

**UNAUDITED GROUP RESULTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

The Directors of BOC Kenya Plc are pleased to announce the unaudited Group results for the six-month period ended 30 June 2022

<b>Summarised consolidated income statement</b>		
<b>For the six-month period ended 30 June 2022</b>		
	<b>2022</b>	<b>2021</b>
	<b>KShs '000</b>	<b>KShs '000</b>
Revenue	504,185	696,179
<b>Earnings before finance income and taxes</b>	<b>52,615</b>	<b>54,546</b>
Net finance income	7,252	11,081
<b>Profit before tax</b>	<b>59,867</b>	<b>65,627</b>
Income tax expense	(20,797)	(27,351)
<b>Profit for the year</b>	<b>39,070</b>	<b>38,276</b>
<b>Basic earnings per share</b>	<b>2.00</b>	<b>1.96</b>

<b>Dividend for the period</b>		
Interim declared	1.60	1.50

<b>Summarised consolidated statement of cash flows</b>		
<b>For the six-month period ended 30 June 2022</b>		
	<b>2022</b>	<b>2021</b>
	<b>Kshs'000</b>	<b>Kshs'000</b>
<b>Cash generated from operations</b>	<b>(55,498)</b>	<b>98,117</b>
Tax paid	(40,650)	(19,241)
<b>Net cash from operating activities</b>	<b>(96,148)</b>	<b>78,876</b>
Cash received/(used) in investing activities	(34,036)	208,580
Net interest received	7,252	10,081
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>(122,932)</b>	<b>297,537</b>
At beginning of the period	585,794	315,498
Net increase/(decrease)	(122,932)	297,537
Effect of exchange rates	173	272
<b>At the end of the period</b>	<b>463,035</b>	<b>613,307</b>

<b>Summarised consolidated statement of financial position</b>		
<b>As at 30 June 2022</b>		
	<b>2022</b>	<b>2021</b>
	<b>KShs '000</b>	<b>KShs '000</b>
<b>ASSETS</b>		
Non-current assets	842,566	901,154
Current assets	1,251,621	1,253,358
<b>Total assets</b>	<b>2,094,187</b>	<b>2,154,512</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	97,627	97,627
Retained earnings	1,415,657	1,420,580
Capital and other reserves	112,337	127,430
<b>Total equity</b>	<b>1,625,621</b>	<b>1,645,637</b>
Non-current liabilities	7,726	8,820
Current liabilities	460,840	500,055
<b>Total liabilities</b>	<b>468,566</b>	<b>508,875</b>
<b>Total equity and liabilities</b>	<b>2,094,187</b>	<b>2,154,512</b>

<b>Summarised consolidated statement of changes in equity</b>		
<b>For the six-month period ended 30 June 2022</b>		
	<b>2022</b>	<b>2021</b>
	<b>Kshs'000</b>	<b>Kshs'000</b>
<b>At 1 January</b>	<b>1,588,812</b>	<b>1,607,568</b>
Net profit for the year	39,070	38,276
Change in available for sale financial assets	-	(1,485)
Currency translation	(2,261)	1,278
Dividends	-	-
<b>At 30 June</b>	<b>1,625,621</b>	<b>1,645,637</b>

**Overview:**

Revenue, for the six-month period ended 30 June 2022 was lower than that for the same period in 2021 due to a reduction in Covid-19 related demand for medical oxygen as hospitalizations arising from the infection decreased. Revenue from industrial gases increased due to a recovery in demand as local economic conditions improved. Also, with the normalisation of demand for medical oxygen, the Company's production facilities were once again able to fully meet demand for oxygen used in industrial applications as well as nitrogen.

Though an overall revenue reduction was recorded, Profit after Tax increased slightly compared to the same period in the prior year as the Company no longer needed to supplement locally produced oxygen with costly imports. The Company is also happy to note that the overall cost of power has decreased in 2022 and is hopeful that the lower prices will continue to hold. However other costs have been impacted by rising global inflation. Especially notable is the cost of calcium carbide (which is used to manufacture acetylene gas), fuel prices and the depreciation of the shilling against the dollar.

Cash and cash equivalents remain at a high of KShs. 463 Million as of 30 June 2022. Cash generated from operations during the period was negative due to a greater demand on working capital. The Company is currently implementing tenders for the supply of medical oxygen tanks and construction of medical gases pipelines whose revenues/cash collections are expected to be in the second half of the year.

The financial statements have been prepared based on the same accounting policies as the previous audited accounts.

**Outlook:**

Though rising costs remain a concern, the Company is cautiously optimistic that the financial results of the first half of 2022 will be maintained in the second half.

**Dividend:**

The Board of directors has declared an interim dividend of Kshs 1.60 per share for the six-month period ended 30 June 2022 (Kshs 1.50 - 2021), to be paid out on or about 22 October 2022 to shareholders on the register at close of business on 30 September 2022.

**BY ORDER OF THE BOARD**

**RUTH NGOBI  
COMPANY SECRETARY  
BOC KENYA PLC**

**26 August 2022**