

TotalEnergies Marketing Kenya Plc

Summary of Unaudited Financial Statements for the period ended 30 June 2021

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED	30 June 2021	31 Dec 2020
	Kshs'000	Kshs'000
ASSETS		
Non-current assets		
Property, plant and equipment and intangible assets	11,472,590	11,278,033
Right of use of Assets	1,454,156	1,672,470
Goodwill	416,679	416,679
Deferred tax asset	308,343	308,343
Total non-current assets	13,651,768	13,675,525
Current assets		
Inventories	8,037,360	6,436,314
Trade and other receivables	11,833,096	13,283,383
Cash and cash equivalents	9,873,693	9,591,950
Total current assets	29,744,149	29,311,647
TOTAL ASSETS	43,395,917	42,987,172
EQUITY AND LIABILITIES		
Equity		
Share capital	9,974,771	9,974,771
Share premium	1,967,520	1,967,520
Retained earnings	15,631,516	14,918,006
Total equity	27,573,807	26,860,297
Non-current liabilities		
Lease Liability- non current portion	969,698	848,908
Deposits and Provisions	1,045,567	990,838
	2,015,265	1,839,746
Current liabilities		
Trade and other payables	13,539,215	13,976,033
Lease Liability- current portion	267,630	311,096
Total current liabilities	13,806,845	14,287,129
TOTAL EQUITY AND LIABILITIES	43,395,917	42,987,172

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED	30 June 2021	30 June 2020
	Kshs'000	Kshs'000
Gross sales	51,821,407	44,425,948
Indirect taxes and duties	(17,338,682)	(12,969,696)
Net sales	34,482,725	31,456,252
Cost of sales	(29,815,638)	(27,459,684)
Gross profit	4,667,087	3,996,568
Other income	951,547	732,460
Operating expenses	(3,126,289)	(3,136,021)
Finance (loss)/income - Net	(6,029)	39,252
Net foreign exchange loss	(2,839)	(80,763)
Profit before tax	2,483,477	1,551,496
Tax charge	(781,585)	(415,303)
Profit for the year	1,701,892	1,136,193
Other comprehensive income, net of tax	-	-
Total comprehensive income for the year	1,701,892	1,136,193
Earnings per share (basic and diluted) (Kshs)	2.70	1.80

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED	30 June 2021	30 June 2020
	Kshs'000	Kshs'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating profit before working capital changes	3,095,384	2,243,495
(Increase)/ decrease in inventories	(1,601,046)	1,020,965
Decrease/(Increase) in trade and other receivables	1,450,287	2,576,940
(Decrease)/Increase in trade and other payables	(1,641,461)	(2,484,795)
Working capital Changes	(1,792,220)	1,113,110
Cash generated from operations	1,303,164	3,356,605
Tax paid	(741,522)	(522,319)
Net cashflows from operating activities	561,642	2,834,286
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, prepaid operating leases and intangible assets	(597,456)	(539,365)
Proceeds on disposal of property, plant and equipment	280,867	3,589
Interest received	113,326	105,912
Net cash generated from/(used in) investing activities	(203,263)	(429,864)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(76,636)	(14,112)
Net cash used in financing activities	(76,636)	(14,112)
Net (Decrease)/increase in cash and cash equivalents	281,743	2,390,310
Cash and Cash equivalent as at Jan	9,591,950	3,532,961
As at 30 June	9,873,693	5,923,271

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED	Share capital	Share premium	Retained earnings	Total equity
30 JUNE 2021	Kshs'000'	Kshs'000'	Kshs'000'	Kshs'000'
As at 1 January 2020	9,974,771	1,967,520	12,439,879	24,382,170
Dividends declared - 2019	-	-	(818,405)	(818,405)
Profit for the year	-	-	3,296,532	3,296,532
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	3,296,532	3,296,532
As at 31 December 2020	9,974,771	1,967,520	14,918,006	26,860,297
As at 1 January 2021	9,974,771	1,967,520	14,918,006	26,860,297
Dividends declared - 2020	-	-	(988,382)	(988,382)
Profit for the year	-	-	1,701,892	1,701,892
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	1,701,892	1,701,892
As at 30 June 2021	9,974,771	1,967,520	15,631,516	27,573,807

Commentary on the 2021 Unaudited Half Year Results

The TotalEnergies Marketing Kenya Plc Board of Directors is pleased to announce the unaudited half year results for the period ended 30th June 2021.

Operating environment

The Kenyan economy in the first half of the year has witnessed some recovery compared to the same period last year which was greatly impacted by COVID -19 health crisis. Restrictions related to the pandemic have relatively eased positively impacting the business environment. During the period, international oil prices have been on the rise leading to increased fuel prices in the country as well as working capital requirements.

Financial Performance

The Company realized outstanding results with a profit before tax of KShs 2,483 million (2020: KShs 1,551 million) and positive cashflows in the first half of the year resulting from growth in sales revenues, stable unit margins reflecting optimization of fuel stocks, diversified revenue segments and prudent management of fixed costs.

Net sales increased by 10% resulting majorly from increased sales. The Gross profit increased by 17% emanating from increased sales and stable unit margins thanks to price risk management model. Other Income increased by 30% in 2021 compared to 2020 in line with continued investments in diversification activities in the Company's retail outlets.

Operating expenses remained at the same level compared to last year resulting from cost discipline adopted by management to be more efficient and agile.

The Foreign exchange loss decreased substantially to KShs 3 million (KShs 81 million in 2020) due to management of transactions in foreign currency and stability of the Kenya Shilling against the US Dollar in the period.

The Company's cashflow position remained strong with effective management of working capital.

Dividend

The Board do not recommend a payment of interim dividend.

Future Outlook

The economic environment remains challenging in the short-term owing to the resurgent of new waves and variants of Covid 19. The Board and Management have taken measures to mitigate the impacts of Covid 19, and in line with the long-term strategies geared towards capturing growth opportunities, the Board is confident of positive results in the remaining part of the year.

By order of the Board



Olagoke Aluko
Managing Director
August 16th, 2021



TotalEnergies