



# TPS EASTERN AFRICA PLC

## AUDITED RESULTS AND SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Board of Directors of TPS Eastern Africa PLC is pleased to announce the audited results and summary financial statements for the year ended 31 December 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
	2024	2023
	KShs'000	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>

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
	2024	2023
	KShs'000	KShs'000
Other operating (expenses)/income	(34,603)	(20,289)
Impairment credit – financial assets	9,965	77,904
Net finance cost	(14,183)	-
<b>(Loss)/profit before income tax</b>	<b>(38,821)</b>	<b>57,615</b>
Income tax expense	(2,841)	-
<b>(Loss)/profit for the year</b>	<b>(41,662)</b>	<b>57,615</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>(41,662)</b>	<b>57,615</b>
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER		
	2024	2023
	KShs'000	KShs'000
		1 January 2023
		KShs'000
		*Restated
<b>Non-current assets</b>		
Property and equipment	13,196,885	13,702,533
Intangible assets	1,271,952	1,271,952
Right of use assets	1,056,898	1,165,393
Investment in associates	861,948	842,073
Deferred income tax asset	12,295	7,393
	<b>16,400,078</b>	<b>16,914,513</b>
<b>Current assets</b>		
Inventories	560,289	574,904
Trade and other receivables	1,454,269	1,405,622
Current income tax	168,373	173,391
Financial asset – fixed deposits	911,570	596,293
Cash and cash equivalents	695,867	848,304
	<b>3,790,368</b>	<b>3,598,514</b>
<b>Total assets</b>	<b>20,190,446</b>	<b>20,513,027</b>
<b>Capital and reserves attributable to the Company's equity holders</b>		
Share capital	282,651	282,651
Share premium	6,001,741	6,001,741
Revaluation reserve	2,211,352	2,266,195
Translation reserve	(729,353)	(344,321)
Proposed dividends	98,928	-
Retained earnings	2,696,574	1,466,312
	<b>10,561,893</b>	<b>9,672,578</b>
Non-controlling interest	974,093	1,102,974
<b>Total equity</b>	<b>11,535,986</b>	<b>10,775,552</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>
COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER			
	As at 31 December 2024	2023	1 January 2023
<b>ASSETS</b>	<b>KShs'000</b>	<b>KShs'000</b>	<b>KShs'000</b>
		*Restated	*Restated
<b>Non-current assets</b>			
Investment in subsidiaries	5,749,856	5,749,826	5,749,826
Investment in associates	840,330	840,330	840,330
	<b>6,590,186</b>	<b>6,590,156</b>	<b>6,590,156</b>
<b>Current assets</b>			
Receivables and prepayments	19,617	381,675	328,931
Current income tax	2,417	4,175	-
Financial assets – fixed deposits	293,709	-	-
Cash and cash equivalents	4,312	1,968	-
	<b>320,055</b>	<b>387,818</b>	<b>328,931</b>
<b>TOTAL ASSETS</b>	<b>6,910,241</b>	<b>6,977,974</b>	<b>6,919,087</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	282,651	282,651	282,651
Share premium	6,001,741	6,001,741	6,001,741
Proposed dividends	98,928	-	-
Retained earnings	514,095	654,685	597,070
<b>Total equity</b>	<b>6,897,415</b>	<b>6,939,077</b>	<b>6,881,462</b>
<b>Current liabilities</b>			
Dividend payable	-	36,103	36,103
Trade and other payables	12,826	2,794	1,306
Bank overdraft	-	-	216
	<b>12,826</b>	<b>38,897</b>	<b>37,625</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,910,241</b>	<b>6,977,974</b>	<b>6,919,087</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY								
	Share capital	Share premium	Revaluation reserve	Translation reserve	Retained earnings	Proposed dividends	Non-controlling interest	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	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>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)							
	Share capital	Share premium	Revaluation reserve	Translation reserve	Retained earnings	Proposed dividends	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
<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	-	9,642,215
Impact of correction of errors	-	-	-	(23,102)	(171,891)	-	(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>9,470,324</b>
<b>Total comprehensive income for the year</b>							
Profit for the year	-	-	-	-	403,260	-	457,536
<b>Other comprehensive income:</b>							
Currency translation differences	-	-	-	590,840	-	-	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>

