

ABRIDGED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2017

The Board of Directors of Sameer Africa PLC is pleased to announce the audited financial results of the Group and the Company for the year ended 31st December 2017.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 KShs '000'	2016 KShs '000'
Revenue	2,626,975	2,882,230
Cost of sales	(1,846,234)	(2,297,890)
Gross profit	780,741	584,340
Other operating income	95,030	21,679
Operating expenses	(780,685)	(1,427,027)
Operating profit/(loss)	95,086	(821,008)
Net finance costs	(79,690)	(35,684)
Share of profit/(loss) of equity accounted investees (net of income tax)	11,768	(8,364)
Profit/(loss) before income tax	27,164	(865,056)
Income tax (expense)/credit	(14,135)	212,955
Profit/(loss) for the year	13,029	(652,101)
Other comprehensive income (net of tax)		
Actuarial gains on re-measurement of defined benefit liability net of related tax	-	1,671
Foreign currency translation differences for foreign operations	(10,369)	(6,823)
Total other comprehensive income for the year	(10,369)	(5,152)
Total comprehensive income for the year	2,660	(657,253)
Earnings per share:		
Basic and diluted (KShs)	0.05	(2.34)

CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	GROUP		COMPANY	
	2017 KShs '000'	2016 KShs '000'	2017 KShs '000'	2016 KShs '000'
ASSETS				
Non-current assets				
Property, plant and equipment	552,139	281,947	343,690	101,229
Intangible assets	5,818	16,152	5,818	16,051
Investment properties	175,360	178,496	96,529	98,194
Prepaid operating lease rentals	349	353	349	353
Investment in subsidiaries	-	-	533,625	158,414
Equity accounted investees	133,448	114,331	137,026	137,026
Deferred income tax	404,264	409,306	319,394	342,546
Total non-current assets	1,271,378	1,000,585	1,436,431	853,813
Current assets				
Inventories	730,580	1,401,321	409,331	957,534
Trade and other receivables	800,475	716,462	792,505	1,064,102
Current income tax	48,330	40,117	17,411	13,700
Cash and cash equivalents	119,105	132,382	75,789	15,654
Total current assets	1,698,490	2,290,282	1,295,036	2,050,990
TOTAL ASSETS	2,969,868	3,290,867	2,731,467	2,904,803
EQUITY				
Share capital	1,391,712	1,391,712	1,391,712	1,391,712
Retained earnings	611,051	598,022	213,415	133,052
Translation reserve	(164,909)	(154,540)	-	-
Total equity	1,837,854	1,835,194	1,605,127	1,524,764
LIABILITIES				
Non-current liabilities				
Borrowings	31,026	3,304	31,026	3,304
Deferred income tax	4,134	3,277	-	-
Total non-current liabilities	35,160	6,581	31,026	3,304
Current liabilities				
Trade and other payables	535,014	623,477	533,474	551,120
Borrowings	561,840	825,615	561,840	825,615
Total current liabilities	1,096,854	1,449,092	1,095,314	1,376,735
Total liabilities	1,132,014	1,455,673	1,126,340	1,380,039
TOTAL EQUITY AND LIABILITIES	2,969,868	3,290,867	2,731,467	2,904,803

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Share Capital KShs '000'	Retained Earnings KShs '000'	Translation Reserve KShs '000'	Total KShs '000'
2017				
At start of year	1,391,712	598,022	(154,540)	1,835,194
Comprehensive income for the year				
Profit for the year	-	13,029	-	13,029
Other comprehensive income	-	-	(10,369)	(10,369)
Total comprehensive income	-	13,029	(10,369)	2,660
At end of year	1,391,712	611,051	(164,909)	1,837,854
2016				
At start of year	1,391,712	1,248,452	(147,717)	2,492,447
Comprehensive income for the year				
Loss for the year	-	(652,101)	-	(652,101)
Other comprehensive income	-	1,671	(6,823)	(5,152)
Total comprehensive income	-	(650,430)	(6,823)	(657,253)
At end of year	1,391,712	598,022	(154,540)	1,835,194

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 KShs '000'	2016 KShs '000'
Cash generated/(used in) from operating activities:	626,178	(495,266)
Interest paid	(49,058)	(42,549)
Income tax paid	(16,449)	(54,560)
Net cash generated/(used in) from operating activities	560,671	(592,375)
Investing activities:		
Interest received	745	29,929
Purchase of property, plant and equipment	(336,099)	(92,439)
Purchase of intangible assets	(450)	(2,676)
Additions to investment property	(1,621)	-
Proceeds from disposal of property, plant and equipment	5,108	-
Net cash used in investing activities	(332,317)	(65,186)
Financing activities:		
Proceeds from long-term borrowings	31,026	3,304
Repayment of borrowings	(3,304)	-
Net cash absorbed by financing activities	27,722	3,304
Increase/(Decrease) in cash and cash equivalents	256,076	(654,257)
Movement in cash and cash equivalents:		
At start of year	(693,233)	(36,709)
Increase/(Decrease) in cash and cash equivalents	256,076	(654,257)
Effects of exchange movements on cash held	(5,578)	(2,267)
At end of year	(442,735)	(693,233)

PROPOSED DIVIDENDS

The directors do not recommend the payment of a dividend (2016 – Kshs Nil per share).

