THE STANDARD GROUP PLC

CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2024

THE STANDARD GROUP PLC

CONSOLIDATED ANNUAL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Content

THE STANDARD GROUP PLC
CORPORATE INFORMATION

DIRECTORS

The directors who held office during the year and up to the date of this report are set out below.

Dr. Julius Kipngetich	Non-Executive/Independent Director	Chairman
Zehrabanu Janmohamed	-Non-Executive Director	
Dr. James Mcfie	-Non-Executive Director	
Christopher Kulei	-Non-Executive Director	
Thomas Omondi	-Non-Executive Director	
Albert Sigei	-Independent/Non-Executive Director	
Christine Muthui	-Independent/Non-Executive Director	
Leonie Von Elverfeldt**	-Independent/Non-Executive Director	
Chris Otundo	-Independent/Non-Executive Director	
Marion Mugure Njugi	-Group Chief Executive Officer	Appointed 15 July 2024
Michael Imbusi Lusiola	-Non-Executive/Independent Director	Appointed 2 September 2024
Chaacha Mwita	-Independent/Non-Executive Director	Resigned 5 July 2024

COMPANY SECRETARY

Millicent Ngetich
Image Registrars Limited
Absa Towers (formerly Barclays Plaza)
5th Floor, Loita Street
PO Box 9287 - 00100
Nairobi.

**REGISTERED OFFICE
AND PRINCIPAL PLACE
OF BUSINESS**

The Standard Group Centre
Mombasa Road
PO Box 30080 - 00100
Nairobi.

INDEPENDENT AUDITOR

Grant Thornton LLP
Certified Public Accountant (Kenya)
5th Floor Avocado Towers
75 Muthithi Road Westlands
PO Box 46986 - 00100
Nairobi.

LEGAL ADVISORS

TripleOKLaw Advocates LLP
ACK Garden House, 5 Floor
First Ngong Avenue
PO Box 43170 - 00100
Nairobi.

**German

PRINCIPAL BANKERS

Stanbic Bank Kenya Limited
Stanbic Bank Centre
Westlands Road, Chiromo
PO Box 72833 – 00200
Nairobi.

NCBA Bank Kenya PLC
NCBA Centre Upperhill
Mara Rd,
PO Box 44599 - 00100
Nairobi.

KCB Bank Kenya Limited
Moi Avenue
PO Box 48400 - 00100
Nairobi.

Equity Bank Kenya Limited
Equity Centre
Hospital Road, Upperhill
PO Box 75104 - 00200
Nairobi.

COMPANY REGISTRARS

Image Registrars Limited
Absa Towers (formerly Barclays Plaza)
5th Floor, Loita Street
PO Box 9287 - 00100
Nairobi.

THE STANDARD GROUP PLC
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The directors have pleasure in submitting their report together with the audited Consolidated annual financial statements for the year ended 31 December 2024, which disclose the state of affairs of the Group and the Company.

1. Principal activities

The principal activity of the Group is gathering and disseminating information through Print, Television, Radio and Digital Media. The print products are The Standard, The Nairobian and The Standard Courier. Radio products include Radio Maisha, Spice FM, and Berur FM. Television products is KTN Home, Digital offerings include the E-paper, Reader revenue, Standardmedia.co.ke website, Digger Classifieds and Value Added Services.
The annual report and financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and the requirements of the Kenyan Companies Act, 2015. The accounting policies have been applied consistently throughout the period.

2. Group results

	2024 KES 000	2023 KES 000
Loss before income tax	(1,099,755)	(722,538)
Income tax credit /(expense)	-	(538,902)
Loss for the year	(1,099,755)	(1,261,440)
Attributable to:		
Non-controlling interests	(78,357)	(95,039)
Owners of the Company	(1,021,398)	(1,166,401)
	(1,099,755)	(1,261,440)

3. Dividend

The directors do not recommend a dividend payment for the year ended 31 December 2024 (2023 – Nil).

4. Directors

The directors who held office during the year and up to the date of this report are set out below.

Dr. Julius Kipngetich	Non-Executive/Independent Director	Chairman
Zehrabanu Janmohamed	-Non-Executive Director	
Dr. James Mcfie	-Non-Executive Director	
Christopher Kulei	-Non-Executive Director	
Thomas Omondi	-Non-Executive Director	
Albert Sigei	-Independent/Non-Executive Director	
Christine Muthui	-Independent/Non-Executive Director	
Leonie Von Elverfeldt**	-Independent/Non-Executive Director	
Chris Otundo	-Independent/Non-Executive Director	
Marion Mugure Njugi	Group Chief Executive Officer	Appointed 15th July 2024
Michael Imbusi Lusiola	Non-Executive/Independent Director	Appointed 2nd September 2024
Chaacha Mwita	-Independent/Non-Executive Director	Resigned 5th July 2024

5. Statement of disclosure to the Groups and Company Independent auditor

With respect to each director at the time this report was approved:

a. There is, so far as the director are aware, no relevant audit information of which the Group's and Company's auditor is unaware; and

b. the directors have taken all steps that the director ought to have taken as a director to be aware of any relevant audit information and to establish that the Group's and Company's auditor is aware of that information.

6. Terms of appointment of independent auditors

Grant Thornton LLP have expressed willingness to continue to continue in office in accordance with the Company's Articles of Association and Section 723 of the Kenyan Companies Act, 2015.

The directors monitor the effectiveness, objectivity and independence of the auditor. This responsibility includes the approval of the audit engagement contract and the associated fees on behalf of the shareholders.

7. Business overview

Summary of results

The Group operates some of Kenya's major media platforms, which include the following:

(a) Print: The Group runs the country's oldest and authoritative newspaper, *The Standard*, and entertainment tabloid, *The Nairobian*. Revenue is majorly generated from the sale of newspaper copies and advertisements.

(b) Broadcast: This includes television and radio platforms.

   i. KTN, Kenya's first private television station, is a hybrid channel that provides both authoritative news and current affairs together with all-round entertainment for general audiences. Revenue is derived from advertisements and sponsorships.

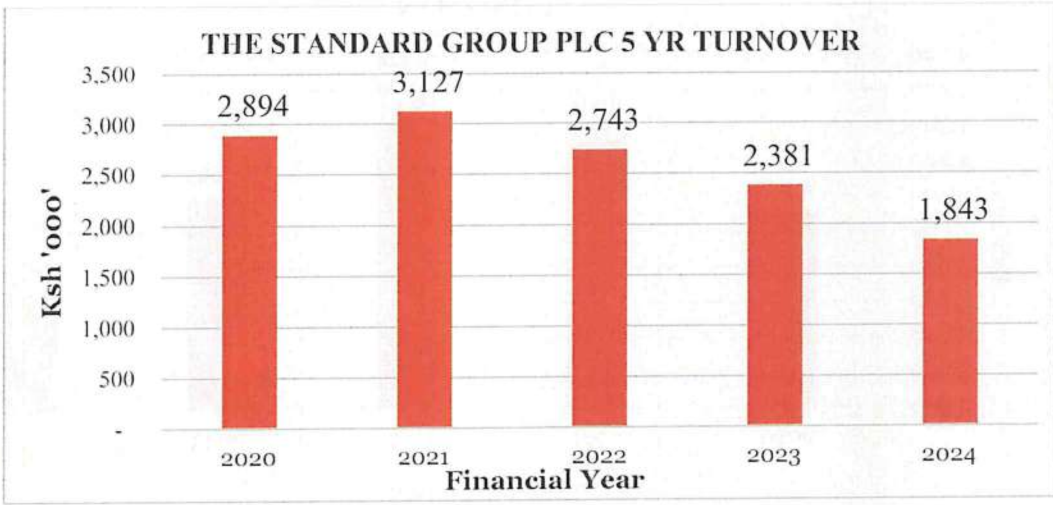
   ii. The Group runs three audiovisual radio stations – Radio Maisha, Spice FM, and Berur FM – which use the latest cutting-edge radio technology. Revenue from these platforms is generated through advertisements and sponsorships.

(c) Digital: The Group's digital assets include *The Standard* digital website www.standardmedia.co.ke, one of the region's biggest news portals, and its entertainment sister www.TNX.africa. Others are YouTube channels and social media assets with huge following. In addition, the group runs Value Added Services (VAS) platform – which offers effective messaging through bulk SMS and Short Code services – and Digger Classifieds. Revenue is generated through advertisements, subscriptions to access content, and sale of digital copies of the newspaper.

7. **Business overview (continued)**

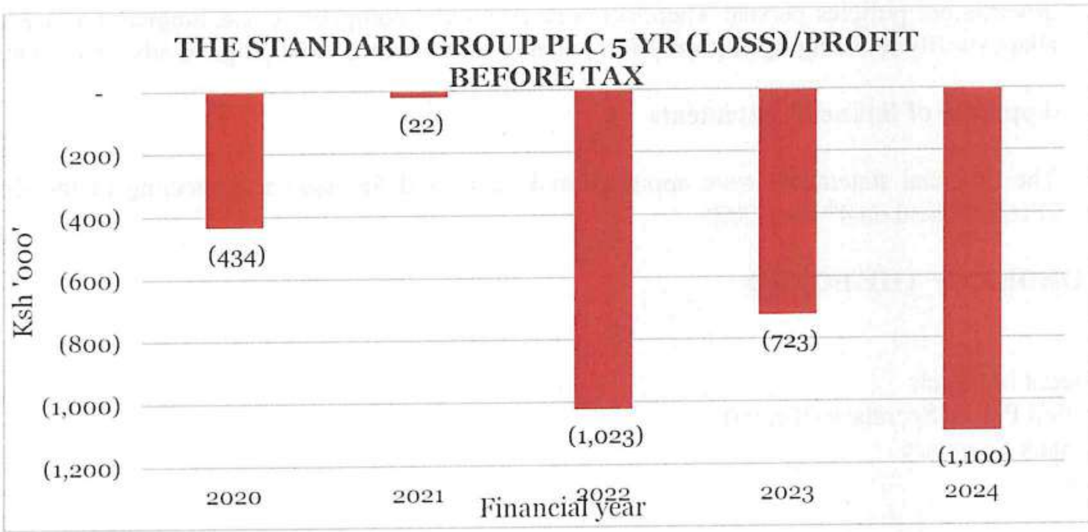
Summary of results (continued)

The Group's revenue experienced a 23% drop, falling to KES 1.8 billion from KES 2.4 billion in the previous year. This decline was primarily driven by reduced revenue from advertising clients, as challenging economic conditions prompted companies to cut back on marketing budgets to prioritize essential expenditures and sustain operations. Additionally, audience engagement saw a downturn, further contributing to the revenue decline. Government institutions also scaled down their marketing efforts, which negatively impacted the Group's overall revenue.



Group direct costs slightly decreased compared to 2023 largely due to reduced newspaper sales, changes in newsprint prices and electricity costs. Group overhead costs closed at 5% lower than 2023 largely from staff cost reduction measures, reduced rent and office expenses.

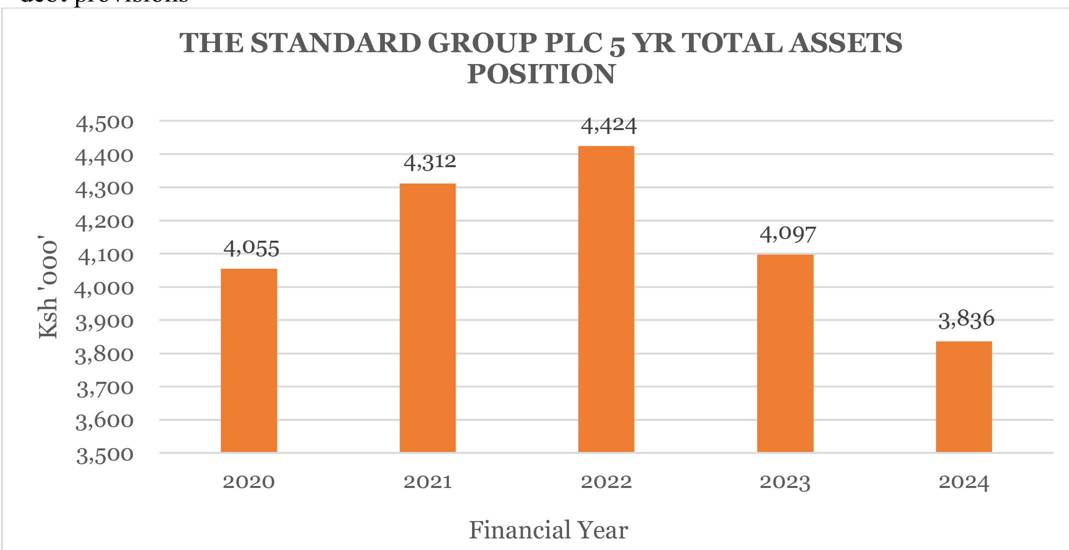
The Group incurred a loss before tax of KES 1.1 billion compared to a loss before tax of KES 723 Million in 2023. This was driven by the factors mentioned above on revenue and overhead costs.



7. Business overview (continued)

<u>Financial position</u>

The Group's total assets have decreased to KES 3.84 billion year (2023: KES 4.09 billion). This reduction is attributed to asset disposals during the year, annual depreciation, and an increase in debt provisions



<u>Principal risk:</u>

The principal risk facing the business were high inflation and rising operational costs, which continue to strain financial performance. We were also grappling with evolving audience engagement challenges as consumer behaviour shifts rapidly towards digital platforms, impacting traditional media revenues. This landscape has intensified competition for advertising spend, with brands increasingly favouring targeted online campaigns. While economic stabilization in the year fostered a gradual recovery and anticipated growth in advertising, uncertainties regarding specific government policies persist. Therefore, our continued competitiveness hinges on our ability to adapt swiftly to changing consumption patterns and embrace technological advancements.

