



PRESS RELEASE

Flame Tree Group Delivers Solid H1 2025 Performance, Growth in Water & Sanitation Strengthens Outlook

August 2025, Nairobi – FTG Holdings (FTGH: NSE), a leading African manufacturer and distributor of plastics, cosmetics, snacks, spices, packaging, and household products, today announced its financial results for the first half of 2025. The Group delivered **resilient performance** despite inflationary pressures, high finance costs, and delays in insurance recoveries.

Key Financial Highlights

- **Revenue:** KES 1.84 billion (↑2% YoY), driven by strong growth in East Africa
- **Margins:** Stable at 36.6%, supported by steady raw material prices and operational efficiency.
- **EBITDA:** KES 153 million, compared to KES 164 million in H1 2024.
- **PBT:** Net loss of KES 76 million, an improvement from a KES 90.6 million loss in H1 2024.
- **Finance Costs:** KES 157 million, reduced by 13% vs last year. Net debt down by KES 88 million (-5%).
- **Working Capital:** Improved to 33 days, strengthening cash flow and liquidity.

Segment & Regional Performance

Water, Sanitation & Packaging (WSP)

- **Kenya**
Kenya maintained its position as the Group's primary growth engine, with both Jojo and Roto achieving solid performance. Jojo advanced its sustainability agenda by launching plastic recycling operations for HDPE and PET materials, while also investing in new machinery to significantly expand production capacity.

- **Rwanda**

In Rwanda, Build Mart recorded exceptional growth following the successful introduction of household product lines. The Cosmetics division also posted robust gains, though profitability was tempered by the impact of newly implemented tax measures.

The Group remains focused on leveraging operational efficiencies, expanding product portfolios, and delivering sustainable growth across all markets in the coming months.

- **Ethiopia and Mozambique** faced challenges from forex shortages, political unrest, and reduced demand, which constrained performance.

FMCG (Cosmetics & Snacks)

- Revenue recovery in **Flame Tree Kenya** (+16%) and **Rwanda** (+30%), confirming strong consumer demand. New cosmetic taxes, however, pressured margins.
 - FMCG remains a high-potential growth segment, with new products and expanded distribution planned.
-

People & Culture

During H1 2025, **new management joined across Rwanda, Mozambique, Jojo, Flame Tree, and Chirag**, strengthening local leadership, developing sales, and streamlining efficiency in production and operations. The Group continued to share objectives transparently, roll out targeted training, and celebrate achievements, reinforcing teamwork and resilience. FTG is proud of its **diverse, young, and multicultural team**, committed to innovation and continuous improvement.

Management Commentary

Mr. Heril Banger, CEO of FTG Holdings, commented:

“The first half of 2025 reflects the resilience of our business model and the strength of our teams. With strong momentum in East Africa, new capacity investments, and our recycling initiatives, we are building a more sustainable and competitive business. Despite challenges with finance costs and insurance delays, we are confident in our strategy and the opportunities ahead.”

Outlook

Looking ahead, the Group’s strategic priorities include:

- The Group is focused on reducing debt and accelerating growth within its **Water, Sanitation & Packaging**,
 - Reinvestment in **FMCG (Cosmetics & Snacks)**, focusing on new products and expanded distribution.
 - Turnaround efforts in **Ethiopia and Mozambique**, addressing forex and working capital challenges.
 - Continued commitment to **sustainability, innovation, and community impact** through recycling, tree planting, and water access projects.
-

About Flame Tree Group

FTG Holdings (NSE: FTGH) is a diversified African manufacturer operating in Kenya, Rwanda, Ethiopia, Mozambique, Mauritius, and UAE. Founded in 1989, it builds world-class African brands across plastics, cosmetics, foods, and household items.

For more details on Flame Tree Group's financial performance, please visit www.flametreegroup.com

Media Contacts:

- Beatriz Meijide – Group CFO, Email: beatriz.meijide@flametreegroup.com

FTG Holdings Ltd
Report and consolidated financial statements
For the period ended 30 June 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	6 months to 30 June 2025 Shs	12 months to 31 December 2024 Shs	6 months to 30 June 2024 Shs
Revenue	2,073,788,049	4,166,881,020	2,097,577,453
Cost of sales	(1,315,153,412)	(2,711,350,287)	(1,332,638,904)
Gross profit	758,634,637	1,455,530,733	764,938,550
Other operating income	-	293,595,719	-
Other operating gains	-	-	-
Selling and distribution expenses	(354,982,155)	(463,118,358)	(361,738,529)
Administrative expenses	(232,048,195)	(584,504,668)	(212,780,391)
Other operating expenses	(90,507,757)	(231,413,709)	(99,710,196)
Operating profit/(loss)	81,096,531	470,089,717	90,709,434
Finance costs	(157,459,371)	(338,612,609)	(181,323,418)
(Loss)/Profit before tax	(76,362,839)	131,477,108	(90,613,984)
Current tax	-	(3,670,981)	-
Deferred tax	-	74,066,942	-
(Loss)/Profit for the period/year	(76,362,839)	201,873,069	(90,613,984)
Other comprehensive income:			
- Exchange differences on translation of foreign operations	23,354,166	(303,606,645)	64,757,362
- Gains on property revaluation	185,475,438	(13,808,135)	-
Transfer to legal reserve	-	659,183	-
	-	(316,755,597)	64,757,362
Total comprehensive income for the year	132,466,764	(114,882,528)	(25,856,622)
(Loss)/Earnings per share - profit for the period/year	(0.43)	1.13	
Earnings per share - total comprehensive income for the period/year	0.74	(0.65)	

