TPS EASTERN AFRICA PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

TPS EASTERN AFRICA PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Table of contents **Page**

TPS EASTERN AFRICA PLC

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors submit their report together with the audited Consolidated and separate financial statements of TPS Eastern Africa PLC (the "Company") and its subsidiaries (together the "Group") for the year ended 31 December 2024 which disclose the state of affairs of the Group and Company.

1. Principal activities

The principal activity of the Company and its subsidiaries continue to be owning and operating hotel and lodge facilities in East Africa, serving the business and tourist markets.

2. Business review

The Group's profit before income tax for the year of KShs 2,004,550,000 (2023 – KShs 688,986,000 (restated) improved by 191%. This was primarily due to exchange gain on revaluation of foreign currency loans and foreign denominated lease liabilities. The table below highlights some of the key performance indicators:

	2024	2023 Restated
	KShs 000	KShs 000
Revenue	10,185,868	9,684,612
*EBITDA	2,446,308	2,526,957
EBITDA to revenue ratio (%)	24%	26%
Profit before income tax	2,004,550	688,987
Earnings per share (KShs)	4.54	1.43
Net current assets/(liabilities)	1,006,300	682,374

* Earnings Before Interest, Taxes, Depreciation, and Amortization
EBITDA is calculated by adjusting profit from continuing operations to exclude the impact of: taxation, net finance costs, depreciation, amortisation, impairment losses; and reversals related to intangible assets and property, plant and equipment and share of associates' results.

3. Dividends

The profit for the year attributable to equity shareholders of the company of KShs 1,281,840,000 (2023 – KShs 403,260,000 (restated) has been added to retained earnings. The Directors recommend a final dividend for the year of KShs 0.35 per share (2023 – Nil). During the current financial year, the Company paid a dividend amounting to KShs 36 million to The Aga Khan Fund for Economic Development (AKFED) in respect of an unclaimed dividend originally declared for the financial year ended 31 December 2018. This payment relates solely to the shareholder's entitlement from that period, which had remained unpaid.

4. Directors

The directors who held office during the year and to the date of this report were:

Francis Okomo-Okello	Chairman
Mahmood Pyarali Manji	
Guedi Ainache*	
Alkarim Jiwa	
Audrey Maignan*	
Mohamed Bagha	Appointed 1 July 2024
Aziz Boolani***	
Ashishkumar Sharma**	
Rachel Dumba ****	
Donald Mhaiki *****	

* French ** British ***Canadian ****Ugandan *****Tanzania

5. Relevant audit information

The directors in the office at the date of this report confirm that:

(a) There is, as far as the director is aware, no relevant audit information of which the Company's auditor is unaware; and
(b) Each director has taken all steps that ought to have been taken as a director so as to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

6. Auditor

PricewaterhouseCoopers LLP ceased to be Group auditor on 27 June 2024 after the end of their engagement. KPMG Kenya was appointed as Group auditor at the Annual General Meeting held on 27 June 2024 in accordance with the Company's Articles of Association and Section 721 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. Approval of financial statements

The financial statements on pages 18 to 89 we approved and authorised for issue at a meeting of the Board of Directors held on 13 May 2025 and signed on its behalf by:

By order of the Board

Secretary

Date: 13 May 2025

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

On behalf of the Board of Directors of TPS Eastern Africa PLC (TPSEAP/the Group/Serena Hotels), I am delighted to present to you the Annual Report and Financial Statements of the Group for the year ended 31 December 2024.

In 2024, Serena Hotels continued to operate and navigate through a growing and highly competitive East African market. Building on the positive momentum from 2023, our strategic focus on domestic, regional and international travel contributed positively to overall performance. The Group's diverse portfolio continued to be considered distinguished for leisure, corporate and diplomatic hospitality, as well as events and functions, and benefitted from increased patronage across domestic, regional and international markets.

Throughout the year, the Group continued to focus on revenue optimisation, technological infrastructure upgrades, human capital development, enhancement of guest experiences and where necessary, renovations. Valuable feedback from guests and other stakeholders played a crucial role in further refining our services and yielding improvements.

The Group's financial performance for the year ended 31 December 2024 is as outlined in the Chief Executive Officer's Report.

It is worth noting that despite a challenging regional landscape marked by geopolitical uncertainty, security risks, evolving legislative frameworks, elevated interest rates, and inflationary pressures including rising energy costs, the Group remained resilient and agile. Broader macroeconomic concerns such as economic instability, public health threats (Mpox and Marburg), the effects of climate change, and escalating geopolitical tensions no doubt had an impact on the overall regional tourism.

Reaffirming our commitment to delivering shareholder value while maintaining financial prudence, the Directors are pleased to recommend for approval by the shareholders at the forthcoming Annual General Meeting, payment of a first and final dividend of KShs 0.35 per share for the year ended 31 December 2024, subject to payment of withholding tax where applicable. If approved, the dividend will be payable on or about 30 July 2025 to members on the Register at the close of business on 30 June 2025.

As a commitment to East Africa's economic and social development, in 2024, the Group contributed the equivalent of KShs 2.47 billion in direct and indirect taxes, and KShs 0.33 billion in royalties and rents to county and local authorities across Kenya, Tanzania and Uganda.

We continue to recognise the rapid changes in our guests' expectations, particularly towards greater life enriching safari and eco-experiences, as well as blending of business and leisure travel. To this end, at the close of 2024, the Board and Management came together and achieved a key milestone to refine the Group's mid-term strategy that emphasized market relevance, product enhancements, and digital transformation amongst other key actions as being critical to the Group's growth agenda.

As long-term investors and given our commitment to destination East Africa, a phased refurbishment plan for our flagship city hotels: Nairobi Serena, Dar es Salaam Serena, Kampala Serena, Arusha Serena, and Kigali Serena, Lake Kivu Serena, Zanzibar Serena and Mombasa Serena is set to commence in 2025. Our hotels will continue to operate while the refurbishments will be carried out with minimal disruption to guest services. Similarly, based on guest expectations, product enhancements will take place at the Safari Camps and Lodges in a phased manner. The investments are necessary to enable our hotels and lodges enhance guest experience, operational efficiency and market share, thus improving TPSEAP's consolidated profitability and shareholder returns in the medium to long-term.

Additionally, the Group's commitment to enhancing its Human Resource Management (HRM) practices and development, as detailed on page 6 under the Chief Executive Officer's Report remains unwavering. Our ongoing investment in training programs ensures that our workforce remains highly skilled and engaged, driving service excellence across our properties.

Since its inception over five decades, the Group has been at the forefront of responsible hospitality. Throughout our value chain, we strive to create shared value for our business, the communities around us, and the wider ecosystems we operate within. Our properties actively integrate Environmental, Social, and Governance (ESG) practices into their daily operations. Furthermore, our sustainability efforts are guided by the United Nations Sustainable Development Goals (SDGs) and the Aga Khan Development Network's (AKDN) Environmental and Climate Commitment Statement. This commitment extends across all AKDN agencies, including the Group as the Networks' tourism arm. The Group is committed to achieving net-zero carbon emissions in its own operations by 2030 addressing challenges related to climate change through targeted energy audits and related investments, solar power installations, conserving water, reforestation efforts, internal efficiencies and other environmental initiatives. Beyond environmental stewardship, Serena Hotels respects local traditions, culture, and heritage, supports education including internships, and contributes to economic empowerment and public health initiatives in communities around our operations.

Given the macroeconomic headwinds, the Group in 2025 will continue to navigate a complex landscape. It is worth noting that the operational landscape for TPS companies in 2025 is anticipated to face additional challenges compounded by the withdrawal of US donor funding for key development programs where Non-Governmental Organizations/Corporates patronise our properties. Industry reports and insights from our representatives in key source markets indicate continued growth in tourism and travel, supported by government-led destination marketing initiatives. The Group is well-positioned to capitalize on emerging travel trends, including authentic eco-experiences, adventure and wellness tourism. To thrive amidst these complexities, our operational model remains centred on agility and proactive initiatives to safeguard performance. Key priorities include; strengthening domestic, regional and international customer relationships, enhancing efficiency and investing in associates (staff) development. Maintaining brand value through enriched guest experiences, ongoing product upgrades and embracing new technology will remain fundamental. The resilience and adaptability of our business model positions the Group well for sustained success in 2025 and beyond.

I would like to acknowledge, with appreciation, the critical support that I received from my colleagues on the Board in successfully steering the Group's business activities and strategies during the year 2024.

May I also take this opportunity to welcome Mr. Jean Guyonnet-Duperat as a new member of the TPSEAP Board. Mr. Duperat is currently the Regional Head of PROPARCO in East Africa.

On behalf of the Board and Management, I extend my profound gratitude to the respective governments and regulatory authorities across East Africa for their steadfast support of the tourism sector. We would also like to record our deep appreciation for the unwavering support, confidence and trust of our shareholders, guests, employees and other stakeholders. Your support has been instrumental in the Group's success, and we look forward to continued collaboration in the years ahead.

Francis Okomo-Okello MBS, EBS
Chairman

Date: 13/5/2025

TPS EASTERN AFRICA PLC

CHIEF EXECUTIVE OFFICER'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

Reflections and resilience in 2024

As we reflect on the fiscal year 2024, it is with sincere appreciation that I present the Chief Executive Officer's Report for TPS Eastern Africa PLC (TPSEAP/ the Group/Serena Hotels). The year 2024 experienced both opportunities and challenges. With a distinguished portfolio of twenty-two (22) Hotels, Resorts, Safari Lodges, and Camps across the Eastern Africa region, TPSEAP navigated macroeconomic headwinds and delivered a satisfactory performance, reinforcing our position as a leading Pan-African brand in the hospitality industry.

Operating environment and Market dynamics

The operating environment remained challenging over the past year, influenced by slow economic recovery, regional geopolitical developments, and evolving travel patterns. These external conditions affected business sentiments, particularly in key source markets. Despite these dynamics, the Group remained agile to overcome the challenges. By closely tracking the guest expectations through our guest feedback portals, we were able to implement timely remedial interventions across our portfolio.

Our approach focused on reinforcing our presence in core markets through well-targeted sales and marketing campaigns to maintain visibility, generate interest, and identify business opportunities. The gradual return of international leisure and corporate travel, along with the sustained growth of regional tourism, offered continual momentum. The Group continues to benefit from a strong brand image, its legacy of service excellence, immersive experiences, and a longstanding commitment to sustainability and wellness, all of which continue to resonate with our guests and stakeholders alike.

The Meetings, Incentives, Conferences, and Events (MICE) segment remains a key potential area to be explored further. Our city hotels are well positioned to host corporate, government, and diplomatic functions. Simultaneously, enhancements across our leisure portfolio—such as the introduction of a paddle court at Serena Beach Resort & Spa, Mombasa, a new waterhole at Kirawira Serena Camp, the refurbished heated swimming pool at Amboseli Serena Safari Lodge and the heating of existing pools at Lake Elmenteita Serena Camp and Mara Serena Safari Lodge—have elevated the guest experience.

Performance and value delivery

In 2024, all TPS entities delivered positive Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA). TPSEAP achieved a **5.18%** increase in turnover, reaching KShs **10.19** billion (2023: KShs **9.68** billion). Despite inflationary pressures and the uncertainties within the business environment as explained above, profit before unrealised exchange differences, interest, depreciation, and taxation stood at KShs. 2.45 billion (2023: KShs. 2.53 billion). The appreciation of the Kenya Shilling against the US Dollar, resulted in a non-cash unrealised exchange gain of KShs. 0.83 billion, compared to a non-cash unrealised exchange loss of KShs. 1.03 billion in the previous year on the Group's US Dollar-denominated liabilities. Consequently, Profit After Tax rose to KShs. 1.32 billion (2023: KShs. 0.46 billion).

The Group's US Dollar-denominated revenue continues to provide adequate coverage to meet its US Dollar loan obligations due in 2025 and beyond. Prior year results had to be restated to incorporate corrections related to accounting for leases under IFRS 16.

Our associated companies—Tourism Promotion Services (Rwanda) Limited, operating Kigali Serena and Lake Kivu Serena Hotels, and TPS (D) Limited, managing Dar es Salaam Serena Hotel—delivered satisfactory results.

Strategic execution and market expansion

Building on our encouraging performance in 2024 and the challenges outlined in the Chairman's Statement, the Board and Management will maintain a cautious yet forward-looking strategy to ensure continued sustainable growth and adaptability. Our approach combines short-term actions with long-term transformative strategies.

For our guests, we remain focused on providing personalized services and experiences. This includes the rollout of all-inclusive packages across select camps and lodges, adopting relevant technology to streamline bookings, and carrying out thoughtful property refurbishments. The launch of our new call centre in May 2024 has already improved engagement with the travel trade when seeking information from the Group.

For our key stakeholders including shareholders, tour operators, regulators, East African governments, suppliers and investors, we are committed to strengthening our relationships to achieve the strategic objectives and deliver sustainable value to the stakeholders. In February 2024, we hosted a collaborative event for our top 150 leisure business suppliers. The occasion accorded us an opportunity to share our vision for 2024/25, including product upgrades, the revitalized Serena Prestige Club - loyalty program, and strategic partnerships with regional outreach. Our ongoing focus on refining operational processes and conducting continuous risk assessments ensures that we remain on track to meet our business objectives.

To meet evolving guest expectations, we continue to invest in the training and development of our associates. This commitment to continuous improvement and learning will ensure our teams remain agile and responsive to market dynamics during service delivery.

Having already initiated efforts to tap into emerging source markets, we are seeing positive traction. With marketing representatives in place at various source markets, we are growing our presence and expanding brand awareness. While our traditional source markets continue to perform well, the increasing affluence and travel demand from emerging regions provides exciting opportunities for future growth.

As we move forward, we remain deeply grateful for the unwavering support from our domestic, regional and international leisure and corporate segments for their loyalty and continued patronage.
Enhancing Spaces, Enriching Stays.

Enhancing Spaces, Enriching Stays

Guided by invaluable feedback from guests and other stakeholders, the Group has commenced phased refurbishments across key properties to enhance comfort, functionality, and overall guest satisfaction—while preserving the brand's distinctive architectural and cultural heritage. All upgrades are being carried out with minimal disruption, ensuring that our properties remain fully operational throughout.

At Dar es Salaam Serena Hotel, refurbishment of guest accommodation is being carried out in phases and is expected to be completed by end of year 2025. At the Nairobi Serena Hotel, a redesigned Café Maghreb will include live cooking kitchen being installed, plus modern garden-level high-end meeting rooms. Guided by invaluable feedback from guests and other stakeholders, the Group has commenced phased refurbishments across key properties to enhance comfort, functionality, and overall guest satisfaction—while preserving the brand's distinctive architectural and cultural heritage. All upgrades are being carried out with minimal disruption, ensuring that our properties remain fully operational throughout.

Enhancing spaces, enriching stays

Guided by invaluable feedback from guests and other stakeholders, the Group has commenced phased refurbishments across key properties to enhance comfort, functionality, and overall guest satisfaction—while preserving the brand's distinctive architectural and cultural heritage. All upgrades are being carried out with minimal disruption, ensuring that our properties remain fully operational throughout. At Dar es Salaam Serena Hotel, refurbishment of guest accommodation is being carried out in phases and is expected to be completed by end of year 2025. At the Nairobi Serena Hotel, a redesigned Café Maghreb will include live cooking kitchen being installed, plus modern garden-level high-end meeting rooms

At Kampala Serena Hotel, planned upgrades to the conference centre and meeting rooms is underway. Meanwhile, Kilaguni Serena Safari Lodge and Sweetwaters Serena Camp are expected to have new and larger swimming pools and recreational facilities to elevate our leisure offering.

The group's pipeline projects scheduled for 2025 include: a purpose-built meeting and banquet facility, a heated swimming pool, and a health club at Arusha Serena Hotel; a new meeting/banqueting facility at Lake Manyara Serena Safari Lodge; and guest room refurbishment at Zanzibar Serena Hotel. This will allow us to better meet the evolving needs of our guests based on market feedback.

Serena Hotels Loyalty Program: Prestige Club

We are actively growing our Prestige Club Loyalty Program and plan to launch the Serena Prestige Club app in 2025. This will improve convenience in earning and redeeming points for our valued members and key partners. Through strategic regional and international partnerships, we will be enhancing member privileges, increase visibility, and strengthen global cross-promotional opportunities.

Responsible hospitality, lasting impact

By integrating Environmental, Social, and Governance (ESG) practices into daily operations and aligning our initiatives with the United Nations Sustainable Development Goals (SDGs), our properties have made a significant impact across the Eastern Africa region. Our efforts include promoting eco-tourism, addressing climate change, conserving water and energy, utilizing treated sewage water, participating in reforestation, installing solar energy systems, preserving biodiversity, respecting local traditions, culture, and heritage, supporting education including internships, and contributing to public health initiatives in the communities surrounding our operations. Given the substantial risks that climate change poses to the hospitality industry, particularly safari lodges and camps in ecologically sensitive areas—recognizing and addressing these risks is crucial to ensuring our long-term sustainability. By adopting climate-resilient practices and making targeted investments, the Group not only safeguards its own operations but also plays a vital role in preserving the natural environments on which we all depend for sustenance.

As part of our ongoing commitment to sustainability, TPSEAP has been a leader in solar energy adoption within Kenya's hospitality sector. In February 2024, we converted the Serena Beach Resort & Spa into a grid-tied solar system, and we expect to complete the thermal solar installation at Nairobi Serena Hotel by May 2025. This marks a significant milestone in a journey that began in 2017, as all seven (7) Serena properties in Kenya now have solar installations.

Responsible hospitality, lasting impact (Continued)

Additionally, the electrification project at Ngorongoro Serena Safari Lodge, completed in Q2 2024, has significantly reduced our reliance on generators and promoted the use of cleaner energy. This achievement aligns with our Group's decarbonization plan, which aims to achieve net-zero carbon emissions in our own operations by 2030, as outlined in the Chairman's Statement. As demand for eco-travel continues to rise globally, the Group remains committed to embracing sustainable best practices—ensuring we meet the expectations of today's eco-conscious travellers while creating lasting, meaningful experiences for future generations.

