

## Real People Kenya Limited

Unaudited financial reports for the 6 month period ended 30 June 2023

### Statement of financial position for the 6 month period ending 30 June 2023

| Figures in Kenyan Shilling thousand     | June 2022      | June 2023      |
|---|----------------|----------------|
| <b>Assets</b>                           |                |                |
| Equipment                               | 3,535          | 2,283          |
| Right-of-use assets                     | 26,774         | 14,413         |
| Intangible assets                       | -              | -              |
| Loans receivable                        | 287,150        | 235,114        |
| Trade and other receivables             | 21,274         | 24,226         |
| Current tax receivable                  | 215,528        | 215,528        |
| Cash and cash equivalents               | 11,429         | 6,770          |
| <b>Total Assets</b>                     | <b>565,690</b> | <b>498,334</b> |
| <b>Equity and Liabilities</b>           |                |                |
| <b>Equity</b>                           |                |                |
| Share capital                           | 750,000        | 750,000        |
| Accumulated (loss)/surplus              | (620,332)      | (712,240)      |
| <b>Total Equity</b>                     | <b>129,668</b> | <b>37,760</b>  |
| <b>Liabilities</b>                      |                |                |
| Lease liabilities - right-of-use assets | 26,949         | 18,561         |
| Trade and other payables                | 7,388          | 5,785          |
| Medium term notes                       | 401,686        | 436,228        |
| <b>Total Liabilities</b>                | <b>436,022</b> | <b>460,574</b> |
| <b>Total Equity and Liabilities</b>     | <b>565,690</b> | <b>498,334</b> |

### Statement of comprehensive income

| Figures in Kenyan Shilling thousand      | June 2022       | June 2023       |
|--|-----------------|-----------------|
| Revenue                                  | 53,070          | 44,901          |
| Other operating income                   | 585             | 619             |
| Impairments of loans and advances        | 13,314          | 12,929          |
| Other operating expenses                 | (87,898)        | (76,418)        |
|  | <b>(20,930)</b> | <b>(17,969)</b> |
| Finance costs                            | (10,756)        | (18,409)        |
| Other non-operating gains (losses)       | -               | -               |
| <b>Loss before taxation</b>              | <b>(31,686)</b> | <b>(36,378)</b> |
| Tax (charge)/credit                      | -               | -               |
| <b>Loss for the period</b>               | <b>(31,686)</b> | <b>(36,378)</b> |
| <b>Comprehensive loss for the period</b> | <b>(31,686)</b> | <b>(36,378)</b> |

### Statement of changes in equity

| Figures in Kenyan Shilling thousand       | Share capital  | (Deficit) / surplus | Total equity   |
|---|----------------|---------------------|----------------|
| <b>Balance at 01 January 2022</b>         | <b>750,000</b> | <b>(590,531)</b>    | <b>159,469</b> |
| Comprehensive income for the year         | -              | (31,686)            | (31,686)       |
| <b>Balance at 31 December 2022</b>        | <b>750,000</b> | <b>(622,217)</b>    | <b>127,783</b> |
| Comprehensive loss for the 6 month period | -              | (36,378)            | (36,378)       |
| <b>Balance at 30 June 2023</b>            | <b>750,000</b> | <b>(658,594)</b>    | <b>91,406</b>  |

### Statement of cash flows

| Figures in Kenyan Shilling thousand                      | June 2022       | June 2023       |
|--|-----------------|-----------------|
| <b>Net cash flows from/(used in) operations</b>          | <b>(5,775)</b>  | <b>18,557</b>   |
| <b>Net cash flows used in investing</b>                  | <b>(71)</b>     | <b>(148)</b>    |
| <b>Net cash flows (used in)/from financing</b>           | <b>(10,756)</b> | <b>(18,409)</b> |
| <b>Total cash movement for the period</b>                | <b>(16,602)</b> | <b>-</b>        |
| Cash and cash equivalents at the beginning of the period | 28,031          | 6,770           |
| <b>Total cash at the end of the period</b>               | <b>11,429</b>   | <b>6,770</b>    |

**Review of unaudited financial results**

Due to capital constraints, lending during the period was minimal, and the debtors book decreased by Ksh52 million. However, due to diligent collection efforts as well as strict cost control, the loss for the period only increased by Ksh 4.7 million. The operating expenses dropped by a further 15% as a result of cost management.

The transaction agreement between the current shareholder, Real People Holdings International, and the new investor has been fully executed and the company is awaiting the transfer of funds. The capital is expected in two tranches of USD 3 million each.

**Loan impairment provisions**

The company has continued adjusting carrying values for various loan asset classes where necessary during the 2023 financial year, applying its normal strict criteria.

**Medium Term Note Program**

At a meeting of the note holders held on 14 July 2023, of the KES 267,100,000 3 year and KES 1,036,000,000 5-year Senior Unsecured Notes due 2019 and 2020 respectively, the noteholders, by means of extraordinary resolutions resolved that:

- (i) The interest accrued and payable on the Restructured Notes for the period commencing 1 March 2022 and ending on 28th February 2023 be deferred for payment to the 30th of September 2023.
- (ii) The capital payable on the Restructured Notes for the period commencing 1 March 2022 and ending on 28th February 2023 be deferred for payment to the 30th of September 2023.

**Directors and company secretary**

Current directors are: TM Karanja (Chairman), YM Godo, RL Shibusse, FO Menya. The company secretary is CK Kigera.

[The summary financial statements are available on the company's website, www.RealPeople.co.ke](http://www.RealPeople.co.ke)

**Real People Kenya Limited, Lavington Court Apartments, Apartment A6, Muthangari Drive off Waiyaki Way, PO Box 27153-00100, Nairobi**

**By order of the board of directors**

**Thursday, 31 August 2023**