



**Home Afrika Ltd  
(the “Company”)**

**Insider Trading Policy**

**Date: 30th December 2022**

**1. Purpose**

This Policy aims at preventing the improper communication of material undisclosed information regarding and trading in securities of the Company, by establishing a policy framework and procedures to guide the Company’s Directors and Employees in understanding and complying with their obligations relating to insider trading.

**2. General Policy Statement**

It is a violation of the Company’s policy for any person to use material non-public information to make decisions to purchase, sell or otherwise trade the Company’s securities and/or provide or disclose such information to others outside the necessary course of business except for disclosures specifically authorized herein.

**3. Definitions**

The Company:

refers to Home Afrika Limited, all its subsidiaries and associated companies, collectively referred to as the “Group”.

Director or  
an Employee:

refers to any Director or Employee of, (or an adviser or consultant to) the Company - whether based in East Africa or elsewhere - who is or is deemed to be in possession of material information relating to the Group, either generally or on specific matters, which, if published, would be likely to affect the price of the securities of the Company (hereinafter referred to as “**insiders**”).

Company’s Securities

includes options and warrants to purchase shares and any Other debt or equity securities the Company may issue from time to time, such as bonds, preferred shares and convertible debentures as well derivative securities relating to the Company’s securities, whether or not issued by the Company, such as exchange-traded options.

Material and price  
Sensitive information

this is information, negative or positive, with a Substantial likelihood of;

- i) Being considered important by a reasonable investor in making voting or investment decision to buy, hold or sell the Company's securities.
- ii) Affecting the market price of the Company's securities

The following information is always material and price sensitive:

- a) Any decision to pay any dividend or other distribution or to approve any dividend or interest payment;
- b) A preliminary announcement of profits or losses for any year, half-year or other period.

The following information is likely to be price-sensitive unless clearly inappropriate:-

- a) Particulars of acquisitions or realizations of assets that would have a fundamental effect on the business of the Company;
- b) A Board decision to change the general character or nature of Company's business;
- c) Any proposed change in the capital structure;
- d) A change in the Board of Directors or Senior Management;
- e) Significant litigation exposure due to actual or threatened litigation
- f) Any other matter which, if generally known, would be likely to affect the price of the Company's shares, for example a significant variation from the last published profit forecast;
- g) Exceptional budgetary information.

#### **4. Consequence of non-compliance**

Officers, Director and Employees wishing to buy or sell the Company's securities must have regard to the provisions of this Policy, the requirements of the Capital Markets Authority Act (Cap 485A) (the CMA Act) and to the Nairobi Stock Exchange Listing Rules.

A violation of this Policy or applicable legal and regulatory requirements may result in disciplinary action up to and including dismissal without notice or payment in lieu of notice depending upon the severity of the violation.

It is also a criminal offence under the CMA Act punishable by a fine of KES. 5 million in the case of a company and KES 2.5 million for an individual or to a term of up to 5 years in prison or to both for insiders who deal in securities in certain circumstances (**insider dealing**). *For ease of reference, extracts of the relevant section of the CMA Act on "Insider Trading" are attached to this Policy as Appendix "A".*

#### **5. Specific Policies**

5.1 A Director and/or an Employee should not deal in the Company's securities on considerations of a short-term nature.

5.2 A Director or an Employee should not deal in any of the Company's securities at any time when he/she is in possession of unpublished price-sensitive information in relation to the securities.

5.3 Directors and/or Employees will always be considered to be in possession of more information than can at any particular time be published. Accordingly, they must accept that, by way of best practice, they cannot at all times feel free to deal in the Company's securities, even when the statutory requirements / regulations would not prohibit them from doing so.

5.4 Notwithstanding this general constraint there should be periods in the year when Directors and Employees are in principle (but subject to the statutory provisions) to be regarded as free to deal in the Company's securities. The following rules have been formulated on the basis that:-

- a) dealings should not take place during the period of one month prior to the announcement of regularly recurring information, particularly profits, dividends and other distributions, whether or not the information is material or price-sensitive; and
- b) Dealings should not take place one month prior to the announcement of matters of an exceptional nature involving unpublished material or price-sensitive information in relation to the market price of the securities of the Company.

5.4.1 For the purposes of this Policy, the grant to or by, or acceptance by, and the acquisition, disposal, exercise or discharge by a Director or an Employee of an option (whether for the call or put or both) or other right or obligation, present or future, conditional or unconditional, to acquire or dispose the Company's securities or any other interest in such securities is to be regarded as a dealing in the securities by a Director and an Employee.

