



EXPRESS KENYA PUBLIC LIMITED COMPANY

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	2023 Shs '000	2022 Shs '000
Revenue from contracts with customers	27,494	30,876
Direct costs	(91,105)	(77,150)
Gross [loss]	(63,610)	(46,275)
Other operating income	-	1,171
Impairment (loss)/reversal	(56)	133
Administrative expenses	(15,871)	(12,664)
Other operating expenses	(12,833)	(10,363)
Operating [loss]	(92,370)	(67,997)
Finance costs	(39,818)	(34,366)
(Loss) before tax	(132,187)	(102,363)
Tax credit	28,762	21,234
(Loss) for the year	(103,425)	(81,129)
Basic and diluted (loss) per share	(2.17)	(1.70)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December 2023 Shs '000	As at 31 December 2022 Shs '000
CAPITAL EMPLOYED		
Share capital	238,557	238,557
Share premium	28,963	28,963
Revaluation reserve	816,338	877,392
Accumulated losses	(563,973)	(521,601)
Shareholders' funds	519,886	623,312
Non-current liabilities		
Borrowings	349,959	291,733
Lease liabilities	51,474	-
Deferred tax	408,779	437,541
	810,212	729,274
	1,330,098	1,352,586
REPRESENTED BY		
Non-current assets		
Property, plant and equipment	298,790	316,422
Right-of-use assets	997,948	1,019,736
	1,296,738	1,336,157

Current assets

Inventories	28,752	28,752
Trade and other receivables	11,348	5,337
Cash and cash equivalents	1,216	732
Tax recoverable	31,379	31,301
	72,695	66,122

Current liabilities

Borrowings	-	10,620
Lease liabilities	474	5,366
Trade and other payables	38,861	33,707
	39,335	49,693
	33,360	16,429
	1,330,098	1,352,586

Net current assets

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital Shs '000	Share premium Shs '000	Re- valuation reserve Shs '000	Accumu- lated losses Shs '000	Total Shs '000
Year ended 31 December 2023					
At start of year	238,557	28,963	877,392	(521,601)	623,312
(Loss) for the year	-	-	-	(103,426)	(103,426)
Transfer of excess depreciation	-	-	(87,219)	87,219	-
Deferred tax on excess depreciation transfer	-	-	26,166	(26,166)	-
At end of year	238,557	28,963	816,338	(563,973)	519,886

ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS

	2023 Shs '000	31 December 2022 Shs '000
At start of year	(4,331)	(4,754)
Net cash (used in)/from operating activities	(3,313)	4,031
Net cash (used in) investing activities	(4,000)	(53)
Net cash from/(used in) financing activities	13,269	(3,525)
Effect of exchange rate changes	(409)	(29)
At end of year	1,216	(4,331)

The above are extracts from the audited financial statements of the group for the year ended 31 December 2023. For the year to 31 December 2023, the directors do not recommend the declaration of a dividend.

Performance

The company's performance for the year ended 31 December 2023 was slightly unstable with the revenue generated for the year declining by 11% to Kshs. 27.49 million as compared to the year 2022. This decrease is attributed to reduction in the warehouse business clientele, attributable to company restructuring its principal business activities, to venture into building a Strip Mall, thus resulting into the client evicting most of the clients with minimal space and located around the required location, with the aim of creating space for the construction to kick off.

Direct costs on the other hand increased by Kshs. 13.95 Million compared to the year 2022. This resulted in a loss for the year of Kshs. 103.43 million compared to Kshs. 81.13 million in 2022.

Future Outlook

The Board and Management have continued to focus on enhancing the company's financial performance through improving operational efficiency, growing income, reducing losses and managing costs. The principal shareholder has also continuously provided financial support to the group throughout the years.

By order of the board


Chief Executive Officer