



# The Standard Group PLC

## Audited Group Results for the year ended 31 December 2023

The Board of Directors of The Standard Group PLC is pleased to announce the audited results for the year ended 31 December 2023.

### Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2023

	31-Dec-23 Kes'000	31 Dec 2022 Kes'000
Revenue	2,381,425	2,743,265
Total operating costs	(3,006,731)	(3,551,053)
Other income	(8,489)	(215,676)
Finance costs (net)	(88,743)	(164,362)
<b>Loss before income tax</b>	<b>(722,538)</b>	<b>(1,187,826)</b>
Income tax (expense)/credit	(538,902)	158,259
<b>Total comprehensive loss</b>	<b>(1,261,440)</b>	<b>(1,029,567)</b>
<b>Attributable to:</b>		
Non-controlling interests	(95,039)	(44,184)
Owners of the parent	(1,166,401)	(821,021)
	<b>(1,261,440)</b>	<b>(865,205)</b>
<b>Earnings per share Basic and Diluted</b>	<b>(14.27)</b>	<b>(10.05)</b>
<b>Dividend per Share - Kes</b>	<b>-</b>	<b>-</b>

### Consolidated Statement of Financial Position as at 31 December 2023

	31-Dec-23 Kes'000	31-Dec-22 Kes'000
<b>ASSETS</b>		
Non Current Assets	2,061,878	2,799,493
Current Assets	2,035,277	1,624,406
<b>Total Assets</b>	<b>4,097,155</b>	<b>4,423,899</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Share Capital	408,654	408,654
Share Premium	39,380	39,380
Equity accounted investee	(42,250)	(42,250)
Revenue Reserve	(1,578,590)	(412,189)
Capital Redemption Reserve	102	102
	<b>(1,172,704)</b>	<b>(6,303)</b>
Minority Interest	50,232	145,271
<b>Total Shareholders Equity</b>	<b>(1,122,472)</b>	<b>138,968</b>
Non Current Liabilities	1,047,336	358,486
Current Liabilities	4,172,291	3,926,445
<b>Total Equity and Liabilities</b>	<b>4,097,155</b>	<b>4,423,899</b>

### Condensed Consolidated Statement of Cashflows for the year ended 31 December 2023

	31-Dec-23 Kes'000	31-Dec-22 Kes'000
<b>Cashflow from operating activities</b>		
Cash generated from operations	491,435	734,434
Interest Paid	(88,744)	(215,676)
Tax paid	-	(5,898)
<b>Net cash generated from operating activities</b>	<b>402,691</b>	<b>512,860</b>
Cashflows: Investing activities	7,044	(75,798)
Cashflows: Financing activities	(230,509)	(461,369)
Net decrease in cash and cash equivalents	179,226	(24,307)
Cash and cash equivalents at start of the year	(214,134)	(189,827)
<b>Cash and cash equivalents at end of the year</b>	<b>(34,908)</b>	<b>(214,134)</b>

### Consolidated Statement of Changes in Equity for the year ended 31 December 2023

	Share Capital Kes'000	Share Premium Kes'000	Capital Redemption Reserve Kes'000	Investment in (42,250)	Revenue reserve Kes'000 (865,205)	Shareholders equity Group Kes'000 (865,205)	Minority Interest Kes'000 (44,184)	Shareholders equity Total Kes'000 (909,389)
<b>As at 1 January 2022</b>	<b>408,654</b>	<b>39,380</b>	<b>102</b>	<b>(42,250)</b>	<b>453,016</b>	<b>858,902</b>	<b>189,455</b>	<b>1,048,357</b>
Loss for the year	-	-	-	-	-	-	-	-
Final Dividends for 2013 declared and paid	-	-	-	-	-	-	-	-
Issue of Ordinary Shares under ESOP	-	-	-	-	-	-	-	-
Issue of bonus Shares	-	-	-	-	-	-	-	-
Release of share based payments reserve	-	-	-	-	-	-	-	-
Recognition of Share Based payments	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-
<b>At 30 December 2022</b>	<b>408,654</b>	<b>39,380</b>	<b>102</b>	<b>(42,250)</b>	<b>(412,189)</b>	<b>(6,303)</b>	<b>145,271</b>	<b>138,968</b>
As at 1 January 2023	408,654	39,380	102	(42,250)	(412,189)	(6,303)	145,271	138,968
Loss for the year	-	-	-	-	(1,166,401)	(1,166,401)	(95,039)	(1,261,440)
Dividend payable	-	-	-	-	-	-	-	-
<b>At 30 December 2023</b>	<b>408,654</b>	<b>39,380</b>	<b>102</b>	<b>(42,250)</b>	<b>(1,578,590)</b>	<b>(1,172,704)</b>	<b>50,232</b>	<b>(1,122,472)</b>

## GROUP RESULTS

The Kenyan economy in 2023 faced significant headwinds. The Gross Domestic Product (GDP) growth was constrained by multiple factors, including heightened inflation, rising interest rates and volatile forex trading conditions, with the Kenyan Shilling depreciating by about 21% against the US Dollar. Inflation rates soared, primarily driven by increased costs of essential goods and services, impacting the purchasing power of our consumers and increasing the operational costs for businesses. The business has employed various initiatives to mitigate the negative impacts to the business.

The Group experienced a 13% decline in revenue from the prior year characterized by reduced business from advertising clients. The tough economic environment saw a saw many companies cut down on their marketing spends. Additionally, there was a reduction in advertising by Government institutions and this also negatively impacted the Group's revenues. Group direct costs were higher than 2022 largely due to a significant increase in newsprint prices, fuel and electricity costs, as a result of forex fluctuations. Group overhead costs were 25% lower than 2022 due to staff cost reduction and other cost rationalization measures.

The Group incurred a loss before tax of KES 722.5 Million compared to a loss before tax of KES 1.029 Billion in 2022. This was driven by the factors mentioned above that directly affected our revenues and costs.

However, a decision was made to derecognize deferred tax assets of KES 538.9 Million resulting in an increase in the loss after tax to KES 1.261 Billion from KES 865 Million recorded in the prior year.

### Outlook

The company is in the process of rolling out a new digital focused strategy aimed at transforming our media business for the digital age. This will see the creation of new markets and enhanced value propositions for our audiences and clients. We are also undertaking various rigorous initiatives to further increase operational efficiencies and optimise costs. We foresee a positive outlook as we continue to focus on the exploration of sustainable media operations by being resilient, diversifying our portfolio of products and innovating new ways to strengthen the business.

We remain committed to delivering excellence in news and entertainment content and to a positive and dedicated service to our audiences and advertising clients. With the new strategic plan and a digital first orientation, we are optimistic the business will be well-positioned to tap new market opportunities and deliver enhanced value for our stakeholders in the new year.

### BY ORDER OF THE BOARD

Victoria Cherotich  
Company Secretary  
29<sup>th</sup> June, 2024