

ANNOUNCEMENT OF UNAUDITED RESULTS FOR THE 6 MONTH PERIOD ENDED 31 MARCH 2019

EVEREADY E.A. PLC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group		Company	
	31.03.2019 Shs '000	31.03.2018 Shs '000	31.03.2019 Shs '000	31.03.2018 Shs '000
Continuing Operations				
Sales	105,642	149,776	105,642	149,776
Cost of sales	(80,069)	(120,948)	(80,069)	(120,948)
Gross profit	25,573	28,828	25,573	28,828
Other Income	11,150	9,755	11,150	9,755
Gain of disposal of property, plant and equipment	414	472	414	472
Overhead Expenses	(75,476)	(101,378)	(75,476)	(101,378)
Finance Costs	(311)	(77)	(311)	(77)
Income/(Loss) before tax	(38,650)	(62,400)	(38,650)	(62,400)
Tax income/(Expenses)	(905)	(2,155)	(905)	(2,155)
Income/(Loss) for the period from continuing operations	(39,556)	(64,555)	(39,556)	(64,555)
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive Income/(loss) for the period attributable to the owners of the Company	(39,556)	(64,555)	(39,556)	(64,555)
Earnings per share	Shs	Shs	Shs	Shs
Loss per share - basic and diluted	(0.19)	(0.31)	(0.19)	(0.31)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Group		Company	
	31.03.2019 Shs '000	30.09.2018 Shs '000	31.03.2019 Shs '000	30.09.2018 Shs '000
Share capital	210,000	210,000	210,000	210,000
Translation reserve	-	18,159	-	-
Retained earnings	188,111	209,508	188,111	227,667
Total equity	398,111	437,667	398,111	437,667
Non-current liabilities				
Provisions for liabilities charges	8,847	8,847	8,847	8,847
	8,847	8,847	8,847	8,847
REPRESENTED BY	406,958	446,514	406,958	446,514
Non-current assets				
Property, plant and equipment	6,963	7,591	6,963	7,591
Deferred income tax	243,911	243,911	243,911	243,911
	250,874	251,502	250,874	251,502
Current assets				
Inventories	60,227	88,851	60,227	88,851
Trade and other receivables	148,929	155,161	148,929	155,161
Cash at bank and in hand	75,987	78,254	75,987	78,254
	285,143	322,266	285,143	322,266
Current liabilities				
Trade and other payables	79,443	71,111	79,443	71,111
Dividend payable	37,176	37,845	37,176	37,845
Income tax	5,417	5,416	5,417	5,416
Borrowings	7,023	12,882	7,023	12,882
	129,059	127,254	129,059	127,254
Net Current (liabilities)/ Assets	156,084	195,012	156,084	195,012
	406,958	446,514	406,958	446,514

STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTH PERIOD ENDED 31 MARCH 2019

Company	Share capital Shs'000	Translation reserve Shs'000	Actuarial reserve Shs'000	Revaluation reserve Shs'000	Retained Earnings Shs'000	Total Shs'000
As at 1st October 2017	210,000	-	-	-	337,822	547,822
Changes in equity in 2018						
Profit/(Loss) for the year	-	-	-	-	(110,155)	(110,155)
Other comprehensive	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(110,155)	(110,155)
At 30th September 2018	210,000	-	-	-	227,667	437,667
At 1st October 2018	210,000	-	-	-	227,667	437,667
Changes in equity in 2019						
Profit/(Loss) for the year	-	-	-	-	(39,556)	(39,556)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(39,556)	(39,556)
At 31st March 2019	210,000	-	-	-	188,111	398,111

COMMENTS ON THE RESULTS

The Company focused on aligning its business to its key revenue drivers by eliminating non-viable product lines in the fiscal year in order to create a more sustainable business. Although these actions resulted in a decline in sales by 29%, they resulted to an improved gross margin to the benefit of the Company. The Company also kept a clear focus on cost minimization by implementing various cost cutting initiatives that enabled the Company to manage its expenses. The Company shed off KES.26M in overhead costs through various cost reduction initiatives, a reduction of 26% from prior year.

Although Eveready recorded a loss before tax of KES.39M, this was an improvement of 38% from last year's loss of KES 62M.

DIVIDEND

The Company does not recommend the payment of an interim dividend.

OUTLOOK

We have made significant progress in Q2 of FY 2019 in implementing key turn around programs which is facilitating the Company's recovery. We have re-aligned our operations and our product portfolio and the Company is now well positioned to sustain its operations using internally generated revenues.

We will now focus on achieving profitable growth (driven by revenue and margin maximization), and become more customer focused and agile which will facilitate the Company's recovery.

BY ORDER OF THE BOARD

Ms. Margaret Odhiambo, Managing Director

Mrs. Lucy Waitthaka, Chairperson

TURBO
#UNSTOPPABLE POWER

TURBO
SHIKA PAWA

everclean
making power...

BATTERY RING
Your Turbo Car Battery
is a call away
+254 733 655 556/020 2980000

This extract is based on the unaudited accounts of Eveready East Africa PLC for the six month period ended 31 March 2019. The interim financial statements can be accessed on the Company's website www.eveready.co.ke.

The Principal accounting policies adopted in the preparation of the financial statements are similar to those applied in the previous financial statements.

LONG LASTING. DURABLE HIGH CRANKING PERFORMANCE



A product of
EVEREADY
E.A. PLC



UNSTOPPABLE POWER