

The Directors of Home Afrika Limited are pleased to announce the audited Group results for the Year Ended 31<sup>st</sup> December 2024.

<b>Audited Statement of Profit or loss And other Comprehensive Income Year Ended 31st December</b>		
	<b>2024 Kshs</b>	<b>2023 Kshs</b>
Revenue from contracts with customers	781,906,719	377,195,320
Cost of sales	(408,431,394)	(262,356,384)
<b>Gross profit</b>	<b>373,475,325</b>	<b>114,838,936</b>
Other operating income	31,350,350	13,042,482
Selling and distribution expenses	(11,404,217)	(7,146,950)
Administrative expenses	(136,527,855)	(80,262,576)
Other operating expenses	(33,131,114)	(37,208,466)
<b>Operating Profit</b>	<b>223,762,489</b>	<b>3,263,426</b>
Finance costs	(78,694,316)	(25,512,991)
<b>Profit before tax</b>	<b>145,068,173</b>	<b>(22,249,565)</b>
Tax charge	(11,601,668)	(5,586,215)
<b>Profit for the year</b>	<b>133,466,505</b>	<b>(27,835,780)</b>
<b>Total comprehensive Profit for the year</b>	<b>133,466,505</b>	<b>(27,835,780)</b>
<b>Profit attributable to:</b>		
-Owners of the parent	52,995,548	(16,460,581)
-Non-controlling interest	80,470,957	(11,375,199)
	<b>133,466,505</b>	<b>(27,835,780)</b>
(Profit) per share (Shs)		
- basic and diluted	0.13	(0.04)

### Audited Cosolidated Statement of Financial Position

	<b>31-Dec 2024 Kshs</b>	<b>31-Dec 2023 Kshs</b>
<b>Non-current assets</b>		
Property and equipment	47,612,666	49,346,569
Investment property	343,031,042	343,031,042
Intangible assets	254,043	379,168
Financial assets	2,000	2,000
	<b>390,899,751</b>	<b>392,758,779</b>
<b>Current assets</b>		
Inventories	3,000,918,623	3,401,751,171
Trade and other receivables	341,435,975	226,568,128
Cash and cash equivalents	5,997,290	33,821,780
	<b>3,348,351,888</b>	<b>3,662,141,079</b>
<b>Total assets</b>	<b>3,739,251,638</b>	<b>4,054,899,859</b>
<b>Current liabilities</b>		
Deferred income	239,217,084	796,443,392
Trade and other payables	1,505,759,153	1,456,383,550
Deposit from sale of plots and units	2,448,770,133	2,598,749,767
Borrowings	1,019,528,965	931,613,712
Private placement bond	680,950,000	680,950,000
Deposit for shares	143,146,022	152,446,022
Current tax	33,834,126	24,859,091
	<b>6,071,205,483</b>	<b>6,641,445,534</b>
<b>Net current liabilities</b>	<b>(2,722,853,595)</b>	<b>(2,979,304,455)</b>
<b>Total liabilities</b>	<b>6,071,205,483</b>	<b>6,641,445,534</b>
<b>Net liabilities</b>	<b>(2,331,953,844)</b>	<b>(2,586,545,675)</b>
<b>EQUITY</b>		
Share capital	405,255,320	405,255,320
Share premium	68,842,038	68,842,038
Accumulated deficit	(2,357,272,397)	(2,531,393,271)
<b>Equity attributed to owners of the company</b>	<b>(1,883,175,039)</b>	<b>(2,057,295,913)</b>
Non-controlling interest	(448,778,805)	(529,249,762)
<b>Total equity</b>	<b>(2,331,953,844)</b>	<b>(2,586,545,675)</b>

**Consolidated Statement Of Changes in Equity For The Year Ended 31st December 2024**

	Share capital Shs	Share premium Shs	Accumulated deficit Shs	Total Shs	Non controlling interests Shs	Total equity Shs
<b>Year ended 31 December 2023</b>						
At start of year	405,255,320	68,842,038	(2,584,286,656)	(2,110,189,298)	(517,874,563)	(2,628,063,861)
Prior year adjustment	-	-	69,353,966	-	-	69,353,966
Total comprehensive (loss) for the year	-	-	(16,460,581)	(16,460,581)	(11,375,199)	(27,835,780)
At end of year	405,255,320	68,842,038	(2,531,393,271)	(2,126,649,879)	(529,249,762)	(2,586,545,675)
<b>Period ended 30 June 2024</b>						
At start of year	405,255,320	68,842,038	(2,531,393,271)	(2,126,649,879)	(529,249,762)	(2,586,545,675)
Prior year adjustment	-	-	121,125,326	121,125,326	-	121,125,326
Total comprehensive (loss) for the half year	-	-	52,995,548	52,995,548	80,470,957	133,466,505
At end of half year	405,255,320	68,842,038	(2,357,272,397)	(1,952,529,005)	(448,778,805)	(2,331,953,844)

