

The Standard Group PLC

Audited Group Results for the year ended 31 December 2021

The Board of Directors of The Standard Group PLC is pleased to announce the audited results for the year ended 31 December 2021. The results below have been extracted from the audited consolidated financial statements of The Standard Group PLC for the year ended 31 December 2021. 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 2021

	31 Dec 2021 Kshs'000	31 Dec 2020 Kshs'000
Revenue	3,126,615	2,893,929
Total operating costs	(3,067,288)	(3,253,374)
Other income	81,539	89,377
Finance costs (net)	(162,825)	(164,362)
Loss before income tax	(21,959)	(434,430)
Income tax (expense)/credit	(51,197)	82,238
Total comprehensive loss (continuing operations)	(73,156)	(352,192)
Total comprehensive profit (discontinued operations)	-	50,560
Total comprehensive loss for the year	(73,156)	(301,632)
Attributable to:		
Non-controlling interests	(7,356)	(42,297)
Owners of the parent	(65,800)	(259,335)
	(73,156)	(301,632)
Earnings per share Basic and Diluted - Continuing operations	(0.81)	(3.79)
Earnings per share - Discontinued operations	-	0.62
Dividend per Share - Kshs	-	-

Consolidated Statement of Financial Position as at 31 December 2021

	31 Dec 2021 Kshs'000	31 Dec 2020 Kshs'000
ASSETS		
Non Current Assets	2,847,214	2,754,854
Current Assets	1,507,098	1,299,986
Total Assets	4,354,312	4,054,840
EQUITY AND LIABILITIES		
Capital and Reserves		
Share Capital	408,654	408,654
Share Premium	39,380	39,380
Revenue Reserve	408,831	474,631
Capital Redemption Reserve	102	102
	856,967	922,767
Minority Interest	189,455	196,811
Total Shareholders Equity	1,046,422	1,119,578
Non Current Liabilities	31,144	372,297
Current Liabilities	3,276,746	2,562,965
Total Equity and Liabilities	4,354,312	4,054,840

GROUP RESULTS

The Kenyan economy bounced back in 2021 reporting a 5% growth rate. The Kenya shilling depreciated against the dollar from Ksh 109.17 to close at Ksh 113.14. Inflation rates increased to 5.73% in 2021, from 5.62% in 2020.

Government efforts towards combating COVID-19 pandemic that had been implemented in 2020, including travel restrictions and countrywide curfews, were still in place at the beginning of the year but were lifted late in October. We stepped up efforts internally to vaccinate our employees and their families, achieving a 92% vaccination rate, thus allowing our essential staff to resume working from the office.

Various sectors of the economy resumed normal operations and many businesses increased their spending, albeit not at the pre-pandemic levels. Tax reliefs that had been granted by the government on Value Added Tax (VAT) and Pay-As-You-Earn (PAYE) were further waived, enhancing the pace of economic recovery. This was reflected in the Group's improved performance.

Total revenue for the Group increased by 8% to Kshs.3.1 billion from Kshs.2.9 billion in the previous year. Cost rationalisation continued to be integral to the company's operations which saw the Group's total operating costs reduce by 5% from 2020. The Group incurred an income

tax expense of Kshs.51 million that arose from temporary differences in deferred tax.

Consequently, the Group incurred a lower loss before tax of Kshs.22 million compared to a loss before tax of Kshs.434 million in the prior year - representing a 95% improvement.

Outlook

The outlook for 2022 is optimistic. We expect revenue growth from new business initiatives with focus on partnerships. Further, we continue to enhance our operational efficiency while diversifying our product portfolio and innovating ways to improve the business.

With the launch of the converged newsroom, the new look KTN News TV channel, other revamped products and our quality journalism supported by our digital first approach, we are confident we will meet the needs of our audiences and clients across all platforms.

BY ORDER OF THE BOARD

Millicent Ng'etich
Company Secretary

27th May 2022

Condensed Consolidated Statement of Cashflows for the year ended 31 December 2021

	31 Dec 2021 Kshs'000	31 Dec 2020 Kshs'000
Cashflow from operating activities		
Cash generated from operations	358,244	316,227
Interest Paid	(162,825)	(164,362)
Tax paid	-	(3,765)
Net cash generated from operating activities	195,419	141,100
Cashflows: Investing activities	(184,894)	(130,392)
Cashflows: Financing activities	(40,787)	(105,336)
Net decrease in cash and cash equivalents	(30,262)	(87,628)
Cash and cash equivalents at start of the year	(159,565)	(71,937)
Cash and cash equivalents at end of the year	(189,827)	(159,565)

Consolidated Statement of Changes in Equity for the year ended 31 December 2021

	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 2020	408,654	39,380	102	733,965	1,182,101	239,109	1,421,210
Loss for the year	-	-	-	(259,334)	(259,334)	(42,298)	(301,632)
At 30 December 2020	408,654	39,380	102	474,631	922,767	196,811	1,119,578
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 30 December 2021	408,654	39,380	102	408,831	856,967	189,455	1,046,422