

PRESS RELEASE

Centum earns Sh431m net profit in half year to September

Company generates KES2.2 billion in net operating cash flows

30 Nov 2024

Nairobi, Kenya. Centum Investment Company has reported a KES431 million net profit in the six months to September 2024, driven by investment income and prudent cost management.

The company generated KES2.2 billion in net operating cash flows from annuity income, exit proceeds and repayments of shareholder loans in the half-year period.

The funds generated were applied towards debt and interest repayments, reinvestment in the portfolio and on the ongoing share buyback program.

“We continued with our debt reduction focus in the period. We have also made commendable progress in the first half of the year on implementation of key value creation initiatives, which we expect to translate into incremental revenue and growth within the portfolio companies in the second half of this financial year,” said Centum Group CEO Dr James Mworira.

Cost containment measures resulted in a reduction of operating and administration expenses by 13% compared to a similar period last year, while finance costs reduced by 13% compared to the prior half year following further repayment of the company’s debt.

The consolidated group performance, which cumulates the financial performance of Centum subsidiaries and the proportion of the performance of associates and joint venture entities within the group, reported an improvement in the after-tax loss to KES347 million compared to a loss of KES426 million in the first half of 2023.

The improved Group performance was attributable to the trading business, Two Rivers Development Limited and the investment operations segments.

The Group’s total assets increased by Sh4 billion to Sh80.7 billion, while retained earnings held constant at Sh38.3 billion, indicating the firm’s strong position to cash in on future investment opportunities.

“We have also embarked on the monetization of some of the value across the portfolio and we anticipate that the liquidity generated from such transactions will be redeployed into marketable securities and other high yielding opportunities to grow the annuity income,” said Dr Mworira.

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