Looking ahead

As the operating environment evolves, our focus remains on sustainable growth, operational excellence, and brand visibility. Our key priorities for the fiscal year 2025 include investing in our people, embedding Serena's service culture across generations, and strengthening succession planning. To keep pace with ever-changing technological trends, enhancements are underway to improve both operational efficiency and guest comfort.

Targeted upgrades across our properties will ensure our offerings remain relevant and appeal to a multi-generational audience. Strategic partnerships and alliances will continue to expand our reach, while refreshed, digitally driven marketing will bring the Serena story to wider audiences. At the core of it all, our continued commitment to ESG remains aimed at driving real impact and long-term value creation through sustainable practices.

Acknowledgement

To our esteemed shareholders I take this opportunity to extend my heartfelt gratitude for your unwavering support and trust, which has enabled us to deliver value to all our stakeholders. To our dedicated associates, your resilience and passion for delivering exceptional service underscores the pillars of our mission as a Group. United in purpose, we are advancing a transformative vision for hospitality, solidifying Serena's leadership as Africa's premier brand in the hospitality industry anchored in innovation, impact, and excellence. To our valued guests, thank you for choosing Serena Hotels, Lodges, Camps, and Resorts as your preferred choice. Your loyalty inspires us to continually innovate and enhance guest experiences that reflect Africa's rich heritage while embracing global standards of hospitality.

To the Board of Directors, thank you for your visionary stewardship and steadfast guidance throughout the year 2024. Your governance oversight ensures that Management remains anchored to our purpose. I am honoured to lead a team of dedicated associates who consistently strive for operational excellence while navigating a competitive business landscape. We remain deeply committed to carrying forward Serena's legacy. As we look ahead to 2025 and beyond, our journey continues—delivering purposeful hospitality rooted in impact, value creation and sustainability.

Ashishkumar Sharma
Chief Executive Officer

Date: 13/5/2025

TPS EASTERN AFRICA PLC

DIRECTORS' REMUNERATION REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

Information not subject to audit

The Company's remuneration policy and strategy for executive and non-executive Directors are set by the Board Nomination and Remuneration Committee. This Report has been prepared in accordance with the relevant provisions of both the CMA Code of Corporate Governance guidelines on Director's remuneration and the Kenyan Companies Act, 2015.

— The Company's overall policy and strategy for remuneration of Directors aims to fairly and objectively reward performance in the medium- and longer-term interests of shareholders. The remuneration structure is designed to recognise the requisite skills, expertise and experience of Directors given market competitive forces and demand.

— Executive Directors remuneration primarily comprises fixed elements including salary and benefits. Benefits are largely fixed in nature comprising housing, travel, and pension. There is no variable element such as performance-based incentive or bonus scheme.

— Terms of service for the directors include fixed term contacts ranging up to four years, with varying notice periods subject to requisite employment law requirements.

— There are no share option arrangements or long-term incentive scheme methods used in assessing the performance conditions.

— During the year 2024, there were no significant amendments to the terms and conditions of any entitlement of a director to share options or under a long-term incentive scheme.

Non-Executive Directors receive fees and sitting allowances as shown in the table on the next page.

Significant changes to director's during the year

Changes to directors are reported in the Director's report on page 1.

Statement of voting on the Director's remuneration report at the previous Annual General Meeting

— In respect of a resolution to approve the director's remuneration, shareholders voted unanimously through the use of mobile phones having received written notice of their right to vote before the AGM.

— A resolution to approve the directors' remuneration will be put to a resolution of shareholders for approval at the forthcoming AGM.

DIRECTORS' REMUNERATION REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Information subject to audit

The following table shows a single figure remuneration for the Executive Directors, Non-Executive Chairman and Non-Executive Directors in respect of qualifying services for the year ended 31 December 2024 together with the comparative figures for 2023. Directors' remuneration was fully paid during the year. The aggregate Directors' emoluments are shown at Note 31 (iv).

For the year ended 31 December 2024	Salary	Fees	Bonus	Expense allowances	Loss of office/ termination	Pension	Estimated value for non-cash benefits	Total
	KShs 000	KShs 000	KShs 000	KShs 000	KShs 000	KShs 000	KShs 000	KShs 000
F.Okomo-Okello, Non-Executive Chairman	-	2,250	-	-	-	-	-	2,250
A.Sharma, Chief Executive Officer	66,758	-	-	-	-	2,715	1,231	70,704
N.Hirjani, Chief Financial Officer	23,846	-	-	-	-	1,017	112	24,975
M.Bagha, Group Finance Director	27,047					1,006	614	28,667
A.Boolani, Non-Executive Director	-	-	-	-	-	-	-	-
A.Jiwa, Non-Executive Director	-	1,050	-	-	-	-	-	1,050
M.Manji, Non-Executive Director	-	1,450	-	-	-	-	-	1,450
G.Ainache, Non-Executive Director	-	1,350	-	-	-	-	-	1,350
A.Maignan, Non-Executive Director	-	800	-	-	-	-	-	800
R.Dumba, Non-Executive Director	-	900	-	-	-	-	-	900
D.Mhaiki, Non-Executive Director	-	700	-	-	-	-	-	700
	117,651	**8,500**	**-**	**-**	**-**	**4,738**	**1,957**	**132,846**

DIRECTORS' REMUNERATION REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

Information subject to audit (Continued)

For the year ended 31 December 2023	Salary KShs 000	Fees KShs 000	Bonus KShs 000	Expense allowances KShs 000	Loss of office/ termination KShs 000	Pension KShs 000	Estimated value for non-cash benefits KShs 000	Total KShs 000
F.Okomo-Okello, Non-Executive Chairman	-	1,350	-	-	-	-	-	1,350
M.Jan Mohamed, Managing Director	29,406	-	-	-	-	9	1,966	31,381
A.Sharma, Chief Executive Officer	21,125	-	-	-	-	4	-	21,129
N.Hirjani, Chief Financial Officer	42,570	-	-	-	-	1,883	122	44,575
A.Boolani, Non-Executive Director	-	-	-	-	-	-	-	-
A.Jiwa, Non-Executive Director	-	400	-	-	-	-	-	400
M.Manji, Non-Executive Director	-	600	-	-	-	-	-	600
G.Ainache, Non-Executive Director	-	750	-	-	-	-	-	750
A.Maignan, Non-Executive Director	-	400	-	-	-	-	-	400
R.Dumba, Non-Executive Director	-	500	-	-	-	-	-	500
D.Mhaiki, Non-Executive Director	-	250	-	-	-	-	-	250
	93,101	**4,250**	**-**	**-**	**-**	**1,896**	**2,088**	**101,335**

There were no other sums paid to the third parties in respect of Director's services.

Approval of the Director's remuneration report

The Directors confirm that this report has been prepared in accordance with the Kenya Companies Act, 2015, Capital Markets Authority (CMA) Code and listing rules and reflects the disclosure requirements under the IFRS® Accounting Standards.

On behalf of the Board

Mohamed Bagha
Director

Date: 13/5/2025

TPS EASTERN AFRICA PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors are responsible for the preparation and presentation of the Consolidated and separate financial statements of TPS Eastern Africa Plc (the "Group" and the "Company") set out on pages 18 to 89 which comprise the Consolidated and separate statements of financial position as at 31 December 2024, and the Consolidated and separate statements of profit or loss and other comprehensive income, Consolidated and separate statements of changes in equity and Consolidated and separate statements of cash flows for the year then ended, and notes to the Consolidated and separate financial statements, including material accounting policies and the information identified as subject to audit in the Directors' Remuneration Report.

The Directors' responsibilities include: determining that the basis of accounting described in Note 2 is an acceptable basis for preparing and presenting the financial statements in the circumstances, preparation and presentation of financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by 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. Under the Kenyan Companies Act, 2015, the Directors are required to prepare financial statements for each financial year which 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 the profit or loss of the Company and its subsidiaries for that year respectively. It also requires the Directors to ensure the Company, and its subsidiaries keep proper accounting records which disclose with reasonable accuracy, the financial position and profit or loss of the Group and Company.

The Directors accept responsibility for the annual Consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with IFRS Accounting Standards and in the manner required by the Kenyan Companies Act, 2015. The Directors are of the opinion that the financial statements give a true and fair view of the financial position of the Group and the Company and of the Group and Company profit or loss. The Directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The Directors have made an assessment of the Company and Group's ability to continue as a going concern and as disclosed in Note 2(a) have no reason to believe that the Company and Group will not be a going concern in the period of at least twelve months from the date of approval of these financial statements.

Approval of the Consolidated and separate financial statements

The Consolidated and separate financial statements, as indicated above, were approved and authorised for issue by the board of Directors on 13/5/2025

Francis Okomo Okello	Ashishkumar Sharma
Director	*Director*

Date: 13/5/2025

KPMG Kenya
Certified Public Accountants
8th Floor, ABC Towers
Waiyaki Way
PO Box 40612 00100 GPO
Nairobi, Kenya

Telephone +254 20 2806000
Email info@kpmg.co.ke
Website www.kpmg.com/eastafrica

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF TPS EASTERN AFRICA PLC

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of TPS Eastern Africa Plc (the "Group" and "Company") as set out on pages 18 to 89, which comprise the consolidated and company statements of financial position as at 31 December 2024, and the consolidated and company statements of profit or loss and other comprehensive income, consolidated and company statements of changes in equity and consolidated and company statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements including, material accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of TPS Eastern Africa Plc as at 31 December 2024, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Kenyan Companies Act, 2015.

Basis for opinion

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 financial statements* section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Kenya, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF TPS EASTERN AFRICA PLC (CONTINUED)

Report on the audit of the consolidated and separate financial statements (Continued)

Key audit matters (continued)

Impairment of goodwill in the consolidated financial statements	
Key audit matter	**How the matter was addressed**
The disclosure of goodwill is set out in the consolidated financial statements in the following notes: — Note 2 (i) Material accounting policies, *Intangible assets* (page 35 – 36) — Note 21 – Intangible assets – Goodwill (page 68 – 71) — Note 3 (a) (i) - Critical accounting estimates and assumptions, *impairment of goodwill*	

Impairment of goodwill in the consolidated financial statements (continued)	
Key audit matter	**How the matter was addressed**
Impairment of goodwill is considered a key audit matter because: — The sector in which the Group operates are continues to experience competitive market conditions with uncertainty of forecast cash flows used in the valuation models; — A significant level of judgment is applied on key inputs such as forecast cash flows, discount rates applied, forecast growth rates and terminal growth rates and expected capital expenditure as a percentage of revenue when considering management's assessment of impairment; and — Goodwill recognised in the consolidated financial statements of KShs 1.3bn is a material amount. The preparation of the estimate of the value in use ('VIU') involves subjective judgement and uncertainties and hence was considered as a key audit matter.	Our audit procedures in these areas included: — Evaluated the forecasting process undertaken by the Group by assessing whether precision of prior year's forecast cash flows with respect to revenue, capital expenditure and operating expenses by comparing with actual outcomes in subsequent years. — Involving our own valuation specialists to assist in evaluating the appropriateness of the discount rates applied, which included comparing the weighted average cost of capital with sector averages for the relevant markets in which the Cash Generating Units operate. — Performing our own sensitivity analysis, which included assessing the effect of possible reductions in growth rates and forecast cash flows to evaluate the impact on the estimated headroom. — Assessing the adequacy of disclosures of key assumptions and judgements in the consolidated financial statements in accordance with IAS 36.

Emphasis of matter – comparative information

We draw attention to Note 33 to the consolidated and separate financial statements which describes that the comparative information presented as at and for the year ended 31 December 2023 has been restated. Our opinion is not modified in respect of this matter.

KPMG

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF TPS EASTERN AFRICA PLC (CONTINUED)

Report on the audit of the consolidated and separate financial statements (Continued)

Other matter relating to comparative information

The consolidated and separate financial statements of TPS Eastern Africa PLC as at and for the year ended 31 December 2023 and the separate statement of financial position as at 1 January 2023, excluding the adjustments described in Note 33 to the consolidated and separate financial statements, were audited by another auditor who expressed an unmodified opinion on those financial statements on 23 April 2024 and 26 April 2023 respectively.

As part of our audit of the consolidated and separate financial statements as at and for the year ended 31 December 2024, we audited the adjustments described in Note 33 to the consolidated and separate financial statements that were applied to restate the comparative information presented as at and for the year ended 31 December 2023 and the consolidated and separate statement of financial position as at 1 January 2023.

We were not engaged to audit, review, or apply any procedures to the consolidated and separate financial statements for the year ended 31 December 2023 or the consolidated and separate statement of financial position as at 1 January 2023, other than with respect to the adjustments described in Note 33 to the consolidated and separate financial statements. Accordingly, we do not express an opinion or any other form of assurance on those respective consolidated and separate financial statements taken as a whole. However, in our opinion, the adjustments described in Note 33 to the consolidated and separate financial statements are appropriate and have been properly applied.

Other information

The Directors are responsible for the other information. The other information comprises the *Directors' report, Chairman's statement, Chief Executive officer's statement, Directors' Remuneration report, Statement of directors' responsibilities and Principal shareholders and share distribution report* but does not include the consolidated and separate financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the other information to be included in the *2024 Annual Report and Financial Statements*, which is expected to be made available to us after that date.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon, other than that prescribed by the Kenyan Companies Act, 2015 as set out below.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 that we have obtained prior to the date of this auditor's report, 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.

Directors' responsibilities for the consolidated and separate 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, and in the manner required by the Kenyan Companies Act, 2015 and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

KPMG

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF TPS EASTERN AFRICA PLC (CONTINUED)

Report on the audit of the consolidated and separate financial statements (Continued)

Directors' responsibilities for the consolidated and separate financial statements

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

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate 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 the Company's 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 and the Company's 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

KPMG

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF TPS EASTERN AFRICA PLC (CONTINUED)

Report on the audit of the consolidated and separate financial statements (Continued)

Auditor's responsibilities for the audit of the consolidated and separate financial statements (continued)

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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Kenyan Companies Act, 2015 we report to you, solely based on our audit of the consolidated and separate financial statements, that in our opinion:

(i) The information given in the report of the Directors on pages 1 and 2 is consistent with the consolidated and separate financial statements; and
(ii) The auditable part of the Directors' Remuneration Report on pages 10 and 11 has been prepared in accordance with the requirements of Kenyan Companies Act, 2015.

The engagement partner responsible for the audit resulting in this independent auditor's report is FCPA Dr. Alexander Mbai, Practicing Certificate No. 2172.

For and on behalf of;

KPMG Kenya
Certified Public Accountants
PO Box 40612 – 00100
Nairobi

Date: 14 May 2025

TPS EASTERN AFRICA PLC

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

	Note	2024 KShs'000	2023 KShs'000 *Restated
Revenue from contracts with customers	5	10,185,868	9,684,612
Other income	6	259,820	285,022
Inventory expensed	25	(1,471,564)	(1,390,867)
Employee benefits expense	8	(2,921,753)	(2,749,727)
Other operating expenses	9(a)	(3,641,899)	(3,304,533)
Impairment credit – financial assets	9(b)	35,836	2,450
Profit before depreciation, finance income/(costs), results of associates and income tax expense		**2,446,308**	**2,526,957**
Depreciation on right of use assets	22	(86,878)	(80,084)
Depreciation on property and equipment	20	(582,845)	(518,783)
Finance income	10	879,217	323,302
Finance costs	10	(670,917)	(1,585,361)
Share of profit of associates accounted for using the equity accounting method	24	19,665	22,955
Profit before income tax	7	**2,004,550**	**688,986**
Income tax expense	11	(687,257)	(231,450)
Profit for the year		**1,317,293**	**457,536**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of employment benefits	19	(10,705)	17,976
Deferred tax on remeasurement of post-employment	18	3,212	(5,393)
		(7,493)	**12,583**
Items that are or may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	15(b)	(549,366)	835,109
Total other comprehensive income for the year		**(556,859)**	**847,692**
Total comprehensive income for the year		**760,434**	**1,305,228**
Profit attributable to:			
Equity holders of the Company		1,281,840	403,260
Non-controlling interest	30	35,453	54,276
		1,317,293	457,536
Total comprehensive income attributable to:			
Equity holders of the Company		631,553	1,060,959
Non-controlling interest		128,881	244,269
Total comprehensive income for the year		**760,434**	**1,305,228**
Earnings per share			
Basic and diluted (KShs per share)	12	**4.54**	**1.43**

The notes set out on pages 28 to 89 form an integral part of the consolidated and company financial statements.

* The comparative information is restated on account of correction of errors. See Note 33.

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

	Note	2024 KShs'000	2023 KShs'000
Revenue	5	-	-
Other operating (expenses)/income	9(a)	(34,603)	(20,289)
Impairment credit – financial assets	9(b)	9,965	77,904
Net finance cost	10	(14,183)	-
(Loss)/profit before income tax	7	**(38,821)**	**57,615**
Income tax expense	11	(2,841)	-
(Loss)/profit for the year		**(41,662)**	**57,615**
Other comprehensive income		-	-
Total comprehensive income for the year		**(41,662)**	**57,615**

The notes set out on pages 28 to 89 form an integral part of the consolidated and company financial statements.