8. Approval of financial statements

The financial statements were approved and authorised for issue at a meeting of the Board of Directors held on 4th June 2025.

BY ORDER OF THE BOARD

Millicent Ngetich
Certified Public Secretary (Kenya)
Company Secretary

Date 4th June 2025

THE STANDARD GROUP PLC
DIRECTORS REMUNERATION REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The Standard Group PLC is pleased to present the Director's Remuneration report for the year ended 31 December 2024. The report sets out the remuneration arrangements for the Directors for the year under review.

Information not subject to audit
Details of Directors

The Board comprises Non-Executive and Executive Directors who served during the year (collectively referred to as Directors), as follows:

Name	Position	
Dr. Julius Kipngetich	Non-Executive/Independent Director (Chairman)	
Zehrabanu Janmohamed	-Non-Executive Director	
Dr. James Mcfie	-Non-Executive Director	
Christopher Kulei	-Non-Executive Director	
Thomas Omondi	-Non-Executive Director	
Albert Sigei	-Independent/Non-Executive Director	
Christine Muthui	-Independent/Non-Executive Director	
Leonie Von Elverfeldt**	-Independent/Non-Executive Director	
Chris Otundo	-Independent/Non-Executive Director	
Marion Mugure Njugi	Group Chief Executive Officer (GCEO)	Appointed 15th July 2024
Michael Imbusi Lusiola	Non-Executive/Independent Director	Appointed 2nd September 2024
Chaacha Mwita	-Independent/Non-Executive Director	Resigned 5th July 2024

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Remuneration Policy

The Group has an approved Remuneration Policy for the Board which defines the remuneration and related privileges received by the director of the Company. The policy seeks to recognize the contribution the directors make to the success of the Group while reflecting the value of the roles they play, as well as the level to which they perform them. Our approach to recognizing our director's contribution to the business is based on the following principles:

- Competitive remuneration - The remuneration is sufficient to attract and retain highly experienced directors to effectively direct the affairs of the Group.
- Affordability and sustainability - Our remuneration is sustainable and affordable in the face of the Group's performance in the industry.
- Equitable - The reward is equitable and commensurate to the amount of time and skill in delivering the Group's strategic objectives.

The Nominations Committee of the Board is responsible for setting and administering the directors Remuneration Policy. The Nominations Committee continuously reviews the entitlements under the policy to ensure these are aligned to the market.

Remuneration structure for Executive Directors

The remuneration of the Executive Director is based on the terms of engagement negotiated and outlined in the contract of employment. The Group's Policy is to appoint the Executive Director for an initial four-year period, which may be extended for a further term by mutual consent. The initial appointments and any subsequent reappointments are subject to annual performance review by the Human Resources and Remuneration Committee.

The salary for the Executive Director is set at a level which is considered appropriate to attract an individual with the necessary skills, experience and ability to oversee the business. Judgement is used but consideration is given to a number of internal and external factors including responsibilities, market positioning, inflation and The Standard Group PLC reward policies. The salary is subject to annual reviews upon attainment of specific objectives.

Other benefits provided include: medical cover, gratuity and club membership which are payable as per The Standard Group PLC reward policies in force from time to time. Travel and other reasonable expenses incurred in the course of performing duty are paid as per the Group's travel and subsistence Policies. These ensure the package is competitive.

Remuneration structure for Non-Executive Directors

The remuneration of the Non-Executive Directors is determined by the Board upon recommendation by the Nomination Committee in line with the Remuneration Policy. In determining the remuneration for Non-Executive Directors, the Board considers the nature and extent of their contribution and responsibilities. In addition, Director's remuneration is subject to regular reviews and external benchmarking to ensure that we continually offer a competitive package commensurate with the remuneration for other Non-Executive Directors in the same industry.

Non-Executive Directors receive honoraria fees in recognition of the services rendered to the Group, which is payable quarterly in arrears. In addition, the Non-Executive Directors are paid an attendance fee in recognition of the time spent attending Board and Committee meetings.

The Group also provides for travel and accommodation costs incurred by the Non-Executive Directors in connection with the Group's business in line with the Group's travel and subsistence policies in force from time to time.

Non-Executive Directors are not entitled to any performance related pay or pension. These Directors do not have service contracts and their appointment, reappointment and retirement is subject to terms of the Group's Articles of Association.

Changes to Directors' remuneration

During the year None of directors forewent full fees and sitting allowances. (2023: 3 Non executive directors forewent full fees and sitting allowances).

Directors' Shareholding

Directors can purchase or sell shares of the Company in the open market subject to the regulations of the Kenyan Companies Act, 2015. During the year under review, none of the Directors held shares in the Company.

Information subject to audit
Remuneration structure for Executive Directors

The remuneration for the year is as set out below:

	2024 KShs'000				2023 KShs'000			
Name	Basic pay	Insurance	Gratuity	Total	Basic pay	Insurance	Gratuity	Total
Marion Mwangi	18,000	-	-	**18,000**	-	-	-	-
Orlando Lyomu	-	-	-	-	27,000	228	3,600	**30,828**

Non-Executive Directors

	Fees and sitting allowance	
	2024 KShs'000	2023 KShs'000
Robin Sewell**	-	660
Dr.James Mcfie	1,385	-
Zehrabanu Janmohamed	1,000	1,625
Shaun Zambuni**	-	1,355
Dr. Julius Kipngetich	840	2,015
Juliana Rotich	-	1,090
Dr. Evanson Gitahi	-	-
Christopher Kulei	1,385	-
Thomas Omondi	1,825	2,415
Chaacha Mwita	1,405	1,350
Albert Sigei	1,165	-
Christine Muthui	1,140	-
Ms. Leonie Von Elverfeld	1,670	-
Mr. Chris Otundo	1,550	-
Dr. Michael Lusiola	200	-
Total	**13,565**	**10,510**

THE STANDARD GROUP PLC
DIRECTORS REMUNERATION REPORT (CONTINUED)

Approval of the Directors' remuneration report

The Directors confirm that this report is in compliance with the Capital Markets Authority guidelines on Director's Remuneration and Companies Act, 2015.

By order of the board

Dr. Julius Kipngetich
(Chairman)

Date: 4th June 2025

THE STANDARD GROUP PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies Act, 2015 requires the directors to prepare consolidated financial statements for each financial year that give a true and fair view of the financial position of the Group and Company as at the end of the financial year and of their profit or loss for that year. It also requires the directors to ensure that the Company keeps proper accounting records that:

(a) show and explain the transactions of the Group and Company;
(b) disclose, with reasonable accuracy, the financial position of the Group and Company; and
(c) enable the directors to ensure that every financial statement required to be prepared complies with the requirements of the Companies Act, 2015.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting standards Board and in the manner required by the Kenya Companies Act, 2015. They also accept responsibility for:

i. designing, implementing and maintaining internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error;
ii. selecting suitable accounting policies and then applying them consistently; and
iii. making judgements and accounting estimates that are reasonable in the circumstances.

The Directors have assessed the Company's ability to continue as a going concern and highlighted their assessment in note 2(e) of the financial statements.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibility.

Approved by the Board of Directors on 4th June 2025 and signed on its behalf by:

James Boyd McFie

Dr. James Mcfie
Director

Dr. Julius Kipngetich
Director

Grant Thornton

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF THE STANDARD GROUP PLC
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified Opinion

We have audited the accompanying financial statements of The Standard Group Plc (the "Company") and its subsidiaries (together, the "Group") set out on pages 17 to 80, which comprise the consolidated statement of financial position at 31 December 2024 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, together with the Company statement of financial position at 31 December 2024, and the Company statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, and the notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Group and the Company as at December 31, 2024, and their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Kenyan Companies Act, 2015.

Basis for Qualified Opinion

Material Uncertainty on the Going Concern of the Group and Company cumulatively

As highlighted in note 2(e) to the Group financial statements, the Group and Company reported a loss after tax for the year incurred of KES 1.1 billion (2023: KES 1.261 billion) and KES 940 million (2023: 1.067 billion) respectively during the year ended 31 December 2024 and, as of that date, the Group's and Company's current liabilities exceeded the current assets by KES 3.0 billion (2023: KES 2.1 billion) and KES 2.9 billion (2023: KES 2.1 billion) respectively. As at year end the Group had total negative equity of KES 2.22 billion (2023: KES 1.12 billion) whilst the Company had a negative equity of KES 2.2 billion (2023: negative equity KES 1.232 billion). Cumulatively, these conditions give rise to a material uncertainty that casts significant doubts on the company's ability to continue as a going concern.

While management has disclosed events and conditions that indicate the existence of significant doubt about the Company's ability to continue as a going concern in note 2(e) to the Group and Company Financial Statements, in our view, the disclosures are not sufficient. Specifically, the financial statements do not adequately describe the nature and extent of the material uncertainty, including detailed analysis of the feasibility of management's recovery plans, the assumptions underpinning projected cash flows, and the expected timing and certainty of future financing inflows.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Annual Financial Statements section of our report. We are independent of the Group and company in accordance with the IESBA Code of Ethics and have fulfilled our other ethical responsibilities. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Relating to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE STANDARD GROUP PLC (Continued)

Credit risk and estimation of expected credit losses on financial assets	**How our audit addressed the Key Audit Matter**
The Group is exposed to credit risk arising, mainly, from credit sales of goods and services to customers, cash and bank balances and investment in subsidiaries. The recognition of credit loss allowances on financial assets, as required by IFRS 9, involves the use of significant judgements and estimates by management. Management apply significant judgements and estimates in the following areas as described in note 6 of the financial statements:	We evaluated the Group's accounting policies for compliance with the principles of IFRS 9. We assessed and tested the key modelling assumptions for reasonableness, including the expected timing of the settlement of receivables from the government and other financial assets. We validated the key inputs into the expected credit loss model against source documents/ reports and checked for mathematical accuracy of the model.
• The determination and application of IFRS 9 risk parameters i.e. probability of default (PD), and loss given default (LGD) on trade receivables; and • The definition of default and determination of probability of default. • Determination of expected timing for settlement of government trading debt. The disclosures on the application of IFRS 9 in the determination of expected credit losses is in notes 3(l) and 5(b) of the financial statements.	We evaluated the adequacy of disclosures in the financial statements in accordance with the requirements of the International Financial Reporting Standards.
Adequacy and completeness of the libel provision	**How our audit addressed the Key Audit Matter**
The Group is subject to civil claims arising from content in the electronic and print media, broadcasts and publications. There is uncertainty as to how claims will be resolved and therefore significant judgement is required in assessing the likely outcome and the potential liability for such matters. The Directors apply significant judgement when considering whether, and how much, to provide for the potential exposure of each litigation. The disclosures on the determination of expected provisions and contingent liabilities are in note 34 of the financial statements.	We obtained and reviewed documents relating to significant legal cases filed against the Group to develop an independent assessment of the potential exposure and compared this against provisions made; We held discussions with the Group's in house legal counsel to understand the nature of ongoing claims, and to assess the latest status. We obtained the relevant historical information and recent judgments made by the courts of law alongside confirmations from external lawyers to challenge the basis used for the provisions recorded as well as the completeness of the cases provided for by management; and We evaluated the adequacy of disclosures in the financial statements in accordance with the requirements of the International Financial Reporting Standards.

Grant Thornton

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE STANDARD GROUP PLC (Continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the consolidated and separate financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Kenyan Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and group using the going concern basis of accounting unless the directors either intend to liquidate the group or company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and company internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based

Grant Thornton

on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other matters prescribed by the Kenyan Companies Act, 2015

As required by Kenyan Companies Act, 2015, we report to you based on our audit, that in our opinion the information given in the report of directors on page 4–7 is consistent with the consolidated and separate annual financial statements.

The engagement partner responsible for the audit resulting in this independent auditor's report was CPA Alfred Siele, Practicing Certificate No. 1690

Grant Thornton LLP
Certified Public Accountants

For and on behalf of Grant Thornton LLP
Certified Public Accountants (Kenya)
Nairobi

20TH JUNE 2025

K/1763/1224/AUD

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 KES 000	2023 KES 000
Revenue	8	1,843,206	2,381,425
Direct costs	9	(567,214)	(749,880)
Other income or (losses)	10	77,885	(8,489)
Selling and distribution costs	11	(208,472)	(239,517)
Administrative and operating expenses	12(a)	(1,893,014)	(1,971,167)
Net Movement in expected credit losses	12(b)	(241,588)	(46,167)
Finance costs	13	(110,558)	(88,743)
Loss before taxation	14	(1,099,755)	(722,538)
Income tax Expense	15	-	(538,902)
Total loss after tax for the year		(1,099,755)	(1,261,440)
Other comprehensive income		-	-
Total comprehensive loss for the year		(1,099,755)	(1,261,440)
Attributable to:			
Non-controlling interests	26	(78,357)	(95,039)
Owners of the parent		(1,021,398)	(1,166,401)
		(1,099,755)	(1,261,440)
Earnings per share for profit attributable to the ordinary equity holders of the company	16	(13.46)	(14.27)

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 KES 000	2023 KES 000
Revenue	8	1,420,352	1,821,464
Direct costs	9	(434,713)	(569,538)
Other gains or (losses)	10	52,699	(25,512)
Selling and distribution costs	11	(178,643)	(190,710)
Administrative and Operating expenses	12(a)	(1,541,453)	(1,547,366)
Net Movement in expected credit losses	12(b)	(150,285)	(48,254)
Finance costs	13	(107,799)	(65,777)
Loss before taxation	14	(939,842)	(625,693)
Income tax Expenses	15	-	(441,789)
Loss after tax for the year		(939,842)	(1,067,482)
Other comprehensive income		-	-
Comprehensive loss for the year		(939,842)	(1,067,482)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Notes	2024 KES 000	2023 KES 000
ASSETS			
Non-current assets			
Property, plant and equipment	17(a)	1,049,081	1,220,258
Leasehold land	18	295,704	299,845
Right of use assets	19(a)	14,588	17,290
Intangible assets	20(a)	518,106	524,486
Deferred income tax	28(a)	-	-
		1,877,479	2,061,879
Current assets			
Inventories	22(a)	118,176	105,824
Trade and other receivables	23(a)	1,695,420	1,856,229
Cash and bank balances	32(i)(b)	89,919	49,251
Current income tax	15(b)	55,340	23,973
		1,958,855	2,035,277
TOTAL ASSETS		3,836,334	4,097,156
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	24(a)	408,654	408,654
Share premium	24(a)	39,380	39,380
Investment in joint operation	21(b)	(42,250)	(42,250)
Capital redemption reserve	25(a)	102	102
Accumulated losses	25(b)	(2,599,988)	(1,578,590)
Attributable to owners of the company		(2,194,102)	(1,172,704)
Non-controlling interests	26	-28,125	50,232
Total equity		(2,222,227)	(1,122,472)
Non-current liabilities			
Borrowings	29(a)	210,174	279,649
Lease Liabilities	19(b)	14,309	18,847
Due to related parties	27(b)	837,669	748,840
		1,062,152	1,047,336
Current liabilities			
Borrowings	29(a)	167,102	183,921
Trade and other payables	30(a)	4,724,350	3,891,508
Lease liabilities	19(b)	3,066	1,416
Due to related parties	27(b)	101,891	95,447
		4,996,409	4,172,292
TOTAL EQUITY AND LIABILITIES		3,836,334	4,097,156

The financial statements on pages 11 to 80 were approved and authorised for issue by the Board of Directors on 4th June 2025.