5.4.2 The grant, acceptance, acquisition, disposal, exercise or discharge of an option or other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities or any interest in the Company's securities is a dealing in the Company's securities. The exercise of an option or right under an option scheme which has been approved by the shareholders of the Company may nevertheless be permitted where the final date for the exercise of such option or right falls at a time when a Director or an Employee is not free to deal and he/she could not reasonably have been expected to exercise it at an earlier time when he/she was free to do so.

5.4.3 Matters of an exceptional nature cause particular difficulty. A Director or an Employee who has knowledge of the exceptional matter in question will normally be prohibited from dealing in the securities by the statutory provisions but even if he/she is not so prohibited he/she should nevertheless not deal in those securities in the circumstances outlined below. Similarly a Director or an Employee who has no such knowledge should be advised, when he/she notifies his/her broker dealing in the securities that it was inappropriate for him/her to deal in the securities where the same circumstances apply. Such circumstances include but are not limited to where:-

- (a) The matter in question constitutes unpublished, material or price-sensitive information in relation to the Company's securities, and
- (b) The dealing takes place after the time when the likelihood of an announcement ultimately being necessary has become a reasonable probability.

- 5.5 During the period of one (1) month immediately preceding the preliminary announcements of the Company's half year or year-end financial results and the announcement of the dividends or distributions to be paid or passed, a Director or an Employee shall not purchase any of the Company's securities nor should he/she deal in the securities in the circumstances set out under clause 5.4 above covering the basic principles; nor shall he/she sell any such securities during such periods unless the circumstances are exceptional, for example where a pressing financial commitment has to be met. In every such event, a Director or an Employee must comply with the reporting procedure in Rule 5.9.1 below.
- 5.6 In principle, a Director or an Employee should seek to ensure that all dealings in which he/she is or is deemed to be interested in should be conducted in accordance with the provisions of this Policy. It is recognized that a Director's and an Employee's duty in this respect will depend on the particular circumstances.
- 5.6.1 A Director or an Employee who is a sole trustee, for example, should follow the same procedure for any dealings on his/her own account and should only deal if he/she would be personally allowed to deal under the Policy, even if he/she is exempted from the general prohibitions imposed by the statutory provisions by virtue of the special defense relating to trustees granted by such provisions.
- 5.6.2 A Director or an Employee who acts as a trustee of a trust shall ensure that his/her co-trustees are aware of the relationship with the Company so as to enable them to anticipate possible difficulties. A Director or an Employee having funds under management should likewise advise the investment manager.
- 5.6.3 Where a Director or an Employee has co-trustees who are not themselves directors or employees of the Company, he/she may not be able to ensure that the procedure applicable to his/her personal dealings is followed in respect of dealings made on behalf of the trust. A Director or an Employee who is a trustee should avoid acting in breach of trust and at the same time refrain from divulging or abusing confidential information, and it may not therefore always be practicable to expect that trustees will refrain from dealing at a time when one of their number is not personally free to deal.
- 5.6.4 On the other hand if a Director or an Employee, whether or not himself/herself is a trustee, has a settlor or otherwise, an important influence over the decision of the trustees, the procedure applicable to his/her personal dealings ought to be followed and the trustees should not deal when he/she personally is not free to deal in the Company's securities. The remoteness of some interests may be such as to make the imposition of any duty under the impracticable or inappropriate.
- 5.6.5 A Director or an Employee who is a beneficiary, but not a trustee, of a trust which deals in the Company's securities should endeavor to ensure that the trustees notify him/her after they have dealt in such securities on behalf of the trust, in order that he/she may in turn notify the Company. For this purpose he/she shall ensure that the trustees are aware that he/she is a Director or an Employee of the Company.
- 5.6.6 It is an overriding principle that under no circumstances should a Director or an Employee deal where prohibited from doing so by the statutory provisions or disclose any confidential information, whether to co-trustees or to any other person, or make any use of such information for the advantage of himself/herself or others, even those to whom he/she owes a fiduciary duty.