**Condensed Consolidated Statement of Cash Flows For The Year Ended 31st December 2024**

	<b>2024 Kshs</b>	<b>2023 Kshs</b>
<b>Operating activities</b>		
Cash from operations	385,809,311	395,618,598
Interest paid	(78,694,316)	(25,512,991)
Net cash from operating activities	307,114,995	370,105,607
Net cash (used in) investing activities	(3,089,138)	431,652
Net cash (used in) financing activities	(329,167,280)	(339,189,008)
(Decrease)/increase in cash and cash equivalents	(25,141,423)	31,348,252
<b>Movements in cash and cash equivalents</b>		
At start of year	31,138,713	-209,539
(Decrease)/increase	(25,141,423)	31,348,252
At end of year	5,997,290	31,138,713

## **ECONOMIC HIGHLIGHTS**

- In 2024, Home Afrika Limited experienced a resilient turnaround amidst Kenya's evolving Real Estate landscape in an year marked by economic headwinds and sectoral shifts. The Company emerged with a compelling turnaround story, underscoring resilience, strategic foresight and adaptability.

### **Financial Performance Highlights**

- The year 2024 shows the outcome of the four year strategy of the turn around as the company reported a profit of Ksh 133.5M
- Revenue Growth: An impressive 52% increase in revenue was recorded, rising from Ksh 377 million in 2023 to KSh 782 million in 2024.
- Profitability: The Company transitioned from a Ksh 28 million loss in 2023 to a Ksh 133 million profit in 2024.
- Operating Profit: Achieved Ksh 224 million, a significant leap from Ksh 3 million in the previous year.
- Equity Position: Improved by Ksh 255 million, reflecting enhanced financial stability.

### **Strategic Initiatives Driving Success**

- Revenue Recognition: The turnaround saw a number of leases registered from the Migaa project, strategic recognition of deferred income from completed projects and the continuous issuance of titles from the Smart Plots projects, bolstered revenue streams.
- Diversified Income Streams: After the completion of the 18 holes golf course and the rating from KGU, there has been a significant increase in the number of tournaments and golfers who pay green fees. Also there were some rental income received.
- Cost Management: Effective reduction in other operating expenses, including security and electricity costs in Migaa improved operational efficiency.
- Market Responsiveness: Increased marketing and promotional activities led to higher selling and distribution expenses, aligning with market demand and boosting sales.

### **Navigating the 2024 Economic Landscape**

- Kenya's economy faced challenges in 2024, with GDP growth slowing to 4.0% in Q3 from 6.0% in the same period of 2023, primarily due to contractions in construction and mining sectors . Despite these hurdles, the real estate sector demonstrated resilience, contributing significantly to the GDP and attracting both local and foreign investments .

- The luxury real estate market, in particular, gained momentum, driven by increased demand from high-income buyers and expatriates, as well as the establishment of regional headquarters by international brands in Nairobi. This shift presented opportunities for developers like Home Afrika to cater to evolving market preferences.

### **Home Afrika's Strategic Alignment**

- Home Afrika's performance in 2024 reflects a strategic alignment with market trends and economic conditions.
- **Product Diversification:** By offering a mix of affordable and premium properties, Home Afrika tapped into various market segments, mitigating risks associated with market fluctuations.
- **Operational Efficiency:** Focused efforts on cost reduction and operational efficiency enhanced profitability and positioned the company for sustainable growth.
- **Market Expansion:** Targeted marketing and sales initiatives in emerging markets like Migaa expanded the customer base and increased brand visibility.

### **Looking Ahead**

- Building on the successes of 2024, Home Afrika is poised to continue its growth trajectory by:
  - **Leveraging Market Trends:** Capitalizing on the growing demand for luxury and mixed-use developments to meet the needs of a diverse clientele.
  - **Enhancing Stakeholder Value:** Focusing on delivering value to shareholders, customers, and the community through sustainable and innovative real estate solutions.
  - **Strengthening Financial Position:** Continuing prudent financial management to improve liquidity and reduce liabilities, ensuring long-term stability.
- Home Afrika's 2024 performance is a testament to its resilience and strategic agility in navigating a complex economic landscape. As the company looks to the future, it remains committed to delivering quality real estate solutions that meet the evolving needs of the Kenyan market.
- As the company moves into profitability, the Board and management are confident in acquiring new projects to generate revenue and are in discussions with strategic partners.
- The process of handing over completed projects to individual investors and management companies has begun.
- The Board remains confident in Home Afrika's long-term strategy to return to profitability and create value for investors.

### **Dividend Recommendation:**

- The directors do not recommend a dividend for the period ended 31<sup>st</sup> December 2024.

The audited financial statements were approved by the Board of Directors and signed on its behalf by:

Peter Mungai  
Group Chairman

Jayne Nyokabi  
Managing Director