

**AUDITED GROUP RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021**

The Directors of BOC Kenya Plc announce the audited Group results for the year ended 31 December 2021

Summarised consolidated statement of profit or loss For the year ended 31 December 2021			Summarised consolidated statement of financial position At 31 December 2021		
	2021 KShs '000	2020 KShs '000		2021 KShs '000	2020 KShs '000
Revenue	1,381,768	1,098,104	<b>ASSETS</b>		
<b>Earnings before finance income and taxes</b>	<b>128,144</b>	<b>120,388</b>	Non-current assets	841,649	897,959
Net finance income	40,849	35,883	Current assets	1,155,459	1,191,299
<b>Profit before income tax</b>	<b>168,993</b>	<b>156,271</b>	<b>Total assets</b>	<b>1,997,108</b>	<b>2,089,258</b>
Income tax expense	(60,644)	(54,615)	<b>EQUITY AND LIABILITIES</b>		
<b>Profit for the year</b>	<b>108,349</b>	<b>101,656</b>	Share capital	97,627	97,627
<b>Basic earnings per share</b>	<b>KShs. 5.55</b>	<b>KShs. 5.21</b>	Retained earnings	1,400,515	1,402,485
			Other reserves	90,670	107,456
			<b>Total equity</b>	<b>1,588,812</b>	<b>1,607,568</b>
<b>Dividend per share:</b>			Non-current liabilities	7,726	7,768
Interim paid	KShs. 1.50	Nil	Current liabilities	400,570	473,922
Final proposed	KShs. 2.90	KShs. 4.15	<b>Total liabilities</b>	<b>408,296</b>	<b>481,690</b>
<b>Total dividend</b>	<b>KShs 4.40</b>	<b>KShs 4.15</b>	<b>Total equity and liabilities</b>	<b>1,997,108</b>	<b>2,089,258</b>
Summarised consolidated statement of cash flows For the year ended 31 December 2021			Summarised consolidated statement of changes in equity For the year ended 31 December 2021		
	2021 Kshs'000	2020 Kshs'000		2021 Kshs'000	2020 Kshs'000
<b>Cash generated from operations</b>	<b>210,455</b>	<b>76,713</b>	<b>At 1 January</b>	<b>1,607,568</b>	<b>1,439,390</b>
Tax paid	(68,853)	(35,733)	Net profit for the year	108,349	101,656
<b>Net cash flows from operating activities</b>	<b>141,602</b>	<b>40,980</b>	Change in fair value of financial assets at FVOCI	( 16,335)	60,885
Interest & dividends received	44,028	27,572	Currency translation	( 451)	5,637
Cash inflows from other investing activities	198,123	208,633	Dividends	(110,319)	-
<b>Net cash flows from investing activities</b>	<b>242,151</b>	<b>236,205</b>			
Lease liabilities & interest paid	(1,052)	(1,228)	<b>At 31 December</b>	<b>1,588,812</b>	<b>1,607,568</b>
Dividends paid	(110,319)				
<b>Increase in cash and cash equivalents</b>	<b>272,382</b>	<b>275,957</b>			
Cash and cash equivalents at start of the year	315,498	37,980			
Effect of exchange rates	(2,086)	1,561			
<b>Cash and cash equivalents end of the year</b>	<b>585,794</b>	<b>315,498</b>			

**Results:**

The Company consolidated revenues increased by 25.8% on account of increased demand for medical oxygen driven by the Covid-19 pandemic. Revenues of medical gases increased by 33.9% while industrial gases volumes increased 15.1% and welding products and services by 20.9% as the business environment improved following the down-turn occasioned by Covid-19 in 2020. In order to meet the increased emergency demand for medical oxygen by its customers in the health care sector in 2021, the Company supplemented its local production with imported product.

Profit before Tax increased by 8.1% from KShs 156.3 Million to KShs 168.9 Million. Profitability was impacted by the imported medical oxygen as the Company absorbed some of the product cost increases and supply chain costs in order to contain price increases on customers. Also impacting profitability in the year were professional service provider fees in respect of the proposed divestment of shares by the Company's majority shareholder, BOC Holdings (UK).

**Outlook:**

With the general decrease in Covid-19 infection rates and hospitalisations in the Country since September 2021/October 2021, demand for medical oxygen has settled at the pre-pandemic levels. This has relieved the Company of the need to import more costly product. However, with the gradually increasing access to medical oxygen and improvements in oxygen infrastructure in the Country, organic growth in oxygen volumes will continue to be realised in the coming years. In particular, the Company welcomes initiatives by health sector players to increase the number of healthcare-facility owned oxygen cylinders and liquid oxygen tanks. This will increase access of the gas for ailments other than Covid-19.

The industrial gases sector also performed relatively well in the 2021. However, when hospital demand for oxygen was very high, supplies of the gas to customers in the industrial sector (where it is used for welding and cutting metal in the fabrication) were constrained. This supply issue is now resolved and the Company expects that this sector will continue to expand in line with the post-Covid economic recovery.

In 2022 the Company is continuing with its focus on productivity, driven primarily by Continuous Improvement initiatives. This will aid in ensuring that our high product quality standards of many years are maintained, no compromises are made on safety and operations remain efficient to ensure competitiveness.

**Dividend:**

The Board of Directors is pleased to recommend the payment of a final dividend of Kshs 2.90 per share (2020: KShs 4.15) to be paid net of withholding tax on or about 19 July 2022 to shareholders on the register at close of business on 27 May 2022.

**Annual General Meeting**

The Board of Directors also announces that the Annual General Meeting of the Company will be held virtually on Thursday 23 June 2022 at 11.00 a.m.

**BY ORDER OF THE BOARD**

Ruth Ngobi

**Company Secretary**

**BOC Kenya Plc**

25 April 2022

*These results are an extract from the consolidated financial statements of BOC Kenya Plc for the year ended 31 December 2021, as audited by PricewaterhouseCoopers LLP (Kenya), Certified Public Accountants, and on which an unqualified opinion has been issued.*