



NAIROBI BUSINESS VENTURES PLC

FINANCIAL RESULTS FOR THE SIX-MONTH PERIOD ENDED 30TH SEPTEMBER 2021

THE BOARD OF DIRECTORS OF NAIROBI BUSINESS VENTURES PLC IS PLEASED TO ANNOUNCE THE UNAUDITED INTERIM FINANCIAL RESULTS OF THE GROUP AND COMPANY FOR THE SIX-MONTH PERIOD ENDED 30TH SEPTEMBER 2021 AS SET OUT BELOW

CONSOLIDATED AND COMPANY STATEMENTS OF COMPREHENSIVE INCOME FOR THE SIX-MONTHS PERIOD ENDED 30TH SEPTEMBER 2021				
KES '000	GROUP	COMPANY	COMPANY	
	SEPTEMBER 2021	SEPTEMBER 2020	SEPTEMBER 2021	SEPTEMBER 2020
Trading Business:				
Sales	485,298	7,620	91,364	7,620
Direct and other operating costs	450,664	7,522	89,449	7,522
Trading Profit/(Loss)	34,634	98	1,915	98
Profit Before Tax	34,634	98	1,915	98
Profit After Tax	31,694	74	1,915	74

CONSOLIDATED AND COMPANY STATEMENTS OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2021				
KES '000	GROUP	COMPANY	COMPANY	
	SEPTEMBER 2021	MARCH 2021	SEPTEMBER 2021	MARCH 2021
Portfolio Investments	-	-	3,430,722	-
Cash and Cash Equivalents	20,485	21,037	14,648	21,037
Inventory	363,035	-	-	-
Other assets	2,554,375	156,803	196,702	156,803
Goodwill (Business combination)	1,741,030	-	-	-
Total Assets	4,678,925	177,840	3,642,072	177,840
Borrowings	542,190	-	-	-
Other liabilities	555,176	28,918	60,513	28,918
Total Liabilities	1,097,366	28,918	60,513	28,918
Total Equity	3,581,559	148,922	3,581,559	148,922
Total Capital and Liabilities	4,678,925	177,840	3,642,072	177,840

CONSOLIDATED AND COMPANY STATEMENT OF CHANGES IN EQUITY AS AT 30TH SEPTEMBER 2021				
KES '000	GROUP	COMPANY	COMPANY	
	SEPTEMBER 2021	MARCH 2021	SEPTEMBER 2021	MARCH 2021
Share Capital	678,856	246,100	678,856	246,100
Share Premium	3,035,366	37,400	3,035,366	37,400
Other Reserves	-	-	-	-
Retained Earnings	(132,663)	(134,577)	(132,663)	(134,577)
Proposed Dividends	-	-	-	-
Non-Controlling interests	-	-	-	-
Total	3,581,559	148,923	3,581,559	148,923

CONSOLIDATED AND COMPANY STATEMENT OF CASH FLOWS FOR THE SIX-MONTH PERIOD ENDED 30TH SEPTEMBER 2021				
KES '000	GROUP	COMPANY	COMPANY	
	SEPTEMBER 2021	SEPTEMBER 2020	SEPTEMBER 2021	SEPTEMBER 2020
Opening cash and cash equivalents	(69,360)	(18,473)	21,036	(18,473)
Net cash from operations	4,725	(214)	(4,579)	(214)
Net cash used in investing activities	(1,810)	-	(1,810)	-
Cash generated from/(used in) financing activities	(20,265)	143	-	143
Closing cash and cash equivalents	(86,710)	(18,544)	14,647	(18,544)

Background

During six months period from 1st April 2021 to 30th September 2021, Nairobi Business Ventures PLC (NBV) acquired 100% shareholding in four Companies viz., Delta Automobiles Ltd, Aviation Management Solutions Ltd, Air Direct Connect Ltd and Delta Cement Ltd and the said Companies became wholly owned subsidiaries of NBV. Hence NBV is reporting the Half Yearly un-audited financial results as a Group and Company.

Financial Performance

Group Performance

For the 6 months period April 2021 to September 2021 the combined Group revenues are Kes 485.29 million with a combined Profit after Tax of Kes 31.70 million. This has been possible with the vision and initiative of NBV management after acquisition of majority shareholding in NBV by Delta International FZE. Now, NBV has a strong Balance Sheet as a group and is embarking on its expansion and diversification plans from a strong base.

Automobile Division

Delta Automobiles Ltd, a unique state of the art facility to repair and maintain Heavy Commercial Trucks. It has been in operation since 2015 and is growing by the year. Delta Automobile Ltd contributed a revenue of Kes 374.43 million during the 6 months period under review and generated a Net Profit of Kes 36.86 million.

Aviation Division

This Division comprises of Aviation Management Solutions Ltd (AMS) and Air Direct Connect Ltd (ADC). These two firms operate together to repair and maintain various aircraft types and provide other support services. These subsidiaries reported a combined turnover of Ksh. 19.50 million for the Six months with a net loss of Ksh. 7.08 million. This is due to the fact, we received the necessary licensing and tooling & equipment in this year and therefore we are on the verge of commencing 3rd party maintenance.

Cement Division

NBV's recently acquired subsidiary Delta Cement holds a parcel of land on which it plans to build its cement manufacturing plant. Construction and setting up of this plant shall commence in the near future.

Company Performance

NBV reported considerable improvement in its financial performance with a turnover of Kes 91.36 million for the six months period ended September 2021 as against Kes 7.62 million for the six months ended September 2020. Net Profit also increased to Kes 1.91 million for six months ended September 2021 as compared to Kes 0.09 million for the six months ended September 2020.

Future Outlook

NBV Management is committed to the improved performance of all its divisions in order to build a strong, sustainable and profitable business group in line with its vision and mission.

The proposed 1 MT/PA Cement Manufacturing Unit shall use very advanced technology in order to produce high quality cement cost effectively. This shall be NBV's contribution to the Big 4 agenda of Government of Kenya. We expect that this unit shall be the major contributor to NBV's revenue and profit in coming years.

We intend to expand our Automobile division by increasing the number of service centers every 200 KM from Mombasa up to Rwanda in the years to come. We expect this initiative to continuously add to NBV revenues and profitability going forward.

In the Aviation industry, aircraft owners are incurring high costs as they take their aircrafts overseas for repair & maintenance. In this regard, our Aviation Division will capitalize on this opportunity and offer the services at lower costs.

NBV which commenced its business in 2012 as an SME, now has a strong balance sheet and positive NAV and is working towards creating more value for its investors and stakeholders.

Dividend

The Board of Directors did not declare any dividend for the period under review.

By Order of the Board

Haresh V. Soni
Chief Executive Officer
Dt. 26-11-2021.