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2021**
**Cash and cash equivalents:**

For the purposes of the statement of cash flows, cash and cash equivalents at period end comprise the following:

	At 31 March 2021 Sh '000	At 31 March 2020 Sh '000	At 30-Sep 2020 Sh '000
Cash and bank balances	268,234	181,162	232,575
Bank overdrafts	(53,660)	(3,918)	(2,796)
	<u>214,574</u>	<u>177,244</u>	<u>229,779</u>

**SEGMENTAL INFORMATION**

The segment information provided to the group board of directors for reportable segments is as follows:

<i>(i) Revenue and earnings</i>	Trade and workshop sh '000	Investment properties sh '000	Poultry sh '000	Joint Venture and Associate sh '000	ICT Training & Talent Development sh '000	Group sh '000
<b>31 March 2021</b>						
Revenue	<u>7,943,631</u>	<u>91,910</u>	<u>155,602</u>	<u>-</u>	<u>3,553</u>	<u>8,194,696</u>
Gain in fair value of investment properties	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Earnings before Finance cost, Depreciation, Armortization & Tax - EBITDA	<u>640,926</u>	<u>53,126</u>	<u>50,589</u>	<u>208,310</u>	<u>(4,606)</u>	<u>948,345</u>
<b>31 March 2020</b>						
Revenue	<u>6,181,200</u>	<u>47,632</u>	<u>94,641</u>	<u>-</u>	<u>2,472</u>	<u>6,325,945</u>
Gain in fair value of investment properties	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Earnings before Finance cost, Depreciation, Armortization & Tax - EBITDA	<u>431,076</u>	<u>5,666</u>	<u>(4,030)</u>	<u>137,188</u>	<u>(9,856)</u>	<u>560,044</u>
<b>30 September 2020</b>						
Revenue	<u>11,849,258</u>	<u>66,842</u>	<u>198,086</u>	<u>-</u>	<u>3,790</u>	<u>12,117,976</u>
Gain in fair value of investment properties	<u>-</u>	<u>(50,452)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,452)</u>
Earnings before Finance cost, Depreciation, Armortization & Tax - EBITDA	<u>723,040</u>	<u>(10,244)</u>	<u>848</u>	<u>237,128</u>	<u>(13,792)</u>	<u>936,980</u>

Revenue reported above represents revenue generated from external customers.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2021**
**SEGMENTAL INFORMATION** (continued)

*(ii) Segment assets and liabilities*

	Trade and workshop sh '000	Investment properties sh '000	Poultry sh '000	ICT Training & Talent Development sh '000	Group sh '000
<b>31 March 2021</b>					
Assets	8,421,441	3,224,379	490,695	38,135	12,174,649
Liabilities	5,431,036	2,321,922	78,214	17,699	7,848,871
<b>31 March 2020</b>					
Assets	8,267,685	3,059,601	455,359	38,364	11,821,009
Liabilities	5,575,175	2,372,945	93,609	3,748	8,045,477
<b>30 September 2020</b>					
Assets	7,893,787	3,509,690	461,091	38,918	11,903,486
Liabilities	5,284,978	2,575,870	93,394	9,924	7,964,166

*(iii) Other segment information*

<b>31 March 2021</b>					
Cost of sales	6,581,851	-	80,713	967	6,663,531
Other costs	64,180	-	-	-	64,180
Expenses - selling and administrative	657,641	53,446	25,752	7,197	744,036
Interest expenses	186,188	29,199	-	500	215,887
Depreciation/amortisation	73,086	20,858	1,883	3,280	99,107
Capital expenditure	86,388	2,147	2,319	-	90,854
<b>31 March 2020</b>					
Cost of sales	5,200,020	-	74,027	-	5,274,047
Other costs	12,143	-	-	-	12,143
Expenses - selling and administrative	541,851	44,476	46,754	11,667	644,748
Interest expenses	244,479	4,822	-	1	249,302
Depreciation/amortisation	76,233	10,531	3,645	2,219	92,628
Capital expenditure	103,209	40,542	3,660	840	148,251
<b>30 September 2020</b>					
Cost of sales	9,972,509	-	175,194	-	10,147,703
Other costs	19,498	-	-	-	19,498
Expenses - selling and administrative	1,243,366	18,103	47,321	24,710	1,333,500
Interest expenses	497,656	29,101	3,174	1,178	531,109
Depreciation/amortisation	182,129	-	5,001	7,128	194,258
Capital expenditure	131,932	101,085	6,601	840	240,458

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2021**
**SEGMENTAL INFORMATION** (continued)

*(iv) Geographical information*

The group's revenues are derived from sales in the following markets:

	<b>6 Months to 31 March 2021 Sh '000</b>	<b>6 Months to 31 March 2020 Sh '000</b>	<b>12 Months to 30 Sep-2020 Sh '000</b>
Kenya	5,343,715	3,855,067	7,433,400
Uganda	429,928	359,143	718,496
Tanzania - (Trade and workshop)	2,263,921	2,003,328	3,482,733
Tanzania - (Poultry)	155,602	94,641	198,086
Rwanda	1,530	13,766	16,835
	<u>8,194,696</u>	<u>6,325,945</u>	<u>11,849,550</u>

The group's earnings before finance cost, depreciation, amortization & taxation (EBITDA) in the following countries:

	<b>6 Months to 31 March 2021 Sh '000</b>	<b>6 Months to 31 March 2020 Sh '000</b>	<b>12 Months to 30 Sep-2020 Sh '000</b>
Kenya	727,456	403,325	664,904
Uganda	19,643	31,622	37,174
Tanzania - (Trade and workshop)	150,987	127,596	243,132
Tanzania - (Poultry)	50,589	(4,030)	848
Rwanda	(330)	1,531	(9,078)
	<u>948,345</u>	<u>560,044</u>	<u>936,980</u>

The group's total assets and liabilities are located in the following countries:

	<b>6 Months to 31 March 2021 Sh '000</b>	<b>6 Months to 31 March 2020 Sh '000</b>	<b>12 Months to 30 Sep-2020 Sh '000</b>
Non-current assets (excluding deferred tax assets)			
Kenya	5,742,273	5,542,192	5,564,667
Uganda	109,253	93,881	106,489
Tanzania	938,328	953,420	911,373
South Sudan	4,368	5,303	4,650
Rwanda	113	7,524	131
	<u>6,794,335</u>	<u>6,602,320</u>	<u>6,587,310</u>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2021**
**SEGMENTAL INFORMATION** (continued)

	6 Months to 31 March 2021 Sh '000	6 Months to 31 March 2020 Sh '000	12 Months to 30 Sep-2020 Sh '000
<b>Total assets</b>			
Kenya	9,101,006	8,947,997	9,148,477
Uganda	563,521	539,051	661,837
Tanzania	2,477,468	2,282,579	2,060,214
South Sudan	4,775	5,659	4,996
Rwanda	27,879	45,723	27,962
	<u>12,174,649</u>	<u>11,821,009</u>	<u>11,903,486</u>
<b>Total liabilities</b>			
Kenya	6,259,654	6,434,575	6,449,176
Uganda	203,892	226,410	314,140
Tanzania	1,376,506	1,372,078	1,190,862
Rwanda	8,819	12,414	9,988
	<u>7,848,871</u>	<u>8,045,477</u>	<u>7,964,166</u>