sameerafrica
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AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Board of Directors of Sameer Africa PLC announces the audited financial results of the group for the year ended 31st December 2020.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 KShs '000'	2019 KShs '000'
Revenue	757,488	1,757,353
Cost of sales	(513,795)	(1,487,004)
Gross profit	**243,693**	**270,349**
Other operating income	37,859	15,691
Operating expenses	(118,019)	(876,137)
Operating profit/(loss)	**163,533**	**(590,097)**
Net finance costs	(108,295)	(85,561)
Share of profit of equity accounted investee (net of income tax)	16,497	15,135
Profit/(loss) before income tax	**71,735**	**(660,523)**
Income expense	(28,257)	(401,424)
Profit/(loss) for the year	**43,478**	**(1,061,947)**
Total other comprehensive income for the year	**2,127**	**1,480**
Total comprehensive income for the year	**45,605**	**(1,060,467)**
Earnings per share: Basic and diluted (KShs)	**0.16**	**(3.82)**

CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	GROUP		COMPANY	
	2020 KShs '000'	2019 KShs '000'	2020 KShs '000'	2019 KShs '000'
ASSETS				
Non-current assets				
Property, plant and equipment	29,429	60,508	10,297	39,871
Investment property	524,894	450,289	432,203	372,678
Prepaid operating lease rentals	338	342	338	342
Investment in subsidiaries	-	-	130,000	130,000
Equity accounted investee	169,107	152,610	137,026	137,026
Total non-current assets	**723,768**	**663,749**	**709,864**	**679,917**
Current assets				
Inventories	2,375	419,779	-	319,624
Trade and other receivables	207,143	374,359	198,036	534,275
Current income tax	50,336	33,557	11,924	6,920
Cash and bank balances	63,533	39,403	48,822	29,152
Total current assets	**323,387**	**867,098**	**258,782**	**889,971**
TOTAL ASSETS	**1,047,155**	**1,530,847**	**968,646**	**1,569,888**
EQUITY				
Share capital	1,391,712	1,391,712	1,391,712	1,391,712
Retained earnings	(1,104,892)	(1,148,370)	(1,464,890)	(1,271,090)
Translation reserve	(172,104)	(174,231)	-	-
Total equity	**114,716**	**69,111**	**(73,178)**	**120,622**
LIABILITIES				
Noncurrent liabilities				
Borrowings	708,588	455,218	708,588	455,218
Deferred income tax	5,263	5,263	-	-
Total non-current liabilities	**713,851**	**460,481**	**708,588**	**455,218**
Current liabilities				
Trade and other payables	181,552	586,576	297,616	579,368
Current income tax	1,416	-		-
Borrowings	35,620	414,679	35,620	414,680
Total current liabilities	**218,588**	**1,001,255**	**333,236**	**994,048**
Total liabilities	**932,439**	**1,461,736**	**1,041,824**	**1,449,266**
TOTAL EQUITY AND LIABILITIES	**1,047,155**	**1,530,847**	**968,646**	**1,569,888**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Share Capital Kshs '000'	Retained Earnings Kshs '000'	Translation Reserve Kshs '000'	Total Kshs '000'
At start of year - 2020	**1,391,712**	**(1,148,370)**	**(174,231)**	**69,111**
Total comprehensive income	-	43,478	2,127	45,605
At end of year	**1,391,712**	**(1,104,892)**	**(172,104)**	**114,716**
At start of year - 2019	**1,391,712**	**(86,423)**	**(175,711)**	**1,129,578**
Total comprehensive income	**-**	**(1,061,947)**	**1,480**	**(1,060,467)**
At end of year	**1,391,712**	**(1,148,370)**	**(174,231)**	**69,111**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 KShs '000'	2019 KShs '000'
Cash generated from operating activities	**308,982**	**222,529**
Interest paid	(69,925)	(73,358)
Income tax paid	(38,902)	(20,499)
Net cash generated from operating activities	**200,155**	**128,672**
Net cash used in investing activities	**(45,618)**	**(37,266)**
Net cash generated by financing activities	**253,370**	**440,633**
Increase in cash and cash equivalents	**407,907**	**532,039**
Movement in cash and cash equivalents:		
At start of year	(375,276)	(913,362)
Increase in cash and cash equivalents	407,907	532,039
Effects of exchange movements on cash held	(4,718)	6,047
At end of year	**27,913**	**(375,276)**

AUDIT OPINION

The above are extracts from the financial statements which were audited by RSM Eastern Africa LLP Certified Public Accountants. In the opinion of the external auditor the Consolidated and Separate financial statements give a true and fair view of the Consolidated and Separate financial position of Sameer Africa Plc as at 31 December 2020, and the Consolidated and Separate financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the Kenyan Companies Act, 2015.

KEY AUDIT MATTERS

The following were considered to be key audit matters:

1. Valuation and existence of trade and other receivables.
2. Disclosure of fair value of investment property.

GROUP RESULTS

The Group's revenue reduced by 57% from Kshs 1.76 billion in 2019 to Kshs 757 million in 2020 following the group's closure and resumption of tyre business operations. Despite 2020 being a difficult year, the group reported a profit of Kshs 46 million which was a significant turnaround and improvement from the loss of Kshs 1.1 billion reported for the year 2019.

OUTLOOK 2021

In 2021, the Group's focus will be on the rollout of its new strategic plan focusing on both the tyre and property businesses.

SUMMARY DIRECTORS' REMUNERATION REPORT

During the year, Sameer Africa PLC paid Kshs 14.8 million (2019 – Kshs 31.1 million) as directors' emoluments.

DIVIDEND

The Board of Directors do not recommend the payment of a dividend for the year ended 31 December 2020.

52ND ANNUAL GENERAL MEETING

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

By Order of the Board

Sheba Mohammed

Company Secretary

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