TPS EASTERN AFRICA PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 KShs'000	2023 KShs'000 *Restated	1 January 2023 KShs'000 *Restated
Non-current assets				
Property and equipment	20	13,196,885	13,702,533	12,696,055
Intangible assets	21	1,271,952	1,271,952	1,271,952
Right of use assets	22	1,056,998	1,090,562	1,165,393
Investment in associates	24	861,948	842,073	819,118
Deferred income tax asset	18	12,295	7,393	10,903
		16,400,078	**16,914,513**	**15,963,421**
Current assets				
Inventories	25	560,289	574,904	477,013
Trade and other receivables	26	1,454,269	1,405,622	1,162,974
Current income tax	11	168,373	173,391	125,084
Financial asset – fixed deposits	27(b)	911,570	596,293	-
Cash and cash equivalents	27(a)	695,867	848,304	660,846
		3,790,368	**3,598,514**	**2,425,917**
Total assets		**20,190,446**	**20,513,027**	**18,389,338**
Capital and reserves attributable to the Company's equity holders				
Share capital	14	282,651	282,651	282,651
Share premium	14	6,001,741	6,001,741	6,001,741
Revaluation reserve	15 (a)	2,211,352	2,266,195	2,282,094
Translation reserve	15 (b)	(729,353)	(344,321)	(935,161)
Proposed dividends	13	98,928	-	-
Retained earnings		2,696,574	1,466,312	1,034,570
		10,561,893	**9,672,578**	**8,665,895**
Non-controlling interest	30	974,093	1,102,974	804,429
Total equity		**11,535,986**	**10,775,552**	**9,470,324**
Non-current liabilities				
Borrowings	16	2,501,485	3,563,042	3,604,701
Deferred income tax liability	18	2,070,413	1,686,270	1,378,929
Lease liabilities	17	1,181,205	1,473,907	1,177,502
Retirement benefit obligations	19	117,289	98,116	94,227
Total non-current liabilities		**5,870,392**	**6,821,335**	**6,255,359**
Current liabilities				
Trade and other payables	28 (a)	2,111,916	2,133,165	1,713,202
Dividends payable	28 (b)	-	36,103	36,103
Borrowings	16	487,913	569,589	727,196
Lease liabilities	17	184,239	177,283	187,154
Total current liabilities		**2,784,068**	**2,916,140**	**2,663,655**
Total equity and liabilities		**20,190,446**	**20,513,027**	**18,389,338**

The consolidated and company financial statements set out on pages 18 to 89 were approved and authorised for issue by the board of Directors on 13/05/2025 and were signed on its behalf by

Francis Okomo Okello
Director

Ashishkumar Sharma
Director

* The comparative information is restated on account of correction of errors. See Note 33.
The notes set out on pages 28 to 89 form an integral part of the financial statements.

TPS EASTERN AFRICA PLC

COMPANY STATEMENT FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2024

ASSETS	Notes	As at 31 December 2024 KShs'000	2023 KShs'000 *Restated	1 January 2023 KShs'000 *Restated
Non-current assets				
Investment in subsidiaries	23	5,749,856	5,749,826	5,749,826
Investment in associates	24	840,330	840,330	840,330
		6,590,186	**6,590,156**	**6,590,156**
Current assets				
Receivables and prepayments	26	19,617	381,675	328,931
Current income tax	11(c)	2,417	4,175	-
Financial assets – fixed deposits	27(b)	293,709	-	-
Cash and cash equivalents	27(a)	4,312	1,968	-
		320,055	**387,818**	**328,931**
TOTAL ASSETS		**6,910,241**	**6,977,974**	**6,919,087**
EQUITY AND LIABILITIES				
Equity				
Share capital	14	282,651	282,651	282,651
Share premium	14	6,001,741	6,001,741	6,001,741
Proposed dividends		98,928	-	-
Retained earnings		514,095	654,685	597,070
Total equity		**6,897,415**	**6,939,077**	**6,881,462**
Current liabilities				
Dividend payable	28(b)	-	36,103	36,103
Trade and other payables	28(a)	12,826	2,794	1,306
Bank overdraft	27(a)	-	-	216
		12,826	**38,897**	**37,625**
TOTAL EQUITY AND LIABILITIES		**6,910,241**	**6,977,974**	**6,919,087**

The financial statements on pages 18 to 89 we approved and authorised for issue at a meeting of the Board of Directors held on 13/05/2025 and signed on its behalf by:

Francis Okomo Okello
Director

Ashishkumar Sharma
Director

* The comparative information is restated on account of correction of errors. See Note 33.

The notes set out on pages 23 to 89 form an integral part of the financial statements.

TPS EASTERN AFRICA PLC

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

Year ended 31 December 2024	Share capital KShs'000	Share premium KShs'000	Revaluation reserve KShs'000	Translation reserve KShs'000	Retained earnings KShs'000	Proposed dividends KShs'000	Non-controlling interest KShs'000	Total KShs'000
At start of year	**282,651**	**6,001,741**	**2,266,195**	**(344,321)**	**1,466,312**	**-**	**1,102,974**	**10,775,552**
Comprehensive income for the year								
Profit for the year	-	-	-	-	1,281,840	-	35,453	1,317,293
Other comprehensive income:								
Currency translation differences	-	-	-	(385,032)	-	-	(164,334)	(549,366)
Remeasurement of post-employment benefits	-	-	(10,705)	-	-	-	-	(10,705)
Deferred tax on remeasurement of post-employment benefits	-	-	3,212	-	-	-	-	3,212
Transfer of excess depreciation to retained earnings	-	-	(67,643)	-	67,643	-	-	-
Deferred income tax on transfer of excess depreciation to retained earnings	-	-	20,293	-	(20,293)	-	-	-
Total other comprehensive income	**-**	**-**	**(54,843)**	**(385,032)**	**47,350**	**-**	**(164,334)**	**(556,859)**
Total comprehensive income for the year	**-**	**-**	**(54,843)**	**(385,032)**	**1,329,190**	**-**	**(128,881)**	**760,434**
Transactions with owners								
Dividends:								
- proposed for 2024	-	-	-	-	(98,928)	98,928	-	-
	-	**-**	**-**	**-**	**(98,928)**	**98,928**	**-**	**-**
At end of year	**282,651**	**6,001,741**	**2,211,352**	**(729,353)**	**2,696,574**	**98,928**	**974,093**	**11,535,986**

*The comparative information is restated on account of correction of errors. See Note 33

The notes set out on pages 28 to 89 form an integral part of the financial statements.

TPS EASTERN AFRICA PLC

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

	Notes	Share capital	Share premium	Revaluation reserve	Translation reserve	Retained earnings	Proposed dividends	Non-controlling interest	Total
Year ended 31 December 2023		**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**
At start of year as previously reported		282,651	6,001,741	2,282,094	(912,059)	1,206,461	-	781,327	9,642,215
Impact of correction of errors		-	-	-	(23,102)	(171,891)	-	23,102	(171,891)
Restated balance at start of year		**282,651**	**6,001,741**	**2,282,094**	**(935,161)**	**1,034,570**	**-**	**804,429**	**9,470,324**
Total comprehensive income for the year									
Profit for the year		-	-	-	-	403,260	-	54,276	457,536
Other comprehensive income:									
Currency translation differences		-	-	-	590,840	-	-	244,269	835,109
Remeasurement of postemployment Benefits	19	-	-	17,976	-	-	-	-	17,976
Deferred tax on remeasurement of post-employment benefits		-	-	(5,393)	-	-	-	-	(5,393)
Transfer of excess depreciation to retained earnings		-	-	(40,688)	-	40,688	-	-	-
Deferred income tax on transfer of excess depreciation to retained earnings	18	-	-	12,206	-	(12,206)	-	-	-
Total other comprehensive income		**-**	**-**	**(15,899)**	**590,840**	**28,482**	**-**	**244,269**	**847,692**
Total comprehensive income for the Year		**-**	**-**	**(15,899)**	**590,840**	**431,742**	**-**	**298,545**	**1,305,228**
Restated balance at end of year		**282,651**	**6,001,741**	**2,266,195**	**(344,321)**	**1,466,312**	**-**	**1,102,974**	**10,775,552**

*The comparative information is restated on account of correction of errors. See Note 33.

The notes set out on pages 28 to 89 form an integral part of the financial statements.

TPS EASTERN AFRICA PLC

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

Year ended 31 December 2024	Notes	Share capital KShs'000	Share premium KShs'000	Retained earnings KShs'000	Proposed Dividends KShs'000	Total KShs'000
At start of year		282,651	6,001,741	654,685	-	6,939,077
Total comprehensive income for the year:						
Loss for the year		-	-	(41,662)	-	(41,662)
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		**-**	**-**	**(41,662)**	**-**	**(41,662)**
Transactions with owners of the company:						
Dividends:						
— proposed for 2024		-	-	(98,928)	98,928	-
Total transactions with owners of the company		**-**	**-**	**(98,928)**	**98,928**	**-**
At end of year		**282,651**	**6,001,741**	**514,095**	**98,928**	**6,897,415**

* The comparative information is restated on account of correction of errors. See Note 33.

The notes set out on pages 28 to 89 form an integral part of the financial statements.

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

Year ended 31 December 2023	Notes	Share capital KShs'000	Share premium KShs'000	Retained earnings KShs'000	Proposed dividends KShs'000	Total KShs'000
At start of year as previously reported		282,651	6,001,741	633,173	-	6,917,565
Impact of correction of errors		-	-	(36,103)	-	(36,103)
At start of year as restated		**282,651**	**6,001,741**	**597,070**	**-**	**6,881,462**
Total comprehensive income for the year:						
Profit for the year		-	-	57,615	-	57,615
Total comprehensive income for the year		**-**	**-**	**57,615**	**-**	**57,615**
Transactions with owners of the company:						
Dividends:						
— Prior year dividend paid		-	-	-	-	-
— proposed for 2023		-	-	-	-	-
Total transactions with owners of the company		**-**	**-**	**-**	**-**	**-**
At end of year		**282,651**	**6,001,741**	**654,685**	**-**	**6,939,077**

* The comparative information is restated on account of correction of errors. See Note 33.

The notes set out on pages 28 to 89 form an integral part of the financial statements.

TPS EASTERN AFRICA PLC

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

	Notes	Year ended 31 December 2024 KShs'000	2023 KShs'000 *Restated
Operating activities			
Cash generated from operations	29	2,406,682	2,868,557
Interest received	10	47,704	40,470
Interest paid	10	(338,491)	(385,238)
Lease interest paid	17	(153,485)	(165,746)
Income tax paid	11(c)	(207,406)	(122,985)
Net cash generated from operating activities		**1,755,004**	**2,235,048**
Investing activities			
Purchase of property and equipment	20	(771,067)	(580,343)
Investment in associates	24	(211)	-
Maturity of financial assets	27(b)	8,264,148	1,149,354
Purchase of financial assets	27(b)	(8,705,330)	(1,600,129)
Proceeds from disposal of property and equipment		5,338	2,974
Net cash utilised in investing activities		**(1,207,122)**	**(1,028,144)**
Financing activities			
Proceeds from long term borrowings	16	113,062	481,765
Payments of long-term borrowings	16	(687,999)	(1,457,397)
Prior years dividends paid		(36,103)	-
Principal lease payments	17	(40,996)	(32,089)
Net cash used in financing activities		**(652,036)**	**(1,007,721)**
Net (decrease)/increase in cash and cash equivalents		**(104,154)**	**199,183**
Movement in cash and cash equivalents			
At start of year		792,524	575,293
(Decrease)/increase during the year		(104,154)	199,183
Effect of currency translation differences		7,497	18,048
At end of year	27(a)	**695,867**	**792,524**

The notes set out on pages 28 to 89 form an integral part of the consolidated and company financial statements.

* The comparative information is restated on account of correction of errors. See Note 33.

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

	Notes	Year ended 31 December 2024 KShs'000	2023 KShs'000
Operating activities			
Cash generated from operations	29	323,798	6,359
Interest received		9,471	-
Income tax paid	11(c)	(1,083)	(4,175)
Net cash generated from operating activities		**332,186**	**2,184**
Investing activities			
Investment in subsidiary	23	(30)	-
Investment in short term financial assets	27(b)	(293,709)	-
Net cash utilised in investing activities		**(293,739)**	**-**
Financing activities			
Dividends paid to Company's shareholders		(36,103)	-
Net cash used in financing activities		**(36,103)**	**-**
Net increase in cash and cash equivalents		2,344	2,184
Movement in cash and cash equivalents			
At start of year		1,968	(216)
Increase during the year		2,344	2,184
At end of year	27(a)	**4,312**	**1,968**

The notes set out on pages 28 to 89 form an integral part of the financial statements.

1 GENERAL INFORMATION

TPS Eastern Africa PLC is incorporated in Kenya under the Kenyan Companies Act as a public limited liability company and is domiciled in Kenya. The address of its registered office and principal place of business is:

Williamson House
4 Ngong Avenue
PO Box 48690
00100 Nairobi
Kenya

The shares of the Company are listed on the Nairobi Securities Exchange (NSE). For the Kenyan Companies Act, 2015 reporting purposes, the balance sheet is represented by the statement of financial position and profit and loss account by the statement of profit or loss in these financial statements.

2 MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Going concern

The Group's and Company's management has made an assessment of the Group and Company's ability to continue as a going concern and is satisfied that the Group and Company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's and Company's ability to continue as a going concern. Therefore, the financial statements have been prepared on the going concern basis.

(b) Basis of preparation

The financial statements are prepared in compliance with IFRS Accounting Standards (IFRS). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in Kenya Shillings (KShs), rounded to the nearest thousands, except where otherwise indicated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

(c) New standards, amendments and interpretations

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

The Group and Company have adopted the following new standards and amendments during the year ended 31 December 2024, including consequential amendments to other standards with the date of initial application by the Group and Company being 1 January 2024.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(c) New standards, amendments and interpretations

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

New standard or amendments	Effective date
— Classification of liabilities as current or non-current (Amendments to IAS 1)	1 January 2024
— Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1 January 2024
— Non-current Liabilities with Covenants (Amendments to IAS 1)	1 January 2024
— Disclosures – Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	1 January 2024

The above standards and amendments did not have a material impact on the Group's and Company's financial statement.

(ii) New standards, amendments and interpretations in issue but not effective for the year ended 31 December 2024

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2024 and have not been early adopted by the Group and Company. The Group and Company are in the process of assessing the impact of these standards on the Group's and Company's financial statements.

New standard or amendments	Effective for annual periods beginning on or after
— Lack of Exchangeability (Amendments to IAS 21)	1 January 2025
— Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	1 January 2026
— Annual improvements to IFRS Accounting Standards – Amendments to: ▪ IFRS 1 First-time Adoption of IFRS Accounting Standards; IFRS 7 Financial Instruments: Disclosure and it's accompanying Guidance on implementing IFRS 7; ▪ IFRS 9 Financial Instruments; ▪ IFRS 10 Consolidated Financial statements; and ▪ IAS 7 Statement of Cashflows	1 January 2026
— Contracts Referencing Nature – dependent Electricity - Amendments to IFRS 9 and IFRS 7	1 January 2027
— IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
— IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
— Sale or Contribution of Assets between an Investor and its Associate or Company (Amendments to IFRS 10 and IAS 28).	Optional

2 MATERIAL ACCOUNTING POLICIES (Continued)

(c) New standards, amendments and interpretations (continued)

(ii) New standards, amendments and interpretations in issue but not effective for the year ended 31 December 2024 – continued

All Standards will be adopted at their effective date (except for the standards and interpretations that are not applicable to the entity). The only standard that is expected to have an impact on the financial statements is IFRS 18 Presentation and disclosure in financial statements. It requires the Company to report a newly defined subtotal, 'operating profit'; disclose certain 'non-GAAP' measures – such as management-defined performance measures (MPMs) in the financial statements, meaning that they will now be subject to audit such as adjusted Earnings Before Income Tax, Depreciation and Armotisation (EBITDA) and to improve how the Company information is presented. The Company is assessing the impact for adoption.

(d) Consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group.

The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

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 re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date.

Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(d) Consolidation (continued)

(i) Subsidiaries – continued

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies. Acquisition of entities under common control is accounted for using predecessor accounting.

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss.

The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(iv) Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

after the date of acquisition. The group's investment in associates includes goodwill identified Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee on acquisition. If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(d) Consolidation (continued)

(iv) Associates – continued

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of associates in the income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associates are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the income statement.

(v) Joint arrangements

The Group applies IFRS 11 Joint Arrangements to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income.

When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

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

(vi) Separate financial statements

In the separate financial statements, investments in subsidiaries and associates are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment. Dividend income is recognised when the right to receive payment is established.

(e) Functional currency and translation of foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the Functional Currency'). The consolidated financial statements are presented in Kenya Shillings (KShs), which is the Company's Functional and Presentation currency.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(e) Functional currency and translation of foreign currencies (Continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the Functional Currency using exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in the income statement within 'other operating income' or 'other expenses'. Translation differences related to changes in amortised cost are recognised in the income statement, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities, such as equities held at fair value through profit or loss, are recognised in the income statement as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as fair value through other comprehensive income are recognised under other comprehensive income.

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

— assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period;
— income and expenses for each income statement amount are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
— all resulting exchange differences are recognised in other comprehensive income in the currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that are recorded in equity are recognised in the income statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(f) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM who makes strategic decisions and who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Managing Director.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(g) Revenue recognition

The Group recognises revenue for direct sales of goods and rendering of services. Revenue is recognised as and when the Group satisfies a performance obligation by transferring control of a product or service to a customer. The amount of revenue recognised is the amount the Group expects to receive in accordance with the terms of the contract, and excludes amounts collected on behalf of third parties, such as Value Added Tax (VAT).

Room revenue is recognised over time based on occupancy. Food and beverage revenue is recognized on billing, following consumption, whereas gift shop sales are recognized on transfer of goods. Revenue from other sources such as gym, bird walks, archery etc. is recognised based on the performance of the service.

For each of the revenue streams, the Group recognises revenue over time or at a point in time specifically after the performance obligation of transfer of goods or service to the customer has been fulfilled.

The Group policy is to allocate the total transaction price to the performance obligations in the product offer / contract by reference to their relative stand-alone selling prices, e.g. for Food & Beverage at standard cost price grossed up for industry margins. Where such a stand-alone selling price is not directly observable, e.g. Bird Walks, Archery etc., the Group undertakes reasoned standard estimates based on cost plus a margin. Contracts with tour operators stipulate the transaction price of the product offer which are recorded at gross as there is no agency relationship.