James Boyd McFie

Dr. James Mcfie
Director

Dr. Julius Kipngetich
Director

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

ASSETS	Notes	2024 KES 000	2023 KES 000
Non-current assets			
Property, plant and equipment	17(b)	958,699	1,108,975
Leasehold land	18	295,704	299,845
Right of use assets	19(a)	14,588	17,290
Intangible assets	20(b)	430,712	434,520
Deferred income tax	28(b)	-	-
Investment in subsidiaries	21(a)	70,367	70,367
		1,770,070	1,930,997
Current assets			
Inventories	22(b)	116,990	104,601
Trade and other receivables	23(b)	1,413,809	1,481,548
Current income tax	15(b)	37,369	16,500
Cash and bank balances	32(ii)(b)	89,239	32,197
		1,657,407	1,634,846
TOTAL ASSETS		3,427,477	3,565,843
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	24(a)	408,654	408,654
Share premium	24(b)	39,380	39,380
Investment in joint operation	21(b)	(42,250)	(42,250)
Capital redemption reserve	25(a)	102	102
Retained earnings	25(b)	(2,577,814)	(1,637,972)
Shareholders' (deficit)/equity		(2,171,928)	(1,232,086)
Non-current liabilities			
Borrowings	29(b)	210,174	279,649
Lease liabilities	19(b)	14,309	18,847
Due to related parties	27(b)	837,669	748,840
		1,062,152	1,047,336
Current liabilities			
Borrowings	29(b)	48,789	99,762
Bank overdraft	29(b)	108,175	74,014
Trade and other payables	30(b)	3,661,089	3,061,510
Lease liabilities	19(b)	3,066	1,416
Due to related parties	27(b)	716,134	513,891
		4,537,253	3,750,593
TOTAL EQUITY AND LIABILITIES		3,427,477	3,565,843

The financial statements on pages 17 to 80 were approved and authorised for issue by the Board of Directors on 4th June 2025.

James Boyd McFie

Dr. James Mcfie
Director

Dr. Julius Kipngetich
Director

THE STANDARD GROUP PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital KES 000	Share premium KES 000	Capital redemption reserve KES 000	Investment in Joint Operations KES 000	Retained earnings KES 000	Attributable to equity holders of parent KES 000	Non-controlling interest KES 000	Total Shareholders' equity KES 000
Year ended 31 December 2023								
At start of year	408,654	39,380	102	(42,250)	(412,189)	(6,303)	145,271	138,968
Total comprehensive loss								
Loss for the year	-	-	-	-	(1,166,401)	(1,166,401)	(95,039)	(1,261,440)
At end of year	408,654	39,380	102	(42,250)	(1,578,590)	(1,172,704)	50,232	(1,122,472)
Year ended 31 December 2024								
At start of year	408,654	39,380	102	(42,250)	(1,578,590)	(1,172,704)	50,232	(1,122,472)
Total comprehensive loss								
Loss for the year	-	-	-	-	(1,021,398)	(1,021,398)	(78,357)	(1,099,755)
At end of year	408,654	39,380	102	(42,250)	(2,599,988)	(2,194,102)	(28,125)	(2,222,227)

THE STANDARD GROUP PLC

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital KES 000	Share premium KES 000	Capital redemption reserve KES 000	Investment in Joint Operations KES 000	Retained earnings KES 000	Total KES 000
Year ended 31 December 2023						
At start of year	408,654	39,380	102	(42,250)	(570,490)	(164,604)
Total comprehensive loss						
Loss for the year	-	-	-	-	(1,067,482)	(1,067,482)
At end of year	408,654	39,380	102	(42,250)	(1,637,972)	(1,232,086)
Year ended 31 December 2024						
At start of year	408,654	39,380	102	(42,250)	(1,637,972)	(1,232,086)
Total comprehensive loss						
Loss for the year	-	-	-	-	(939,842)	(939,842)
At end of year	408,654	39,380	102	(42,250)	(2,577,814)	(2,171,928)

THE STANDARD GROUP PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 KES 000	2023 KES 000
Cash flows from operating activities			
Cash generated from operations	32(i) (a)	282,958	491,437
Interest expense on other loans	13	(107,689)	(83,408)
Interest expense on lease	19(c)	(2,869)	(5,335)
Income tax paid	15(b)	(31,367)	-
Net cash flows from operating activities		141,033	402,694
Cash flows from/used in investing activities			
Purchase of intangible assets	20(a)	(3,245)	-
Purchase of property, plant and equipment	17(a)	(9,353)	-
Proceeds from disposal of property, plant and equipment	10	4,628	7,044
Net cash flows used in investing activities		(7,970)	7,044
Cash flows from financing activities			
Principal elements of lease payments	19(c)	(6,102)	(19,559)
Proceeds from borrowings	29(a)	257,677	703,375
Loan repayment	29(a)	(378,124)	(914,328)
Net cash flows from financing activities		(126,549)	(230,512)
Net decrease in cash and cash equivalents		6,514	179,226
Cash and cash equivalents at start of the year		(34,908)	(214,134)
Cash and cash equivalents at end of year	32(i)(b)	(28,394)	(34,908)

THE STANDARD GROUP PLC
COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 KES 000	2024 KES 000
Cash flows from operating activities			
Cash generated from operations	32(ii) (a)	281,707	420,813
Interest expense on other loans	13	(104,929)	(46,913)
Interest expense on lease liability	19(c)	(2,869)	(5,335)
Income tax paid	15(b)	(20,869)	-
Net cash flows from operating activities		153,040	368,565
Cash flows from/ Used in investing activities			
Purchase of intangible assets	20(b)	(3,245)	-
Purchase of property, plant and equipment	17(b)	(4,993)	-
Proceeds from disposal of property, plant and equipment	10	4,628	7,044
Net cash flows used in investing activities		(3,610)	7,044
Cash flows from financing activities			
Principal elements of lease payments	19(c)	(6,102)	(19,559)
Proceeds from borrowings	29(b)	257,677	703,375
Loan repayment	29(a)	(378,124)	(914,327)
Net cash flows from financing activities		(126,549)	(230,511)
Net decrease in cash and cash equivalents		22,881	145,098
Cash and cash equivalents at start of year		(41,817)	(186,915)
Cash and cash equivalents at end year	32(ii) (b)	(18,936)	(41,817)

1. REPORTING ENTITY

The Standard Group PLC ("the Company") is a limited liability Company incorporated in Kenya under the Kenya Companies Act, 2015 and is domiciled in Kenya. The financial statements comprise the consolidated and separate financials statements. The consolidated financial statements of the Company as at and for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "Group"). The subsidiaries are presented on Note 21. The Group is primarily involved in the gathering and disseminating of information through print, television, radio and digital media. The Group products include; The Standard and The Nairobian; Radio Maisha, Spice FM, and Berur FM; KTN Home, KTN News, Btv and KTN Farmers TV; and Standard Courier. Digital offering include the E-paper, Standardmedia.co.ke website, Digger classified and Value added Services.

The address of its registered office and principal place of business is as follows:

The Standard Group Centre
Mombasa Road
PO Box 30080 – 00100
Nairobi.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting standards Board and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS Accounting Standards. The financial statements comply with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB). Changes in significant accounting policies are detailed in Note 4. Details of the Group and Company significant accounting policies are included in Note 3.

For the Companies Act, 2015 reporting purposes in these financial statements, the balance sheet is represented by the statement of financial position and profit and loss account is represented by the statement of profit or loss and other comprehensive income.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except where stated otherwise.

(c) Functional and presentation currency

These Financial Statements are presented in Kenya shillings (KES 000), which is the Company's functional currency. All financial information presented has been rounded to the nearest thousand (KES 000) except where otherwise indicated.

(d) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses.

2. BASIS OF PREPARATION (continued)

(d) Use of estimates and judgements (continued)

Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in note 6.

(e) Going concern

The Group and Company in the current year incurred a loss after tax of KES 1.1 billion (2023: KES 1.261 billion) and KES 0.94 billion (2023: 1.067 billion) respectively during the year ended 31 December 2024 and, as of that date, the Group's and Company's current liabilities exceeded the current assets by KES 3.0 billion (2023: KES 2.1 billion) and KES 2.9 billion (2023: KES 2.1 billion) respectively. As at year end the Group had total negative equity of KES 2.2 billion (2023: negative KES 1.1 billion) whilst the Company had a negative equity of KES 2.2 Billion (2023: negative equity KES 1.2 Billion).

The prevailing liquidity challenges in the economy have hindered the Group's ability to collect receivables from its current debtors, thereby affecting the Company's overall liquidity. Financial constraints have also limited the Group's ability to fulfil certain obligations to key suppliers, statutory bodies, and employee-related expenses. Nevertheless, management does not anticipate any new uncertainties that could materially harm the business. The Group continues to enjoy strong goodwill and confidence, as evidenced by the substantial market share across its product offerings.

The directors remain confident that the Group and Company will remain a going concern over the next 12 months. In making this assessment, the directors have considered in detail all pertinent facts as outlined below:

a. A thorough review of the budgetary and forecasting process to ensure that appropriate assumptions have been considered in developing the Group's forecast. The key areas of focus will include:

    i. Review of the revenue strategy to ensure that the investments in the broadcast and digital platforms continue to grow in revenue generation. This will drive the revenue up by about 35% in 2025 with a projected growth there on.
    ii. Cost containment measures to ensure that the operations are run efficiently which include full utilization of all editorial staff; travel expenses, rental expenses and aggressive collection measures to reduce the utilization of the financing facilities thus lower finance cost.
    iii. Continuous engagement with creditors to agree on payment plans based on the paying ability of the company and in line with projected cash flows.
    iv. The Group expects to start generating positive operating cashflows in 2026 thus able to meet its current and future obligations including payment of its statutory deductions.

b. The Group's board and management have implemented initiatives that are geared towards improving the cash collection cycle that include but are not limited to:

2. BASIS OF PREPARATION (continued)

(e) Going concern (continued)

i. Reduce the number of days to collect from the open market by encouraging select clients to forward pay for services rendered.
ii. Ensure continuous engagement with government officers to enhance debt collections.
iii. Engage various debt collection agencies to fast-track debt collection.
iv. Continuous engagement with creditors to ensure continued service delivery and increased number of credit days.
v. Organizational right sizing and staff rationalization as part of cost cutting measures

c. The Group has been heavily reliant on borrowing to fund expansion and capital investments. To ensure that investments have been maintained even as performance is expected to improve the shareholders have extended a loan in the first quarter of 2025. Subsequent to the year end the Group still has enough unutilized borrowing facilities and is thus able to meet its working capital requirements. The Shareholders have committed continued support if need be.

d. The largest impact on revenue has been caused by changes in government policies and regulations. The Group is thus focusing on investing and diversifying in Broadcast (TV and Radio) and digital as these platforms are impacted much less than the print platform of The Group.

The Directors have reviewed the projections as based on the above strategies and the medium-term plan. Based on the implementation of the various turnaround initiatives outlined above, the directors consider it appropriate to prepare the financial statements on the going concern basis. The shareholders also demonstrated their willingness to support the business which is demonstrated by their willingness of the majority shareholders to inject funds into the business as and when the need arises demonstrated by the KES 626 already injected into the business over the years. The group is also at advanced stage to secure another KES 1.5 Billion through the rights issue to ease the cashflow constraints of the business as we gear up for further capital.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by Group entities.

(a) Basis of consolidation

Subsidiaries

Subsidiaries are investees controlled by the Group. The Group controls an investee when it is exposed to, or has rights to, variable returns from its involvement in the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (continued)

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.
The holding Company accounts for dividends from subsidiary companies only when the right to receive the dividends is established.

Non-controlling interests:

The Group recognises non-controlling interests at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. recognises non-controlling interests at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Where the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint operations

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses.

