



EXPRESS KENYA PUBLIC LIMITED COMPANY

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	2021 Shs '000	2020 Shs '000
Revenue from contract with customers	26,291	15,760
Direct costs	<u>(74,833)</u>	<u>(21,625)</u>
Gross (loss)	(48,542)	(5,865)
Other operating income	1,481	2,776
Impairment provisions	(0.1)	10
Administrative expenses	(9,292)	(13,327)
Other operating expenses	<u>(11,248)</u>	<u>(10,228)</u>
Operating (loss)	(67,602)	(26,634)
Finance costs	<u>(8,033)</u>	<u>(8,936)</u>
(Loss) before tax	(75,635)	(35,571)
Tax (charge)/credit	<u>(7,343)</u>	<u>(4,918)</u>
(Loss) for the year	(82,978)	(30,653)
Basic and diluted (loss) per share	<u>(1.74)</u>	<u>(0.64)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December	
	2021 Shs '000	2020 Shs '000
CAPITAL EMPLOYED		
Share capital	238,557	238,557
Share premium	28,963	28,963
Revaluation reserve	772,922	822,360
Accumulated losses	<u>(491,958)</u>	<u>(458,418)</u>
Shareholders' funds	548,484	631,462
Non-current liabilities		
Borrowings	264,082	271,839
	5,366	9,825
Deferred tax	391,937	384,594
Trade and other payables	0	0
	<u>661,385</u>	<u>666,258</u>
	<u>1,209,869</u>	<u>1,297,720</u>
REPRESENTED BY		
Non-current assets		
Property, plant and equipment	352,329	374,064
	<u>842,338</u>	<u>899,852</u>
	<u>1,194,667</u>	<u>1,273,916</u>
Current assets		
Inventories	28,752	28,752

RESULTS

The above are extracts from the audited financial statements of the group for the year ended 31 December 2021 which were audited by PKF Kenya LLP and received an unqualified opinion. The financial statements were approved by the board of directors for issue on the 24 May 2022.

For the year to 31 December 2021, the directors do not recommend the declaration of a dividend.

PERFORMANCE

The company's performance for the year ended 31 December 2021 was stable with the revenue generated for the year improving by 66% to Kshs. 26.29 Million as compared to the year 2020. The direct costs also increased by Kshs. 53.2 Million compared to the year 2020. This resulted in a loss for the year of Kshs. 82.97 Million compared to Kshs. 30.65 Million loss in 2020. The company reviewed its Right of Use Assets in line with International Financial Reporting Standards 16 (IFRS 16 - Leases) as at 31 December 2020 and the depreciation on the resultant revaluation surplus has led to the increased direct costs and loss for the year.

FUTURE OUTLOOK

The Board and Management have continued to focus on enhancing the company's financial performance through improving operational efficiency, growing income, reducing losses and managing costs.

By order of the Board


Hector Diniz
Chief Executive Officer

Trade and other receivables	3,394	8,018
Cash and cash equivalents	302	278
Tax recoverable	<u>31,301</u>	<u>31,301</u>
	<u>63,749</u>	<u>68,349</u>
Current liabilities		
Borrowings	9,939	8,089
	4,459	3,678
Trade and other payables	34,148	32,278
Provision for legal claims	-	500
	<u>48,546</u>	<u>44,545</u>
Net current assets	15,203	23,804
	<u>1,209,869</u>	<u>1,297,720</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital Shs '000	Share premium Shs '000	Revaluation reserve Shs '000	Accumulated losses Shs '000	Total Shs '000
Year ended 31 December 2021					
At start of year	238,557	28,963	822,360	(458,418)	631,462
(Loss) for the year	-	-	-	(82,978)	(82,978)
Transfer of excess depreciation	-	-	(70,626)	70,626	-
Deferred tax on excess depreciation transfer	-	-	21,188	(21,188)	-
At end of year	<u>238,557</u>	<u>28,963</u>	<u>772,922</u>	<u>(491,958)</u>	<u>548,484</u>

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

	2021 Shs '000	2020 Shs '000
At start of year	(5,596)	(3,352)
Net cash from/(used in) operating activities	9,297	(2,125)
Net cash from/(used in) investing activities	379	(425)
Net cash (used in)/from financing activities	<u>(8,767)</u>	<u>414</u>
Effect of exchange rate changes	(67)	(108)
At end of year	<u>(4,754)</u>	<u>(5,596)</u>