Interest income is recognised using the effective interest method.

Dividends for the Group and the Company are recognised as income in the period the right to receive payment is established.

(h) Property and equipment

All categories of land and buildings, property and equipment are initially recorded at cost. Land and buildings are subsequently shown at fair value, based on periodic, (at least once every five years), valuations by external independent valuers, less subsequent depreciation for leasehold land and buildings. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation are credited to a revaluation surplus reserve in equity. Decreases that offset previous increases of the same asset are charged against the revaluation surplus; all other decreases are charged to profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to profit or loss) and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(h) Property and equipment (continued)

Depreciation on assets is calculated using the straight-line method to write down their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

	Useful life
Leasehold land and buildings	Over the period of the lease
Computers	3 - 4 years
Motor vehicles	4 years
Furniture and fittings	10 years
Lift installations	10 years
Laundry equipment	10 years

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

On opening of a new unit, initial purchases of operating equipment, such as crockery and beddings are capitalised at cost and subsequent replacements to maintain operating equipment at par stock level are expensed in the year of purchase. Carrying values are validated every three years.

An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are included in profit or loss. On disposal of revalued assets, amounts in the revaluation surplus relating to that asset are transferred to retained earnings.

(i) Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over the Company's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(j) Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use- are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(k) Financial instruments

(i) Initial recognition

Financial instruments are recognised when, and only when, the Group becomes party to the contractual provisions of the instrument. All financial assets are recognised initially using the trade date accounting which is the date the Group commits itself to the purchase or sale.

(ii) Classification

The Group classifies its financial instruments into the following categories:

(a) Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows, and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified and measured at amortised cost.
(b) Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified and measured at fair value through other comprehensive income.
(c) All other financial assets are classified and measured at fair value through profit or loss.
(d) Financial liabilities that are held for trading, financial guarantee contracts, or commitments to provide a loan at a below-market interest rate are classified and measured at fair value through profit or loss. The Group may also, on initial recognition, irrevocably designate a financial liability as at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency.
(e) All other financial liabilities are classified and measured at amortised cost

Financial instruments held during the year were classified as follows:

- Trade and other receivables were classified as at amortised cost
- Trade and other liabilities were classified as at amortised cost
- Borrowings and lease liability are classified at amortised cost
- Cash and cash equivalents are classified at amortised cost.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(k) Financial instruments (continued)

(iii) Initial measurement

On initial recognition:

- Financial assets or financial liabilities classified as at fair value through profit or loss are measured at fair value.
- Trade receivables are measured at their transaction price.

All other categories of financial assets and financial liabilities are measured at the fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the instrument.

(iv) Subsequent measurement

Financial assets and financial liabilities after initial recognition are measured either at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss according to their classification. Interest income, dividend income, and exchange gains and losses are recognised in profit or loss. Fair value is determined as set out in *Note 4 (e) fair value estimation.* Amortised cost is the amount at which the financial asset or liability is measured on initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

(v) Impairment

The Group recognises a loss allowance for expected credit losses on debt instruments that are measured at amortised cost or at fair value through other comprehensive income. The loss allowance is measured at an amount equal to the lifetime expected credit losses for trade receivables and for financial instruments for which: (a) the credit risk has increased significantly since initial recognition; or (b) there is observable evidence of impairment (a credit-impaired financial asset). For cash and cash equivalents, the Group banks with reputable banking institutions and the assessed probability of default is low and the expected credit loss, if any, would be immaterial.

All changes in the loss allowance are recognised in profit or loss as impairment gains or losses. Lifetime expected credit losses represent the expected credit losses that result from all possible default events over the expected life of a financial instrument. Expected credit losses are measured in a way that reflects an unbiased and probability-weighted amount determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

(v) Presentation

All financial assets are classified as non-current except those that are held for trading, those with maturities of less than 12 months from the reporting date, those which management has the express intention of holding for less than 12 months from the reporting date or those that are required to be sold to raise operating capital, in which case they are classified as current assets.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(k) Financial instruments (continued)

(vi) De-recognition

Financial assets are derecognised when the rights to receive cash flows from the financial asset have expired, when the Group has transferred substantially all risks and rewards of ownership, or when the Group has no reasonable expectations of recovering the asset. Financial liabilities are derecognised only when the obligation specified in the contract is discharged or cancelled or expires.

When a financial asset measured at fair value through other comprehensive income, other than an equity instrument, is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. For equity investments for which an irrevocable election has been made to present changes in fair value in other comprehensive income, such changes are not subsequently transferred to profit or loss.

(vii) Offsetting

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

(l) Leases

The Group's leases majorly comprise of property leases which include office space, parks, land occupied by hotels and various camps. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability recognised at the date at which the leased asset is available for use by the Group.

(i) Initial recognition

Assets and liabilities arising from a lease are initially measured on a present value basis.

(ii) Lease liabilities

Lease liabilities include the net present value of the following lease payments:

— fixed payments (including in-substance fixed payments), less any lease incentives receivable;
— variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
— amounts expected to be payable by the Group under residual value guarantees;
— the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(l) Leases (continued)

(ii) Lease liabilities (continued)

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

— where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
— uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing; and
— makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(iii) Right of use asset

Right-of-use assets are measured at cost comprising the following:

— the amount of the initial measurement of lease liability;
— any lease payments made at or before the commencement date less any lease incentives received;
— any initial direct costs; and
— restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group re-values its land and buildings that are presented within property, plant and equipment, the Group does not do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases of equipment, variable payment solar leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

2 MATERIAL ACCOUNTING POLICIES (Continued)

(l) Leases (continued)

(iv) Variable lease payments

Variable lease payments are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

(v) Extension and termination options

Extension and termination options are included in several property and equipment leases. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. Most of the extension and termination options held are exercisable only by the Company and not by the respective lessor. The Company takes into consideration the extension and termination options in determining the right of use asset and lease liability.

(m) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and computed as the cost of purchase plus any incidental costs incurred in bringing inventory items to their present location. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Inventories mainly comprise hotel consumables, food and beverage items.

(n) Share capital

Ordinary shares are classified as 'share capital' in equity. Any premium received over and above the par value of the shares is classified as 'share premium' in equity.

(o) Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(p) Employee benefits

(i) Retirement benefit obligations

For unionised employees in two Subsidiaries, the Group has an unfunded obligation to pay terminal gratuities under its Collective Bargaining Agreement with the union. Employees who resign after serving for periods of between five years and ten years, receive eighteen days' salary and house allowance for each completed year of service at the rate of pay applicable at the date of resigning. Those who resign after serving for more than ten years receive twenty-four days' salary and house allowance for each completed year of service. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The Group operates a defined contribution benefit scheme for all its permanent employees after their first year of employment. The assets of the scheme are held in a separate trustee administered fund, which is funded by contributions from both the Group and the employees. The Group and all its permanent employees also contribute to the statutory National Social Security Funds, which are defined contribution schemes. The Group's contributions to both these defined contribution schemes are charged to the income statement in the year in which they fall due. The Group has no further obligation once the contributions have been paid.

2. MATERIAL ACCOUNTING POLICIES (Continued)

(p) Employee benefits (continued)

(ii) Leave

The estimated monetary liability for employees' accrued annual leave entitlement at the reporting date is recognised as an expense accrual.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination; when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(q) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method; any differences between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(r) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which they are declared. Dividends are declared upon approval at the annual general meeting. Proposed dividends are disclosed separately within equity until declared.

(s) Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively. The current income tax charge is calculated on the basis of the tax enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax liability is settled.

2. MATERIAL ACCOUNTING POLICIES (Continued)

(s) Current and deferred income tax (continued)

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets against deferred tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(t) Comparatives

Where necessary, comparative numbers have been adjusted to conform to changes in presentation in the current year. Please refer to the restatement note 33.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Group and Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2(i). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions which are disclosed in detail under Note 21

(ii) Trade receivables

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for the definition of default; and
- Choosing appropriate models and assumptions for the measurement of ECL.

Significant debtors, mainly relating to related party balance are assessed for impairment on an individual basis. As at 31 December 2024, certain key judgements and estimations were made regarding the above items, as they relate to the determination of expected credit losses on financial assets.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(a) Critical accounting estimates and assumptions (continued)

(iii) Fair value of land and buildings, property and equipment

The determination of the carrying value and the related depreciation of land and buildings, property and equipment requires use of judgements and assumptions. These are further disclosed in Note 20.

(iv) Income taxes

The Group is subject to income taxes in various jurisdictions. Judgement is required in determining the Group's provision for income taxes. There are many transactions and calculations for which the 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.

(v) Incremental borrowing rate on leases

Critical estimates are made on the determination of the incremental borrowing rate as described under note 2(k). Sensitivity on the discount rate by 1% higher/lower with all other variables held constant, interest on lease liability for the year would have been KShs 13,903,000 higher or lower.

(b) Critical accounting judgements

In the process of applying the Group's and Company's accounting policies, Directors make certain judgements in determining:

- whether the Group has control over an entity, which requires the consideration of several factors, as set out in note 2(c); and
- the measurement basis for financial assets under IFRS 9 depends on an assessment of the Group's and Company's business model for managing the financial assets and whether the cash flows represent solely payments of principal and interest. For financial liabilities, the measurement basis is amortised cost unless the liability is designated at FVTPL. Further detail is given in note 2(k).
- Allowance for impairment of financial assets: the Group and Company uses an Expected Credit Loss (ECL) model to assess any need for impairment of financial assets. Under the ECL model, the Group and Company calculates the allowance for credit losses using a provision matrix by considering on a discounted basis, the cash shortfalls it would incur in various default scenarios for prescribed future periods and multiplying the shortfalls by the probability of each scenario occurring. The allowance is the sum of these probability weighted outcomes. For other assets other than financial assets, 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 and Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Details of the allowance for impairment are disclosed in Note 26.

4 FINANCIAL RISK MANAGEMENT

The Group's and the Company's activities expose it to a variety of financial risks comprising market risk (including foreign exchange risks, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects on its financial performance within the options available in East Africa to hedge against such risks.

Financial risk management is carried out by Management under the guidance of the Board of Directors. Board of directors identifies, evaluates and hedges financial risks. The Board of Directors provides guidance on principles for overall risk management covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investment of excess liquidity.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price and comprises four types of risks: foreign exchange risk, price risk, interest rate risk and fair value risk. The objective of market risk management is to manage and control market risk exposure within acceptable levels while optimising on the return on the risk.

(i) Foreign exchange risk

The Group and Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The Group aims to minimise volatility arising from fluctuations in exchange rates by adopting natural hedges such as holding cash balances in foreign currencies to hedge against any foreign currency denominated amounts payable.

The Group manages foreign exchange risk by converting its foreign currency collections into local currency on an ongoing basis to cater for its operational requirements. As a result, the Group does not hold large amounts of foreign currency deposits. In addition, the Group receives its collections in foreign currency and therefore any future foreign currency commercial transactions are settled in the same currency to avoid the effect of swinging currency exchange rates.

Currency exposure arising from the net assets of foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

At 31 December 2024, if the Kenya Shilling had weakened/strengthened by 5% against the US Dollar with all other variables held constant, consolidated post tax profit/loss for the year would have been KShs 135,042,964 and KShs 94,530,075 higher or lower respectively (2023 – post tax loss for the year would have been KShs 289,372,834 and KShs 202,560,984 higher or lower respectively), mainly as a result of US Dollar receivables, payables, bank balances and borrowings.

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (continued)

(ii) Price risk

The Group and Company did not have any assets subject to price risk as at 31 December 2024 (2023 - Nil).

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will vary as market rates of interest vary. The Group is exposed to cash flow interest rate risk on its variable rate borrowings resulting from changes in market interest rates. The Group manages this exposure by maintaining lower gearing to minimise on interest costs. Management considers that a change in interest rates of 1% in the year ended 31 December 2024 is reasonably possible. No limits are placed on the ratio of variable rate0020borrowing to fixed rate borrowing. At 31 December 2024, an increase/decrease of 1% on interest rate would have resulted in an increase/decrease in consolidated post tax profit/loss of KShs 2,369,437 (2023: increase/decrease of KShs 2,696,666 in post tax losses).

(iv) Fair value risk

The Group does not have any significant assets subject to fair value risk as at 31 December 2024 (2023- Nil).

(b) Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from cash at bank and short term deposits with banks, as well as trade and other receivables. The Group does not have any significant concentrations of credit risk.

The credit controller is responsible for managing and analysing credit risk for each new customer before standard payment and delivery terms are offered. The credit controller assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The utilisation of credit limits is regularly monitored.

For banks and financial institutions, only reputable well established financial institutions are accepted. The amounts that represent the Group's maximum exposure to credit risk is equal to the carrying amount of financial assets in the statement of financial position.

The Group has adopted the Expected Credit Losses (ECL) model to determine the impairment of trade receivables. The Group opted to adopt the simplified approach of determining the impairment provision. This model includes some operational simplifications for trade receivables, contract assets and lease receivables to assess when a significant increase in credit risk has occurred. Debts that are considered to be non-performing are impaired at 100%.

An expected credit loss is computed for the performing balances based on a loss rate computed as the average loss rate on credit sales over the preceding 5 years. Related party receivable balances are generally settled promptly within the Group. An impairment assessment is only considered when the balance is not expected to be settled within a period of 12 months from the end of financial year.

4 FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (continued)

The Company's policy is to transact with reputable banks, the credit risk associated with these assets is low, and the expected credit losses are considered to be immaterial. For cash at bank, management assesses the expected credit loss based on probability of default attached to the various banks by external rating agencies.

The age analysis of the trade receivables and loss allowance as at 31 December was as follows:

	Not past due	31 to 91 days	90 to 150 days	Over 150 days	Total
At 31 December 2024	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**
Gross trade debtors	435,187	197,475	31,781	142,724	807,167
Loss allowance	(72)	(437)	(3,132)	(17,879)	(21,520)
Net trade debtors	**435,115**	**197,038**	**28,649**	**124,845**	**785,647**
At 31 December 2023					
Gross trade debtors	226,314	153,421	104,546	374,013	858,294
Loss allowance	(158)	(949)	(6,801)	(38,827)	(46,735)
Net trade debtors	**226,156**	**152,472**	**97,745**	**335,186**	**811,559**

A further analysis of debtors by category and their related loss allowance is as follows:

	Gross carrying amount	Group Expected credit loss	Net carrying amount
At 31 December 2024	**KShs'000**	**KShs'000**	**KShs'000**
Corporate debtors	375,720	(10,017)	365,703
Government	238,975	(6,371)	232,604
Tour operators	179,544	(4,787)	174,757
Other debtors	12,928	(345)	12,583
Total trade receivables	**807,167**	**(21,520)**	**785,647**
At 31 December 2023			
Corporate debtors	398,911	(21,754)	377,157
Government	253,726	(13,837)	239,889
Tour operators	190,626	(10,396)	180,230
Other debtors	15,031	(748)	14,283
Total trade receivables	**858,294**	**(46,735)**	**811,559**

4 FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (continued)

The amount that best represents the Group's and Company's maximum exposure to credit risk at 31 December is made up as follows:

Trade receivables	**Group**		**Company**	
	2024	**2023**	**2024**	**2023**
	KShs'000	**KShs'000**	**KShs'000**	**KShs'000**
Trade receivables (Note 26)	807,167	858,294	-	-
Loss allowance (Note 26)	(21,520)	(46,735)	-	-
Carrying amount	**785,647**	**811,559**	**-**	**-**
Other receivables				
Advances to related parties	705,548	726,141	19,617	391,640
Loss allowance	(261,754)	(272,375)	-	(9,965)
Other receivables	98,867	17,811	-	-
	542,661	**471,577**	**19,617**	**381,675**
Cash at bank	695,867	848,304	4,312	1,968
Fixed deposits	911,570	596,293	293,709	-
	1,607,437	**1,444,597**	**298,021**	**1,968**

The Group and Company do not hold any collateral against the past due or impaired receivables. The management continues to actively follow up past due receivables.

(c) Liquidity risk

Liquidity risk is the risk that the Group and Company will encounter difficulty in meeting obligations associated with financial liabilities. Management has a framework for the management of the company's short, medium and long-term liquidity requirements thereby ensuring that all financial liabilities are settled as they fall due. The Company manages liquidity risk by continuously reviewing forecasts and actual cash flows and maintaining banking facilities to cover any shortfalls.

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows.

4 FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (continued)

Group	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total ontractual cash flows	Total carrying amount
At 31 December 2024:	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**
Borrowings and interest	487,913	324,214	978,237	1,199,034	2,989,398	2,989,398
Lease liabilities	184,678	723,779	2,270,350	-	3,178,807	1,365,444
Trade and other payables	2,111,916	-	-	-	2,111,916	2,111,916
	2,784,507	**1,047,993**	**3,248,587**	**1,199,034**	**8,280,121**	**8,280,121**
At 31 December 2023:						
Borrowings and interest	569,589	353,147	1,312,477	1,897,418	4,132,631	4,132,631
Lease liabilities	214,525	850,789	2,854,565	-	3,919,879	1,651,190
Trade and other payables	2,133,165	-	-	-	2,133,165	2,133,165
	2,917,279	**1,203,936**	**4,167,042**	**1,897,418**	**10,185,675**	**10,185,675**

Company	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
At 31 December 2024:	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**
Borrowings and interest	-	-	-	-	
Trade and other payables	12,826	-	-	-	12,826
	12,826	**-**	**-**	**-**	**12,826**
At 31 December 2023:					
Borrowings and interest	-	-	-	-	
Trade and other payables	2,794	-	-	-	2,794
	2,794	**-**	**-**	**-**	**2,794**

Further disclosures in relation to borrowings are shown in Note 16.

(d) Capital management

The Group's and Company's objectives when managing capital are to safeguard the Group's and Company's abilities 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 and Company may adjust the amount of dividends paid to shareholders, issue new capital or sell assets to reduce debt.

