

TPS EASTERN AFRICA PLC 2024 ABRIDGED FINANCIAL RESULTS

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER			
	2024 KShs'000	2023 KShs'000 *Restated	1 January 2023 KShs'000 *Restated
<b>Non-current assets</b>			
Property and equipment	13,196,885	13,702,533	12,696,055
Intangible assets	1,271,952	1,271,952	1,271,952
Right of use assets	1,056,998	1,090,562	1,165,393
Investment in associates	861,948	842,073	819,118
Deferred income tax asset	12,295	7,393	10,903
	<b>16,400,078</b>	<b>16,914,513</b>	<b>15,963,421</b>
<b>Current assets</b>			
Inventories	560,289	574,904	477,013
Trade and other receivables	1,454,269	1,405,622	1,162,974
Current income tax	168,373	173,391	125,084
Financial asset – fixed deposits	911,570	596,293	-
Cash and cash equivalents	695,867	848,304	660,846
	<b>3,790,368</b>	<b>3,598,514</b>	<b>2,425,917</b>
<b>Total assets</b>	<b>20,190,446</b>	<b>20,513,027</b>	<b>18,389,338</b>
<b>Capital and reserves attributable to the Company's equity holders</b>			
Share capital	282,651	282,651	282,651
Share premium	6,001,741	6,001,741	6,001,741
Revaluation reserve	2,211,352	2,266,195	2,282,094
Translation reserve	(729,353)	(344,321)	(935,161)
Proposed dividends	98,928	-	-
Retained earnings	2,696,574	1,466,312	1,034,570
	<b>10,561,893</b>	<b>9,672,578</b>	<b>8,665,895</b>
Non-controlling interest	974,093	1,102,974	804,429
<b>Total equity</b>	<b>11,535,986</b>	<b>10,775,552</b>	<b>9,470,324</b>
<b>Non-current liabilities</b>			
Borrowings	2,501,485	3,563,042	3,604,701
Deferred income tax liability	2,070,413	1,686,270	1,378,929
Lease liabilities	1,181,205	1,473,907	1,177,502
Retirement benefit obligations	117,289	98,116	94,227
<b>Total non-current liabilities</b>	<b>5,870,392</b>	<b>6,821,335</b>	<b>6,255,359</b>
<b>Current liabilities</b>			
Trade and other payables	2,111,916	2,133,165	1,713,202
Dividends payable	-	36,103	36,103
Borrowings	487,913	569,589	727,196
Lease liabilities	184,239	177,283	187,154
<b>Total current liabilities</b>	<b>2,784,068</b>	<b>2,916,140</b>	<b>2,663,655</b>
<b>Total equity and liabilities</b>	<b>20,190,446</b>	<b>20,513,027</b>	<b>18,389,338</b>

SUMMARY DIRECTORS' REMUNERATION REPORT

During the year 2024 TPS Eastern Africa PLC paid emoluments to Non-Executive directors amounting to KShs 8.50 million (2023: KShs 4.25 million). Emoluments to Executive directors in the year 2024 was KShs 124.35 million (2023: KShs 97.09 million).

The consolidated financial statements are extracts from the books of accounts of the Group as audited by KPMG Kenya and received unmodified opinion. The were approved by the Board of Directors on 13<sup>th</sup> May, 2025 and signed on its behalf by:

Francis Okomo-Okello

Chairman

A full copy of the financial statements including explanatory notes are available from our website [www.serenahotels.com](http://www.serenahotels.com)

