

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 Kshs	2021 Kshs
Turnover	366,685,093	150,085,489
Direct Costs	(250,327,570)	(108,335,534)
Gross (Loss)/Profit	116,357,523	41,749,955
Expenses		
Administrative Costs	28,936,205	13,439,003
Other Operating Expenses	70,777,494	42,791,070
Governance Expenses	130,000	347,710
Net Operating Profit/Deficit	16,513,824	(14,827,829)
Other Gains/(Loss)	-	-
Finance Cost	1,218,136	2,579,266
Profit/(Loss) Before Tax		(17,407,095)
Tax Charge	(4,588,706)	-
Profit/(Loss) After Tax	10,706,982	(17,407,095)
Basic & Diluted Earnings Per Share	0.24	(0.28)

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	2022 Kshs	2021 Kshs
ASSETS		
Non-Current Assets	83,960,671	67,677,643
Current Assets	46,996,202	44,873,968
Total Assets	130,956,202	112,551,611
EQUITY & LIABILITIES		
Share Capital	31,600,000	31,600,000
Retained Earnings	(9,292,643)	(19,999,624)
Total Equity	22,307,357	11,600,376
Non-Current Liabilities	7,880,899	16,400,599
Current Liabilities	100,768,617	84,550,637
Total Equity & Liabilities	130,956,874	112,551,611

SUMMARY STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
Operating profit/(loss) before working capital changes	29,286,419	(6,316,647)
Changes in working capital	23,719,987	29,380,215
Net Cash flow from Operating Activities	23,719,987	29,380,215
Net Cash Flow from Investing Activities	(30,876,474)	(12,512,354)
Net Cash Flow from Financing Activities	(2,941,794)	1,766,353
Changes in Cash and Cash Equivalents	(10,098,280)	18,634,215
Cash and Cash Equivalent at the Beginning	20,501,147	1,866,932
Cash and Cash Equivalent as at Year End	10,402,867	20,501,147

SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share Capital	Retained Earnings	Total
As at 1.01.2021	31,600,000	(2,592,530)	29,007,470
Addition/ (Reduction) of Shares	-	-	-
Net Surplus/(Deficit) for the Year	-	(17,407,095)	(17,407,095)
As at 31.12.2021	31,600,000	(19,999,624)	11,600,376
As at 1.01.2022	31,600,000	(19,999,624)	11,600,376
Addition/ (Reduction) of Shares	-	-	-
Net Surplus/(Deficit) for the Year	-	10,706,982	(17,407,095)
As at 31.12.2022	31,600,000	(9,292,643)	22,307,357

PERFORMANCE REVIEW

Homeboyz Entertainment PLC posted a strong recovery in FY22 coming on the back of a tumultuous COVID-19 period. Top-line revenues jumped by a staggering 144% to a record Kes 366 million. In line with the impressive revenue growth, the firm recorded a positive operating profit of Kes 16.5 million from an operating loss of KES 14.8 million in FY21. Notably, the company's bottom-line closed in the green in FY22 at Kes 10.7 million from a loss of Kes 17.4 million in the previous year.

BUSINESS OUTLOOK 2023

The stellar growth witnessed in the company's financial performance in 2022 was largely driven by the recovery of the social scene in the post-pandemic era. This growth is also attributable to the heightened campaign activities leading up to the 2022 general election.

Going forward, the media and entertainment industry will continue to evolve quickly, not only reckoning with ongoing trends and disruptions within the industry, but also in its continued response to pandemic-led behavioral changes.

HBE's management is keen to ride on its current momentum to drive revenue growth through expansion of its current offering as well as diversification of its revenue streams. The launch of HBTv, a fully-terrestrial television network showcasing local and international sporting and entertainment content is expected to widen the company's customer base while delivering an optimal blend of revenues necessary for supporting HBE's growth plans.

We would like to sincerely thank our customers, our staff, business partners and all stakeholders for their support as we continue contributing to national economic growth.

DIVIDENDS

The Directors do not recommend a dividend payment for the year 2022.

MESSAGE FROM THE DIRECTORS

These are extracts from the financial statements of the Company which have been audited by Matengo & Associates and have received an unqualified opinion. A full set of these financial statements will be availed at our registered office at Galana House 7th Floor, Galana Road and online at www.homeboyz.com for inspection after approval by shareholders at the Annual General Meeting.

The financial statements were approved and authorized for issue by the Board of Directors on 27th April 2023 and were signed on its behalf by:

Michael Rabar
Director

Rose Maina
Director