Separate financial statements

In the separate financial statements, investments in subsidiaries are accounted for at cost less impairment and investment in associates is accounted for using the equity method. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

3. MATERIAL ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (Continued)

Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- Fair values of the assets transferred
- Liabilities incurred to the former owners of the acquired business
- Equity interests issued by the Group
- Fair value of any asset or liability resulting from a contingent consideration agreement; and
- Fair value of any pre-existing equity interest in the subsidiary

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

i. consideration transferred,
ii. amount of any non-controlling interest in the acquired entity, and
iii. acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICIES (continued)

b) Revenue and other income recognition

Revenue comprises of income from print and broadcasting segments. The Group derives revenue from the transfer of goods and services at a point in time in the following major product lines: circulation and advertising. Revenue from print arises from the sale of newspapers and magazines. The Group uses vendors and agents in the sale of newspapers and magazines. The Group has been assessed as the principal in this arrangement, and therefore recognises revenue on the gross amount. E-paper revenue is recognized on delivery of electronic version of the newspaper to the customer. Advertising income is earned from both print and broadcasting. Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer.

Revenue from the sale of newspapers and magazines is recognised upon the delivery of goods to customers or when title has passed to customers. Advertising revenue is recognised when advertisements are published in the newspaper or aired on television or radio. Revenue is measured at the fair value of the consideration received or receivable, net of VAT and discounts. There are no significant estimates made in revenue recognition.

Interest income is recognised as it accrues in profit or loss using the effective interest method, unless its collectability is in doubt.

Other income is recognised once control of the goods or service is passed to the customers and largely includes sale of newspaper returns, production waste, broadcast content and courier services.

c) Income tax

Income tax expense in profit or loss for the year comprises current income tax and the change in deferred tax.

Current income tax is provided on the basis of the results for the year, as shown in the financial statements, adjusted in accordance with tax legislation.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is recognised for unused tax losses and deductible temporary differences to the extent that is probable that future profits will be available against which the tax asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax is calculated on the basis of the tax rates enacted or substantively enacted at the reporting date and expected to apply when the asset is recovered, or the liability is settled.

3. MATERIAL ACCOUNTING POLICIES (continued)

d) Provisions

A provision is recognised in the financial statements when the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

e) Segmental reporting

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. The Group's chief decision maker is the chief executive officer. The Group organizes its activity by business lines and these are defined as the Group's reportable segments. The business segments are Print and Broadcast.

f) Property, plant and equipment

(i) Recognition and measurement

Initial recognition of items of property, plant and equipment is at cost and are consequently measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, capitalised borrowing costs.

Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. MATERIAL ACCOUNTING POLICIES (continued)

(f) Property, plant and equipment (continued)

(ii) Subsequent costs

The cost of replacing a component of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation on property, plant and equipment is calculated to write off the cost in equal annual instalments over their expected useful lives. The annual rates used are:

Buildings	2%
Plant and machinery	12.5%
Motor vehicles	25%
Furniture, fittings and equipment	10% -33⅓%

The depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(iv) Disposal of property, plant and equipment

Gains and losses on disposal of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

g) Intangible assets

(i) Software

Computer software and other intangible assets are measured at cost less accumulated amortisation and impairment losses. The costs are amortised over the expected useful lives of the software on the straight line basis. The annual rates used for amortisation are:

Computer software	20%

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Intangible assets (continued)

(ii) Trademark and broadcasting frequencies

Trademarks and frequency are initially recognised at cost. At each reporting date, the Group reviews the carrying amount of the trademarks and broadcasting frequency to determine whether there is any indication that these assets have suffered an impairment loss. Such indicators include decline in market value or negative changes in technology, markets, economy or laws. The trademarks and broadcasting frequency have indefinite useful lives and are tested for impairment at each reporting date.

h) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in the profit or loss. Impairment losses recognised in respect of cash-generating units reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

i) Leases

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group and Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group and Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Leases (continued)

As a lessee (continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group and Company by the end of the lease term or the cost of the right-of-use asset reflects that the Group and Company will exercise a purchase option.

In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group and Company's incremental borrowing rate. Generally, the Group and Company uses its incremental borrowing rate as the discount rate.

The Group and Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise the following:

— fixed payments, including in-substance fixed payments;
— variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
— amounts expected to be payable under a residual value guarantee; and
— the exercise price under a purchase option that the Group and Company is reasonably certain to exercise, lease payments in an optional renewal period if the Group and Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group and Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group and Company's estimate of the amount expected to be payable under a residual value guarantee, if the Group and Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group and Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group and Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3. MATERIAL ACCOUNTING POLICIES (continued)

(i) Leases (continued)

As a lessee (continued)

The Group and Company classifies leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this is the case, the leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Minimum lease payments are the payments over the lease term that the lessee is required to make, excluding any contingent rent. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

(j) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and the overheads incurred in bringing the inventories to their present location and condition. Costs of direct materials and general consumable stores are determined on the weighted average cost basis. Net realisable value represents the estimated selling price less the estimated cost to completion and costs to be incurred in marketing, selling and distribution. Film stock is expensed when aired.

(k) Foreign currency translations

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Gains and losses on exchange are dealt with in the profit or loss.

(l) Financial instruments

(i) Recognition and initial measurement

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or liability.

3. MATERIAL ACCOUNTING POLICIES (continued)

(l) Financial instruments (continued)

(i) Recognition and initial measurement (continued)

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(ii) Classification and subsequent measurement

Financial assets

The Group and Company classify their financial assets at amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The classification of financial assets and their subsequent accounting will be determined by the application of dual tests examining the contractual cash flow characteristics of the financial instruments and the Group's business model for managing the assets.

Financial assets may be held at amortised cost only where both:

(a) the asset is held in a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
(b) the contractual terms of the financial asset give rise on specified dates to cash flows that consist solely of principal and interest on the outstanding principal.

Financial assets – Business model assessment

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. In determining the business model, the information considered includes:

— the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

3. MATERIAL ACCOUNTING POLICIES (continued)

(l) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Financial assets – Business model assessment (continued)

— how the performance of the portfolio is evaluated and reported to the Group's management;
— the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
— how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
— the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

— contingent events that would change the amount or timing of cash flows;
— terms that may adjust the contractual coupon rate, including variable-rate features;
— prepayment and extension features; and
— terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

3. MATERIAL ACCOUNTING POLICIES (continued)

(l) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest. (continued)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICIES (continued)

(l) Financial instruments (continued)

(iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(iv) Impairment of financial assets

The Group recognises a loss allowance for expected on investments in debt instruments that are measured at amortised cost or at FVOCI, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The "incurred loss" model was replaced by the "expected credit loss" model in IFRS 9. This applies to all financial assets not held at fair value through profit and loss (FVTPL) – certain investments, trade receivables and other receivables.

For financial assets carried at amortised cost (including receivables such as trade debtors), impairment losses should be recognised under the "expected loss model", building up a debtors' provision / allowance account against credit losses over the life of the financial asset (including an estimate of initial credit risk).

Under the impairment approach in IFRS 9 it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, the Group will account for expected credit losses, and changes in those expected credit losses. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

The Group considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

3. MATERIAL ACCOUNTING POLICIES (continued)

(l) Financial Instruments (continued)

(v) De-recognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(vi) Write-off

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expenses.

(m) Employee benefits

(i) Defined contribution plan

The Group operates a defined contribution retirement benefit scheme for its permanent and pensionable employees. The assets of the scheme are held in separate trustee administered fund, which is funded by contributions from both the Group companies and employees. The Group and all its employees also contribute to the National Social Security Fund, which is a defined contribution scheme. The Group's contributions to the defined contribution schemes are recognised in the profit or loss in the period which related services are rendered by employees. The Group has no further obligation once the contributions have been paid.

(ii) Staff gratuity

The Group also has a gratuity plan for senior management staff. The Group's net obligation in respect of the gratuity plan is calculated at an agreed rate of the salary of the employees under the plan. The provision for liability recognised in the financial statements is the estimated entitlement as a result of services rendered by employees up to the financial reporting date. The Group recognises all expenses related to the gratuity plan in employee costs in profit or loss.

3. MATERIAL ACCOUNTING POLICIES (continued)

(m) Employee benefits (continued)

(iii) Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include short term liquid investments which are readily convertible to known amounts of cash and which were within three months to maturity when acquired less advances from banks repayable within three months from date of disbursement or confirmation of the advance.

(o) Related party transactions

The Group discloses the nature, volume and amounts outstanding at the end of each financial year from transactions with related parties, which include transactions with the directors, executive officers and Group or related companies.

(p) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(q) Share capital

Ordinary shares are classified as 'share capital' in equity. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a reduction from equity.

(r) Finance income and finance costs

Interest expense on borrowings is recognized in profit or loss using the effective interest rate unless they are directly attributable to the acquisition, construction or production of a qualifying asset, in which case they are capitalized to that asset.

Foreign exchange gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

(r) Leasehold land

The leasehold land relates to the land where the Standard Group Centre is located. Payments to acquire leasehold interest in land are amortised over the period of the lease.

4. CHANGES IN ACCOUNTING POLICY

New standards, amendments and interpretations

(i) New standards, amendments and interpretations effective and adopted during the year

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2024

New standard or amendments	Effective for annual periods beginning on or after
— Non-current liabilities with covenants – amendments to IAS 1	I January 2024
— Lease liability in sale and leaseback	I January 2024

These amendments have not had a significant impact on the financial statements.

(ii) New and amended standards and interpretations not yet effective

New standard or amendments	Effective for annual periods beginning on or after
— Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
— Lack of exchangeability - amendments to IAS 21	1 January 2025
— Amendments to IFRS 9 and IFRS 7: Amendments to the classification and measurement of Financial Instruments	1 January 2026
— IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
— IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027

All standards and interpretations will be adopted at their effective date (except for those standards and interpretations that are not relevant to the entity). None of these standards are expected to have a material impact on the financial statements.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk, foreign currency exchange rates, interest rates and capital risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Risk management is carried out by the Finance department under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investing excess liquidity.

(a) Market risk

i. Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, Euro, and GBP. Foreign exchange risk arises from the purchase of materials and inputs in foreign currency. These include programs, newsprint and items of property plant and equipment. Foreign denominated revenue is insignificant.

The Group mitigates this risk through cashflow planning where payments of purchased denominated in foreign currency are scheduled at strategic points in the year and also made in bulk so as to increase the bargaining power of the Group when negotiating for foreign exchange rates.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

Group and Company

2024:	**USD KES 000**	**EURO KES 000**	**GBP KES 000**	**Total KES 000**
Financial assets				
Cash at bank	7,293	1,811	13655	22,759
Foreign debtors	21,085	35	-	21,120
Financial liabilities				
Trade payables	(258,892)	(51,846)	(9,263)	(320,001)
Net foreign currency liability	(230,514)	(49,999)	4,392	(276,122)
2023:				
Financial assets				
Cash at bank	(3,708)	2,027	6,006	4,325
Foreign debtors	23,745	-	-	23,745
Financial liabilities				
Trade payables	(281,568)	(37,126)	(9,266	(327,960)
Net foreign currency liability	(261,531)	(35,099)	(3,260	(299,890)

At 31 December 2024, if the Shilling had weakened/strengthened by 1% against the foreign currencies with all other variables held constant, the impact on profit before taxation for the year would have been KES 2,761,216 (2023: KES 2,998,905).

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Market risk (Continued)

i. Foreign exchange risk (Continued)

The following significant exchange rates have been applied during the year:

	Average		Closing	
	2024	2023	2024	2023
USD	129.4	138.6	129.3	156.5
EURO	135.6	149.8	134.3	173.8
GBP	163.6	172.2	162.3	199.8

ii. Price risk

The Group does not hold financial instruments that would be subject to price risk.

iii. Cash flow and fair value interest rate risk

The Group has borrowings in the form of overdraft facilities and 5 year term loans with two banks namely NCBA Bank Kenya PLC and Stanbic Bank Kenya Limited with a combined overdraft limit of KES 120 million (2023: KES 120 million) at rates determined by prevailing market conditions.

As at 31 December 2024, an increase/decrease of 1% on average borrowing rates would have resulted in an increase/decrease in profit before taxation for Group by KES 2,761,216 (2023: KES 2,998,905).

(b) Credit risk

Credit risk is managed on a Group-wide basis. Credit risk arises from trade receivables, cash at bank and other receivables. The credit committee assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

Expected credit loss (ECL) assessment as at 1 January and 31 December 2024

The Group uses a provision matrix to measure the ECLs of trade receivables from customers. The loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. The provision matrix is based on an entity's historical default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Roll rates are calculated separately for exposures in different segments. The Group uses historical patterns to determine the future payment patterns for government advertising debt. The expected future payments are then discounted to take into account the time value of money.

The following table provides information about the maximum exposure to credit risk and ECLs for trade receivables as at 31 December 2024 and 2023.The amounts on the table represent the maximum exposure to credit risk.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Credit risk (continued)

(i) Trade receivables

Group

Year ended 31 December 2024

Aging bucket	Loss rate	Gross amount	Loss allowance	Credit impaired
		KES 000	KES 000	
4–30 days past due	13%	646,479	87,080	No
31–60 days past due	34%	21,489	7,246	No
61–90 days past due	27%	47,624	12,724	No
More than 90 days past due	43%	1,330,311	574,083	No
More than 730 days (2 years) past due	100%	782,934	782,934	Yes
		2,828,837	1,464,067	

Year ended 31 December 2023

Aging bucket	Loss rate	Gross amount	Loss allowance	Credit impaired
		KES 000	KES 000	
0–30 days past due	6%	833,918	48,324	No
31–60 days past due	7%	73,992	5,142	No
61–90 days past due	13%	51,617	6,872	No
More than 90 days past due	64%	1,808,459	1,162,141	No
		2,767,986	1,122,479	

Company

Year ended 31 December 2024

Aging bucket	Loss rate	Gross amount	Loss allowance	Credit impaired
		KES 000	KES 000	
4–30 days past due	14%	506,232	70,379	No
31–60 days past due	38%	15,417	5,862	No
61–90 days past due	39%	24,973	9,721	No
More than 90 days past due	41%	1,154,146	468,537	No
More than 730 days (2 years) past due	100%	591,015	591,015	Yes
		2,291,782	1,145,514	

Year ended 31 December 2023

Aging bucket	Loss rate	Gross amount	Loss allowance	Credit impaired
		KES 000	KES 000	
0–30 days past due	6%	625,899	36,247	No
31–60 days past due	6%	58,767	3,498	No
61–90 days past due	11%	35,451	3,965	No
More than 90 days past due	63%	1,500,714	951,519	No
		2,220,831	995,229	

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Credit risk (continued)

Loss rates are based on actual credit loss experience over the past 3 years, current conditions plus the Group's view of economic conditions such as commercial bank lending interest rates as guided by IFRS 9.

