

The Standard Group PLC

Audited Group Results for the year ended 31 December 2022

The Board of Directors of The Standard Group PLC is pleased to announce the audited results for the year ended 31 December 2022. The results below have been extracted from the audited consolidated financial statements of The Standard Group PLC for the year ended 31 December 2022. The financial statements were audited by PricewaterhouseCoopers LLP who expressed an unqualified opinion.

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2022

	31 Dec 2022 Kshs'000	31 Dec 2021 Kshs'000
Revenue	2,726,063	3,126,615
Total operating costs	(3,573,802)	(3,067,288)
Other income	39,952	81,539
Finance costs (net)	(215,676)	(162,825)
Loss before income tax	(1,023,463)	(21,959)
Income tax credit/(expense)	158,259	(51,197)
Total comprehensive loss for the year	(865,204)	(73,156)
Attributable to:		
Non-controlling interests	(44,184)	(7,356)
Owners of the parent	(821,020)	(65,800)
	(865,204)	(73,156)
Earnings per share Basic and Diluted	(10.05)	(0.81)
Dividend per Share - Kshs	-	-

Consolidated Statement of Financial Position as at 31 December 2022

	31 Dec 2022 Kshs'000	31 Dec 2021 Kshs'000
ASSETS		
Non Current Assets	2,841,743	2,847,214
Current Assets	1,624,406	1,507,098
Total Assets	4,466,149	4,354,312
EQUITY AND LIABILITIES		
Capital and Reserves		
Share Capital	408,654	408,654
Share Premium	39,380	39,380
Retained Earnings	(412,189)	408,831
Capital Redemption Reserve	102	102
	35,947	856,967
Minority Interest	145,271	189,455
Total Shareholders Equity	181,218	1,046,422
Non Current Liabilities	6,537	31,144
Current Liabilities	4,278,394	3,276,746
Total Equity and Liabilities	4,466,149	4,354,312

GROUP RESULTS

The Kenyan economic growth decelerated to 5.3% in 2022 from 7.5% in 2021, impacted by intensified global uncertainties, geopolitical tensions, eruptive financial markets, inflationary pressures, and the residual effects of the Covid-19 pandemic. Inflation increased to a high of 9.06% in December 2022 compared to 5.73% in December 2021. The Kenya shilling depreciated against the dollar by 9%, which led to an increase in the cost of imports, hence an increase in the cost of direct materials.

Total revenue for the Group decreased by 13% to close at Kshs.2.7 billion from Kshs.3.1 billion in 2021 while total costs increased by 17% driven by an increase in the cost of production. Further, there was an increase in the provision for expected credit losses, due to pending government bills. Consequently, the Group incurred a loss before tax of Kshs.1 billion compared to a loss before tax of Kshs.22 million in 2021.

Outlook

Following conclusion of the 2022 general elections, the Group is optimistic that the current economic environment will improve and shall continue to present business opportunities that it can tap into. The Group will also continue to enhance its operational efficiency while monitoring its cost rationalization initiatives to counter the effects of the rising cost of doing business.

BY ORDER OF THE BOARD

Millicent Ng'etich
Company Secretary

28th April, 2023

Condensed Consolidated Statement of Cashflows for the year ended 31 December 2022

	31 Dec 2022 Kshs'000	31 Dec 2021 Kshs'000
Cashflow from operating activities		
Cash generated from operations	734,434	358,244
Interest Paid	(215,676)	(162,825)
Tax paid	(5,898)	-
Net cash generated from operating activities	512,860	195,419
Cashflows: Investing activities	(75,798)	(184,894)
Cashflows: Financing activities	(461,369)	(40,787)
Net decrease in cash and cash equivalents	(24,307)	(30,262)
Cash and cash equivalents at start of the year	(189,827)	(159,565)
Cash and cash equivalents at end of the year	(214,134)	(189,827)

Consolidated Statement of Changes in Equity for the year ended 31 December 2022

	Share Capital Kshs'000	Share Premium Kshs'000	Capital Redemption Reserve Kshs'000	Revenue reserve Kshs'000	Shareholders equity Group Kshs'000	Minority Interest Kshs'000	Shareholders equity Total Kshs'000
As at 1 January 2021	408,654	39,380	102	474,631	922,767	196,811	1,119,578
Loss for the year	-	-	-	(65,800)	(65,800)	(7,356)	(73,156)
At 31 December 2021	408,654	39,380	102	408,831	856,967	189,455	1,046,422
As at 1 January 2022	408,654	39,380	102	408,831	856,967	189,455	1,046,422
Loss for the year	-	-	-	(821,020)	(821,020)	(44,184)	(865,204)
At 31 December 2022	408,654	39,380	102	(412,189)	35,947	145,271	181,218