The Group and Company 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. Total capital is calculated as equity, as shown in the statement of financial position, plus net debt. During 2024 the Group's and Company's strategy, which was unchanged from 2023, was to maintain a medium term gearing ratio below 40%.

4 FINANCIAL RISK MANAGEMENT (Continued)

(d) Capital management (continued)

The gearing ratios at 31 December 2024, 31 December 2023, and 31 December 2022 are as follows:

	2024 KShs'000	2023 KShs'000
Total borrowings (Note 16)	2,989,398	4,132,631
Add: Lease liabilities (Note 17)	1,365,444	1,651,190
Less: Cash and bank balances (Note 27)	(695,867)	(848,304)
Net debt	**3,658,975**	**4,935,517**
Total equity	11,535,986	10,775,552
Total capital	**15,194,961**	**15,711,069**
Gearing ratio	**24%**	**31%**

(e) Fair value estimation

The different level of fair value measurement hierarchy is described as follows:

- Quoted prices (unadjusted) in active markets for identical assets (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset that are not based on observable market data (that is, unobservable data) (level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the year-end date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques such as discounted cash flow analysis. These valuation techniques maximise the use of observable market data where it is available and rely as

Financial instruments not measured at fair value.

The following table summarises the carrying amounts and fair values of those financial assets and liabilities not presented on the Group's statement of financial position at their fair value. The fair value estimates the carrying amount.

4 FINANCIAL RISK MANAGEMENT (Continued)

(e) Fair value estimation (continued)

Group	Carrying value		Fair value	
	2024	2023	2024	2023
	KShs 000	KShs 000	KShs 000	KShs 000
Financial assets				
Trade and other receivables	1,454,269	1,405,622	1,454,269	1,405,622
Fixed deposits	911,570	596,293	911,570	596,293
Cash and cash equivalents	695,867	848,304	695,867	848,304
	3,061,706	**2,850,219**	**3,061,706**	**2,850,219**
Financial liabilities				
Borrowings	2,989,398	4,132,631	2,989,398	4,132,631
Trade and other payables	2,111,916	2,133,165	2,111,916	2,133,165
Lease liabilities	1,365,444	1,651,190	3,178,807	3,919,879
	6,466,758	**7,916,986**	**8,280,121**	**10,185,675**
Company				
Financial assets				
Trade and other receivables	19,617	381,675	19,617	381,675
Cash and cash equivalents	4,312	1,968	4,312	1,968
	23,929	**383,643**	**23,929**	**383,643**
Financial liabilities				
Trade and other payables	12,826	2,794	12,826	2,794
	12,826	**2,794**	**12,826**	**2,794**

5 SEGMENT INFORMATION (Restated)

The Group has determined the operating segments based on the reports reviewed by the Managing Director that are used to make strategic decisions.

Geographically, management considers the performance in Kenya, Uganda and Tanzania as the key operating segments.

The reportable operating segments derive their revenue primarily from accommodation, food and beverage sales.

The Managing Director assesses the performance of the operating segments based on profits before depreciation and amortisation, interest and tax, which is a measure of adjusted earnings before interest, tax, depreciation and amortisation (EBITDA). The measure also excludes the effects of unrealised gains/losses on financial instruments. Finance costs and income are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

The revenue from external parties reported to the Directors is measured in a manner consistent with that in the income statement.

5 SEGMENT INFORMATION - Restated (Continued)

Segment assets are apportioned on a contractual basis. The measurement basis applied is consistent with Group accounting policies. Intersegmental sales relate to management fees charged by Tourism Promotion Services (Management) Limited and are eliminated on consolidation.

The Group derives revenue from the transfer of goods and services in the following categories:

	2024 KShs' 000	2023 KShs' 000
Room revenue	5,278,265	4,964,484
Food	3,361,448	3,195,869
Beverage	631,396	619,237
Others**	914,759	905,022
	10,185,868	**9,684,612**
Timing of revenue recognition		
Over time		
Room revenue	5,278,265	4,964,484
At a point in time		
Food	3,361,448	3,195,869
Beverage	631,396	619,237
Others**	914,759	905,022
	4,907,603	**4,720,128**
	10,185,868	**9,684,612**

** Other revenue include revenue from weddings, conferences, laundry services, spa, ballon, safari, health club and transport services.
The Company did not earn any dividend revenue from subsidiaries.
The segment information for the reportable segments for the year ended 31 December 2024 is as follows:

	Kenya hotels and lodges KShs '000	Tanzania lodges KShs '000	Uganda hotel KShs '000	All other segments*** KShs '000	Total KShs '000
Segment profit/(loss) before tax	1,317,684	484,115	149,881	52,870	2,004,550
External revenues	5,089,606	3,100,874	1,897,319	98,069	10,185,868
Intersegment revenue	-	-	-	584,079	584,079
Segment revenue	**5,089,606**	**3,100,874**	**1,897,319**	**682,148**	**10,769,947**

***The revenue from all other segments relates to management fee recharge from Goma Serena Hotel and Hoteis Polana, S.A.

EBITDA	1,402,118	719,790	274,615	49,786	2,446,308
Depreciation on property and equipment	(287,037)	(148,970)	(144,759)	(2,080)	(582,845)
Depreciation on right of use assets	(69,860)	(14,728)	(1,482)	(808)	(86,878)
Income tax expense	(475,238)	(167,169)	(48,033)	(32,822)	(723,262)

Interest income	27,918	2,511	7,088	10,186	47,704
Interest expense	(287,303)	(51,654)	(1,489)	-	(340,446)

5 SEGMENT INFORMATION - Restated (Continued)

	Kenya hotels and lodges KShs '000	Tanzania lodges KShs '000	Uganda hotel KShs '000	All other segments KShs '000	Total KShs '000
Share of profit from associate	-	-	-	19,665	19,665
Investment in associate	-	-	-	861,948	861,948
Additions to property and equipment	415,464	329,124	12,440	14,039	771,067
Total assets	**10,324,987**	**3,566,817**	**3,727,639**	**2,571,003**	**20,190,446**
Total liabilities	**(5,648,560)**	**(2,054,895)**	**(952,336)**	**(57,511)**	**(8,713,302)**
Goodwill	324,643	681,016	266,293	-	1,271,952

The segment information for the year ended 31 December 2023 is as follows:

	Kenya hotels and lodges KShs '000 Restated	Tanzania lodges KShs '000	Uganda hotel KShs '000	All other segments KShs '000	Total KShs '000 Restated
Segment profit/ (loss) before tax	93,159	201,842	233,700	160,285	688,986
External revenue	4,803,048	2,856,797	1,934,957	89,810	9,684,612
Intersegment revenue	-	-	-	410,623	410,623
Segment revenue	**4,803,048**	**2,856,797**	**1,934,957**	**500,433**	**10,095,235**
EBITDA	1,600,365	413,493	373,247	139,852	2,526,957
Depreciation on right of use asset	(69,859)	(9,388)	-	(837)	(80,084)
Depreciation on property and equipment	(265,777)	(98,789)	(152,831)	(1 ,386)	(518,783)
Income tax expense	30,144	(70,817)	(77,780)	(31,945)	(150,398)
Interest income	31,040	-	9,430	-	40,470
Interest expense	(486,523)	(14,600)	(35,396)	(14,465)	(550,984)
Share of profit from associates	-	-	-	22,955	22,955
Investment in associates	-	-	-	842,073	842,073
Additions to property and equipment	415,906	138,501	19,577	6,359	580,343
Total assets	11,058,442	3,480,039	4,167,044	1,807,502	20,513,027
Total liabilities	(6,989,714)	(1,341,203)	(1,111,037)	(333,311)	(9,775,265)
Goodwill	324,643	681,016	266,293	-	1,271,952

The Company has disclosed EBITDA because management believes that this measure is relevant to a better understanding of the financial performance. EBITDA is not a defined performance measure in IFRS Accounting Standards. The Company's definition of EBITDA may not be comparable with similarly titled performance measures and disclosures by other entities. This disclosure is provided for illustrative purposes only.

5 SEGMENT INFORMATION - Restated (Continued)

EBITDA is calculated by adjusting profit from the continuing operations to exclude share of associate results, the impact of taxation, net finance costs, depreciation, amortisation, impairment losses and reversals related to goodwill, intangible assets and property, plant and equipment. A reconciliation of adjusted EBITDA to profit before tax is provided as follows:

	2024 KShs' 000	2023 KShs' 000 *Restated
EBITDA	2,458,404	2,526,957
Depreciation	(582,845)	(518,783)
Depreciation on right of use asset	(86,878)	(80,084)
Finance costs – net	208,300	(1,262,059)
Share of profit of associates accounted for using the equity	19,665	22,955
Profit before income tax	**2,016,646**	**688,986**

There are no significant revenues derived from a single external customer.

6 OTHER INCOME (Restated)

Other income relates to income earned from services offered through third-parties which include village tours around the parks and other miscellaneous income.

	Group	
	2024 KShs'000	2023 KShs'000
Other income	259,820	285,022
	259,820	**285,022**

7 PROFIT BEFORE TAX

The following items have been charged in arriving at profit before income tax:

	Group		Company	
	2024 KShs'000	2023 KShs'000	2024 KShs'000	2023 KShs'000
Employee benefit expense (Note 8)	2,921,753	2,749,727	-	-
Advertising and promotion expenses (Note 9)	516,271	418,286	-	-
Repairs and maintenance of property and equipment (Note 9)	648,081	495,614	-	-
Receivables – provision for impairment losses (Note 26)	(35,836)	(2,450)	-	-
Auditors' remuneration	19,768	22,263	3,200	4,017
(Profit)/loss on disposal of property, plant and equipment	(1,814)	706	-	-

8 EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2024 KShs'000	2023 KShs'000	2024 KShs'000	2023 KShs'000
Salaries, wages and other staff costs	2,717,019	2,563,431	-	-
Retirement benefits costs:				
- Defined Benefit Scheme	16,899	6,771	-	-
- Defined Contribution Scheme	57,420	9,317	-	-
- National Social Security Funds	130,415	170,208	-	-
	2,921,753	**2,749,727**	**-**	**-**
Average number of employees	**2,490**	**2,451**	**-**	**-**

9 (a) OTHER OPERATING EXPENSES - Restated

	Group		Company	
	2024 KShs'000	2023 *Restated KShs'000	2024 KShs'000	2023 KShs'000
Advertising and promotions	516,271	418,286	4,470	5,587
Heat, light, power and water	828,629	698,202	-	-
Insurance premiums	239,467	203,902	-	-
Operating supplies	299,327	220,368	-	-
Variable lease	350,528	263,825	-	-
Security	97,123	82,787	-	-
Repairs and maintenance	648,081	495,614	-	-
Auditor's remuneration	19,768	22,263	3,200	4,017
Bank charges	48,170	50,075	-	-
Other expenses	594,535	849,211	26,933	10,685
	3,641,899	**3,304,533**	**34,603**	**20,289**

(b) IMPAIRMENT CREDIT – FINANCIAL ASSETS

Receivables – release for impairment losses (Note 26)	35,836	2,450	9,965	77,904

Other expenses comprise :

Group	2024 KShs' 000	2023 KShs' 000
Protective service and security	46,207	41,893
Administration & General expenses	522,365	464,234
Other expenses	25,963	343,084
	594,535	**849,211**

10 FINANCE INCOME/(COSTS)

Group	2024 KShs'000	2023 KShs' 000
Finance income:		
Interest income from fixed deposits (Note 27(b))	47,704	40,470
Net foreign currency exchange gain on fixed deposits (Note 27(b))	-	104,778
Net foreign currency exchange gain on lease liability (Note 17)	258,993	-
Other net foreign currency exchange gains	-	178,054
Net foreign currency exchange gain on borrowings (Note 16)	572,520	-
	879,217	**323,302**
Finance costs:		
Interest expense on borrowings (Note 16)	(338,491)	(385,238)
Interest expense on actuarial valuation (Note 19)	(1,955)	-
Interest on lease liability (Note 17)	(153,485)	(165,746)
Net foreign currency exchange loss on lease liability (Note 17)	-	(313,790)
Net foreign currency exchange loss on borrowings (Note 16)	-	(720,587)
Net foreign currency exchange loss on fixed deposits (Note (b))	(173,609)	-
Other net foreign currency exchange loss**	(3,377)	-
Finance costs	**(670,917)**	**(1,585,361)**
Net finance income/(costs)	**208,300**	**(1,262,059)**
Company		
Interest income on fixed deposits	9,471	-
Net foreign currency exchange loss on fixed deposits	(23,654)	-
Net finance costs	**(14,183)**	-

** Other net foreign currency exchange gains/ (loss) relate to foreign exchange revaluation on working capital and cash and cash equivalents.

11 TAXATION - Restated

	Group		Company	
(a) Income tax expense	**2024 KShs'000**	**2023 KShs'000**	**2024 KShs'000**	**2023 KShs'000**
Current income tax	187,446	91,456	2,841	-
Prior year under provision of current tax	3,945	-	-	-
Deferred income tax (Note 18)	495,866	139,994	-	-
Income tax expense	**687,257**	**231,450**	**2,841**	**-**

11 TAXATION - Restated (Continued)

(b) Reconciliation of tax based on accounting profit to tax charge

	Group 2024 KShs'000	Group 2023 KShs'000	Company 2024 KShs'000	Company 2023 KShs'000
Profit/(loss) before income tax	2,004,550	688,986	(38,821)	57,615
Tax calculated at domestic rates applicable to profits in the respective countries at 30% (2023 – 30%)	601,365	206,696	(11,646)	17,285
Tax effect of:				
Share of profit of associate	(5,899)	(6,885)	-	(6,885)
Expenses not deductible for tax purposes	80,221	49,978	7,391	(10,400)
Deferred tax asset not recognised	7,096	-	7,096	-
Prior year under provision of current tax	3,945	-	-	-
Under/(over) provision of deferred tax	529	(18,339)	-	-
Income tax expense	**687,257**	**231,450**	**2,841**	**-**

The Company's income for the year is from interest income on fixed deposits which is subject to Corporate Income Tax.

(c) Current tax payable (recoverable)

	Group 2024 KShs'000	Group 2023 KShs'000	Company 2024 KShs'000	Company 2023 KShs'000
At start of the year	173,391	125,084	4,175	4,175
Current year income tax (expense)/credit	(187,446)	(91,456)	(2,841)	-
Instalment tax paid current year	207,406	122,985	1,083	-
Prior year under provision of current tax	(3,945)	-	-	-
Foreign exchange differences	(21,033)	16,778		-
	168,373	**173,391**	**2,417**	**4,175**

12 EARNINGS PER SHARE- Restated

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Group 2024	Group 2023 *Restated	Company 2024	Company 2023
Profit attributable to equity holders of the Company (KShs 000s)	1,281,840	403,260	-	-
Weighted average number of ordinary shares in issue (thousands)	282,651	282,651	-	-
Basic and diluted earnings per share (KShs)	4.54	1.43	-	-

There were no potentially dilutive shares outstanding at 31 December 2024.

13 DIVIDENDS PER SHARE

Proposed dividends are accounted for as a separate component of equity until they have been ratified at the Annual General Meeting. Qualifying shares for 2024 were 282,650,579 shares (2023: 282,650,579 shares). Final dividend of KShs 0.35 per share for the year ended 31 December 2024 is to be proposed at the forthcoming Annual General Meeting (2023 – Nil).

Payment of dividends is subject to withholding tax at a rate of 5% for shareholders who are citizens of East Africa Partner States, 0% for shareholders who are insurance companies or whose dividend income is exempt from tax and 15% for all other shareholders.

14 SHARE CAPITAL

(a) Share capital

	Group		Company	
	2024	2023	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
Authorised:				
At 1 January and 31 December: 290,650,579 ordinary shares of KShs 1 per share.	295,651	295,651	295,651	290,651

	Group		Company	
	2024	2023	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
Issued and fully paid:				
At 1 January 2024/2023 and 31 December: 282,650,579 ordinary shares of KShs 1 per share.	281,651	282,651	282,651	282,651

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

(b) Share premium

	Group		Company	
	2024	2023	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
At 1 January and 31 December	6,001,741	6,001,741	6,001,741	6,001,741

15 RESERVES

(a) Revaluation reserve

The revaluation reserve represents the surplus on the revaluation of buildings and actuarial gains/(losses) on post-retirement benefits net of deferred income tax and is non-distributable.

