

The Board of Directors of Sameer Africa PLC announces the audited financial results of the group for the year ended 31st December 2022.

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 KShs '000'	2021 KShs '000'
Revenue	613,065	651,606
Cost of sales	(242,974)	(160,517)
Gross profit	370,091	491,089
Other operating income	22,294	4,480
Operating expenses	(145,378)	(117,729)
Operating profit	247,007	377,840
Net finance costs	(70,918)	(67,776)
Share of profit of equity accounted investee (net of income tax)	12,275	8,454
Profit before income tax	188,364	318,518
Income tax expense	(88,100)	(101,130)
Profit for the year	100,264	217,388
Total other comprehensive income for the year	(4,194)	1,995
Total comprehensive income for the year	96,070	219,383
Earnings per share: Basic and diluted (KShs)	0.36	0.78

SUMMARY CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	GROUP		COMPANY	
	2022 KShs '000'	2021 KShs '000'	2022 KShs '000'	2021 KShs '000'
ASSETS				
Non-current assets				
Property, plant and equipment	13,648	27,744	11,339	10,064
Investment property	643,647	575,734	554,382	477,591
Prepaid operating lease rentals	330	334	330	334
Investment in subsidiaries	-	-	120,000	130,000
Equity accounted investee	189,837	177,561	137,026	137,026
Total non-current assets	847,462	781,373	823,077	755,015
Current assets				
Inventories	30,323	35,705	29,486	34,576
Non-current assets held for sale	15	-	15	-
Trade and other receivables	166,742	256,270	144,813	248,485
Current income tax	25,270	11,866	12,961	-
Cash and bank balances	142,874	38,876	141,071	32,048
Total current assets	365,224	342,717	328,346	315,109
TOTAL ASSETS	1,212,686	1,124,090	1,151,423	1,070,124
EQUITY				
Share capital	1,391,712	1,391,712	1,391,712	1,391,712
Retained earnings	(787,240)	(887,504)	(1,192,551)	(1,264,052)
Translation reserve	(174,303)	(170,109)	-	-
Total equity	430,169	334,099	199,161	127,660
LIABILITIES				
Noncurrent liabilities				
Borrowings	445,446	495,994	445,446	495,994
Amounts due to subsidiaries	-	-	226,299	209,620
Deferred income tax	6,940	5,630	-	-
Total non-current liabilities	452,386	501,624	671,745	705,614
Current liabilities				
Trade and other payables	328,119	255,537	280,517	210,981
Current income tax	2,012	32,830	-	25,869
Total current liabilities	330,131	288,367	280,517	236,850
Total liabilities	782,517	789,991	952,262	942,464
TOTAL EQUITY AND LIABILITIES	1,212,686	1,124,090	1,151,423	1,070,124

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share Capital KShs '000'	Retained Earnings KShs '000'	Translation Reserve KShs '000'	Total KShs '000'
At start of year - 2022	1,391,712	(887,504)	(170,109)	334,099
Total comprehensive income	-	100,264	(4,194)	96,070
At end of year	1,391,712	(787,240)	(174,303)	430,169
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

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 KShs '000'	2021 KShs '000'
Cash generated from operating activities	394,360	367,659
Interest paid	(38,603)	(56,843)
Income tax paid	(130,636)	(30,858)
Net cash generated from operating activities	225,121	279,958
Net cash used in investing activities	(70,712)	(55,666)
Net cash absorbed by financing activities	(50,548)	(248,214)
Increase/(decrease) in cash and cash equivalents	103,861	(23,922)
Movement in cash and cash equivalents:		
At start of year	38,876	63,533
Increase/(decrease) in cash and cash equivalents	103,861	(23,922)
Effects of exchange movements on cash held	137	(735)
At end of year	142,874	38,876

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 2022, 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 2022.

The summary directors' remuneration report is derived from the auditable part of the directors' remuneration report for the year ended 31 December 2022.

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 20th April 2023 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's report is **CPA Elvis Ogeto**, Practicing Certificate **No.2303**



for and on behalf of RSM Eastern Africa LLP

Certified Public Accountants

Nairobi

20th April 2023.

MESSAGE FROM THE DIRECTORS

Group Financial Performance

The Group's earnings reduced by 54% from KShs 217 million in 2021 to KShs 100 million in 2022 mainly due to performance in the tyre trading segment of the business which has been adversely impacted by global supply chain disruptions and further weakening of the Kenya shilling. Revenue in the tyre business declined by 11% over the period. The property segment remained resilient over the year, recording a profit of KShs 159 million compared to KShs 186 million in 2021. The reduced profitability was due to higher assessed taxes in the segment.

Total shareholders' funds increased by 29% from KShs 334 million in 2021 to KShs 430 million in 2022.

The Board of Directors is committed to building a resilient business going forward by capitalising on the attractive prospects in the property segment in line with its strategic plan. A detailed review of the tyre trading segment is underway and will inform the group's approach in the segment in light of the persisting headwinds.

Summary of Directors' Remuneration

During the year the Group paid KShs 19.3 million (2021: KShs 18.0 million) as directors' emoluments.

Dividend

The Board of Directors do not recommend the payment of a dividend for the financial year ended 31 December 2022 (2021: Nil).

Annual General Meeting

The 54th Annual General Meeting of the Company shall be held on a date to be notified to shareholders.

The summary consolidated statement of profit or loss and other comprehensive income, summary consolidated statement of financial position, summary consolidated statement of changes in equity and summary consolidated statement of cash flows are extracts of the consolidated financial statements as audited by RSM Eastern Africa LLP and have received an unqualified opinion dated 20 April 2023. The financial statements were approved by the Group's board of directors on 20 April 2023.

BY ORDER OF THE BOARD

Mercy Mbijiwe
COMPANY SECRETARY