

UNAUDITED GROUP RESULTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

The Directors of BOC KENYA PLC are pleased to announce the unaudited Group results for the six-month period ended 30 June 2024

Summarised consolidated income statement		
For the six-month period ended 30 June 2024		
	2024	2023
	KES '000	KES '000
Revenue	523,486	589,987
Cost of sales	(292,380)	(324,750)
Gross Profit	231,106	265,237
Overheads	(165,724)	(194,204)
Earnings before finance income and taxes	65,382	71,033
Net finance income	19,668	602
Profit before tax	85,050	71,635
Income tax expense	(23,262)	(21,275)
Profit for the year	61,788	50,360
Basic/Diluted earnings per share	3.16	2.58
Dividend for the period		
Interim declared	2.50	Nil

Summarised consolidated statement of financial position		
30 June 2024		
	30 Jun 2024	31 Dec 2023
	KES '000	KES '000
ASSETS		
Non-current assets	767,658	766,474
Current assets	1,291,421	1,391,341
Total assets	2,059,079	2,157,815
EQUITY AND LIABILITIES		
Share capital	97,627	97,627
Retained earnings	1,600,928	1,571,812
Capital and other reserves	201,173	138,057
Total equity	1,899,728	1,807,496
Non-current liabilities	7,624	7,624
Current liabilities	151,727	342,695
Total liabilities	159,351	350,319
Total equity and liabilities	2,059,079	2,157,815

Summarised consolidated statement of cash flows		
For the six-month period ended 30 June 2024		
	2024	2023
	KES'000	KES'000
Cash generated from operations	14,838	(82,680)
Tax paid	(88,537)	(31,770)
Net cash from operating activities	(73,699)	(114,450)
Cash used in investing activities	(10,321)	(10,326)
Net interest received	19,668	-
Decrease in cash and cash equivalents	(64,352)	(124,776)
At beginning of the period	633,449	277,118
Net increase/(decrease)	(64,352)	(124,776)
Effect of exchange rates	-	50
At the end of the period	569,097	152,392

Summarised consolidated statement of changes in equity		
For the six-month period ended 30 June 2024		
	2024	2023
	KES'000	KES'000
At 1 January	1,807,497	1,661,628
Net profit for the year	61,788	50,360
Change in available for sale financial assets	30,443	31,631
Currency translation	-	(126)
Dividends	-	-
At 30 June	1,899,728	1,743,493

Overview:

Revenue is down by 11% due to donor funded projects not repeated in the current year. These related to supply of medical gases and the installation of medical gas pipelines and liquid oxygen tanks.

Meanwhile a pricing benefit is being realized in 2024 as various year 2023 tenders come to an end, allowing the Company to adjust pricing on account of a 60% increase in the electricity tariff in April 2023. Distribution, Selling and administration expenses have reduced in the current period, in line with deliberate management interventions to reduce costs.

Arising from the above, Profit after Tax has increased by 23% compared to the same period last year.

The same accounting policies and methods of computation have been followed in these interim financial statements as compared with the most recent annual audited financial statements.

Outlook:

The infrastructure projects implemented by the Company in the prior year are now leading to a gradual increase in demand and access to medical gases. Meanwhile, the company expects improved profitability in the second half of the year due to new infrastructure projects that are likely to be completed before year-end, price corrections on expiring tenders that the Company is able to win back and a 5% gazetted reduction in the electricity tariff.

Dividend:

The Board of directors has declared an interim dividend of Kshs 2.50 per share for the six-month period ended 30 June 2024 (compared to 2023 when no interim dividend was paid), to be paid out on or about 14 October 2024 to shareholders on the register at close of business on 20 September 2024.

BY ORDER OF THE BOARD

**RUTH NGOBI
COMPANY SECRETARY
BOC KENYA PLC**

21 August 2024