



Dt.21st December 2018

**The Chief Executive Officer
Nairobi Securities Exchange
The Exchange
55 Westlands Road
Nairobi**

Dear Sir,

NAIROBI BUSINESS VENTURES UN-AUDITED RESULTS FOR THE SIX MONTH PERIOD ENDED 30TH SEPTEMBER 2018

The management of Nairobi Business Ventures ("NBV") wishes to submit the un-audited financial accounts for the 6 months period to 30th September 2018.

The period under review was turbulent one for NBV alongside many others in retail and fashion sector in Kenya. This was the period NBV continued making losses due to very low sales turnover due to economic slowdown, low purchasing power etc.

During the period, NBV reported a marginal 6.12% increase in sales to Kes 8.49 million compared to Kes 8.0 million the half year ended 30th September 2017. This was despite numerous challenges in the business environment in the country in 2018 owing to an economic slowdown that impacted a majority of retail traders across the country. Profit after tax declined by 36.2% to loss of Kes 9.5 million down from loss of Kes 14.9 million for a similar period in the previous year due to various cost cutting measures implemented.

NBV management have taken steps to support working capital needs of the company by way of convertible notes as a short term measure and exploring possibilities of raising long term capital to support the revival of company's performance as well as continue planned expansion of the Company NBV management believes that the business will continue to grow and realize the potential of the strategic business model they have adopted.

There Board of Directors did not declare a dividend for the period under review.

Yours Sincerely,



Vasu N. Abotula
C.E.O

Nairobi Business Ventures Limited.

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Nairobi Business Ventures Limited
Un-Audited Financial Results
For the Period ended 30 September 2018

STATEMENT OF PROFIT OR LOSS

	Notes	6 Months to 30 September 2018 Shs	6 Months to 30 September 2017 Shs
Revenue		8,493,438	8,007,940
Cost of sales		<u>(4,126,719)</u>	<u>(3,504,367)</u>
Gross profit		4,366,719	4,503,573
Administrative expenses		(3,925,580)	(5,160,316)
Other operating expenses		<u>(7,427,918)</u>	<u>(13,729,434)</u>
Operating profit		(6,986,779)	(14,386,177)
Finance costs		<u>(2,550,170)</u>	<u>(517,057)</u>
Profit before tax		(9,536,949)	(14,903,234)
Tax (charge)		<u>-</u>	<u>-</u>
Profit for the period/year		<u><u>(9,536,949)</u></u>	<u><u>(14,903,234)</u></u>

Nairobi Business Ventures Limited
Un-Audited Financial Results
For the Period ended 30 September 2018

STATEMENT OF FINANCIAL POSITION

	Notes	6 Months to 30 September 2018 Shs	6 Months to 30 September 2017 Shs
CAPITAL EMPLOYED			
Share capital		23,600,000	23,600,000
Share premium		22,400,000	22,400,000
Capital pending allotment			
Retained earnings		(104,000,902)	(31,709,981)
Reserves & Surplus			
Revaluation of Assets		15,802,334	15,802,334
Shareholders' funds		(42,198,568)	30,092,353
Non-current liabilities			
Borrowings		94,298,065	64,882,196
		52,099,497	94,974,549
REPRESENTED BY			
Non-current assets			
Property and equipment		7,342,162	31,617,494
Intangible assets		7,475,540	8,346,288
		14,817,702	39,963,782
Current assets			
Inventories		50,552,207	74,456,735
Trade and other receivables		21,005,338	25,229,568
Cash and cash equivalents		(2,813,193)	(5,391,187)
		68,744,352	94,295,116
Current liabilities			
Trade and other payables		16,896,909	24,371,776
Borrowings		14,565,648	14,912,573
Tax payable			
		31,462,557	39,284,349
Net current assets		37,281,795	55,010,767
		52,099,497	94,974,549

Nairobi Business Ventures Limited
Un-Audited Financial Results
For the Period ended 30 September 2018
STATEMENT OF CHANGES IN EQUITY

	Note	Ordinary Share capital Shs	Share premium Shs	Capital pending allotment Shs	Retained earnings Shs	Proposed dividends Shs	Total Shs
Period ended 30 September 2017							
At start of period		23,600,000	22,400,000	-	(16,806,748)	-	29,193,253
Profit for the period		-	-	-	(14,903,234)	-	(14,903,234)
At end of period		<u>23,600,000</u>	<u>22,400,000</u>	<u>-</u>	<u>(31,709,981)</u>	<u>-</u>	<u>14,290,019</u>
Period ended 30 September 2018							
At start of period		23,600,000	22,400,000	-	(94,463,954)	-	(48,463,954)
Profit for the period		-	-	-	(9,536,949)	-	(9,536,949)
At end of period		<u>23,600,000</u>	<u>22,400,000</u>	<u>-</u>	<u>(104,000,902)</u>	<u>-</u>	<u>(58,000,902)</u>

Nairobi Business Ventures Limited
Un-Audited Financial Results
For the Period ended 30 September 2018

STATEMENT OF CASH FLOWS

	Notes	6 Months to 30 September 2018 Shs	6 Months to 30 September 2017 Shs
Operating activities			
Cash (used in)/from operations		(20,106,981)	870,592
Interest paid		(2,171,928)	(96,788)
Tax			
Net cash (used in)/from operating activities		(22,278,909)	773,804
Investing activities			
Cash paid for purchase of property and equipment		-	(65,000)
Cash paid for purchase of software		-	-
Cash paid for purchase of intangible assets		-	-
Net cash (used in) investing activities		0	(65,000)
Financing activities			
Proceeds from borrowings:			
- Bank loans		19,415,869	-
- shareholders loan		-	-
Repayment of borrowings:			
- shareholders loan		-	-
Share capital		-	-
Cash from share capital introduced		-	-
Net cash from/(used in) financing activities		19,415,869	0
(Decrease)/increase in cash and cash equivalents		(2,863,040)	708,803
Movements in cash and cash equivalents			
At start of period/year		(14,515,801)	(21,012,563)
(Decrease)/increase		(2,863,040)	708,803
At end of period/year		(17,378,841)	(20,303,760)