

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Board of Directors of Sameer Africa PLC announces the audited financial results of the group for the year ended 31st December 2021.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 KShs '000'	2020 KShs '000'
Revenue	651,606	757,488
Cost of sales	(160,517)	(513,795)
Gross profit	491,089	243,693
Other operating income	4,480	37,859
Operating expenses	(117,729)	(118,019)
Operating profit	377,840	163,533
Net finance costs	(67,776)	(108,295)
Share of profit of equity accounted investee (net of income tax)	8,454	16,497
Profit before income tax	318,518	71,735
Income tax expense	(101,130)	(28,257)
Profit for the year	217,388	43,478
Total other comprehensive income for the year	1,995	2,127
Total comprehensive income for the year	219,383	45,605
Earnings per share: Basic and diluted (KShs)	0.78	0.16

CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	GROUP		COMPANY	
	2021 KShs '000'	2020 KShs '000'	2021 KShs '000'	2020 KShs '000'
ASSETS				
Non-current assets				
Property, plant and equipment	27,744	29,429	10,064	10,297
Investment property	575,734	524,894	477,591	432,203
Prepaid operating lease rentals	334	338	334	338
Investment in subsidiaries	-	-	130,000	130,000
Equity accounted investee	177,561	169,107	137,026	137,026
Total non-current assets	781,373	723,768	755,015	709,864
Current assets				
Inventories	35,705	2,375	34,576	-
Trade and other receivables	256,270	207,143	248,485	198,036
Current income tax	11,866	50,336	-	11,924
Cash and bank balances	38,876	63,533	32,048	48,822
Total current assets	342,717	323,387	315,109	258,782
TOTAL ASSETS	1,124,090	1,047,155	1,070,124	968,646
EQUITY				
Share capital	1,391,712	1,391,712	1,391,712	1,391,712
Retained earnings	(887,504)	(1,104,892)	(1,264,052)	(1,464,890)
Translation reserve	(170,109)	(172,104)	-	-
Total equity	334,099	114,716	127,660	(73,178)
LIABILITIES				
Noncurrent liabilities				
Borrowings	495,994	708,588	495,994	708,588
Amounts due to subsidiaries	-	-	209,620	-
Deferred income tax	5,630	5,263	-	-
Total non-current liabilities	501,624	713,851	705,614	708,588
Current liabilities				
Trade and other payables	255,537	181,552	210,981	297,616
Current income tax	32,830	1,416	25,869	-
Borrowings	-	35,620	-	35,620
Total current liabilities	288,367	218,588	236,850	333,236
Total liabilities	789,991	932,439	942,464	1,041,824
TOTAL EQUITY AND LIABILITIES	1,124,090	1,047,155	1,070,124	968,646

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Share Capital KShs '000'	Retained Earnings KShs '000'	Translation Reserve KShs '000'	Total KShs '000'
At start of year - 2021	1,391,712	(1,104,892)	(172,104)	114,716
Total comprehensive income	-	217,388	1,995	219,383
At end of year	1,391,712	(887,504)	(170,109)	334,099
At start of year - 2020	1,391,712	(1,148,370)	(174,231)	69,111
Total comprehensive income	-	43,478	2,127	45,605
At end of year	1,391,712	(1,104,892)	(172,104)	114,716

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 KShs '000'	2020 KShs '000'
Cash generated from operating activities	367,659	308,982
Interest paid	(56,843)	(69,925)
Income tax paid	(30,858)	(38,902)
Net cash generated from operating activities	279,958	200,155
Net cash used in investing activities	(55,666)	(45,618)
Net cash (absorbed by)/generated from financing activities	(248,214)	288,990
(Decrease)/increase in cash and cash equivalents	(23,922)	443,527
Movement in cash and cash equivalents:		
At start of year	63,533	(375,276)
(Decrease)/increase in cash and cash equivalents	(23,922)	443,527
Effects of exchange movements on cash held	(735)	(4,718)
At end of year	38,876	63,533

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS AND THE SUMMARY DIRECTORS' REMUNERATION REPORT TO THE MEMBERS OF SAMEER AFRICA PLC

OPINION

The summary financial statements, which comprise the summary consolidated and company statement of financial position as at 31 December 2021, the summary consolidated statement of profit or loss and other comprehensive income and summary of consolidated statement of changes in equity for the year then ended are derived from the audited financial statements of Sameer Africa PLC for the year ended 31 December 2021.

The summary directors' remuneration report is derived from the auditable part of the directors' remuneration report for the year ended 31 December 2021.

In our opinion, the accompanying summary financial statements and the summary directors' remuneration report are consistent, in all material respects, with the audited consolidated financial statements and the auditable part of the directors' remuneration report, in accordance with the Kenyan Companies Act, 2015.

SUMMARY FINANCIAL STATEMENTS AND SUMMARY DIRECTORS' REMUNERATION REPORT

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards and in the manner required by the Kenyan Companies Act, 2015. In addition, the summary directors' remuneration report does not contain all the disclosures required by the Kenyan Companies Act, 2015. Reading the summary financial statements, the summary directors' remuneration report and the auditors' report therefore, is not a substitute for reading the audited consolidated financial statements, the directors' remuneration report and the auditors' report thereon.

THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS, DIRECTORS' REMUNERATION REPORT AND OUR REPORT THEREON.

We expressed an unmodified audit opinion on the audited financial statements in our audit report dated 14th April 2022 and also confirm that the auditable part of the directors' remuneration report was prepared in accordance with the Companies Act, 2015.

The report also included the communication of other key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

DIRECTORS' RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS AND THE SUMMARY DIRECTORS' REMUNERATION REPORT.

The directors are responsible for the preparation of the summary financial statements and the summary directors' remuneration report in accordance with the Kenyan Companies Act, 2015.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted with International Standard on Auditing (ISA) 810 (Revised), Engagements to report on Summary Financial Statements.

The engagement partner responsible for the audit resulting in this independent auditor report is CPA Elvis Ogeto, Practising Certificate **No.2303**

RSM Eastern Africa LLP

Certified Public Accountants

Nairobi

14th April 2022.

GROUP RESULTS

The Group's revenue reduced by 14% from Kshs 757 million in 2020 to Kshs 652 million in 2021. This was largely due to disruption of the global supply chain and rent rebates extended to tenants as a result of the Covid-19 pandemic. Despite 2021 being a difficult year, the group reported a profit of Kshs 217 million which was a significant improvement from the Kshs 43 million profit reported for the year 2020.

OUTLOOK 2022

In 2022, the Group's emphasis will be on the implementation of the second phase of its strategic plan focusing on both the property and tyre businesses.

However the Board remains cautious in its outlook as a result of the continued uncertainty around the Covid-19 pandemic and the conflict in Ukraine and its impact on global supply chain, fuel prices and cost of products and services. The upcoming general election and the continued depreciation of the Kenya shilling, may also impact the business environment in the second half of 2022.

SUMMARY DIRECTORS' REMUNERATION REPORT

During the year, Sameer Africa PLC paid Kshs 6 million (2020 - Kshs 6.9 million) as non-executive directors' emoluments.

Managing director's emoluments paid, Ksh 12 million (2020 - Ksh 7.9 million)

DIVIDEND

The Board of Directors do not recommend the payment of a dividend for the year ended 31 December 2021.

NOTICE AND AGENDA OF THE 53RD ANNUAL GENERAL MEETING

The Annual General Meeting of the Company shall be held on a date to be notified to shareholders.

BY ORDER OF THE BOARD

Mercy Mbiijwe

COMPANY SECRETARY

