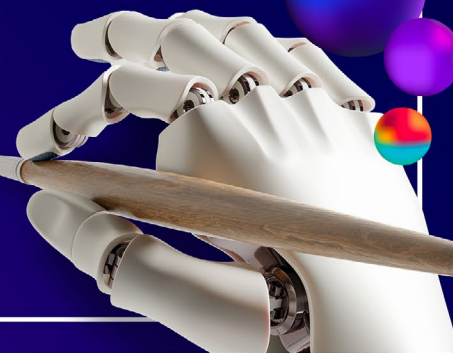


2023 HALF YEAR RESULTS



Our Agencies were recognized at the highest levels in the Industry. Scanad, our creative agency won a Glass Lion in Cannes for its "Stain Not Shame" campaign.



UNAUDITED SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2023

All figures in Ksh'000	H1 2023	H1 2022
Gross profit	1,059,589	1,040,261
Interest income (net of expense)	98,840	100,352
Other income	271	428
Operating and administrative expenses *	(1,453,418)	(1,147,628)
Allowance for expected credit loss	5,839	(49,261)
Foreign exchange gains	182,392	65,469
(Loss) / profit before tax	(106,487)	9,621
Tax charge	(18,039)	(56,690)
Loss for the period	(124,526)	(47,069)
Exchange difference on translating foreign operations	(42,567)	(33,121)
Total comprehensive loss for the period (Loss) / profit attributable to:	(167,093)	(80,190)
Shareholders of the holding company	(129,634)	(48,106)
Non-controlling interests	5,108	1,037
	(124,526)	(47,069)
Total comprehensive (loss) / income attributable to:		
Shareholders of the holding company	(172,549)	(76,316)
Non-controlling interests	5,456	(3,874)
	(167,093)	(80,190)
Basic and diluted loss per share (Ksh)	(0.30)	(0.11)
Number of shares (in thousands)	432,156	432,156

* includes one-off severance cost of Kshs 178 million

UNAUDITED SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

All figures in Ksh'000	30 June 2023	30 June 2022
ASSETS		
Non-current assets	941,103	890,450
Other current assets	3,797,251	4,646,793
Cash, bank and deposit balances	3,472,223	3,517,001
TOTAL ASSETS	8,210,577	9,054,244
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	432,156	432,156
Share premium	4,436,532	4,436,532
Merger reserve	1,457,248	1,457,248
Accumulated deficit	(852,311)	(832,236)
Translation deficit	(456,869)	(371,225)
Equity attributable to shareholders of the holding company	5,016,756	5,122,475
Non-controlling interests	(13,139)	(2,268)
Total equity	5,003,617	5,120,207
Non-current liabilities	45,095	87,704
Current liabilities	3,161,865	3,846,333
TOTAL EQUITY AND LIABILITIES	8,210,577	9,054,244

UNAUDITED SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2023

All figures in Ksh'000	Share capital	Share premium	Merger reserve	Accumulated deficit	Translation deficit	Non-controlling interests	Total
At 1 January 2022	432,156	4,436,532	1,457,248	(784,130)	(343,015)	1,606	5,200,397
Loss for the period	-	-	-	(48,106)	-	1,037	(47,069)
Other comprehensive loss	-	-	-	-	(28,210)	(4,911)	(33,121)
At 30 June 2022	432,156	4,436,532	1,457,248	(832,236)	(371,225)	(2,268)	5,120,207
At 1 January 2023	432,156	4,436,532	1,457,248	(722,677)	(413,954)	(16,165)	5,173,140
Loss for the period	-	-	-	(129,634)	-	5,108	(124,526)
Other comprehensive loss	-	-	-	-	(42,915)	348	(42,567)
Dividend declared - 2023	-	-	-	-	-	(2,430)	(2,430)
At 30 June 2023	432,156	4,436,532	1,457,248	(852,311)	(456,869)	(13,139)	5,003,617

UNAUDITED SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2023

All figures in Ksh'000	H1 2023	H1 2022
Cash used in operating activities	(11,074)	(345,108)
Tax paid on operating income	(146,498)	(106,874)
Net cash used in operating activities	(157,572)	(451,982)
Net cash generated from investing activities	2,287,768	2,403,570
Net cash used in financing activities	(112,951)	(39,237)
Net increase in cash and cash equivalents	2,017,245	1,912,351
Cash and cash equivalents at the beginning of the period	946,188	1,334,344
Net increase during the period	2,017,245	1,912,351
Effect of fluctuations in exchange rates	(65,649)	(22,844)
Cash and cash equivalents at end of the period	2,897,784	3,223,851

exchange gain of Kshs 182 million compared to a gain of Kshs 65million in prior period. Loss for the period was Kshs 124.5 million (driven mainly by a one-off severance charge of Kshs 178 million), compared to a loss of Kshs 47 million in the prior period.

ACCOUNTING POLICIES

The accounting policies used in preparing these summary financial statements are consistent with those used for the Group's 2022 annual financial statements.

DIVIDENDS

The Board of Directors do not recommend an interim dividend.

OUTLOOK FOR THE REST OF THE YEAR

Despite the continued inflation and increase in cost of living in several of our markets, we see some momentum and are optimistic about growth in the second half of the year driven predominantly by technology backed solutions, including Feed 2.0 and Optimus and increased new business activity across all our businesses.

By order of the Board
Winniefred Jumba
Company Secretary

24 August 2023



2023 WARC 100 RANKINGS:
TOP AGENCY IN SUB-SAHARA AFRICA

CLIO HEALTH AWARDS:
GOLD



WARC Awards for Effectiveness

CULTURAL IMPACT:
GOLD 2023

InfluenceO

Ogilvy Africa launched InfluenceO, an end to end Influencer Management process that uses the most robust data sources and the strongest tools, combined with strategy, creative execution, activation and measurement to enable clients to use Influence as a fully-fledged and truly measurable channel.

MANAGEMENT OBSERVATIONS

The Board of Directors hereby announce the unaudited results of the Group for the six-month period ended 30 June 2023.

Our Gross profit increased by 2% over the same period of prior year driven by both organic growth from existing clients and new client wins. In quarter 2 2023, WPP Scangroup undertook a comprehensive restructuring programme to right size the cost base and reshape the staff structure, to better deliver against current and future client needs. This led to a one-off severance cost of Kshs 178 million (included in operating and administrative expenses). The programme will re-position the organisation as nimbler, more efficient and future-fit, with a full return on severance investment in 2024. The severance cost drove a reduction in profit before tax from Kshs 9.6 million in prior period to a loss of Kshs 106million in current period. The Kenyan shilling, Ghana Cedis and Nigeria Naira have steadily depreciated against major trading currencies which led to a higher