	2024 KShs'000	2023 KShs'000
At 1 January	**2,266,195**	**2,282,094**
Actuarial losses	(10,705)	17,979
Deferred tax impact	3,212	(5,394)
Transfer of excess depreciation	(67,643)	(40,688)
Deferred tax impact	20,293	12,206
At 31 December	**2,211,352**	**2,266,195**
Comprising		
Revaluation surplus	2,288,872	2,326,425
Actuarial losses on defined benefit plans	(77,520)	(60,230)
At 31 December	**2,211,352**	**2,266,195**

(b) Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations to Kenya Shillings. Its movement in the year is as follows:

	2024 KShs'000	2023 KShs'000
At 1 January	(344,321)	(935,161)
Movement in the year:		
Property and equipment – (Note 20)	(690,346)	1,028,115
Borrowings (Note 16)	(60,004)	-
Deferred tax (assets)/liabilities (Note 18)	113,413	(165,464)
Current income tax (Note 11)	(21,033)	(16,778)
Cash and cash equivalents	7,497	18,048
Equity	61,066	(29,227)
Right of use assets (Note 22)	50,116	5,253
Lease liabilities (Note 17)	(10,075)	(4,828)
	(549,366)	**835,119**
Non-controlling interest	164,334	(244,269)
At 31 December	**(729,353)**	**(344,321)**

16 BORROWINGS

	Group		Company	
	2024	2023	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
The borrowings are made up as follows:				
Non-current				
Term loans	2,501,485	3,563,042	-	-
Current				
Bank overdraft	-	55,780	-	-
Term loans	487,913	513,809	-	-
	487,913	**569,589**	-	-
Total borrowings	**2,989,398**	**4,132,631**	-	-

Reconciliation of liabilities arising from financing activities (Term loan)

	Group		Company	
Year ended 31 December	**2024**	**2023**	**2024**	**2023**
	KShs'000	**KShs'000**	**KShs'000**	**KShs'000**
At start of year	4,076,851	4,331,896	-	(216)
Interest expense	338,491	385,238		-
Foreign exchange (gain)/loss	(572,520)	720,587	-	216
Cash flows:				
Interest paid	(338,491)	(385,238)	-	-
Proceeds from borrowings	113,062	481,765	-	-
Dividends paid (Note 28 (b))	-	-	(36,103)	
Repayments of borrowings	(687,999)	(1,457,397)	-	-
Translation differences	60,004	-		
At end of year	**2,989,398**	**4,076,851**	**(36,103)**	**-**

16 BORROWINGS (Continued)

Group

Financial institution	Currency	Facility limit	Effective Interest rate %	Effective date	Maturity date	2024 KShs'000	2023 KShs'000
Tanzania							
ABSA Bank Tanzania Limited- Overdraft	US$	1,700,000	4.25%	21/09/2024	20/09/20252 (Note i)	-	55,780
ABSA Bank Tanzania Limited - Term loan	US$	1,500,000	4.50%	25/08/2019	25/04/2024 (Note ii)	-	23,881
AKFED	US$	6,261,074	4.25%	01/01/2024	31/12/2030 (Note i)	789,561	766,790
AKFED	US$	740,000	4.25%	01/01/2024	31/12/2030	88,323	100,355
Kenya							
Bank overdraft - ABSA Bank Kenya PLC	KShs	150,000,000	18.75%	26/01/2024	25/01/2025	-	-
Bank overdraft - Equity Kenya Ltd	KShs	100,000,000	20.00%	09/09/2024	08/09/2025 (Note i)	-	-
PROPARCO - Term loan	US$	20,000,000	9.78%	24/08/2015	15/12/2030 (Note i)	1,857,850	2,580,813
ABSA Bank Kenya PLC - Term loans	KShs	970,000,000	19.87%	13/02/2015	29/12/2026	253,664	388,951
AKFED	US$	14,500,000	0.00%	30/07/2017	(Note i)	-	163,230
Uganda							
Bank overdraft – Equity Bank Uganda Limited	US$	1,500,000	5.50%	03/12/2024	02/12/20252 (Note i)	-	-
PROPARCO - Term loan	US$	8,000,000	6.60%	15/06/2017	15/06/2024	-	52,831
Total borrowings						**2,989,398**	**4,132,631**

Fair values of the borrowings are disclosed at Note 4.

16 BORROWINGS (Continued)

Bank loans and overdrafts are secured by legal charges over certain land, buildings and other assets of the Group and a guarantee by TPS Eastern Africa PLC for Tourism Promotion Services (Kenya) Limited, in addition to a floating debenture over all assets of Tourism Promotion Services (Kenya) Limited, Tourism Promotion Services (Tanzania) Limited; and Tourism Promotion Services (Zanzibar) Limited. The PROPARCO loans are guaranteed by TPS Eastern Africa PLC, the Parent Company.

Notes to the above table of borrowings:

(i) As at 31 December 2024, the Group was in compliance with all Absa Bank and PROPARCO loan covenants.

Borrowings in respective currencies were as follows:

	Group	
	2024	**2023**
Currency	**KShs'000**	**KShs'000**
US Dollars	2,698,339	3,743,680
Kenya Shillings	291,059	388,951
Total borrowings	**2,989,398**	**4,132,631**

17 LEASE LIABILITIES - Restated

	2024	**2023**
		***Restated**
	KShs'000	**KShs'000**
Opening balance	1,651,190	1,364,661
Interest charge	153,485	165,746
Principal lease payments during the year	(40,996)	(32,089)
interest lease paid	(153,485)	(165,746)
Lease modification	4,168	-
Foreign exchange (gain)/loss	(258,993)	313,790
Translation differences	10,075	4,828
	1,365,444	**1,651,190**

The lease liability is classified as follows:

Non-current	1,181,205	1,473,907
Current	184,239	177,283
	1,365,444	**1,651,190**

18 DEFERRED INCOME TAX - Restated

Deferred income tax is calculated using the enacted income tax rate of 30% (2023 - 30%). The movement on the deferred income tax account is as follows:

Deferred income tax asset	Group 2024 KShs'000	2023 KShs'000
At start of year	7,393	10,903
Credit/(charge) to profit or loss (Note 11)	4,929	(3,784)
Effect of change in exchange rates	(27)	274
At end of year	**12,295**	**7,393**

Deferred income tax liability	Group 2024 KShs'000	2023 *Restated KShs'000
At start of year	1,686,270	1,378,929
Charge to profit or loss (Note 11)	500,266	154,546
Under provision for deferred tax (Note 11)	529	(18,336)
(Credit)/charge to OCI	(3,212)	5,393
Effect of change in exchange rates	(113,440)	165,738
At end of year	**2,070,413**	**1,686,270**

Deferred income tax asset	1.1.2024 KShs'000	Charge/ (credit) to OCI KShs'000	Group Charge to P/L KShs'000	Effect of change in exchange rates KShs'000	31.12.2024 KShs'000
Deferred tax liabilities					
Property, plant & equipment - on historical cost	107,399	-	41		107,440
	107,399	**-**	**41**		**107,440**
Deferred tax assets					
Other temporary differences	(114,792)		(4,970)	27	(119,735)
	(114,792)	-	(4,970)	27	(119,735)
Net deferred tax asset	**(7,393)**	**-**	**(4,929)**	**27**	**(12,295)**

18 DEFERRED INCOME TAX - Restated (Continued)

Deferred income tax asset	Group			
	1.1.2023	Charge(credit) to P/L	Charge to OCI	31.12.2023
	KShs'000	KShs'000	KShs'000	KShs'000
Deferred tax liabilities				
Property, plant & equipment				
- on historical cost	107,140	259	-	107,399
	107,140	**259**	**-**	**107,399**
Deferred tax assets				
Other temporary differences	-118,043	3,525	-274	-114,792
	-118,043	3,525	-274	-114,792
Net deferred tax asset	**-10,903**	**3,784**	**-274**	**-7,393**

Group

	1.1.2024 *Restated	Under provision for deferred tax	Charge/(credit) to profit or loss *Restated	Charged/ (credit) to OCI	Effect of change in exchange rates	31.12.2024
Deferred income tax liabilities	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**	**KShs'000**
Property, plant & equipment						
- on historical cost	1,120,736	(1,033)	(5,388)	-	(1,160,091)	(45,776)
- on revaluation surpluses	731,964	(1,938)	(20,726)	(3,212)	2,197,464	2,903,552
Other temporary differences	(121,998)	3,500	91,426	-	(131,197)	(158,269)
	1,730,702	**529**	**65,312**	**(3,212)**	**906,176**	**2,699,507**
Deferred tax assets						
Provisions	35,927	-	9,133	-	(99,887)	(54,827)
Tax losses carried forward	(73,978)	-	348,841	-	(633,311)	(358,448)
Unrealised foreign exchange (gains)/losses	(6,381)		76,980	-	(286,418)	(215,819)
	(44,432)	**-**	**434,954**	**-**	**(1,019,616)**	**(629,094)**
Net deferred tax liability	**1,686,270**	**529**	**500,266**	**(3,212)**	**(113,440)**	**2,070,413**

18 DEFERRED INCOME TAX (Continued)

Group

	1.1.2023	Under provision for deferred tax	Charge/(credit) to profit or loss	Charged/ (credit) to OCI	Effect of change in exchange rates	31.12.2023
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
Deferred tax liabilities						
Property, plant & equipment						
- on historical cost	1,452,033	(6,809)	(123,589)	-	(200,899)	1,120,736
- on revaluation surpluses	1,083,066	-	(140,316)	5,393	(216,179)	731,964
Other temporary differences	160,130	(18,722)	(92,323)	-	(171,083)	(121,998)
	2,695,229	**(25,531)**	**(356,228)**	**5,393**	**(588,161)**	**1,730,702**
Deferred tax assets						
Provisions	(37,071)		28,732	-	44,266	35,927
Tax losses carried forward	(1,272,848)	7,195	482,042	-	709,633	(73,978)
Unrealised foreign exchange (gains)/losses	(6,381)	-	-	-	-	(6,381)
	(1,316,300)	**7,195**	**510,774**	**-**	**753,899**	**(44,432)**
Net deferred tax liability	**1,378,929**	**(18,336)**	**154,546**	**5,393**	**165,738**	**1,686,270**

19 RETIREMENT BENEFIT OBLIGATIONS

For unionised employees in two subsidiaries, the Group has an unfunded obligation to pay terminal gratuities under its Collective Bargaining Agreement with the union. Employees who resign after serving for periods of between five years and ten years, receive eighteen days' salary and house allowance or each completed year of service at the rate of pay applicable at the date of resigning. Employees who resign after serving for more than ten years receive twenty-four days' salary and house allowance for each completed year of service. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

19 RETIREMENT BENEFIT OBLIGATIONS (Continued)

Provision for employees' entitlement to gratuity is based on the number of years worked by individual employees up to the reporting date. The movement during the year is as follows:

	Group	
	2024	**2023**
	KShs'000	**KShs'000**
At start of year	98,116	94,227
Additional provision	18,855	6,771
Interest expense	1,955	-
Actuarial loss/(gain)	8,750	(17,976)
Benefits paid/(transferred) to pension scheme	(10,387)	15,094
At end of year	**117,289**	**98,116**

The scheme was last valued by an independent actuary as at 31 December 2024. The significant actuarial assumptions were as follows:

	2024	**2023**
Discount rate	14.0%	11.0%
Future salary increases	7.0%	6.0%
Withdrawal rate	4.0%	4.0%
Retirement age	60 years	60 years

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is not significant for 2024 (2023: not significant).

Under IAS 19 revised, actuarial gains and losses are recognised in the other comprehensive income consistent with prior year. The charge to profit or loss is made up of interest charge and current service cost.

Assumptions regarding future mortality experience are set based on actuarial advice, published statistics and experience in the industry. The Directors do not anticipate variation of the assumptions to impact the obligations significantly.

In the opinion of the Directors, the provision for gratuity entitlement for employees fairly reflects the Group's future obligation under the terms of the Collective Bargaining Agreement. The scheme has no dedicated assets.

A marginal increase or reduction in the actuarial assumptions does not result in a material change in the liability and the Group adopted the most conservative resultant liability

20 PROPERTY AND EQUIPMENT – GROUP

At 1 January 2024	Land & buildings KShs'000	Furniture, fittings & equipment KShs'000	Vehicles KShs'000	Operating equipment KShs'000	Capital work in progress KShs'000	Total KShs'000
At cost/valuation	16,706,419	4,694,966	378,636	140,928	184,144	22,105,093
Accumulated depreciation	(4,493,601)	(3,727,780)	(320,148)	-	-	(8,541,529)
Translation differences	96,860	(42,169)	109,654	30,757	(56,133)	138,969
Net book amount	**12,309,678**	**925,017**	**168,142**	**171,685**	**128,011**	**13,702,533**
Year ended 31 December 2024						
Opening net book amount	12,309,678	925,017	168,142	171,685	128,011	13,702,533
Additions	81,165	421,259	84,255	36	184,352	771,067
Disposals	-	(58,908)	(17,698)	-	-	(76,606)
Transfers	22,946	39,898	114	-	(62,958)	-
Depreciation charge	(292,213)	(274,094)	(16,538)	-	-	(582,845)
Depreciation on disposal	-	55,384	17,698	-	-	73,082
Translation differences	(621,026)	165,679	(141,627)	(8,212)	(85,160)	(690,346)
Net book amount at cost/valuation	**11,500,550**	**1,274,235**	**94,346**	**163,509**	**164,245**	**13,196,885**
At 31 December 2024						
At cost	16,810,530	5,097,215	445,307	140,964	305,538	22,799,554
Accumulated depreciation	(4,785,814)	(3,946,485)	(318,988)	-	-	(9,051,287)
Translation differences	(524,166)	123,505	(31,973)	22,545	(141,293)	(551,382)
Net book amount	**11,500,550**	**1,274,235**	**94,346**	**163,509**	**164,245**	**13,196,885**

20 PROPERTY AND EQUIPMENT – GROUP (CONTINUED)

At 1 January 2023	Land & buildings KShs'000	Furniture, fittings & equipment KShs'000	Vehicles KShs'000	Operating equipment KShs'000	Capital work in progress KShs'000	Total KShs'000
At cost/valuation	16,504,000	4,530,685	354,580	140,268	153,257	21,682,790
Accumulated depreciation	(4,193,431)	(3,585,776)	(318,383)	-	-	(8,097,590)
Translation differences	(779,983)	(57,849)	5,653	-	(56,966)	(889,145)
Net book amount	**11,530,586**	**887,060**	**41,850**	**140,268**	**96,291**	**12,696,055**
Year ended 31 December 2023						
Opening net book amount	11,530,586	887,060	41,850	140,268	96,291	12,696,055
Additions	197,923	317,541	27,806	660	36,413	580,343
Disposals	-	(74,773)	(3,750)	-	-	(78,523)
Transfers	4,496	1,030	-	-	(5,526)	-
Write offs	-	(79,517)	-	-	-	(79,517)
Depreciation charge	(300,170)	(215,669)	(2,944)	-	-	(518,783)
Depreciation on disposal	-	73,665	1,179	-	-	74,844
Translation differences	876,843	15,680	104,001	30,757	833	1,028,114
Net book amount at cost/valuation	**12,309,678**	**925,017**	**168,142**	**171,685**	**128,011**	**13,702,533**
At 31 December 2023						
At cost	16,706,419	4,694,966	378,636	140,928	184,144	22,105,093
Accumulated depreciation	(4,493,601)	(3,727,780)	(320,148)	-	-	(8,541,529)
Translation differences	96,860	(42,169)	109,654	30,757	(56,133)	138,969
Net book amount	**12,309,678**	**925,017**	**168,142**	**171,685**	**128,011**	**13,702,533**

20 PROPERTY AND EQUIPMENT – GROUP (CONTINUED)

Carrying amount under historical cost

The carrying amount of property, plant and equipment measured under revaluation would have been as stated below if property, plant and equipment had been carried under the cost model.

	2024	2023
	KShs'000	KShs'000
Cost	11,788,931	11,684,820
Accumulated depreciation	(3,468,616)	(3,176,403)
Net book amount	**8,320,315**	**8,508,417**

21 INTANGIBLE ASSETS – GOODWILL

Intangible assets comprise of goodwill arising from acquisitions over the years. The allocation of goodwill by cash generating unit is as follows:

	Goodwill	
	2024	2023
Entity	**KShs'000**	**KShs'000**
Tourism Promotion Services (Kenya) Limited	324,643	324,643
TPS (Uganda) Limited	266,293	266,293
Tourism Promotion Services (Tanzania) Limited	576,345	576,345
Tourism Promotion Services (Zanzibar) Limited	104,671	104,671
	1,271,952	**1,271,952**

The directors monitor goodwill impairment at the segment level, being the cash generating unit (CGU). The group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of the cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial projections approved by the management covering a five-year period. The Managing Director considers the business from a geographic perspective. Geographically, management considers the performance in Kenya, Uganda and Tanzania. Zanzibar unit is disclosed separately but operates within Tanzania.

Management has made the following assumptions in assessing for goodwill impairment:

2024	**Tanzania**	**Zanzibar**	**Uganda**	**Kenya**
Budgeted average EBITDA margin (%)	29%	29%	24%	28%
Long term growth rate (%)	6%	6%	6%	5%
Pre-tax discount rate (%)	15%	15%	15%	18%
Annual capital expenditure as a % of revenue	4%	4%	4%	4%

2023	**Tanzania**	**Zanzibar**	**Uganda**	**Kenya**
Budgeted average EBITDA margin (%)	23%	24%	24%	18%
Long term growth rate (%)	6%	6%	6%	6%
Pre-tax discount rate (%)	15%	15%	15%	14%
Annual capital expenditure as a % of revenue	4%	4%	4%	4%

21 INTANGIBLE ASSETS – GOODWILL (Continued)

These assumptions have been used for the analysis of each operating unit within the business segment. Management determined budgeted EBITDA margin based on past performance and its expectations for the market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

Management has determined the values assigned to each of the key assumptions used as follows:

Assumption	Approach used to determine values:
1. EBITDA growth as determined by:	
(i) Room occupancy rates	Average room occupancy rate over the five-year forecast period; based on past performance and management expectations of market development.
(ii) Room rates	Average annual growth rate over the five-year forecast period; based on current industry trends and including long term country inflation forecast.
(iii) Projected average gross margins	Based on past performance and management expectations of the future.
2. Annual capital expenditure as a % of revenue	Expected cash costs in the CGUs. This is based on the historical experience of management, the planned refurbishment, or sustaining expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.
3. Long term growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the forecast period. The rate is based on long term growth rate forecasts for the industry and Country.
4. Pre-tax discount rate	Based on specific risks relating to the industry and country. Factors considered for the industry include regulatory environment, market competition, and barriers to entry.

The Directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the CGU's to exceed its recoverable amount.

Tourism Promotion Services (Kenya) Limited goodwill

Based on the above assumptions, the recoverable value exceeded the carrying net asset amount (including the goodwill) of the CGU at 31 December 2024 by KShs 4.0 billion

Significant estimate: Impact of possible changes in key assumptions

If the budgeted EBITDA margin used in the value-in-use calculation had been 1% higher/ lower than the management estimates at 31 December 2024 with all other assumptions in the table above unchanged, the head room would have increased/ decreased by KShs 752 million.

The 1% change in forecast EBITDA margins represents a reasonably possible reduction in sales prices and/or increase in production and other costs over the 5-year forecast period.

