



K.L.E. Group Limited (KLE)

Results for the Financial Year ended December 31, 2016:

- Revenues for the financial year end increased by 12% to \$295.94 million compared to \$174.26 million for the last financial year. The quarter had an 93% increase or \$25.44 million to \$52.84 million.
- Cost of Sales declined by 7% to \$62.70 million from \$67.63 million for the 2015 financial year end. As a result, gross profit grew by 25% to \$133.24 million (2015: \$106.59 million). “The reduction in the cost of sales is being done by menu restructuring, improved supply chain and new pricing strategies have kept the cost of goods sold at an optimal rate despite other external economic factors.”
- The Company reported a significant increase in Other Operating Income to \$182.70 million (2015: \$2.31 million). This was as a result of the divestment of a subsidiary that yielded profit of \$163.71 million.
- Administrative and Other Expenses increased negligibly by 1% to \$144.18 million. The Company commented that “the restructuring efforts have resulted in greater efficiency in the Tracks and Records Restaurant division.”
- As a result, there was Profit before Tax of \$164.43 million relative to a Loss in 2015 of \$36.13 million. Tax credit of \$857,000 was recorded for the period, while it amounted to \$2.48 million in 2015.
- Net Income for the year was reported at \$165.28 million, compared to a Net Loss on the previous year of \$33.64 million. For the quarter, the Company had a Net Profit of \$6.75 million versus a Net Loss of \$1.67 million in 2015.



- Earnings per share for the quarter totaled \$0.07 compared to a loss per share of \$0.07 in 2015, while, earnings per share for the year totaled \$1.65 relative to a loss per share of \$0.34 for the 2015 financial year. The number of shares used in our calculations is 100,000,000 units.

Balance Sheet Highlights:

- As at December 31, 2016, the Company reported total assets of \$223.54 million, a 44% increase when compared to \$154.79 million in the prior year. This was as a result of Investment in associate totaling \$72.78 million as well as receivables amounting to \$22.76 million and due from related parties of \$35.60 million.
- Shareholders' Equity as at December 31, 2016 was \$130.54 million compared to a deficit of \$33.39 million for the 2015 financial year. This resulted in a book value per share of \$1.30 compared to negative \$0.34 the prior year.





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