



CAR & GENERAL (KENYA) plc

PROFIT WARNING

This announcement is made pursuant to paragraph G.05 (1) (f) and paragraph G.05 (2) of the Fifth Schedule of the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002.

The Board of Directors (the "Board") of Car & General (Kenya) plc (the "Group" or the "Company") wishes to inform the Shareholders of the Company, potential investors and the general public that based on the assessment of the unaudited consolidated accounts for the period to 30th September 2023, the earnings for the fifteen month period ending 31st December 2023 of the Group are expected to decrease by more than 25 per cent in comparison to the prior year. As approved by the Shareholders at the 2023 Annual General Meeting (AGM) of the Company held on 23rd March 2023, the financial period end of the Group was changed to 31st December and accordingly the next audited financial statements will cover the fifteen month period ending 31st December 2023.

The drop in the Group's performance is mainly attributed to a combination of factors including, foreign exchange losses on US\$ exposures resulting from a significant strengthening of US\$; a deterioration of unit economics of motorcycles which had a negative impact on motorcycle sales in Kenya; an increase in finance costs; and demurrage costs in Tanzania.

Whilst the challenging market conditions persist, the Board remains optimistic that, despite macro-economic challenges, the Group's performance will improve in 2024 given the diversity of our businesses both in Kenya and across the region.

By Order of the Board

Conrad Nyukuri
Company Secretary

30 October 2023