If the pre-tax discount rate applied to the cash flow projection of the CGU had been 1% higher than management estimates and all other assumptions in the table above unchanged, the headroom would have decreased by KShs 786 million. If the pre-tax discount rate applied to the cash flow projection of the CGU had been 1% lower than management estimates and all other assumptions unchanged, the headroom would have increased by KShs 916 million.

21 INTANGIBLE ASSETS – GOODWILL (Continued)

TPS (Uganda) Limited goodwill

Based on the above assumptions, the recoverable value exceeded the carrying net asset amount (including the goodwill) of the CGU at 31 December 2024 by KShs 570 million

Significant estimate: Impact of possible changes in key assumptions

If the budgeted EBITDA margin used in the value-in-use calculation had been 1% higher/ lower than the management estimates at 31 December 2024 with all other assumptions in the table above unchanged, the head room would have increased/ decreased by KShs 60 million.

The 1% change in forecast EBITDA margins represents a reasonably possible reduction in sales prices and/or increase in production and other costs over the 5-year forecast period.

If the pre-tax discount rate applied to the cash flow projection of the CGU had been 1% higher than management estimates and all other assumptions in the table above unchanged, the headroom would have decreased by KShs 323 million.

If the pre-tax discount rate applied to the cash flow projection of the CGU had been 1% lower than management estimates and all other assumptions unchanged, the headroom would have increased by KShs 403 million.

Tourism Promotion Services (Tanzania) Limited goodwill

Based on the above assumptions, the recoverable value exceeded the carrying net asset amount (including the goodwill) of the CGU at 31 December 2024 by KShs 15.3 billion.

Significant estimate: Impact of possible changes in key assumptions

If the budgeted EBITDA margin used in the value-in-use calculation had been 1% higher/ lower than the management estimates at 31 December 2024 with all other assumptions in the table above unchanged, the head room would have increased/ decreased by KShs 27 million.

The 1% change in forecast EBITDA margins represents a reasonably possible reduction in sales prices and/or increase in production and other costs over the 5-year forecast period.

If the pre-tax discount rate applied to the cash flow projection of the CGU had been 1% higher than management estimates and all other assumptions in the table above unchanged, the headroom would have decreased by KShs 1.9 billion.

If the pre-tax discount rate applied to the cash flow projection of the CGU had been 1% lower than management estimates and all other assumptions unchanged, the headroom would have increased by KShs 2.3 billion.

Tourism Promotion Services (Zanzibar) Limited goodwill

Based on the above assumptions, the recoverable value exceeded the carrying net asset amount (including the goodwill) of the CGU at 31 December 2024 by KShs 1.4 billion.

If the budgeted EBITDA margin used in the value-in-use calculation had been 1% higher/lower than the management estimates at 31 December 2024 with all other assumptions in the table above unchanged, the headroom would have increased/decreased by KShs 17 million.

21 INTANGIBLE ASSETS – GOODWILL (Continued)

Tourism Promotion Services (Zanzibar) Limited goodwill (continued)

The 1% change in forecast EBITDA margins represents a reasonably possible reduction in sales prices and/or increase in production and other costs over the 5 year forecast period.

If the pre-tax discount rate applied to the cash flow projection of the CGU had been 1% higher than management estimates and all other assumptions in the table above unchanged, the headroom would have decreased by KShs 182 million.

If the pre-tax discount rate applied to the cash flow projection of the CGU had been 1% lower than management estimates and all other assumptions unchanged, the headroom would have increased by KShs 228 million.

22 RIGHT OF USE ASSETS - Restated

Right of use assets relates to property leases which include office space, parks, land occupied by hotels and camps as relevant.

Group	2024 KShs'000	2023 *Restated KShs'000
Opening balance	1,090,562	1,165,393
Lease modification	4,168	
Depreciation	(86,878)	(80,084)
Translation differences	50,116	5,253
	1,056,998	**1,090,562**

23 INVESTMENT IN SUBSIDIARIES (AT COST)

The Company's interest in its subsidiaries (Tourism Promotion Services (Kenya) Limited – TPS(K), Tourism Promotion Services (Tanzania) Limited – TPS(T), Tourism Promotion Services (Zanzibar) Limited – TPS(Z), Tourism Promotion Services (Mangapwani) Limited – TPS(Mgp), Tourism Promotion Services (South Africa)(Pty) Limited – TPS(SA), Tourism Promotion Services (Management) Limited – TPS(M) and TPS (Uganda) Limited – TPS(U)), none of which is listed on a stock exchange and all of which have the same year end as the Company , were as follows:

23 INVESTMENT IN SUBSIDIARIES (AT COST) (Continued)

	TPS(K) KShs'000	TPS(T) KShs'000	TPS(Z) KShs'000	TPS(Mgp) KShs'000	TPS(SA) KShs'000	TPS(M) KShs'000	TPS(U) KShs'000	Total KShs'000
At 1 January 2024	2,392,445	1,487,783	437,423	-	1	-	1,432,174	5,749,826
Investment during the year	-	-	-	-	-	30	-	30
At 31 December 2024	**2,392,445**	**1,487,783**	**437,423**	**-**	**1**	**30**	**1,432,174**	**5,749,856**
Country of incorporation	**Kenya**	**Tanzania**	**Tanzania**	**Tanzania**	**South Africa**	**Kenya**	**Uganda**	
% interest held 2023 and 2024	100.0%	100.0%	100.0%	100.0%	100.0%	99.9%	65.2%	

	TPS(K) KShs'000	TPS(T) KShs'000	TPS(Z) KShs'000	TPS(Mgp) KShs'000	TPS(SA) KShs'000	TPS(M) KShs'000	TPS(U) KShs'000	Total KShs'000
At 1 January 2023, 31 December 2023	2,392,445	1,487,783	437,423	-	1	-	1,432,174	5,749,826
Country of incorporation	**Kenya**	**Tanzania**	**Tanzania**	**Tanzania**	**South Africa**	**Kenya**	**Uganda**	
% interest held 2023 and 2024	100.0%	100.0%	100.0%	100.0%	100.0%	75.0%	65.19%	

Interests in subsidiaries are tested for impairment when there is an indicator of impairment by comparing the carrying value of the cash generating unit to the recoverable value of that cash generating unit. Recoverable amount for investment in subsidiaries is calculated on a consistent basis with that used for impairment testing of goodwill, as set out in Note 21.

Other indirect subsidiaries include Jaja Limited, which owns the concession for Lake Elmenteita Serena Camp, and TPS (OP) Limited which owns the concession for Sweetwaters Serena Camp, both of which are 100% subsidiaries of TPS(K); and Upekee Lodges Limited (100% subsidiary of TPS(T)) which is dormant.

In the opinion of the directors, there has been no impairment of any of the investments during the year under review.

23 INVESTMENT IN SUBSIDIARIES (AT COST) (Continued)

Subsidiaries with significant non-controlling interest

The following table summarises the information relating to TPS (Uganda) Limited which has a material Non- Controlling interest (NCI) before inter – group eliminations;

31 December	**2024**	**2023**
In KShs'000		
NCI percentage	**34.81%**	**34.81%**
Non-current assets	2,698,648	3,278,381
Current assets	1,052,002	1,001,211
Non-current liabilities	(553,976)	(619,569)
Current liabilities	(398,359)	(491,467)
Net assets underlying NCI	**2,798,315**	**3,168,556**
Underlying NCI	**973,093**	**1,102,974**
Revenue	1,897,319	1,934,957
Profit	101,849	155,920
OCI	-	-
Total comprehensive income	**101,849**	**155,920**
Profit allocated to NCI	35,453	54,276
OCI allocated to NCI	-	-
Cash flows from operating activities	302,944	396,709
Cash flows from investing activities	(52,038)	(17,677)
Cash flows from financing activities	(47,115)	(423,082)
Net increase/(decrease) in cash and cash equivalents	**203,791**	**(44,050)**

24 INVESTMENT IN ASSOCIATES

	Group	
	2024	**2023**
	KShs'000	**KShs'000**
At start of the year	842,073	819,118
Investment during the year	211	-
Share of associate results before tax	31,107	38,575
Share of tax	(11,442)	(15,620)
Net share of results after tax	19,665	22,955
At end of year	**861,948**	**842,073**

24 INVESTMENT IN ASSOCIATES (Continued)

c

	Company	
	2024	2023
	KShs'000	KShs'000
At start and end of year	840,330	840,330

The Company holds 25.1% interest in TPS (D) Limited, a Kenyan domiciled entity which was established as the holding company to acquire the Movenpick Hotel (subsequently Dar es Salaam Serena Hotel) in Dar es Salaam, Tanzania. TPS (D) Limited owns 100% of an off- shore company, TPS (Cayman) Limited (previously Kingdom 5-KR-90 Limited), which owns the Tanzanian operating company, Tanruss Investment Limited the owner of Dar es Salaam Serena Hotel. Other shareholders in TPS (D) Limited include: The Aga Khan Fund for Economic Development, S.A and PDM Holdings Limited.

Other associates of the Company are Mountain Lodges Limited and Tourism Promotion Services (Rwanda) Limited. The year end for all the associates have the same year end as the Company.

24 INVESTMENT IN ASSOCIATES (Continued)

The key financial data as at year end of Mountain Lodges Limited (incorporated in Kenya), Tourism Promotion Services (Rwanda) Limited (incorporated in Rwanda) and TPS (D) Limited (incorporated in Kenya) is as follows:

Company

2024	% interest held	Current assets KShs'000	Non-current assets KShs'000	Current liabilities KShs'000	Non-current liabilities KShs'000	Revenues KShs'000	Profit/ (loss) KShs'000	Other comprehensive income KShs'000
TPS (Rwanda) Limited	20.15	530,616	940,176	353,711	184,869	1,407,182	85,301	-
TPS (D) Limited	25.10	216,031	3,733,090	656,539	485,309	1,315,843	9,867	-
Mountain Lodges Limited*	29.90	5,195	101,272	165,502	42,464	-	-	-
		751,842	**4,774,538**	**1,175,752**	**712,642**	**2,723,025**	**95,168**	-
2023								
TPS (Rwanda) Limited	20.15	696,723	1,188,355	445,182	311,165	1,889,956	208,635	-
TPS (D) Limited	25.10	207,268	4,113,674	764,198	521,158	1,355,231	(76,039)	-
Mountain Lodges Limited*	29.90	5,195	101,272	165,502	42,464	-	-	-
		909,186	**5,403,301**	**1,374,882**	**874,787**	**3,245,187**	**132,596**	-

*Mountain Lodges Limited has not traded since 2020.

25 INVENTORIES

	Group		Company	
	2024	2023		2023
	KShs'000	KShs'000	KShs'000	KShs'000
Food, beverage and consumables	361,975	341,588	-	-
Other stock	198,314	233,316	-	-
	560,289	**574,904**	-	-

Inventory is stated at cost. The cost of inventories recognised as an expense and included in 'inventory expensed' amounted to KShs 1,471,564,000 (2023 – KShs 1,390,867,000).

26 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
Trade receivables – third parties	800,950	843,709	-	-
Less: Loss allowance	(22,100)	(46,735)	-	-
Trade receivables – other related companies (Note 31 (v))	6,217	14,585	-	-
Net trade receivables	**785,067**	**811,559**	-	-
Prepayments	125,961	122,486	-	-
Advances to related companies (Note 31(v))	705,548	726,141	19,617	391,640
Less: Loss allowance on related party debts	(261,174)	(272,375)	-	(9,965)
Other receivables	98,867	17,811	-	
	1,454,269	**1,405,622**	**19,617**	**381,675**

Movements on the Loss allowance on trade and other receivables are as follows:

	Group		Company	
	2024	2023	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
At start of year	319,110	321,560	9,965	87,869
Receivables recovered during the year	(35,836)	(2,450)	(9,965)	(77,904)
At end of year	**283,274**	**319,110**	-	**9,965**

In the opinion of the Directors, the carrying amounts of the receivables approximate to their fair value.

The carrying amounts of the Group's receivables and prepayments are denominated in the following currencies:

	Group		Company	
	2024	2023	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
US Dollar	233,655			
Euro	-	1,222	-	-
Sterling Pound	4,453	256	-	-
Kenya Shillings	627,023	685,327	19,617	381,675
Tanzania Shillings	320,937	319,017	-	-
Uganda Shillings	268,201	399,800	-	-
	1,454,269	**1,405,622**	**19,617**	**381,675**

27 (a) CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
Cash at bank and in hand	**695,867**	**848,304**	**4,312**	**1,968**

For the purposes of the cash flow statement, cash and cash equivalents comprise the following:

	Group		Company	
	2024	2023	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
Cash and bank balances as above	695,867	848,304	4,312	1,968
Bank overdrafts (Note 16)	-	(55,780)	-	-
	695,867	**792,524**	**4,312**	**1,968**

(b) FINANCIAL ASSETS – FIXED DEPOSITS

	Group		Company	
	2024	2023	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
At start of year	596,293	-	-	-
Purchases	8,705,330	1,600,129	307,892	-
Maturities	(8,264,148)	(1,149,354)	-	-
Interest on fixed deposits	47,704	40,740	9,471	
Foreign exchange (loss)/gain	(173,609)	104,778	(23,654)	-
At end of year	**911,570**	**596,293**	**293,709**	-

The above fixed deposits had maturity a six-month roll-over period and have therefore not been presented as cash and cash equivalents in the statement of financial position.

28 (a) PAYABLES AND ACCRUED EXPENSES

	Group		Company	
	2024	2023	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
Trade payables	891,049	940,912	-	-
Trade payables – related companies (Note 31)	10,050	9,463	-	-
Advances from related companies (Note 31)	42,149	45,142	-	-
Accrued expenses and other payables	1,168,668	1,137,648	12,826	2,794
	2,111,916	**2,133,165**	**12,826**	**2,794**

The carrying amounts of the above payables and accrued expenses approximate to their fair values.

28 (b) DIVIDEND PAYABLES

	Group		Company	
	2024	2023	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
Dividend payable	-	36,103	-	36,103
	-	**36,103**	**-**	**36,103**

29 CASH GENERATED FROM OPERATIONS - Restated

Reconciliation of profit before income tax to cash generated from operations:

	Group		Company	
	2024	2023 *Restated	2024	2023
	KShs'000	KShs'000	KShs'000	KShs'000
Profit/(loss) before income tax	2,004,550	688,986	(38,821)	57,615
Adjustments for:				
Interest expense on borrowings (Note 10)	338,491	385,238	-	-
Interest expense on employee benefits (N 10)	1,955	-	-	-
Interest income from fixed deposits (Note 10)	(47,704)	(40,470)	(9,471)	-
Interest expense on lease liability (Note 1	153,485	165,746	-	-
Depreciation expense on property, plant a equipment (Note 20)	582,845	518,783	-	-
Depreciation on right of use asset (Note 2	86,878	80,084	-	-
Gain on sale of property, plant and equipment	1,814	706	-	-
Write off of impaired property, plant and equipment (Note 20)	-	79,517	-	-
Net foreign exchange (gain)/loss on borrowings (Note 10)	(572,520)	720,587	-	-
Net foreign exchange (gain)/loss on lease liabilities (Note 10)	(258,993)	313,790		
Unrealised foreign exchange gain on deposits	173,609	(104,778)	-	-
Share of profit from associates (Note 24)	(19,665)	(22,955)	-	-
Retirement benefit obligation provision	18,855	6,771	-	-
Actuarial loss	8,750	(17,976)	-	-
Retirement benefit obligation payments/(release)	(10,387)	15,094	-	-
Changes in working capital				
- receivables and prepayments	(48,647)	(242,648)	362,058	(52,744)
- inventories	14,615	(97,891)	-	-
- payables and accrued expenses	(21,249)	419,963	10,032	1,488
Cash generated from operations	**2,406,682**	**2,868,547**	**323,798**	**6,359**

30 NON-CONTROLLING INTEREST (Restated)

	2024 KShs '000	2023 Restated KShs '000
At start of the year	1,102,974	804,429
Share of profit for the year	35,453	54,276
Currency translation differences	(164,334)	244,269
At end of year	**974,093**	**1,102,974**

TPS (Uganda) Limited's 34.8% shareholding is held by NSSF Uganda (13.99%) and the Aga Khan Fund for Economic Development, SA (20.81%).

31 RELATED PARTY TRANSACTIONS

The Group's immediate parent company is Aga Khan Fund for Economic Development SA, incorporated in Switzerland. There are various other companies which are related to the Group through common shareholding and management contracts.