COMPANY STATEMENT OF CHANGES IN EQUITY					
	Share capital	Share premium	Retained earnings	Proposed Dividends	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
<b>Year ended 31 December 2024</b>					
At start of year	282,651	6,001,741	654,685	-	6,939,077
<b>Total comprehensive income for the year:</b>					
Loss for the year	-	-	(41,662)	-	(41,662)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(41,662)</b>	<b>-</b>	<b>(41,662)</b>
<b>Transactions with owners of the company:</b>					
Dividends:					
¾ proposed for 2024	-	-	(98,928)	98,928	-
<b>Total transactions with owners of the company</b>	<b>-</b>	<b>-</b>	<b>(98,928)</b>	<b>98,928</b>	<b>-</b>
<b>At end of year</b>	<b>282,651</b>	<b>6,001,741</b>	<b>514,095</b>	<b>98,928</b>	<b>6,897,415</b>

COMPANY STATEMENT OF CHANGES IN EQUITY (CONTINUED)					
	Share capital	Share premium	Retained earnings	Proposed dividends	Total
	KShs'000	KShs'000	KShs'000	KShs'000	KShs'000
<b>Year ended 31 December 2023</b>					
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)
<b>At start of year as restated</b>	<b>282,651</b>	<b>6,001,741</b>	<b>597,070</b>	<b>-</b>	<b>6,881,462</b>
<b>Total comprehensive income for the year:</b>					
Profit for the year	-	-	57,615	-	57,615
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>57,615</b>	<b>-</b>	<b>57,615</b>
<b>Transactions with owners of the company:</b>					
Dividends:					
¾ Prior year dividend paid	-	-	-	-	-
¾ proposed for 2023	-	-	-	-	-
<b>Total transactions with owners of the company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At end of year</b>	<b>282,651</b>	<b>6,001,741</b>	<b>654,685</b>	<b>-</b>	<b>6,939,077</b>

CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended 31 December	
	2024	2023
	KShs'000	KShs'000
<strong>Operating activities</strong>		<strong>*Restated</strong>
Cash generated from operations	2,406,682	2,868,557
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)
<strong>Net cash generated from operating activities</strong>	<strong>1,755,004</strong>	<strong>2,235,048</strong>
<strong>Investing activities</strong>		
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
<strong>Net cash utilised in investing activities</strong>	<strong>(1,207,122)</strong>	<strong>(1,028,144)</strong>
<strong>Financing activities</strong>		
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)
<strong>Net cash used in financing activities</strong>	<strong>(652,036)</strong>	<strong>(1,007,721)</strong>
<strong>Net (decrease)/increase in cash and cash equivalents</strong>	<strong>(104,154)</strong>	<strong>199,183</strong>
<strong>Movement in cash and cash equivalents</strong>		
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
<strong>At end of year</strong>	<strong>695,867</strong>	<strong>792,524</strong>

COMPANY STATEMENT OF CASH FLOWS

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

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

COMMENTARY

In 2024, TPS Eastern Africa PLC (TPSEAP/the Group/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 our 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.

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.

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 mainly to accounting for leases under IFRS 16 and non-controlling (minority) interests.

Our operational model remains centered on agility and proactive initiatives to safeguard performance. Key priorities include: strengthening 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.

Since its inception over five decades ago, the Group has been at the forefront of responsible hospitality. Our properties actively integrate Environmental, Social, and Governance (ESG) practices into their daily operations. The Group is committed to achieving net-zero carbon emissions in its own operations by 2030, addressing challenges related to climate change by conserving water and energy and participating in reforestation efforts. Serena Hotels respects local traditions, culture, and heritage, supports education including internships, and contributes to public health initiatives in communities around our operations.

Furthermore, as a commitment to East Africa's economic and social development, in 2024, the Group contributed 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.

The Board and Management extend their sincere 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, associates, and other stakeholders. Serena Hotels remains committed to delivering exceptional value and fostering sustainable prosperity throughout the region.

DIVIDEND

The Directors are pleased to recommend for approval, at the forthcoming Annual General Meeting, payment of a first and final dividend for 2024 of KShs 0.35 per share (2023: Nil), 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.

ANNUAL GENERAL MEETING

The Annual General Meeting of TPSEAP will be held on Thursday, 26 June 2025, at 11.00 a.m. via electronic communication.

By Order of the Board

Dominic Ng'ang'a  
Company Secretary

13 May 2025  
Nairobi

The above results are an extract from the Group's audited financial statements for the year ended 31 December 2024.