

## EXTRACT FROM THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021

1. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
	2021 (Ushs 'M)	2020 (Ushs 'M)
Revenue	36,686	29,663
Cost of sales	(19,448)	(16,133)
<b>Gross profit</b>	<b>17,238</b>	<b>13,530</b>
Other Income	2,312	1,843
Overhead costs	(12,081)	(9,447)
<b>Profit/ (Loss) before income tax</b>	<b>7,469</b>	<b>5,926</b>
Income tax credit/(expense)	(1,549)	(1,052)
<b>Profit / (Loss) after tax for the period</b>	<b>5,920</b>	<b>4,874</b>
Basic earnings per share	6.58	5.42

2. STATEMENT OF FINANCIAL POSITION		
	2021 (Ushs 'M)	2020 (Ushs 'M)
Non - Current Assets	55,757	44,270
Current assets	18,782	24,586
<b>Total assets</b>	<b>74,539</b>	<b>68,856</b>
Equity	40,656	35,954
Non - Current Liabilities	25,146	26,061
Current Liabilities	8,737	6,841
<b>Total Equity and liability</b>	<b>74,539</b>	<b>68,856</b>

### Overview

The Directors of Uganda Clays Ltd are pleased to announce the condensed financial statements for the year ended 31 December 2021. Business conditions in the first half of the year remained difficult due to the continuing impact of COVID-19, which dampened an already challenging macro-economic environment. 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 42-day lockdown in June. Despite this backdrop, 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, increasing product inventory by improving production efficiencies while ensuring the health and safety of staff and customers.

### Performance Highlights

Revenue for the period increased by 24% to UGX 36.7 billion compared to UGX 29.7 billion in the year 2020, notably due to improved efficiencies in production and a change in the sales model to the use of agents to reach more customers across the country.

3. STATEMENT OF CHANGES IN EQUITY						
	Ordinary share capital (UShs 'M)	Share premium (UShs 'M)	Revaluation reserve (UShs 'M)	Retained earnings (UShs 'M)	Proposed dividends (UShs 'M)	Total (UShs 'M)
At start of the year	900	9,766	3,571	20,499	1,218	35,954
Transfer of excess depreciation	-	-	(1,942)	1,942	-	-
Deferred tax on excess transfer of excess depreciation	-	-	583	(583)	-	-
Dividends paid	-	-	-	-	(1,218)	(1,218)
Proposed dividends	-	-	-	(1,350)	1,350	-
Profit for the year	-	-	-	5,920	-	5,920
<b>At end of year</b>	<b>900</b>	<b>9,766</b>	<b>2,212</b>	<b>26,428</b>	<b>1,350</b>	<b>40,656</b>

4. STATEMENT OF CASHFLOWS		
	2021 (Ushs 'M)	2020 (Ushs 'M)
<b>Operating activities</b>		
Net cash generated from operating activities	9,279	6,055
<b>Investing activities</b>		
Net cash used in investing activities	(15,307)	3,965
<b>Financing activities</b>		
Net cash used in financing activities	(1,218)	-
<b>Movement in cash and cash equivalents</b>		
At start of the year	13,150	3,130
Increase/(decrease)	(7,246)	10,020
<b>At end of year</b>	<b>5,904</b>	<b>13,150</b>

Gross profit for the period increased by 27% to UGX 17.2 billion from UGX 13.5 billion in 2020, driven by efficiencies and continued cost management measures put in place resulting in controlled production costs.

Overhead costs increased by 28% to UGX 12.1 billion from UGX 9.4 billion in tandem with increased sales.

As a result, profit after tax for the period increased by 21% to UGX 5.9 billion from UGX 4.8 billion in 2020.

Balance Sheet analysis shows that total assets increased by 8% to UGX 74.5 billion, which is mainly attributable to deliberate investment in our factories, clay reserves, and trucks to move our products and raw materials.

Net cash from operating activities increased to UGX 9.3 billion from UGX 6.1 billion in 2020, driven by increased production and sales volume and effective management of working capital.

### Dividend

The Board of Directors has proposed a final dividend for the year ended 31 December 2021 of UGX 1.35 billion (UGX 1.5 per share). The proposed dividend is subject to approval by the shareholders in an annual general meeting to be held on 29th June 2022. The dividend, which is subject to withholding tax, will be paid by 20th July 2022 to shareholders on the register at the close of business on 29th June 2022.

These results are extracted from the audited financial statements of Uganda Clays Limited for the year ended 31 December 2021 and were prepared in accordance International Financial Reporting Standards. The financial statements were audited by PKF Uganda, Certified Public Accountants, and have received an unqualified opinion.

A copy of the full audited financial statements will be available on our website, [www.ugandaclays.co.ug](http://www.ugandaclays.co.ug), with effect from 14<sup>th</sup> April 2022. Alternatively, the financial statements can be obtained from our Head Office on Entebbe Road, Kajjansi, P. O. Box 3188, Kampala or from the Company Secretary, Lex Uganda Advocates, 8<sup>th</sup> Floor Communication House, P. O. Box 22490, Kampala.

The financial statements were approved for issue by the Board of Directors on 1 April 2022 and signed on their behalf by:



**Eng. Martin Kasekende**  
CHAIRMAN OF  
THE BOARD



**Reuben Tumwebaze**  
MANAGING  
DIRECTOR