FTG Holdings Ltd
Report and consolidated financial statements
As at 30 June 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	6 months to 30 June 2025 Shs	12 months to 31 December 2024 Shs	6 months to 30 June 2024 Shs
Assets			
Non-current assets			
Property, plant and equipment	1,742,629,229	1,366,780,774	1,596,957,042
Right-of-use assets	108,415,524	80,844,175	44,125,103
Goodwill	71,851,809	71,851,809	71,851,809
Intangible assets	201,762,549	204,779,862	195,644,517
Deferred tax	84,380,862	54,961,487	
	2,209,039,974	1,779,218,107	1,908,578,472
Current assets			
Inventories	726,607,156	698,529,879	747,699,142
Trade and other receivables	1,083,084,145	1,185,673,163	1,165,398,981
Cash and cash equivalents	75,370,408	54,106,442	51,664,380
Tax recoverable	18,275,107	10,657,118	13,963,544
	1,903,336,815	1,948,966,602	1,978,726,047
Total assets	4,112,376,789	3,728,184,709	3,887,304,519
Equity and liabilities			
Equity			
Share capital	146,894,092	146,894,092	146,894,092
Share premium	152,450,453	152,450,453	152,450,453
Legal reserves	4,962,351	4,962,351	4,303,168
Revaluation reserve	1,005,030,517	819,555,079	805,746,945
Retained earnings	429,168,874	505,531,713	211,672,871
Translation reserve	(381,509,370)	(404,863,536)	(36,499,530)
	1,356,996,916	1,224,530,152	1,284,568,000
Liabilities			
Non-current liabilities			
Borrowings	681,547,575	784,076,770	635,250,102
Lease liabilities	113,259,903	84,899,812	46,564,271
Deferred tax	30,158,549	-	72,043,787
	824,966,027	868,976,582	753,858,160
Current liabilities			
Trade and other payables	951,794,156	645,610,845	753,377,147
Borrowings	493,064,939	522,959,209	660,413,917
Bank overdraft	481,500,976	462,054,148	431,033,522
Lease liabilities	4,053,773	4,053,773	4,053,773
	1,930,413,845	1,634,677,975	1,848,878,359
Total liabilities	2,755,379,873	2,503,654,557	2,602,736,519
Total equity and liabilities	4,112,376,789	3,728,184,709	3,887,304,519

FTG Holdings Ltd
Report and consolidated financial statements
For the period ended 30 June 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital Shs	Share premium Shs	Legal reserves Shs	Translation reserve Shs	Revaluation reserve Shs	Retained earnings Shs	Total equity Shs
Year ended 31 December 2024							
At start of year	146,894,092	152,450,453	4,303,168	(101,256,891)	805,746,945	302,286,855	1,310,424,622
Other comprehensive income	-	-	659,183	(303,606,645)	15,179,923	-	(287,767,539)
Transfer of realised revaluation reserve	-	-	-	-	(1,371,789)	1,371,789	-
Loss for the year	-	-	-	-	-	201,873,069	201,873,069
At end of year	146,894,092	152,450,453	4,962,351	(404,863,536)	819,555,079	505,531,713	1,224,530,152
Period ended 30 June 2025							
At start of period	146,894,092	152,450,453	4,962,351	(404,863,536)	819,555,079	505,531,713	1,224,530,152
Revaluation reserve movement					185,475,438		185,475,438
Translation reserve movement	-	-	-	23,354,166	-	-	23,354,166
Loss for the year	-	-	-	-	-	(76,362,839)	(76,362,839)
At end of period	146,894,092	152,450,453	4,962,351	(381,509,370)	1,005,030,517	429,168,874	1,356,996,916

FTG Holdings Ltd
Report and consolidated financial statements
For the period ended 30 June 2025

CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months to 30 June 2025 Shs	12 months to 31 December 2024 Shs	6 months to 30 June 2024 Shs
Operating activities			
Cash from/(used in) operations	231,991,921	122,201,342	195,288,073
Finance cost		(338,612,609)	(181,323,418)
Tax paid	(16,450,777)	(3,448,091)	-
Net cash from/(used in) operating activities	215,541,145	(219,859,358)	13,964,655
Investing activities			
Purchase of property, plant and equipment	(78,520,901)	(80,160,974)	(47,542,458)
Proceeds from disposal of property, plant and equipment	17,198,532	23,511,036	-
Purchase/disposal of intangible assets	2,498,794	(17,014,492)	(14,466,685)
Additions of Right-of-Use Assets	(41,348,180)	-	-
Net cash (used in) investing activities	(100,171,755)	(73,664,430)	(62,009,143)
Financing activities			
(Repayment of)/proceeds from borrowings	(132,423,465)	75,645,553	44,234,331
Payments of principal portion of the lease liability	28,360,091	(57,720,186)	(16,330,221)
Net cash from/(used in) financing activities	(104,063,374)	17,925,367	27,904,110
Increase/(decrease) in cash and cash equivalents	11,306,016	(275,598,421)	(20,140,378)
Movement in cash and cash equivalents			
At start of period/year	(407,947,706)	(353,182,549)	(352,971,836)
Increase/(decrease)	11,306,016	(275,598,421)	(20,140,378)
Effect of exchange rate changes	(9,488,878)	220,833,264	(6,256,928)
At end of period/year	(406,130,568)	(407,947,706)	(379,369,142)