



If you like it... Crown it!

CROWN PAINTS KENYA PLC AND SUBSIDIARIES AUDITED RESULTS FOR THE YEAR ENDED 31ST DECEMBER 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2021	31 st December 2021 KShs"Million"	31 st December 2020 KShs"Million"
ASSETS		
NON-CURRENT ASSETS	2,136	1,810
CURRENT ASSETS	5,672	3,821
TOTAL ASSETS	7,808	5,631
EQUITY AND LIABILITIES		
EQUITY		
Share capital	712	356
Reserves	2,718	1,554
TOTAL EQUITY	3,430	1,910
NON-CURRENT LIABILITIES		
	339	504
CURRENT LIABILITIES		
	4,039	3,217
TOTAL LIABILITIES	4,378	3,721
TOTAL EQUITY AND LIABILITIES	7,808	5,631
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER 2021		
	31st December 2021 KShs"Million"	31st December 2020 KShs"Million"
REVENUE FROM CONTRACTS WITH CUSTOMERS	10,733	9,192
PROFIT BEFORE TAX	1,124	863
TAX EXPENSE	(393)	(263)
PROFIT FOR THE YEAR	731	600
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Exchange difference on translation of foreign operations	13	3
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Revaluation gain on property, plant and equipment, net of tax	109	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	853	602
Basic and diluted earnings per share (Kes)	6.85	8.42
Weighted average number of shares outstanding	107	71
Number of shares issued	142	71
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2021		
	31st December 2021 KShs"Million"	31st December 2020 KShs"Million"
Cash flows generated from operating activities	889	1,575
Income tax paid	(279)	(352)
Interest received	8	11
Interest paid	(149)	(175)
Net cash generated from operating activities	469	1,059
Net cash used in investing activities	(333)	(168)
Net cash generated from / (used in) financing activities	215	(993)
Net increase / (decrease) in cash and cash equivalents	351	(102)
Cash and cash equivalents at the beginning of the year	303	389
Effect of exchange rate changes on cash & cash equivalents	6	16
Cash and cash equivalents at the end of the year	660	303

Commentary on the results

The Board of Directors is pleased to announce the audited results for the year ended 31st December 2021. The same accounting policies and methods of computation have been used as were in the last financial statements.

Business commentary

Following the outbreak of the COVID-19 pandemic in 2020, the epidemic continued to present significant challenges in 2021 to the health and business sectors. The measures that had been instituted to control its spread remained in place but were relaxed as the year progressed. The strengths of Crown paints brand and our network of stakeholders and their resilience continued to yield better returns and this is hoped to remain into the foreseeable future. The Group's turnover for the year ended 31 December 2021 grew by 17% (KShs 1.5 billion) to KShs 10.7 billion in comparison with year 2020 which had a 7% (KShs 588 million) increase to KShs 9.1 billion against the year 2019. Similarly, the operating profit before tax, for year ended 31 December 2021 rose by 30% (KShs 264 million) to KShs 1.1 billion compared to the year ended 31 December 2020 where a 63% (KShs 335 million) growth to KShs 863 million was attained against the year ended 31 December 2019. The increase in turnover was offset by an increase in cost of sales and the general increase in operating costs due to price inflation.

For the year ahead, after adapting to the lessons learnt from the pandemic, we have redefined innovative approaches of doing business in respect of the focus on the well being of our employees, how to cope with new multifaceted challenges, the use of virtual environment and positioning of information technology to drive our business. In addition to resurgence of the pandemic in some key global strategic markets, the year 2022 is witnessing unfolding economic constraints ranging from volatility in the foreign exchange rates, scarcity of major foreign exchange currencies, inflation, lockdowns affecting supply chains, general shortage of commodities in the market and changes in the geopolitical environment. As a result of these factors, the cost of raw material has risen pushing the cost of living and doing business. Our company shall continue to assess its position to ensure that the core strengths of our brand and our network of stakeholders remain robust to continue delivery of modest return to our shareholders.

Dividend

The Board of Directors recommend the approval of a first and final dividend of KShs 4.00 per share for the year ended 31 December 2021.

By Order of the Board
Conrad Nyukuri,
Company secretary
28th April 2022