(ii) Cash and cash equivalents

The Group and Company held cash and cash equivalents of KES 89,919,178 and KES 89,238,787 respectively (2023: Group and Company – KES 49,250,951 and KES 32,196,696 respectively). These amounts represent the maximum exposure to credit risk for cash and cash equivalent balances. The cash and cash equivalents are held with banks and financial institution counterparties.

Impairment on cash and cash equivalents has been measured on a 12-month expected credit loss basis and reflects the short maturities of the exposures and the resulting amounts are not material.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2024 KES 000	2023 KES 000
Group:		
At start of year	1,222,478	1,176,312
Charge/(credit) for the year	241,588	46,167
Bad debt write offs and credit notes	-	-
At end of year	1,464,066	1,222,479
Company:		
At start of year	995,229	946,975
Charge/(credit) for the year	150,285	48,254
Bad debt write offs and credit notes	-	-
At end of year	1,145,514	995,229

The customers under the fully performing category are paying their debts as they continue trading. The default rate is low.

The debt that is overdue is not impaired and continues to be paid. The credit control department is actively following this debt. Further, for circulation, the debt is partially covered by cumulative cash deposits by vendors and agents.

The debt that is impaired has been provided for based on the expected credit loss assessment model. However, debt collectors as well as the legal department are following up on the impaired debt.

Other financial instruments for which the Group and Company is exposed to credit risk are as follows:

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Credit risk (continued)

ii. Cash and cash equivalents (continued)

	2024 KES 000	2023 KES 000
Group:		
Bank and cash balances (Note 31(i)(b))	89,919	49,251
Other receivables (Note 22(a))	38,434	49,493
	128,353	98,744
Company:		
Bank and cash balances (Note 31(ii)(b))	89,239	32,197
Other receivables (Note 22(b))	34,303	37,536
	123,542	69,733

There was no significant credit risk exposure on bank and cash balances and other receivables which comprises staff advances and prepaid rent.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash to meet Group obligations. The treasury function reviews the cash forecast monthly and determines the cash requirement. Cash generated from operations is healthy but if a heavy cash requirement is necessary, there exists overdraft facilities with NCBA Bank Kenya PLC and Stanbic Bank Kenya Limited with a combined limit of KES 120 million (2023: KES 120 million).

The table below analyses the Group's financial liabilities and assets that will be settled or realized on a net basis into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Group

Liabilities **At 31 December 2024**	**Within 1 year** **KES 000**	**Over 1 year** **KES 000**	**Total** **KES 000**
Related party loans	126,302	837,669	963,971
Bank borrowings	221,227	210,174	431,401
Lease liabilities	3,480	16,240	19,720
Trade and other payables	4,724,350	-	4,724,350
	5,075,358	1,064,083	6,139,442

Assets **At 31 December 2024**	**Within 1 year** **KES 000**	**Over 1 year** **KES 000**	**Total** **KES 000**
Inventories	118,176	-	113,328
Trade and other receivables	1,695,420	-	1,695,790
Bank and cash balances	89,919	-	89,895
	1,903,515	-	1,899,083

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Liquidity risk (continued)

Company			
Liabilities			
At 31 December 2024			
Related party loans	740,545	837,669	1,578,214
Bank borrowings	211,089	210,174	421,263
Lease liabilities	3,480	14,309	17,788
Trade and other payables	3,661,089		3,661,089
	4,616,202	1,062,151	5,678,354
Assets			
At 31 December 2024			
Inventories	116,990	-	116,990
Trade and other receivables	1,413,809	-	1,413,809
Bank and cash balances	89,239	-	89,239
	1,620,038	-	1,620,038
At 31 December 2023			
Liabilities			
Related party loans	545,084	748,840	1,293,924
Bank borrowings	227,901	279,649	507,549
Lease liabilities	1,607	18,847	20,454
Trade and other payables	3,061,510	-	3,061,510
	3,836,102	1,047,336	4,883,437
Assets			
At 31 December 2023			
Inventories	104,601	-	104,601
Trade and other receivables	1,481,548	-	1,481,548
Bank and cash balances	32,197	-	32,197
	1,618,346	-	1,618,346

(i) Valuation hierarchy

The valuation hierarchy, and types of instruments classified into each level within that hierarchy, is set out below:

	Level 1	**Level 2**	**Level 3**
Fair value determined using:	Unadjusted quoted prices in an active market for identical assets and liabilities	Valuation models with directly or indirectly market observable inputs	Valuation models using significant non-market observable inputs

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Fair values (continued)

(ii) Fair values for financial assets and financial liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Group

2024	Financial liabilities at amortised cost KES 000	Financial assets at amortised cost KES 000	Total carrying value KES 000	Fair value KES 000
Financial assets				
Trade and other receivables	-	1,695,421	1,695,421	1,695,421
Cash and bank balances	-	89,919	89,919	89,919
	-	1,785,340	1,785,340	1,785,340
Financial liabilities				
Borrowings	377,276		377,276	377,276
Trade and other payables	4,724,350		4,724,350	4,724,350
Lease liabilities	17,375		17,375	17,375
Amount due to related parties	101,891	-	101,891	101,891
	5,220,892	-	5,220,892	5,220,892
2023				
Financial assets				
Trade and other receivables	-	1,856,229	1,856,229	1,856,229
Cash and bank balances	-	49,251	49,251	49,251
	-	1,905,480	1,905,480	1,905,480
Financial liabilities				
Borrowings	463,570		463,570	463,570
Trade and other payables	3,891,507		3,891,507	3,891,507
Lease liabilities	20,263		20,263	20,263
Amount due to related parties	95,447	-	95,447	95,447
	4,470,787	-	4,470,787	4,470,787

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Fair values (continued)

(ii) Fair values for financial assets and financial liabilities (continued)

Company

2024	Financial liabilities at amortised cost KES 000	Financial assets at amortised cost KES 000	Total carrying value KES 000	Fair value KES 000
Financial assets				
Trade and other receivables	-	1,413,809	1,413,809	1,413,809
Cash and bank balances	-	89,239	89,239	89,239
	-	1,503,048	1,503,048	1,503,048
Financial liabilities				
Borrowings	367,138		367,138	367,138
Trade and other payables	3,661,089		3,661,089	3,661,089
Lease liabilities	17,375		17,375	17,375
Amount due to related parties	1,553,803	-	1,553,803	1,553,803
	5,599,405	-	5,599,405	5,599,405
2023				
Financial assets				
Trade and other receivables	-	1,481,548	1,481,548	1,481,548
Cash and bank balances	-	32,197	32,197	32,197
	-	1,513,745	1,513,745	1,513,745
Financial liabilities				
Borrowings	453,425		453,425	453,425
Lease liabilities	3,061,509		3,061,509	3,061,509
Amount due to related parties	20,263		20,263	20,263
Trade and other payables	1,262,731	-	1,262,731	1,262,731
	4,797,928	-	4,797,928	4,797,928

(e) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(e) Capital risk management (continued)

The constitution of capital managed by The Standard Group PLC is as shown below:

	GROUP		COMPANY	
	2024 KES 000	2023 KES 000	2024 KES 000	2023 KES 000
Equity	(2,222,227)	(1,122,472)	(2,171,928)	(1,232,086)
Total borrowings	377,276	463,570	367,138	453,425
Less: cash balances	(89,919)	(49,251)	(89,239)	(32,197)
Net debt	287,357	414,319	277,899	421,228
Gearing	-13%	(37)%	-13%	(34)%

6. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies, management has made estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. These are dealt with below:

Useful lives of property, plant and equipment and residual values

The company tests annually whether the useful lives and residual values are appropriate and in accordance with its accounting policy. Judgement is required in determining the useful lives of property, plant and equipment. Useful lives and residual values of property, plant and equipment have been determined based on previous experience and anticipated disposal values when the assets are disposed. This estimate is based on projected product lifecycles for its assets. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

Impairment of assets

At each reporting date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. Judgement is required in making this determination. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. Critical estimates are made by management in assessment of impairment for non-financial assets. Significant estimates relate to the determination of the projected cash flows and the discount rate.

6. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION (continued)

Contingent liabilities

As disclosed in Note 34 of these financial statements, the Group is exposed to various contingent liabilities in the normal course of business including a number of legal cases. There is uncertainty as to how present and future claims and other liabilities will be resolved and therefore significant judgement is required in assessing the likely outcome and the potential liability for such matters.

Management in consultation with the legal advisers evaluate the status of these exposures on a regular basis to assess the probability of the Group incurring related liabilities. Provisions are made in the financial statements where, based on the Directors' evaluation, a present obligation has been established, and it is probable that a liability will crystalise.

Income tax

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Trade receivables

The Group uses a provision matrix to measure the ECLs of trade receivables from customers. The loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments. A number of significant judgements and estimations are also required in applying the accounting requirements for measuring ECL, such as:

- The application of IFRS 9 risk parameters i.e. probably of default (PD), loss given at default (LGD) and exposure at default (EAD) to trade receivables; and
- The definition of default, determination of probability of default matrix and identification of exposures with significant deterioration in credit quality.

The Group uses historical patterns to determine the future payment patterns for government advertising debt. The expected future payments are then discounted to take into account the time value of money.

Lease term and discount rates determination on adoption of IFRS 16

Critical estimates are made by management in determining lease terms in lease contracts. Specifically, in determining which leases will be extended and renewed on expiry of the non-cancellable lease term. Estimates are also made on the discount rate.

7. OPERATING SEGMENTS

(a) Products and services from which reportable segments derive their revenues

Information reported to the operating segment decision makers for the purposes of resource allocation and assessment of segment performance is focused on the means of delivery of the good or service to the customer. The goods and services are delivered through publishing and broadcasting. The Group's reportable segments under IFRS 8 are print and broadcasting.

(b) Segment revenues and results

The Standard Group Plc is domiciled in Kenya and its revenue is generated in the country. The Group derives revenue from the transfer of goods and services at a point in time. The Group does not derive revenues in excess of 10% of the total Group's revenue from any individual customer except the Government of Kenya. The Group's assets are also held in Kenya. The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

	2024			2023		
	Print	Broadcasting	Total	Print	Broadcasting	Total
	KES 000	KES 000	KES 000	KES 000	KES 000	KES 000
Revenue	1,108,174	735,032	1,843,206	1,448,715	932,710	2,381,425
Direct Costs	(357,713)	(209,501)	(567,214)	(509,580)	(240,300)	(749,880)
Other gains and (losses)	44,818	33,067	77,885	(30,072)	21,583	(8,489)
Selling and distribution	(156,325)	(52,147)	(208,472)	(155,817)	(83,700)	(239,517)
Administrative expenses	(1,451,867)	(587,889)	(2,039,756)	(1,350,635)	(587,356)	(1,937,991)
Depreciation and amortisation expense	(54,138)	(40,708)	(94,846)	(35,075)	(44,268)	(79,343)
Finance costs	(107,790)	(2,768)	(110,558)	(61,218)	(27,525)	(88,743)
Segment (loss)/profit before tax	(974,841)	(124,914)	(1,099,755)	(693,682)	(28,856)	(722,538)
Income tax (expense)/credit	-	-	-	(441,789)	(97,113)	(538,902)
Total comprehensive loss for the year	(974,841)	(124,914)	(1,099,755)	(1,135,471)	(125,969)	(1,261,440)
Segment assets and liabilities						
Segment assets	2,820,332	1,016,002	3,836,334	3,154,496	942,659	4,097,155
Segment liabilities	4,985,159	1,073,403	6,058,562	4,379,481	840,147	5,219,628
Capital expenditure	45,255	(24,595)	20,660	47,543	(30,717)	16,827

	GROUP		COMPANY	
	2024	2023	2024	2023
8. REVENUE	KES 000	KES' 000	KES 000	KES 000
Revenue recognised at a point in time				
Print	1,081,910	1,412,456	1,081,910	1,412,456
Broadcasting	735,032	932,710	312,178	372,749
Courier Services	26,264	36,259	26,264	36,259
	1,843,206	2,381,425	1,420,352	1,821,464

9. DIRECT COSTS

	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Material cost	168,493	336,536	168,493	336,534
Programmes	97,087	83,613	59,942	33,191
Depreciation	78,324	79,785	78,324	79,785
News contribution costs	72,667	73,678	62,119	65,290
News service	4,615	10,051	672	63
Operating lease	13,086	5,267	12,840	5,095
TV licenses	80,440	101,163		-
Maintenance	20,873	25,394	20,873	25,394
Production salaries	13,383	8,905	13,383	8,905
Events	17,732	25,488	17,651	15,281
Other costs	514	-	416	-
	567,214	749,880	434,713	569,538

10. OTHER GAINS OR (LOSSES)

	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Miscellaneous income	26,589	33,722	(1,970)	15,419
Sale of newspaper returns, production waste and other income	6,380	16,653	6,380	16,653
Printing services	-	(115)	-	(115)
Gain on disposal of property and equipment	3,720	7,044	4,628	7,044
Unrealised forex losses	114,495	(109,853)	101,261	(97,002)
Realised forex gains	(53,438)	60,164	(41,699)	47,845
Realised Forex Losses	(19,861)	(16,104)	(15,901)`	(15,356)
	77,885	(8,489)	52,699	(25,512)