Identity of related parties	Relationship
Aga Khan Fund for Economic Development SA	Ultimate holding company
Diamond Trust Bank Kenya Limited	Affiliate
Diamond Trust Bank Uganda Limited	Affiliate
The Jubilee Insurance Company of Kenya Limited	Affiliate
African Broadcasting (Uganda) Limited	Affiliate
Monitor Publication Limited	Affiliate
Farmer's Choice Limited	Affiliate
Diamond Trust Bank Tanzania Limited	Affiliate
The Jubilee Insurance Company (Tanzania) Limited	Affiliate
Aga Khan Education Services (Uganda)	Affiliate
Aga Khan Foundation	Affiliate
Aga Khan University Hospital (Kenya & Uganda)	Affiliate
Aga Khan Council	Affiliate
Industrial Promotion Services (Kenya) Limited	Affiliate
Nation Media Group	Affiliate
The Jubilee Insurance Company of Uganda Limited	Affiliate
Monitor Publications	Affiliate
African Broadcasting Services	Affiliate
Hoteis Polana, S.A.	Affiliate
Mountain Lodges Limited	Associate
Pearl Development Group Limited	Affiliate
Tourism Promotion Services (Rwanda) Limited	Associate
TPS (Cayman) Limited	Associate
TPS (D) Limited	Associate
Goma Serena Hotel	Affiliate

31 RELATED PARTY TRANSACTIONS (Continued)

The following transactions were carried out with related parties:

(i) Sale of goods and services to:	2024 KShs'000	2023 KShs'000
Diamond Trust Bank Kenya Limited	-	7,365
Diamond Trust Bank Uganda Limited	210	-
The Jubilee Insurance Company of Kenya Limited	-	6,453
The Jubilee Insurance Company of Uganda Limited	2,510	-
Tourism Promotion Services (Rwanda) Limited	75,678	52,920
Hoteis Polana, S.A.	52,369	37,836
Industrial Promotion Services (Kenya) Limited	1,227	397
African Broadcasting (Uganda) Limited	29,025	39,228
Monitor Publication Limited	639	4,226
Goma Serena Hotel	46,971	53,305
	208,629	**201,730**

(ii) Purchase of goods and services from:	Group	
Farmer's Choice Limited	207,098	81,945
Diamond Trust Bank Tanzania Limited	1,460	1,590
Nation Media Group	1,200	1,490
The Jubilee Insurance Company Limited	10,381	33,304
The Jubilee Insurance Company (Tanzania) Limited	5,160	-
Monitor Publication Limited	122	198
	225,421	**118,527**

(iii) Key management compensation	Group	
Salaries and other short term employment benefits	**308,333**	**252,927**

(iv) Directors' remuneration	Group	
	2024 KShs'000	2023 KShs'000
Fees for services as a non-executive director	8,500	4,250
Emoluments to executive directors (included in key management compensation above)	124,346	97,085
Total remuneration of directors of the Company and Group	**132,846**	**101,335**

31 RELATED PARTY TRANSACTIONS (Continued)

(v) Outstanding balances arising from sale and purchase of goods/services from related parties

The trade receivables arise mainly from arm's length trading, are unsecured and bear no interest. Other receivables relate to management fees payable to the Group Companies. Other receivables are unsecured and bear no interest.

	Group	
	2024	**2023**
Trade receivables from related parties	**KShs'000**	**KShs'000**
Aga Khan Education Services (Uganda)	-	273
The Jubilee Insurance Company Limited	1,223	2,365
Aga Khan Foundation	-	29
Aga Khan University Hospital (Kenya & Uganda)	2,595	3,909
Aga Khan Council	674	-
Industrial Promotion Services (Kenya) Limited	274	11
Nation Media Group	1,451	429
The Jubilee Insurance Company of Uganda Limited	-	27
Monitor Publications	-	4,240
African Broadcasting Services	-	3,302
	6,217	**14,585**
Other receivables from related parties		
Hoteis Polana, S.A.	200,401	165,496
Mountain Lodges Limited	98,248	98,866
Pearl Development Group Limited	12,616	30,192
Tanruss Investment Limited	351,046	402,971
Tourism Promotion Services (Rwanda) Limited	15,630	8,584
TPS (Cayman) Limited	3,101	2,829
TPS (D) Limited	-	-
Goma Serena Hotel	24,506	17,203
	705,548	726,141
Trade and other receivables from related parties	711,765	740,726
Less: Loss allowance of related party debts	(261,754)	(272,375)
Net trade and other receivables from related parties	**450,011**	**468,351**

Expected credit losses on trade and other receivables from related parties are measured in a way that reflects an unbiased and probability-weighted amount determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

31 RELATED PARTY TRANSACTIONS (Continued)

(v) Outstanding balances arising from sale and purchase of goods/services from related parties (continued)

Other receivables from related parties – continued

	Company	
	2024	2023
	KShs'000	KShs'000
Tourism Promotion Services (Kenya) Limited	13	344,847
Tourism Promotion Services (Tanzania) Limited	37	27,226
Tanruss Investment Limited	19,567	19,567
Other receivables from related parties	**19,617**	**391,640**
Less: Loss allowance of related party debts	-	(9,965)
Net other receivables from related parties	**19,617**	**381,675**

	Group	
	2024	2023
Trade payables to related parties	KShs'000	KShs'000
Farmer's Choice Limited	9,676	9,399
Nation Media Group	374	64
	10,050	**9,463**
Other payables to related parties		
Hoteis Polana, S.A.	21,735	6,702
Goma Serena Hotel	7,462	-
Pearl Development Group Limited	5,278	4,954
Tanruss Investment Limited	263	5,560
Tourism Promotion Services (Rwanda) Limited	3,902	26,567
TPS (D) Limited	3,509	1,359
	42,149	**45,142**
	52,199	**54,605**

(vi) Guarantees

TPS Eastern Africa PLC has provided corporate guarantees to the lenders of Tanruss Investment Limited (TIL) and Tourism Promotion Services (Kenya) Limited (TPS K). The table below summarises the corporate guarantees as at 31 December 2024:

Company	Facility	Initial recognition KShs '000	Carrying value KShs '000
TPS K	ABSA Loan	970,000	253,664
TPS K	ABSA OD	300,000	-
TPS K	EQUITY OD	100,000	-
TPS K	PROPARCO	2,493,514	1,820,455
TIL	ABSA OD	90,520	90,520

31 RELATED PARTY TRANSACTIONS (Continued)

(vii) Loans from related party

The Group has long-term borrowing from the following related parties:

(i) Societe De Promotion Et De Participation Pour La Cooperation Economique (PROPARCO) of KShs 1,820,455,000 (2023: KShs 2,633,644,000) as disclosed at Note 16.
(ii) Aga Khan Fund for Economic Development, SA (AKFED) of KShs 877,884,000 (2023: KShs 1,030,375,000) as disclosed at Note 16.

32 CONTINGENT LIABILITIES

The subsidiaries in Kenya, Uganda and Tanzania are in various legal actions and claims made by third parties. In the opinion of the directors, after taking appropriate legal and other advice, no material liabilities are expected to crystallise from these claims. Consequently, no provision has been set against such claims in the books of accounts.

There are some open tax issues with tax authorities and local authorities in respect of some subsidiaries and an associate. In the view of directors there are no additional liabilities likely to arise from these matters. Consequently, no provision has been set against such matters in the books of accounts.

33 CORRECTION OF PRIOR PERIOD ERRORS

During the current financial year, the Company identified the following errors in the comparatives:

(a) Discrepancies in the initial recognition and subsequent measurement of certain lease liabilities under IFRS 16 — Leases, relating to the following areas:

— Incorrect discount rates applied in the measurement of lease liabilities at commencement date; and
— Errors in the initial and subsequent measurement of lease liabilities and right of use (ROU) assets, including omission of lease agreements that qualify to be treated under IFRS 16 Leases.

These errors resulted in misstatements of lease liabilities, ROU assets, depreciation, foreign exchange gain/(loss), deferred tax liabilities, other operating expenses, interest expense, and retained earnings in the prior periods.

The Group has corrected these errors retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, by restating the comparative information for each affected financial statement line item. The restatement ensures compliance with IFRS 16 requirements and presents a true and fair view of the Company's lease obligations.

Error Type	Nature of Error	Correction applied
Discount Rate Application	Incorrect incremental borrowing rates applied, resulting in understated lease liabilities.	Recalculated lease liabilities using correct discount rates at commencement date and using the correct US$ rate and strengthening internal controls over lease accounting.
Initial/Subsequent Measurement Errors	Incorrect treatment of fixed lease payments, errors in depreciation.	Recognised adjusted right of use of assets, corrected depreciation and interest expense.

33 CORRECTION OF PRIOR PERIOD ERRORS (Continued)

(b) Derecognition of unsupported tax assets of amount KShs 96,262,000.
This error resulted in the misstatements of current tax recoverable and the retained earnings in the prior periods.

(c) Mapping of the Company tax recoverable amount of KShs 4,175,000 as part of receivables and prepayments.

This error resulted in the misstatements of the company tax recoverable and receivables and prepayment financial statements disclosure in the balance sheet.

(d) Dividend of KShs 36,103,000 which was payable in prior years was wrongly accounted through retained earnings.

This error resulted in the misstatements of dividends payable and the retained earnings in the prior periods.

(e) Understatement of the minority interest by KShs 267,371,000 as at 31 December 2023 and in KShs 23,102,000 as at 31 December 2022.

This error resulted in the misstatements of minority interest and the translation reserves in the prior periods.

(f) Classification of foreign exchange gain of KShs 282,832,000 as other income.

This error resulted in the misstatements of finance cost and other income in the prior periods.

(g) Disclosure of the lease interest paid of KShs 165,746,000 as part of the financing activities within the primary cashflow statement.

This error resulted in the misstatements of the net cash generated from operating activities and net cash used in financing activities.

(h) Overstatement of the tax paid by KShs 16,778,000 for the year ended 31 December 2023. This misstatement led to the misstatement of the net cash generated from operating activities.

(i) Inclusion of interest income from fixed deposits amount of KShs 40,740,000 as part of the maturity of financial assets. This led to the misstatement of net cash utilised in investing activities in the cashflow statement for the ended 31 December 2023.

(j) Finance income of KShs 323,302,000 and finance cost KShs 1,585,361,000 were disclosed as one item in the statement of profit and loss and other comprehensive income for the year ended 31 December 2023.

33 CORRECTION OF PRIOR PERIOD ERRORS (Continued)

The tables below summarize the effects of the restatements to the Consolidated and Company statement of financial position, Consolidated statements of profit or loss and other comprehensive income and consolidated statement of cashflows.

(a) Consolidated statement of financial position

2023	Impact of correction of errors		
	As previously reported KShs '000	Adjustment KShs '000	As restated KShs '000
Assets			
Right of use asset (Note 22)	353,355	737,207	1,090,562
Current income tax asset	269,653	(96,262)	173,391
Others	19,249,074	-	19,249,074
Total assets	**19,872,082**	**640,945**	**20,513,027**
Equity and liabilities			
Lease liabilities (Note 17)	339,917	1,311,273	1,651,190
Dividend payable	-	36,103	36,103
Deferred tax liabilities (Note 18)	1,807,479	(121,209)	1,686,270
Retained earnings	2,051,534	(585,222)	1,466,312
Translation reserve	(76,950)	(267,371)	(344,321)
Non-controlling interest	835,603	267,371	1,102,974
Others	14,914,499	-	14,914,499
Total equity and liabilities	**19,872,082**	**640,945**	**20,513,027**

1 January 2023	As previously reported KShs '000	Adjustment KShs '000	As restated KShs '000
Assets			
Right of use asset	387,431	777,962	1,165,393
Current income tax asset	221,346	(96,262)	125,084
Others	17,098,861	-	17,098,861
Total assets	**17,707,638**	**681,700**	**18,389,338**
Equity and liabilities			
Lease liabilities	397,325	967,331	1,364,656
Deferred tax liabilities	1,528,772	(149,843)	1,378,929
Dividend payable	-	36,103	36,103
Retained earnings	1,206,461	(171,891)	1,034,570
Translation reserve	(912,059)	(23,102)	(935,161)
Non-controlling interest	781,327	23,102	804,429
Others	14,705,812	-	14,705,812
Total equity and liabilities	**17,707,638**	**681,700**	**18,389,338**

33 CORRECTION OF PRIOR PERIOD ERRORS (Continued

(b) Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023

	Impact of correction of errors		
	As previously reported KShs '000	**Adjustment KShs '000**	**As restated KShs '000**
Other income (Note 6)	567,854	(282,832)	285,022
Other operating expenses (Note 9)	(3,382,427)	77,894	(3,304,533)
Others	5,546,468	-	5,546,468
Profit before depreciation, finance income / (costs), results of associates and income tax expense	**2,731,895**	**(204,938)**	**2,526,957**
Depreciation of right of use asset (Note 22)	(39,330)	(40,754)	(80,084)
Net finance income/ (costs) (Note 10):	(1,123,054)	1,123,054	-
Finance cost (Note 10)	-	(1,585,361)	(1,585,361)
Finance income (Note 10)	-	323,302	323,302
Share of profit in associate	22,955	-	22,955
Profit before income tax	**1,073,683**	**(384,697)**	**688,986**
Income tax expense	(202,816)	(28,634)	(231,450)
Profit for the year	**870,867**	**(413,331)**	**457,536**
Total other comprehensive income for the year	847,692	-	847,692
Total comprehensive income for the year	**1,718,559**	**(413,331)**	**1,305,228**
Profit attributable to:			
Equity holders of the Company	816,591	(413,331)	403,260
Non-controlling interest	54,276	-	54,276
	870,867	**(413,331)**	**457,536**
Total comprehensive income attributable to:			
Equity holders of the Company	1,664,283	(603,324)	1,060,959
Non-controlling interest	54,276	189,993	244,269
Total comprehensive income for the year	**1,718,559**	**(413,331)**	**1,305,228**
Earnings per share			
Basic and diluted (KShs per share)	2.89	1.46	1.43

33 CORRECTION OF PRIOR PERIOD ERRORS (Continued)

(c) Consolidated statement of cashflows for the year ended 31 December 2023

	As previously reported KShs '000	Adjustment KShs '000	As restated KShs '000
Operating activities			
Cash generated from operations	2,790,652	77,895	2,868,547
Interest received	40,470	-	40,470
Interest paid	(385,238)	-	(385,238)
Lease interest paid	-	(165,746)	(165,746)
Income tax paid	(139,763)	16,778	(122,985)
Net cash generated from operating activities	**2,306,121**	**(71,073)**	**2,235,048**
Investing activities			
Purchase of property and equipment	(580,343)	-	(580,343)
Investment in associates		-	-
Maturity of financial assets	1,108,614	40,740	1,149,354
Purchase of financial assets	(1,600,129)	-	(1,600,129)
Proceeds from disposal of property and equipment	2,974	-	2,974
Net cash utilised in investing activities	**(1,068,884)**	**40,740**	**(1,028,144)**
Financing Activities			
Payments of long-term borrowings	(975,632)	-	(975,632)
Lease payments	(121,802)	89,713	(32,089)
Net cash used in financing activities	**(1,097,434)**	**(89,713)**	**(1,007,721)**
Net increase in cash and cash equivalents	**139,803**	**59,380**	**199,183**
Movement in cash and cash equivalents			
At the start of the year	575,293	-	575,293
Increase during the year	139,803	59,380	199,183
Effect of currency translation differences	77,428	(59,380)	18,048
At end of year	**792,524**	-	**792,524**

(d) Company statement of financial position (continued

2023	As previously reported KShs '000	Adjustment KShs '000	As restated KShs '000
Assets			
Non-current assets	6,590,156	-	6,590,156
Current assets			
Receivables and prepayments	385,850	(4,175)	381,675
Current income tax	-	4,175	4,175
Cash and cash equivalents	1,968	-	1,968
Total assets	**6,977,974**	-	**6,977,974**

3 CORRECTION OF PRIOR PERIOD ERRORS (Continued)

(d) Company statement of financial position (continued)

2023	As previously reported KShs '000	Adjustment KShs '000	As restated KShs '000
Equity and Liabilities			
Dividend payable	-	36,103	36,103
Retained earnings	690,788	(36,103)	654,685
Others	6,287,186	-	6,287,186
Total equity and liabilities	**6,977,974**	-	**6,977,974**

1 January 2023	KShs '000	KShs '000	KShs '000
Assets			
Non-current assets	6,590,156	-	6,590,156
Current assets			
Receivables and prepayments	328,931	-	328,931
Total assets	**6,919,087**	-	**6,919,087**
Equity and Liabilities			
Dividend payable	-	36,103	36,103
Retained earnings	633,173	(36,103)	597,070
Others	6,285,914	-	6,285,914
Total equity and liabilities	**6,919,087**	-	**6,919,087**

(vi) Company statement of cash flows

2023	As previously reported KShs '000	Adjustment KShs '000	As restated KShs '000
Cash generated from operations			
Profit before income tax	57,615	-	57,615
Changes in working capital:			
Receivables and prepayments	(56,99)	(4,175)	(52,744)
Payables and accrued expenses	1,488	-	1,488
Cash generated from operations	**2,148**	(4,175)	**6,359**
Operating activities			
Cash generated from operations	2,184	4,175	6,359
Income tax paid	-	(4,175)	(4,175)
Net cash generated from operating activities	2,184	-	2,184
Net cash utilised in investing activities	-	-	-
Net cash used in financing activities	-	-	-
Net (decrease)/increase in cash and cash equivalents	2,184	-	2,184
Movement in cash and cash equivalents			
At the start of the year	(216)	-	(216)
Increase during the year	2,184	-	2,184
At the end of the year	**1,968**	-	**1,968**

34. SUBSEQUENT EVENTS

There were no material subsequent events arising between the accounting date and the date of this report.

TPS EASTERN AFRICA PLC

PRINCIPAL SHAREHOLDERS AND SHARE DISTRIBUTION REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Principal shareholders

The ten largest shareholdings in the Company and the respective number of shares held at 31 December 2024 are as follows:

	Name of shareholder	Number of Shares	% Shareholding
1	Aga Khan Fund for Economic Development	182,525,097	64.58%
2	Craysell Investments Limited	13,032,319	4.61%
3	Pyrus Investments Limited	12,509,300	4.43%
4	Societe De Promotion Et De Participation Pour La Cooperation Economique (PROPARCO)	10,892,900	3.85%
5	The Jubilee Insurance Company of Kenya Limited	7,722,106	2.73%
6	Industrial Promotion Services (Kenya) Limited	7,697,088	2.72%
7	Aga Khan University Foundation	6,851,000	2.42%
8	PDM (Holdings) Limited	6,607,440	2.34%
9	Jamal Farzeen Zaherali Moledina Nureen	3,480,900	1.23%
10	Executive Healthcare Solutions Limited	3,294,700	1.17%
11	Others	28,037,729	9.92%
		282,650,579	**100.00%**

Distribution of shareholders

	Number of shareholders	Number of shares	% shareholding
Less than 500 shares	3,397	445,995	0.16%
500 – 5000 shares	4,445	5,913,475	2.09%
5001 – 10,000 shares	168	1,208,729	0.43%
10,001 – 100,000	186	5,255,603	1.86%
100,001 – 1,000,000	24	7,731,671	2.74%
Over 1,000,000	14	262,095,106	92.72%
Total	**8,234**	**282,650,579**	**100.00%**