MESSAGE FROM THE DIRECTORS

The abridged Consolidated and Company Statements of Financial Position, Consolidated Statements of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flows are extracts from the Group and Company financial statements which have been audited by KPMG Kenya, Certified Public Accountants, and received an unqualified opinion. The full set of the audited Group and Company financial statements together with the Integrated Annual Report, are available for inspection on our website www.sameerafrica.com or at our registered office off Mombasa Road, Nairobi.

The financial statements were approved at a meeting of the Directors held on 28 March, 2018 and were signed on its behalf by:

ENG. E.K. MWONGERA – FIEK, RCE, CBS
Chairman

MR. A. WALMSLEY
Managing Director



NOTICE AND AGENDA OF THE 49TH ANNUAL GENERAL MEETING

Notice is hereby given that the 49th annual general meeting of the company will be held at Sameer Industrial Park situated along Road C, off Enterprise Road, Nairobi on Friday 22nd June 2018, commencing at 11.30 am to conduct the following business:

AGENDA

1. Constitution of the Meeting

The secretary to read the notice convening the meeting, table the proxies and determine if a quorum is present.

2. Confirmation of Minutes

To confirm the minutes of the 48th annual general meeting held on Friday 9th June 2017.

3. Financial Statements and Reports

To receive, consider and if deemed fit, adopt the financial statements for the year ended 31 December 2017, together with the reports thereon of the directors and the auditors.

4. Election of Directors

4.1 Re-election on account of rotation:

- In accordance with Article 1.123 of the company's articles of association, Mr. Akif Hamid Butt retires by rotation and being eligible, offers himself for re-election.
- In accordance with Article 1.123 of the company's articles of association, Eng. Erastus Kabutu Mwangera retires by rotation and being eligible, offers himself for re-election.

5. Confirmation of Members of the Audit, Risk and Corporate Governance Committee of the Board

To approve the following:

In accordance with section 769(1) of the Companies Act 2015, the following being members of the audit, risk and corporate governance committee of the board, be confirmed to continue to serve on the said committee:

- Dr. Winnie Iminza Nyamute
- Dr. Lydia Muthoni Mbutia
- Ms. Mary Wacuka Ngatia
- Mr. Sameer Naushad Merali

6. Directors Remuneration Policy and Emoluments

To approve the directors remuneration and the directors remuneration report for the year ended 31st December 2017 and authorize the board to fix the directors remuneration.

7. Appointment of Auditors

To re-appoint KPMG Kenya to continue in office as the company's auditors who being eligible, have expressed their willingness to continue to serve as auditors of the company in accordance with the provisions of section 721(2) of the Companies Act 2015 and to authorize the directors to fix their remuneration for the ensuing financial year.

8. Special Business

To consider and if thought fit to pass the following resolutions as special resolutions:

(a) Changes to the Company's Articles of Association

- That the articles of association of the company be amended in accordance with the draft articles of association available on the company's website at www.sameerafrica.com, the changes being principally to align the articles of association of the company with the Companies (Amendment) Act 2017
- That the company's board of directors be and is hereby mandated to take all such actions that may be necessary to give effect to this resolution.

9. Any Other business

To transact any other business that may be transacted at an annual general meeting.

By Order of the Board

Edgar Imbamba
Company Secretary
10th May 2018, Nairobi

Please Note:

- A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote on his/her behalf and such proxy need not be a member of the company.
- To be valid, a form of proxy must be duly completed and signed by a member and must either be lodged at the offices of the company's share registrars, Custody and Registrars Services Limited, 6th Floor, Bruce House, Standard Street, Nairobi, to reach their offices not less than 48 hours before the meeting or be posted to the company secretary through P.O. Box 30429-00100, Nairobi to reach him not less than 48 hours before the time appointed for holding the meeting.
- A copy of this notice, the proxy form, the Integrated Annual Report and the proposed new articles of association can be viewed on the company's website at www.sameerafrica.com.