11. SELLING AND DISTRIBUTION

	GROUP 2024	GROUP 2023	COMPANY 2024	COMPANY 2023
Commission on bad debts recovery	3,361	2,995	3,361	2,995
Marketing and promotion	4,958	7,277	4,813	5,084
Advertising commission	138,873	161,734	109,189	115,120
Transport and distribution	61,280	67,511	61,280	67,511
	208,472	239,517	178,643	190,710

12. a) ADMINISTRATIVE EXPENSES

	GROUP		COMPANY	
	2024	2023	2024	2023
	KES 000	KES 000	KES 000	KES 000
Staff costs	1,069,271	1,276,597	820,085	971,857
Rent	43,186	60,777	43,044	55,742
Property operations	34,314	38,172	26,983	28,057
Depreciation charge	86,298	94,503	61,945	56,017
Amortisation of intangible assets	9,625	14,226	7,053	10,958
Right of use amortisation	5,916	18,253	5,916	18,253
Leasehold land amortisation	4,141	4,141	4,141	4,141
Professional fees	114,015	105,075	112,033	103,556
Repairs and maintenance	68,191	41,809	64,532	38,102
Vehicle expenses	95,058	53,386	87,277	51,305
Communication expense	27,163	9,353	26,608	8,452
Travel and accommodation	7,781	1,853	6,690	1,830
General insurance	60,739	57,232	43,177	40,492
Licences	34,704	3,946	34,704	3,946
Penalties	163,064	123,173	131,992	93,077
Bank charges	9,023	15,293	8,327	13,345
Electricity and water	36,857	36,426	33,041	31,700
Training	622	2,865	622	2,540
Subscription and donation	414	(135)	414	(135)
Printing and stationery	2,152	2,316	2,124	2,225
Directors' fees	9,329	10,510	9,329	10,510
AGM board meeting	3,750	1,334	3,750	1,334
Other expenses	7,401	62	7,666	62
	1,893,014	1,971,167	1,541,453	1,547,366
Staff costs include:				
Salaries and wages	962,317	1,101,459	740,234	838,211
Staff welfare	77,237	145,207	56,681	110,359
Pension contributions	13,000	18,608	9,435	13,939
NSSF	16,717	11,323	13,735	9,348
	1,069,271	1,276,597	820,085	971,857

Average number of employees

	Number	Number	Number	Number
Management	12	17	12	16
Others	575	714	479	576
Total	587	731	491	592

12. b) MOVEMENT IN EXPECTED CREDIT LOSSES

	GROUP 2024 KES 000	GROUP 2023 KES 000	COMPANY 2024 KES 000	COMPANY 2023 KES 000
Provision for expected credit losses	(241,588)	(46,167)	(150,285)	(48,254)

13. FINANCE COSTS

	GROUP 2024 KES 000	GROUP 2023 KES 000	COMPANY 2024 KES 000	COMPANY 2023 KES 000
Interest on term loans	64,753	35,031	64,636	15,720
Interest on bank overdrafts	18,483	17,151	15,866	13,504
Interest on shareholders loans	24,411	31,193	24,411	31,193
Interest on asset financing	42	33	17	25
Interest on lease liabilities	2,869	5,335	2,869	5,335
	110,558	88,743	107,799	65,777

14. LOSS BEFORE INCOME TAX

GROUP

	2024 KES 000	2023 KES 000
The loss before taxation is arrived at after charging the following items:		
Depreciation for PPE	164,622	174,288
Right of use asset amortisation	5,916	18,254
Amortisation - intangible assets	9,625	14,226
Directors' emoluments:		
- Fees - non-executive	9,329	10,510
- Executive directors	18,000	17,788
Auditors' remuneration - current year	-	-
Gain on disposal of plant and equipment	3,720	7,044

COMPANY

	2024 KES 000	2023 KES 000
The loss before taxation is arrived at after charging the following items		
Depreciation for PPE	140,269	148,121
Right of use asset amortisation	5,916	18,254
Amortisation - Intangible assets	7,053	10,958
Directors' emoluments:		
- Fees - non-executive	9,329	10,510
- Executive directors	18,000	17,788
Auditors' remuneration - current year	-	-
Gain on disposal of plant and equipment	4,628	7,044

15. INCOME TAX

	2024 KES 000	2023 KES 000
Group		
Deferred tax (credit)/expense (Note 28(a))		
Deferred tax (credit)/expense	(306,405)	(150,289)

The current year income tax expense has arisen largely from deferred tax movements

	2024 KES 000	2023 KES 000
Company		
Deferred tax (credit)/expense (Note 28(a))		
Deferred tax (credit)/expense	(289,446)	(142,252)

The current year income tax expense has arisen largely from deferred tax movements.

(a) Reconciliation of expected tax based on accounting loss to taxation credit

Group

	2024 KES 000	2023 KES 000
Derecognized deferred Tax	(306,405)	538,902
Loss before income tax	(1,099,755)	(722,538)
Tax at the applicable rate of 30% (2023:30%)	(329,927)	(216,762)
Tax effect of non-deductible costs	120,582	70,559
Tax effect of under provision of lease liabilities in the prior years	-	(4,087)
Under provision of deferred tax in Prior year	(97,061)	-
Unrecognised deferred tax	-	(388,612)
	(306,405)	538,902

Company

	2024 KES 000	2023 KES 000
Derecognized deferred Tax	(289,446)	441,788
Loss before income tax	(939,842)	625,693
Tax at the applicable rate of 30% (2023:30%)	(281,953)	(187,708)
Tax effect of non-deductible costs	110,897	49,543
Tax effect of under provision of lease liabilities in the prior years	-	(4,087)
Under provision of deferred tax in prior year	(118,390)	-
Unrecognised deferred tax	-	(299,536)
	(289,445)	441,788

15. INCOME TAX (continued)

(b) Current income tax recoverable

Group	2024 KES 000	2023 KES 000
At 01 January	(23,973)	(23,973)
Tax paid in the year	(31,367)	-
At 31 December	(55,340)	(23,973)
Comprising:		
Tax recoverable	(55,340)	(23,973)

Company	2024 KES 000	2023 KES 000
At 01 January	(16,500)	(16,500)
Current tax - charge for the year		
- tax paid in the year	(20,869)	-
At 31 December	(37,369)	(16,500)

16. BASIC AND DILUTED EARNINGS PER SHARE

	2024	2023
Loss attributable to owners of the Company – KES 000	(1,021,398)	(1,166,401)
Total loss attributable to owners	(1,021,398)	(1,166,401)
Number of shares during the year	81,731,808	81,731,808
Earnings per share – continuing operations – Basic and diluted	(12.50)	(14.27)

17. PROPERTY, PLANT AND EQUIPMENT

(a) Group

31 December 2024	Buildings	Plant & machinery	Motor vehicles	Furniture fittings & equipment	Capital work in progress	Total
Cost	**KES 000**	**KES 000**	**KES 000**	**KES 000**	**KES 000**	**KES 000**
At start of year	935,537	2,549,856	168,360	725,810	4,848	4,384,412
Additions	-	-	9,668	4,533	-	14,201
Disposals	-	-	(37,720)	(2,874)	-	(40,594)
Reclass	-	-	-	-	(4,848)	(4,848)
Write-off	-	(310,226)	(5,803)	(60,831)	-	(376,860)
At end of year	935,537	2,239,630	134,505	666,639	-	3,976,311
Depreciation						
At start of year	203,863	2,119,875	160,294	680,122	-	3,164,154
Charge for the year	18,766	118,637	6,337	20,884	-	164,623
Write-off	-	(294,874)	(5,370)	(60,709)	-	(360,953)
Disposal	-	-	(37,720)	(2,874)	-	(40,594)
At end of year	222,629	1,943,636	123,541	637,426	-	2,927,230
Net book value	712,908	295,994	10,964	29,213	-	1,049,081

31 December 2023	Buildings	Plant & machinery	Motor vehicles	Furniture fittings & equipment	Capital work in progress	Total
Cost						
At start of year	935,537	2,548,319	182,906	728.781	3,216	4,398,760
Additions	-	-	-	-	-	-
Disposals	-	-	(14,545)	-	-	(14,545)
Transfer from CWIP* to intangible assets	-	1,537	(1)	(2,971)	1,632	197
At end of year	935,537	2,549,856	168,360	725,810	4,848	4,384,412
Depreciation						
At start of year	185,122	2,030,821	168,421	619,849	-	3,004,214
Charge for the year	18,766	126,951	7,029	21,542	-	174,288
Adjustment	(25)	(37,898)	(611)	38,732	-	197
Disposal	-	-	(14,545)	-	-	(14,545)
At end of year	203,863	2,119,875	160,294	680,122	-	3,164,154
Net book value	731,674	429,981	8,066	45,688	4,848	1,220,258

CWIP* - Capital Work in Progress. The CWIP majorly comprises building under construction, as well as furniture and equipment.

Assets pledged as security for liabilities are disclosed under Note 29.

17. PROPERTY, PLANT AND EQUIPMENT (continued)

(b) Company

	Buildings	Plant & machinery	Motor vehicles	Furniture fittings & equipment	Capital work in progress	Total
31 December 2024	**KES 000**	**KES 000**	**KES 000**	**KES 000**	**KES 000**	**KES 000**
Cost						
At start of year	854,932	1,805,306	166,848	609,153	4,848	3,441,087
Additions	-	-	5,308	4,533	-	9,841
Disposals	-	-	(37,720)	(2,874)	-	(40,594)
Reclass			-	-	(4,848)	(4,848)
Write-Off	-	(173,328)	(5,803)	(37,428)	-	(216,559)
At end of year	854,932	1,631,977	128,633	573,383	-	3,188,926
Depreciation						
At start of year	181,597	1,418,933	158,783	572,800	-	2,332,111
Charge for the year	17,154	101,279	6,336	15,500	-	140,269
Write-Off	-	(158,885)	(5,370)	(37,304)	-	(201,559)
Elimination on disposal	-	-	(37,720)	(2,874)	-	(40,594)
At the end of year	198,751	1,361,326	122,028	548,122	-	2,230,227
Net book Value	656,181	270,651	6,605	25,262	-	958,699

	Buildings	Plant & machinery	Motor vehicles	Furniture fittings & equipment	Capital work in progress	Total
31 December 2023						
Cost						
At start of year	854,932	1,803,769	181,394	612,127	3,216	3,455,438
Additions	-	1	-	-	-	1
Disposals	-	-	(14,545)	-	-	(14,545)
Adjustment	-	1,537	(1)	(2,974)	1,632	194
At end of year	854,932	1,805,306	166,848	609,153	4,848	3,441,087
Depreciation						
At start of year	164,443	1,382,013	166,298	485,588	-	2,198,342
Charge for the year	17,154	107,817	7,028	16,121	-	148,120
Adjustment	-	(70,897)	1	71,091	-	194
Elimination on disposal	-	-	(14,545)	-	-	(14,545)
At the end of year	181,597	1,418,933	158,783	572,800	-	2,332,111
Net book Value	673,335	386,373	8,066	36,353	4,848	1,108,975

CWIP* - Capital Work in Progress. The CWIP majorly comprises building under construction.

Assets pledged as security for liabilities are disclosed under Note 29.

18. LEASEHOLD LAND

	2024 KES 000	2023 KES 000
At 1 January	299,845	303,987
Charge for the year	(4,141)	(4,142)
	295,704	299,845

This relates to the 2 Mombasa Road headquarters leasehold parcels of Land (LR No 209/18208 & 209/18213) Owned by the company

19. RIGHT OF USE ASSETS AND LEASE LIABILITIES

These assets and liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate. The weighted average lessee's incremental borrowing rate applied to the lease liabilities during the year was 13%.

The Group leases offices and motor vehicles. The leases for motor vehicles run for 2 years. The leases for offices typically run for a period ranging between 5 – 9 years. Information about leases for which the Group is a lessee is presented below.

In order to identify whether the Group's contracts gave rise to a lease the, the Group looked out for the following;

- The lease is a contract.
- The parties to the contract are lessor and lessee.
- The lease contract specifies the period of contract.
- The lessee uses the assets.
- The lessee, in consideration, pays the lease rentals to the lessor.
- The lessor is the owner of the asset and is entitled to the benefit of depreciation and other allied benefits e.g., Tax payable under the Income Tax Act.
- The lessee claims the rentals as expenses chargeable to his income.

