

The Directors of Home Afrika Limited are pleased to announce the unaudited Group results for the 6 Months period ended 30th June 2021.

<b>Unaudited Statement of Profit or Loss And Other Comprehensive Income</b>		
<b>6 Months Period Ended 30th June</b>		
	<b>2021 Shs</b>	<b>2020 Shs</b>
Revenue from contracts with customers	28,200,000	43,022,219
Cost of sales	(31,906,519)	(28,871,055)
<b>Gross profit</b>	<b>(3,706,519)</b>	<b>14,151,164</b>
Other operating income	5,717,711	7,235,152
Selling and distribution expenses	(8,133,012)	(14,758,147)
Administrative expenses	(122,683,755)	(98,837,399)
Other operating expenses	(19,137,883)	(20,952,607)
<b>Operating (loss)</b>	<b>(147,943,458)</b>	<b>(113,161,837)</b>
Finance costs	(74,858,725)	(129,997,466)
<b>(Loss) before tax</b>	<b>(222,802,183)</b>	<b>(243,159,303)</b>
Tax charge	(38,387)	(41,895)
<b>(Loss) for the year</b>	<b>(222,840,570)</b>	<b>(243,201,198)</b>
<b>Total comprehensive (loss) for the year</b>	<b>(222,840,570)</b>	<b>(243,201,198)</b>
<b>(Loss) attributable to:</b>		
- Owners of the parent	(181,235,556)	(196,724,868)
- Non-controlling interest	(41,605,014)	(46,476,330)
	<b>(222,840,570)</b>	<b>(243,201,198)</b>
(Loss) per share (Shs)		
- basic and diluted	(0.45)	(0.49)

**Unaudited Consolidated Statement of Financial Position**

	<b>30<sup>TH</sup> JUNE 2021 Shs</b>	<b>31<sup>ST</sup> DEC 2020 Shs</b>
<b>Non-current assets</b>		
Property and equipment	48,770,902	50,128,516
Investment property	393,011,656	393,011,656
Intangible assets	1,260,685	1,260,685
Financial assets	2,000	2,000
	<b>443,045,244</b>	<b>444,402,858</b>
<b>Current assets</b>		
Inventories	3,451,018,603	3,589,102,338
Trade and other receivables	173,384,753	404,681,551
Cash and cash equivalents	10,301,293	4,415,717
	<b>3,634,704,650</b>	<b>3,998,199,607</b>
<b>Total assets</b>	<b>4,077,749,893</b>	<b>4,442,602,465</b>
<b>Current liabilities</b>		
Deferred income	901,632,587	1,087,662,457
Trade and other payables	1,431,475,972	1,499,537,247
Deposit from sale of plots and units	2,180,102,313	2,038,115,264
Borrowings	1,116,454,522	1,111,559,093
Private placement bond	820,660,028	820,660,028
Deposit for shares	126,289,972	158,446,022
Current tax	5,403,694	8,050,979
	<b>6,582,019,089</b>	<b>6,724,031,089</b>
<b>Net current (liabilities)</b>	<b>(2,947,314,439)</b>	<b>(2,725,831,483)</b>
<b>Total liabilities</b>	<b>6,582,019,089</b>	<b>6,724,031,089</b>
<b>Net (liabilities)</b>	<b>(2,504,269,195)</b>	<b>(2,281,428,625)</b>
<b>EQUITY</b>		
Share capital	405,255,320	405,255,320
Share premium	68,842,038	68,842,038
Accumulated deficit	(2,414,216,449)	(2,232,980,893)
<b>Equity attributed to owners of the company</b>	<b>(1,940,119,091)</b>	<b>(1,758,883,535)</b>
Non-controlling interest	(564,150,104)	(522,545,090)
<b>Total equity</b>	<b>(2,504,269,195)</b>	<b>(2,281,428,625)</b>

**Explanatory notes:** These results are extracted from the unaudited consolidated financial statements of Home Afrika Limited for the 6 months period ended 30th June 2021.

### Consolidated Statement Of Changes In Equity for the Months period ended 30 June 2021

	Share capital Shs	Share premium Shs	Accumulated deficit Shs	Total Shs	Non controlling interests Shs	Total equity Shs
<b>Year ended 31 December 2020</b>						
At start of year	405,255,320	68,842,038	(1,990,613,137)	(1,516,515,779)	(424,662,476)	(1,941,178,255)
Total comprehensive (loss) for the year	-	-	(242,367,756)	(242,367,756)	(97,882,614)	(340,250,370)
At end of year	405,255,320	68,842,038	(2,232,980,893)	(1,758,883,535)	(522,545,090)	(2,281,428,625)
<b>Period ended 30 June 2021</b>						
At start of year	405,255,320	68,842,038	(2,232,980,893)	(1,758,883,535)	(522,545,090)	(2,281,428,625)
Total comprehensive (loss) for the year	-	-	(181,235,556)	(181,235,556)	(41,605,014)	(222,840,570)
At end of year	405,255,320	68,842,038	(2,414,216,449)	(1,940,119,091)	(564,150,104)	(2,504,269,195)

### Condensed Consolidated Statement Of Cash Flows For the 6 Months period ended 30 June

	2021 Shs	2020 Shs
<b>Operating activities</b>		
Cash from operations	121,827,264	225,787,536
Interest paid	(74,858,725)	(202,911,927)
Net cash from operating activities	46,968,539	22,875,609
Net cash (used in) investing activities	-	(11,136,345)
Net cash (used in) financing activities	(38,104,657)	(24,164,842)
(Decrease)/increase in cash and cash equivalents	8,863,882	(12,425,578)
<b>Movements in cash and cash equivalents</b>		
At start of year	(1,437,411)	10,988,166
(Decrease)/increase	8,863,882	(12,425,578)
At end of year	10,301,293	(1,437,411)

## **1. FINANCIAL HIGHLIGHTS**

- 1.1 The economic effects of Covid 19 pandemic continue to have negative effect on the economy and thereby the performance of the company. The closure of businesses, loss of jobs and the reduction of disposable income has reduced the uptake of our products leading to a 34% decrease in revenue booked for the six months ending 30<sup>th</sup> June 2021 compared to 2020 from Ksh.43 million to KSh.28 million adjusted for percentage of completion. Operating loss increased in the six months from Ksh.113 million in 2020 to KSh 148 million in 2021.
- 1.2 In line with our accounting policy, sales proceeds of our signature project Migaa Golf Estate are carried as current liabilities in the balance sheet as deferred income and as deposits from sales of plots and currently lingering at Ksh 3 billion as at 30<sup>th</sup> June 2021. This amount will convert to revenues in our statement of profit or loss as the percentage of completion of the project improve. All expenses are usually expensed in the current period.
- 1.3 The book value of the group's sellable land and other inventory stood at Sh3.4 billion as at 30<sup>th</sup> June 2021. We continue to invest in the infrastructure of the various projects which will help improve the market value of the land bank as the land becomes more desirable.
- 1.4 The board has put in place a turnaround strategy which they believe will help improve the group's performance and create value for all stakeholders. In response to the effects of Covid 19 pandemic, various mitigation measures have been put in place and the board remains confident in-Home Afrika's long-term strategy.

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The directors do not recommend a dividend for the period ending 30<sup>th</sup> June 2021.

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



Dan Awendo  
**Managing Director**