Ashish Sharma

Managing Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY								
	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
<b>Year ended 31 December 2024</b>								
<b>At start of year</b>	<b>282,651</b>	<b>6,001,741</b>	<b>2,266,195</b>	<b>(344,321)</b>	<b>1,466,312</b>	<b>-</b>	<b>1,102,974</b>	<b>10,775,552</b>
<b>Comprehensive income for the year</b>								
Profit for the year	-	-	-	-	1,281,840	-	35,453	1,317,293
<b>Other comprehensive income:</b>								
Currency translation differences	-	-	-	(385,032)	-	-	(164,334)	(549,366)
Re-measurement of post-employment benefits	-	-	(10,705)	-	-	-	-	(10,705)
Deferred tax on re-measurement 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)	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(54,843)</b>	<b>(385,032)</b>	<b>47,350</b>	<b>-</b>	<b>(164,334)</b>	<b>(556,859)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(54,843)</b>	<b>(385,032)</b>	<b>1,329,190</b>	<b>-</b>	<b>(128,881)</b>	<b>760,434</b>
<b>Transactions with owners</b>								
Dividends:								
- proposed for 2024	-	-	-	-	(98,928)	98,928	-	-
	-	-	-	-	<b>(98,928)</b>	<b>98,928</b>	-	-
<b>At end of year</b>	<b>282,651</b>	<b>6,001,741</b>	<b>2,211,352</b>	<b>(729,353)</b>	<b>2,696,574</b>	<b>98,928</b>	<b>974,093</b>	<b>11,535,986</b>
<b>Year ended 31 December 2023</b>								
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)
<b>Restated balance at start of year</b>	<b>282,651</b>	<b>6,001,741</b>	<b>2,282,094</b>	<b>(935,161)</b>	<b>1,034,570</b>	<b>-</b>	<b>804,429</b>	<b>9,470,324</b>
<b>Total comprehensive income for the year</b>								
Profit for the year	-	-	-	-	403,260	-	54,276	457,536
<b>Other comprehensive income:</b>								
Currency translation differences	-	-	-	590,840	-	-	244,269	835,109
Re-measurement of postemployment Benefits	-	-	17,976	-	-	-	-	17,976
Deferred tax on re-measurement 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	-	-	12,206	-	(12,206)	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(15,899)</b>	<b>590,840</b>	<b>28,482</b>	<b>-</b>	<b>244,269</b>	<b>847,692</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(15,899)</b>	<b>590,840</b>	<b>431,742</b>	<b>-</b>	<b>298,545</b>	<b>1,305,228</b>
<b>Restated balance at end of year</b>	<b>282,651</b>	<b>6,001,741</b>	<b>2,266,195</b>	<b>(344,321)</b>	<b>1,466,312</b>	<b>-</b>	<b>1,102,974</b>	<b>10,775,552</b>

CONSOLIDATED STATEMENT OF CASH FLOWS		
	Year ended 31 December 2024 KShs'000	2023 KShs'000 *Restated
<b>Operating activities</b>		
Cash generated from operations	2,406,682	2,868,547
Interest received	47,704	40,470
Interest paid	(338,491)	(385,238)
Lease interest paid	(153,485)	(165,746)
Income tax paid	(207,406)	(122,985)
<b>Net cash generated from operating activities</b>	<b>1,755,004</b>	<b>2,235,048</b>
<b>Investing activities</b>		
Purchase of property and equipment	(771,067)	(580,343)
Investment in associates	(211)	-
Maturity of financial assets	8,264,148	1,149,354
Purchase of financial assets	(8,705,330)	(1,600,129)
Proceeds from disposal of property and equipment	5,338	2,974
<b>Net cash utilised in investing activities</b>	<b>(1,207,122)</b>	<b>(1,028,144)</b>
<b>Financing activities</b>		
Proceeds from long term borrowings	113,062	481,765
Payments of long-term borrowings	(687,999)	(1,457,397)
Prior years dividends paid	(36,103)	-
Principal lease payments	(40,996)	(32,089)
<b>Net cash used in financing activities</b>	<b>(652,036)</b>	<b>(1,007,721)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(104,154)</b>	<b>199,183</b>
<b>Movement in cash and cash equivalents</b>		
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
<b>At end of year</b>	<b>695,867</b>	<b>792,524</b>

\*The comparative information is restated on account of correction of errors.

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF TPS EASTERN AFRICA PLC

Opinion

The summary consolidated financial statements of TPS Eastern Africa Plc, which comprise the summary consolidated statement of financial position as at 31 December 2024, the summary consolidated statement of profit or loss and other comprehensive income, the summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended, and the summary directors' remuneration and related notes (together "the summary financial statements"), are derived from the audited consolidated financial statements and the directors remuneration report of TPS Eastern Africa Plc for the year ended 31 December 2024.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited consolidated financial statements and the directors remuneration report for the year ended 31 December 2024, in accordance with the Kenyan Companies Act, 2015 and the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002.

Summary financial statements

The summary financial statements do not contain all the disclosures required by the IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the Kenyan Companies Act, 2015. Reading the summary financial statements and our report thereon, therefore, is not a substitute for reading the audited

consolidated financial statements, directors' remuneration report and our report thereon. The summary financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements and directors remuneration report.

The audited consolidated financial statements, directors' remuneration report and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements and the auditable part of the directors' remuneration report in our report dated 14 May 2025.

That report also includes:

- An *Emphasis of matter* section that draws attention to Note 33 to the consolidated financial statements which describes that the comparative information presented as at and for the year ended 31 December 2023 has been restated.
- An *Other matter* section that states that consolidated financial statements of TPS Eastern Africa PLC as at and for the year ended 31 December 2023, excluding the adjustments described in Note 33 to the consolidated financial statements, were audited by another auditor who expressed an unmodified opinion on those financial statements on 23 April 2024.
- The communication of other key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

Directors' responsibility for the summary financial statements

The directors are responsible for the preparation of the summary financial statements in accordance with the Kenyan Companies Act, 2015 and the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited consolidated financial statements and directors remuneration report based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

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<sup>th</sup> May 2025