19. RIGHT OF USE ASSETS AND LEASE LIABILITIES (continued)

(a) Right-of-use assets

Group and Company

2024	Rental leases KES 000	Printers KES 000	Vehicles KES 000	Total KES 000
At 1 January	16,373	918	-	17,291
Additions	-	3,214	-	3,214
Charge for the year	(4,820)	(1,097)	-	(5,917)
At end of year	11,553	3035	-	14,588

2023	Rental leases KES 000	Printers KES 000	Vehicles KES 000	Total KES 000
At 1 January	12,539	2,016	8,791	23,346
Additions	16,827	-	-	16,827
Disposals	(4,630)	-	-	(4,630)
Adjustment	(2,017)	2	2,015	-
Charge for the year	(6,346)	(1,101)	(10,806)	(18,253)
At 31 December	16,373	918	-	17,291

(b) Lease liabilities

Group and Company

2024	Rental leases KES 000	Vehicles KES 000	Printers KES 000	Total KES 000
Less than one year		-	3,066	3,066
2-5 years	14,309			14,309
At end of year	14,309	-	-	17,374

2023	Rental leases KES 000	Vehicles KES 000	Printers KES 000	Total KES 000
Less than one year		-	1,416	1,416
2-5 years	18,847			18,847
At end of year	18,847	-	1,416	20,263

19. RIGHT OF USE ASSETS AND LEASE LIABILITIES (continued)

(c) Amounts recognised in cashflow and profit or loss - Group and Company

	2024	2023
Lease liabilities under IFRS 16	**KES 000**	**KES 000**
Interest on lease liability	2,869	5,335
Principal on lease liability	6,102	19,559
Cash flows for lease liabilities	8,972	24,894

(d) Movement in lease liabilities is as follows - Group and Company

2024	Rental leases KES 000	Printers KES 000	Total KES 000
At start of year	18,847	1,416	20,262
Additions		3,214	3,214
Disposal			
Repayment of interest on lease liability	(2,612)	(258)	(2,869)
Repayment of principal on lease liability	(4,538)	(1,564)	(6,102)
Interest expense	2,612	258	2,869
Adjustment	-	-	-
At end of year	14,309	3,066	17,374

2023	Rental leases KES 000	Vehicles KES 000	Printers KES 000	Total KES 000
At start of year	11,744	9,857	1,873	23,474
Additions	16,827	-		16,827
Disposal	(9,962)	-		(9,962)
Repayment of interest on lease liability	(3,600)	(1,375)	(360)	(5,335)
Repayment of principal on lease liability	(5,815)	(12,496)	(1,248)	(19,559)
Interest expense	3,600	1,375	360	5,335
Adjustment	6,054	2,639	791	9,483
At end of year	18,847	-	1,416	20,262

20. INTANGIBLE ASSETS

a) Group

As at 31 December 2024	Software	Trademark	Broadcasting licenses	Total
	KES 000	KES 000	KES 000	KES 000
Cost				
At start of year	685,216	22,281	485,738	1,193,235
Additions	3,245	-	-	3,245
At end of year	688,461	22,281	485,738	1,196,480
Amortisation				
At start of year	(668,749)	-	-	(668,749)
Charge for the year	(9,626)	-	-	(9,626)
At end of year	(678,375)	-	-	(678,374)
Carrying amount at end of year	10,086	22,281	485,738	518,106

As at 31 December 2023	Software	Trademark	Broadcasting licenses	Total
	KES 000	KES 000	KES 000	KES 000
Cost				
At start of year	685,216	22,281	485,738	1,193,235
Additions	-	-	-	-
At end of year	685,216	22,281	485,738	1,193,235
Amortisation				
At start of year	(654,522)	-	-	(654,522)
Charge for the year	(14,227)	-	-	(14,227)
At end of year	(668,749)	-	-	(668,749)
Carrying amount at end of year	16,467	22,281	485,738	524,486

(b) Company

As at 31 December 2024	Trademark	Software	Broadcasting licenses	Total
	KES 000	KES 000	KES 000	KES 000
Cost				
At start of year	6,000	636,387	418,863	1,061,250
Additions	-	3,245	-	3,245
At end of year	6,000	639,632	418,863	1,064,495
Amortisation				
At start of year	-	626,730	-	626,730
Charge for the year	-	7,053	-	7,053
At end of year	-	633,783	-	633,783
Carrying amount at end of year	6,000	5,848	418,863	430,712

20. INTANGIBLE ASSETS (continued)

As at 31 December 2023	Trademark KES 000	Software KES 000	Broadcasting licenses KES 000	Total KES 000
Cost				
At start of year	6,000	636,387	418,863	1,061,250
Additions	-	-	-	-
At end of year	6,000	636,387	418,863	1,061,250
Amortisation				
At start of year	-	615,772	-	615,772
Charge for the year	-	10,958	-	10,958
At end of year	-	626,730	-	626,730
Carrying amount at end of year	6,000	9,658	418,863	434,520

The trademarks and broadcasting licences have been accounted for as intangible assets with an indefinite useful life. Management estimate that the products will generate net cash inflows for the group for an indefinite period, therefore carrying them at cost without amortisation, but for which an impairment assessment is carried out on an annual basis.

The Group acquired the rights to distribute the Eve trademark on 17 April 2009. An agreement was signed transferring full title and guaranteeing all rights, titles and interest in the publication to the Group. The carrying value of these rights is KES 6,000,000. The additional trademarks relate to Farmers TV.

The Group acquired licenses for radio frequencies through its subsidiary, Toads Media Group Limited and additional frequencies acquired directly by the parent. The Group made reference to the cash generating ability of Radio Maisha and projected consistent revenue growth for the foreseeable future and assessed these as not impaired.

At the end of the year, the Group assessed the recoverable amounts of both its investments in trademarks and the frequency for impairment. The Group used reference to their cash generating ability and assessed the frequencies as not impaired. For trademarks, the assumption made was that they will continue to accrue commercial benefits in the foreseeable future.

21. INVESTMENTS

(a) Investment in subsidiaries (unquoted)

	Principal activity	Shareholding	2024 KES 000	2023 KES 000
The Standard Limited	Dormant	100%	3,398	3,398
Baraza Limited	Broadcasting	51%	92	92
Agency Sales and Promotion Limited	Dormant	100%	2	2
Toads Media Group Limited	Leasing	100%	66,875	66,875
			70,367	70,367

The investments in the subsidiaries are carried at cost. Toads Media Group Limited holds the licence for the frequencies for Radio Maisha, which operates as a division of The Standard Group Plc. All subsidiaries above are incorporated in Kenya.

(b) Investment in joint operation

The Group has an investment in a Special Purpose Vehicle (Lancia Digital Broadcast Limited) that holds a digital broadcasting license. The operations of the SPV are treated as a joint operation where the Group recognises its direct right to the jointly held assets, liabilities, revenues, and expenses. The balance represents the Standard Group Plc's share of the carrying amount of the digital broadcasting licence asset in the joint operation.

At the end of the year, the Group assessed the recoverable amounts of its share of the digital broadcasting license for impairment, using reference to its cash generating ability and assessed it as not impaired.

22. INVENTORIES

(a) Group

	2024 KES 000	2023 KES 000
Raw materials	34,279	30,792
Consumables	83,897	75,032
	118,176	105,824
Inventories expensed during the year	205,989	385,267

(b) Company

	2024 KES 000	2023 KES 000
Raw materials (Newsprint, inks & plates)	34,279	30,792
Consumables	82,711	73,809
	116,990	104,601
Inventories expensed during the year	174,956	337,261

23. TRADE AND OTHER RECEIVABLES

	2024 KES 000	2023 KES 000
(a) Group		
Trade receivables	3,119,535	3,012,425
Provision for expected credit losses	(1,464,067)	(1,222,479)
	1,655,468	1,789,946
Other receivables	38,434	49,493
Prepayments	1,518	16,790
	1,695,420	1,856,229
(b) Company		
Trade receivables	2,523,502	2,422,119
Provision for expected credit losses	(1,145,514)	(995,229)
	1,377,988	1,426,890
Other receivables	34,303	37,536
Prepayments	1,518	17,122
	1,413,809	1,481,548

The movement in the provision for expected credit losses during the year is included under note 5(b).

24. SHARE CAPITAL

(a) Ordinary shares	2024 KES 000	2023 KES 000
Authorised:		
103,979,600 ordinary shares of KES' 5 each	519,898	519,898
Issued and fully paid:		
81,731,808 Ordinary shares of KES' 5 each	408,659	408,659

The holders of ordinary shares are entitled to receive dividends when declared from time to time and are entitled to one vote per share at general meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Share premium	2024 KES 000	2023 KES 000
Share premium comprises:		
Ordinary shares at 31 December	39,380	39,380

Share premium arose when the shares of the company were issued at a price higher than the par value. There was no increase in share capital during the year.

24. SHARE CAPITAL (Continued)

(b) Movement in fully paid ordinary shares

	No. of shares	Share capital KES 000	Share premium KES 000	Total KES 000
At 31 December 2024	81,731,808	408,659	39,380	448,034
At 31 December 2023	81,731,808	408,659	39,380	448,034

25. RESERVES

(a) Capital redemption reserve

The redemption of the preference share capital was made through a transfer to a capital redemption reserve fund. The reserve is non-distributable.

(b) Retained earnings

Retained earnings represent accumulated profits retained by the Group and company after payment of dividends to shareholders

26. NON-CONTROLLING INTERESTS

Baraza Limited is incorporated as a limited company in Kenya under the Kenya Companies Act, 2015 and is domiciled in Kenya. The address of its registered office is as follows:

The Standard Group Centre
Mombasa Road
PO Box 30080 – 00100
Nairobi

The Company is a subsidiary of The Standard Group PLC, which is incorporated in Kenya

The proportion of ownership interests held by non-controlling interests is 49%

	2024 KES 000	2023 KES 000
At 1 January	50,232	145,271
Share of results for the year	(78,357)	(95,039)
At 31 December	(28,125)	50,232

Set out below are the summarised financial information for Baraza Limited for which the non-controlling interest is material to the Group.

26. NON-CONTROLLING INTERESTS (continued)

Summarised financial information on subsidiary with material non- controlling interest

The summarised financial information below represents amounts before intragroup eliminations.

Baraza Limited
As at 31 December

	2024 KES '000	2023 KES '000
Non-controlling interest	**49%**	**49%**
Assets	1,016,002	942,659
Liabilities	(1,073,403)	(840,150)
Net assets	(57,401)	102,509
Net assets attributable to NCI	(28,125)	50,232
Revenue	422,854	559,961
Expenses	(582,767)	(559,693)
Profit for the year	(159,913)	268
Total comprehensive income	(159,913)	268
Total comprehensive income attributable to non-controlling interest	(78,357)	(95,039)
Net cash inflow from operating activities	(12,006)	34,128
Net cash outflow from investing activities	(4,360)	-
Net cash outflow	(16,366)	34,128

27. RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

Group

	Millers Trustees Limited	Trade World (K) Limited	Oakside Loan	SPSL Loan	SNG Loan	Arboretum Heights Ltd Loan	Total 2024
As at 01 January 2024	70,942	9,618	14,887	294,948	62,000	391,892	844,287
Interest expense	5,675	769	-	17,000	-	-	23,445
Additions	-	-	-	-	-	71,828	71,828
Reclassification	-	-	-	-	-	-	-
WH Tax	-	-	-	-	-	-	-
As at 31 December 2024	76,617	10,387	14,887	311,948	62,000	463,720	939,560

27. RELATED PARTY BALANCES (continued)

(a) Transactions with related parties (Continued)

	Millers Trustees Limited	Trade World (K) Limited	Oakside Loan	SPSL Loan	SNG Loan	Arboretum Heights Ltd Loan	Total 2023
As at 01 January 2023	66,425	9,006	14,887	277,949	74,000	-	442,266
Interest expense	5,314	720	-	17,000	-	-	23,034
Additions	-	-	-	-	-	391,892	391,892
Reclassification	-	-	-	-	(12,000)	-	(12,000)
WH Tax	(797)	(108)	-	-	-	-	(905)
As at 31 December 2023	70,942	9,618	14,887	294,949	62,000	391,892	844,287

Company

KES 000	Millers Trustees Limited	Trade World (K) Limited	Oakside	SPSL	SNG	Arboretum Heights Ltd Loan	Baraza Ltd	The Standard Limited	Total 2024
As at 01 January 2024	70,942	9,618	14,887	294,948	62,000	391,892	407,854	10,590	1,262,731
Interest expense	5,675	769	-	17,000	-	-	-	-	23,445
Additions	-	-	-	-	-	71,828	-	-	71,828
Reclassification	-	-	-	-	-	-	-	-	-
Administrative expense recharge to subsidiary	-	-	-	-	-	-	195,799	-	195,799
WH Tax	-	-	-	-	-	-	-	-	-
As at 31 December 2024	76,617	10,387	14,887	311,948	62,000	463,720	603,653	10,590	1,553,803

KES 000	Millers Trustees Limited	Trade World (K) Limited	Oakside	SPSL	SNG	Arboretum Heights Ltd Loan	Baraza Ltd	The Standard Limited	Total 2023
As at 01 January 2023	66,425	9,006	14,887	277,949	74,000	-	342,664	10,590	795,520
Interest expense	5,314	720	-	17,000	-	-	-	-	23,034
Additions	-	-	-	-	-	391,892	-	-	391,892
Reclassification	-	-	-	-	(12,000)	-	-	-	(12,000)
Administrative expense recharge to subsidiary	-	-	-	-	-	-	65,190	-	65,190
WH Tax	(797)	(108)	-	-	-	-	-	-	(905)
As at 31 December 2023	70,942	9,618	14,887	294,948	62,000	391,892	407,854	10,590	1,262,731

27. RELATED PARTY BALANCES (continued)

(b) Due to related parties

The balances due to related parties are based on the following terms.

	Effective Interest rate %	2024 KES 000	2023 KES 000
Group			
Non Current Liability			
Standard Production Services Ltd- SPSL		311,949	294,948
Standard Newspaper Group Payable		62,000	62,000
Arboretum Heights Ltd Loan		463,720	391,892
		837,669	748,840
Current Liabilities			
The Standard Media Group Holdings Limited (common shareholding)	-	14,887	14,887
Trade World (K) Limited (shareholders)	8.0	10,387	9,618
Miller Trustees (shareholders)	8.0	76,618	70,942
		101,892	95,447
Company			
Non Current Liability			
Standard Production Services Ltd- SPSL		311,949	294,948
Standard Newspaper Group Payable		62,000	62,000
Arboretum Heights Ltd Loan		463,720	391,892
		837,669	748,840
Current Liabilities			
Standard Media Group Holdings Limited	-	14,887	14,887
Trade World (K) Limited	8.0	10,387	9,618
Miller Trustees Limited	8.0	76,617	70,942
Baraza Limited		603,653	407,854
The Standard Limited	-	10,590	10,590
		716,134	513,891

(c) Key management compensation

The remuneration of Directors and members of key management during the year were as follows:

	2024 KES 000	2023 KES 000
Fees for services as a director		
Non-executive director	13,565	10,510
Other emoluments		
Salaries and other short-term employment benefits:		
Executive director / key management		
Basic pay	18,000	15,810
Insurance	-	118
Gratuity	-	1,860
	18,000	17,788
	31,565	28,298

28. DEFERRED INCOME TAX ASSET

(a) Group

	2024 KES 000	2023 KES 000
The Movement on the deferred income tax asset:		
At 1 January	(689,099)	(538,902)
Deferred income tax credit - current year	(306,406)	(150,197)
At 31 December	(995,505)	(689,099)

The net deferred income tax asset is attributable to the following items;

	At 01 Jan 2024	Movement	At 31 Dec 2024
Accelerated capital allowances	94,864	(315)	94,549
Other temporary differences	(372,744)	(132,746)	(505,491)
Unrealised exchange gains and losses	(21,824)	(24,739)	(46,562)
Lease liabilities	(6,079)	867	(5,212)
Right-of-use asset	95,141	(2,053)	93,088
Tax losses carried forward	(478,458)	(147,419)	(625,876)
At 31 December	(689,099)	(306,406)	(995,505)

(b)Company

The movement on the deferred income tax asset:

	2024 KES 000	2023 KES 000
At 1 January	(583,949)	(441,789)
Deferred income tax credit - current year	(289,446)	(142,160)
At 31 December	(873,395)	(583,949)

Deferred tax (asset)/liability

	At 01 Jan 2024	Movement	At 31 Dec 2024
Accelerated capital allowances	108,201	(15,641)	92,560
Other temporary differences	(303,930)	(104,752)	(408,682)
Unrealised exchange gains and losses	(20,544)	(28,535)	(49,079)
Lease liabilities	(6,079)	867	(5,212)
Right-of-use-assets	95,141	(2,053)	93,088
Tax losses carried forward	(456,739)	(139,331)	(596,069)
Net deferred income tax asset	(583,949)	(289,446)	(873,394)

The deferred income tax asset has not been recognised as the company is yet to record a taxable profit therefore, the availability of future taxable profits to utilise the net asset is in doubt. The net deferred income not recognised is attributable to the above.

29. BORROWINGS

(a) Group

			2024	2023
	Term loans	Overdrafts	Total	Total
	KES 000	KES 000	KES 000	KES 000
Current	48,789	118,313	167,102	183,921
Non current	210,174		210,174	279,649
	258,963	118,313	377,276	463,570
Movement in the year				
Start of year	379,411	84,159	463,570	849,919
Additions	257,677	-	257,677	703,662
Adjustment	-	-	-	(8,183)
Interest expense	107,689		107,689	15,720
Movement in overdrafts	-	34,154	34,154	(175,397)
Interest repayment	(107,689)	-	(107,689)	(15,720)
Repayments	(378,124)	-	(378,124)	(906,145)
At 31 December	258,964	118,313	377,276	463,570

Loan category per Financial Institution

	Term loans KES 000	Overdrafts KES 000	Total KES 000
At 31 December 2024:			
Stanbic Bank Kenya Limited	-	-	-
Stanbic Bank Kenya Limited	-	47,260	47,260
(Short term)	-	-	-
NCBA Bank Plc-(Short term)	48,789	71,053	119,842
NCBA Bank Plc	210,174	-	210,174
	258,963	118,313	377,276

	Term loans KES 000	Overdrafts KES 000	Total KES 000
At 31 December 2023:			
Stanbic Bank Kenya Limited	4,363	-	4,363
Stanbic Bank Kenya Limited (Short term)	26,300	74,014	100,314
NCBA Bank Plc-(Short term)	73,463	10,145	83,608
NCBA Bank Plc	275,285	-	275,285
	379,411	84,159	463,570

29. BORROWINGS (continued)

(b) Company

	Term loans KES 000	Overdrafts KES 000	2024 Total KES 000	2023 Total KES 000
Current	48,789	108,175	156,964	173,776
Non current	210,174		210,174	279,649
	258,963	108,175	367,139	453,425

	Term loans KES 000	Overdrafts KES 000	2024 Total KES 000	2023 Total KES 000
Movement in the year				
Start of year	379,411	74,014	453,425	822,500
Additions	257,677	-	257,677	703,662
Adjustment	-		-	(8,183)
Interest expense	107,689		107,689	15,720
Movement in overdrafts		34,161	34,161	(158,123)
Interest repayments	(107,689)		(107,689)	(15,720)
Repayments	(378,124)	-	(378,124)	(906,431)
At 31 December	258,964	108,175	367,139	453,425

Loan category per Financial Institution

At 31 December 2024:	Term loans KES 000	Overdrafts KES 000	Total KES 000
Stanbic Bank Kenya Limited	-	-	-
Stanbic Bank Kenya Limited (Short term)	-	47,260	47,260
NCBA Bank Plc (Short term)	48,789	60,915	109,704
NCBA Bank Plc	210,175	-	210,175
Totals	258,964	108,175	367,139

At 31 December 2023:	Term loans KES 000	Overdrafts KES 000	Total KES 000
Stanbic Bank Kenya Limited	4,363	-	4,363
Stanbic Bank Kenya Limited (Short term)	26,300	74,014	100,314
NCBA Bank Plc (Short term)	73,463	-	73,463
NCBA Bank Plc	275,285	-	275,285
Totals	379,411	74,014	453,425

29. BORROWINGS (continued)

(c) Facilities and securities

The bank facilities are denominated in Kenya shillings with variable interest rates. The term loans and over drafts from the Group's bankers are utilised as follows;

Year ended December 2024

	NCBA Bank Plc KES 000	Stanbic Bank Kenya Limited KES 000	Total KES 000
Total facility	120,000	-	120,000
Utilization	(46,024)	-	(46,024)
Available head room	73,976	-	73,976
% Utilisation	**38%**	**-**	**38%**

The increased utilization is as a result of the funds used in the business transformation project, with the converged newsroom.

Year ended December 2023

	NCBA Bank Plc KES 000	Stanbic Bank Kenya Limited KES 000	Total KES 000
Total facility	120,000	48,300	168,300
Utilization	(73,463)	(22,000)	(95,462)
Available head room	46,537	26,300	72,838
% Utilisation	**61%**	**46%**	**57%**

The bank facilities are denominated in Kenya shillings with variable interest rates. The term loans and overdrafts for both NCBA Kenya Plc and Stanbic Bank Kenya Limited are secured as follows:

	2024 NCBA Bank KES '000	2023 NCBA Bank KES '000
Joint and several debentures	890,000	890,000
Joint and several debentures	110,000	110,000
Legal charge on property (LR. 209/18213)	890,000	890,000
	Stanbic Bank KES '000	**Stanbic Bank KES '000**
Joint and several debentures	490,000	490,000
Legal charge on property (LR. 209/18213)	490,000	490,000

29. BORROWINGS (continued)

Corporate guarantees

	NCBA Bank KES 000	NCBA Bank KES 000
Baraza Limited	890,000	890,000
Toads Limited	110,000	110,000

	Stanbic Bank KES 000	Stanbic Bank KES 000
The Standard Group Plc	25,000	25,000
Baraza Limited	877,000	877,000
The Standard Limited	25,000	25,000

Further to the above securities;

i. The banks have executed an inter-lenders agreement between the two banks and the borrower, ranking each bank parri passu.

ii. Asset finance loans are guaranteed on deed of agreement on assignment of all the right of the assets to the financier.

(d) Effective Interest rates

The effective interest rates on the borrowings for Asset financing, Term loans and Overdraft were as follows:

Year ended 31 December 2024	
Stanbic Bank Kenya Limited	CBR (14.5%) + Bank's Margin (4%) = 18.5%
NCBA Bank Kenya Plc	CBR(16.91%)+ Bank's Margin (3.35%)= 20.26%
Year ended 31 December 2023	
Stanbic Bank Kenya Limited	CBR (14.5%) + Bank's Margin (4%) = 18.5%
NCBA Bank Kenya Plc	CBR(11%) + Bank's Margin (3.35%) = 14.5%

30. TRADE AND OTHER PAYABLES

	2024 KES 000	2023 KES 000
(a) Group		
Trade payables	2,740,648	2,539,704
Accruals and other payables	1,015,230	728,155
Payroll Accruals	633,029	350,319
Provisions	280,900	255,866
Value Added Tax payable	54,543	17,464
	4,724,350	3,891,508

30. TRADE AND OTHER PAYABLES (Continued)

Movement of provision for liabilities	**2024 KES 000**	**2023 KES 000**
At 01 January	255,866	285,910
Charge to profit or loss	184,935	393,277
Utilised in the year	(159,901)	(423,321)
At 31 December	280,900	255,866

(b) Company

Trade payables	2,005,045	1,974,660
Accruals and other payables	843,321	563,488
Payroll Accruals	555,887	292,778
Provisions	214,035	220,201
Value Added Tax payable	42,801	10,383
	3,661,089	3,061,510

Movement of provision for liabilities

As at 1 January	220,201	247,069
Charge to profit or loss	153,302	325,677
Utilised in the year	(159,468)	(352,545)
At 31 December	214,035	220,201

31. EMPLOYEE BENEFITS

(a) Pension

The Group contributes to a pension plan established for the benefit of its employees. The pension plan is a defined contribution scheme, whereby the Group matches contributions to the fund made by employees up to 7.5% of the employee's pensionable salary.

During the year the Group temporarily suspended contributions in cognizance of changes in the operating environment.

(b) Gratuity

Senior management staff on a fixed term contract are entitled to gratuity payments from the company at a rate of 15% for every year worked. The company contributes the monies to a defined contribution plan.

The assumptions made are that all the employees will reach the end of the contract period and that there will be no decrease in salaries paid over the duration of the contracts. Due to the short term nature of the contracts the impact on discounting will be very limited.

32. NOTES TO THE STATEMENT OF CASH FLOWS

(i) Group

	Note	2024 KES 000	2023 KES 000
(a) Reconciliation of loss before tax to cash generated from operations			
Loss before tax		(1,099,755)	(722,538)
Adjustments for:			
Depreciation – property, plant and equipment	17(a)	164,622	174,287
Right of use asset depreciation	19(a)	5,917	18,253
Amortisation - intangible assets	20(a)	9,626	14,227
Amortisation – leasehold land	18	4,141	4,142
Gain on sale of plant and equipment	10	(4,628)	(7,044)
Loss on write off of plant and equipment	17	15,906	-
Disposal of right of use asset		-	4,630
Intangible asset write off	20(a)	-	-
Interest Lease	19(c)	2,869	5,335
Interest expense	13	107,689	83,408
Operating profit before tax before working capital changes		(793,613)	(425,300)
Changes in working capital			
Transfer of lease to trade payables		-	(478)
Inventories	22(a)	(12,353)	(5,911)
Trade and other receivables	23(a)	160,809	(401,131)
Trade and other payables	30(a)	832,842	922,236
Related party balances	27(a)	95,273	402,021
Cash generated from operations		282,958	491,437

(b) Cash and cash equivalents

	2024 KES 000	2023 KES 000
Bank and cash balances	17,973	49,251
Short Term Deposits	71,946	-
Bank overdraft	(118,313)	(84,159)
	(28,394)	(34,908)

Net debt reconciliation

	2024 KES 000	2023 KES 000
Cash and cash equivalents	89,919	49,251
Liquid Investments	-	-
Borrowings (including overdraft)	(377,276)	(463,570)
Lease liabilities	17,375	20,263
Net debt	(269,982)	(394,056)

32. NOTES TO THE STATEMENT OF CASH FLOWS (continued)

(ii) Company

		2024	2023
(a) Reconciliation of loss before tax to cash generated from operations		**KES 000**	**KES 000**
Loss before tax		(939,842)	(625,693)
Adjustments for:			
Depreciation – property, plant and equipment	17(b)	140,269	148,120
Right of use asset depreciation	19(a)	5,917	18,253
Amortisation - intangible assets	20(b)	7,054	10,959
Gain on sale of plant and equipment	10	(4,628)	(7,044)
Loss on write off of plant and equipment	17	15,000	-
Intangible asset write off	20(b)	-	-
Disposal of right of use asset		-	4,630
Amortisation – leasehold land	12	4,141	4,141
Interest on lease liabilities	19(c)	2,869	5,335
Interest expense		104,929	46,913
Operating profit before tax before working capital changes		(664,291)	(394,386)
Changes in working capital			
Transfer of lease to trade payables		-	(478)
Inventories	22(b)	(12,392)	(6,103)
Trade and other receivables	23(b)	67,739	(307,515)
Trade and other payables	30(b)	599,579	662,084
Related party balances	27(a)	291,072	467,211
Cash generated from operations		281,707	420,813

(b) Cash and cash equivalents

	2024	2023
Bank and cash balances	17,293	32,197
Short term Deposits	71,946	-
Bank overdraft	(108,175)	(74,014)
	(18,936)	(41,817)

Net debt reconciliation

	2024	2023
Cash and cash equivalents	89,239	32,197
Liquid Investments		
Borrowings	(367,138)	(453,425)
Lease liabilities	(17,375)	(20,263)
Net debt	(295,274)	(441,491)

33. CAPITAL COMMITMENTS

	2024 KES 000	2023 KES 000
Authorised and contracted for	-	-
Authorised but not contracted for	-	113,447
	-	113,447

Capital commitments mainly relate to acquisition of new equipment and expansion of radio and television reach

34. CONTINGENT ASSETS AND LIABILITIES

As at 31 December 2024, the Group has provided a total of KES 216,455,532 (2023; KES 210,202,594) in respect of on-going litigation mainly relating to libel charges arising in the normal course of business. This covers both the balance and the cost of professional legal services. Legal opinions obtained from the Group's advocates show that no additional liability will arise from contingent liabilities that have not been provided for.

As at 31 December 2024, the Group had contingent assets held in Joint Interest accounts amounting to KES 49,218,922 (2023; KES 49,218,922) in respect of on-going litigation mainly relating to libel cases that are pending hearing and determination after an appeal has been raised by the group.

As at 31 December 2024, the Group had Bank Guarantees amounting to KES 4,732,319.00 in NCBA bank and KES 180,000.00 in Stanbic bank respectively