- 5.7 When a Director or an Employee places investment funds under professional management, even where discretion is given, the investment managers should nonetheless be subject to the same restrictions and procedures as the Director and the Employee himself/herself in respect of any proposed dealings on his/her behalf in the Company's securities.
- 5.8 The same restrictions shall apply to dealings by a Director or an Employee in the securities of any other listed company when, by virtue of his/her position as a Director or an Employee, he/she is in possession of unpublished price-sensitive information in relation to those securities.
- 5.9 A Director or an Employee who is not prohibited from doing so by the CMA Act and the Nairobi Stock Exchange Listing Rules shall be free to deal in the Company's securities subject to the following rules:
- 5.9.1 A Director or an Employee who deals in any of the Company's securities shall:
- i) Notify the Company Secretary in writing of all dealings and the timings, the number and the value of the securities involved; and
  - ii) The Company Secretary shall maintain a register of all transactions in the Company's securities.
- 5.10 The Company Secretary shall prepare quarterly reports of all transactions undertaken by a Director or an Employee dealing in the Company's securities to the Audit Committee of the Board of Directors.
- 5.11 Company Secretary shall comply with the Nairobi Stock Exchange listing requirements for notifications of all insider trading transactions.
- 5.12 A register recording all transactions by a Director or an Employee dealing in the securities of the Company, and all dealings in the securities or otherwise thereof, will be maintained by the Company Secretary and will be reported at every meeting of the Board of Directors of the Company.
- 5.13 The restrictions on dealings by a Director or an Employee contained in this Policy shall be regarded as applying equally to any dealings in which a Director or an Employee is interested. For this purpose, a Director or an Employee is interested in dealing by or on behalf of himself/herself, or any person connected with him/her (including dealings on his/her or their behalf by an investment manager with whom a Director or an Employee or any such person has funds under management, whether or not discretionary) and in any other dealings in which a Director or an Employee or any other person connected with him/her is or is to be treated as interested. It is the duty of a Director or an Employee, therefore, to seek to avoid any such dealing at a time when he/she himself/herself is not free to deal.
- 5.14 Any of the following persons is deemed to be a person connected with a Director or an Employee:
- (a) A Director's or an Employee's spouse or a child or a step-child under 18 years of age.

- (b) A company in which a Director or an Employee and connected persons thereto hold or control one-fifth of the equity or voting power.
- (c) A person acting in his/her capacity as a trustee of any trust the actual or potential beneficiaries of which include a Director or an Employee, the spouse, infant children or any company within (b) above, but excluding pension and employee investment schemes.
- (d) A person acting in his/her capacity as a partner to the Director or an Employee or of any person who by virtue of (a), (b), or (c) is connected with a Director or an Employee.

5.15 It is the responsibility of the Company Secretary:

- a) through the Human Resources Department to arrange for a copy of this Policy to be given to all the Directors and the Employees and whose terms shall be binding upon them and
- b) To endeavor to ensure that each Director and Employee deals in the Company's securities in accordance with this Policy.

5.16 The Board of Directors of the Company may at any time and from time to time amend, alter, vary, notify or replace this Policy and the Rules contained herein.

5.17 If a Director or an Employee has any doubt about the meaning of any part of this Policy or is unclear whether a particular transaction is permitted he/she should consult the Company Secretary.

**INSIDER TRADING POLICY FOR DIRECTORS AND EMPLOYEES OF  
HOME AFRIKA LIMITED AND ITS SUBSIDIARY COMPANIES  
COMPLIANCE STATEMENT**

I hereby acknowledge that I have read and understood the Insider Trading Policy. I undertake to comply with all of the provisions of the said Policy. I will communicate in writing to the Company Secretary's office any violations of the said Policy of which I will become aware of.

Signature:

Name (in block letters):

Job Title/Position:

Business Location:

Date:.....

**INSIDER TRADING POLICY FOR DIRECTORS AND EMPLOYEES OF  
HOME AFRIKA LIMITED AND ITS SUBSIDIARY COMPANIES  
NOTIFICATION OF PERSONAL DEALING**

TO:  
THE COMPANY SECRETARY  
HOME AFRIKA LIMITED

From:

Full Name (in block letters):.....

Job Title/Position: .....

Business Location:.....

Date:.....

Notification of Personal Dealing in the Company's securities:

I hereby inform you that I have undertaken the following Securities transactions:

I have read and understood the Company's Insider Trading Policy and confirm that I was not in possession of any unpublished price sensitive information about the above securities. I understand that I shall not in any event deal in the above securities if, before dealing, I come into possession of any unpublished price sensitive information relating to the Company's securities.

Signature:.....

For official use:

Record of Securities Transaction

Name:.....

Signature:.....

Date:.....

Date of Transaction	Securities Traded	Quantity Traded	Price of Securities	Sale/Purchase of Securities	Value of Transaction



**APPENDIX “A” REFERRED TO IN CLAUSE 4 OF THE POLICY.**

**AN EXTRACT OF PART VI OF THE CMA ACT, CAP 485A – (INSIDER TRADING)**

32A.

- (1) *No insider shall*
- (a) *either on his own behalf or on behalf of any other person, deal in securities of a company listed on any stock exchange on the basis of any unpublished price sensitive information; or*
  - (b) *communicate any unpublished price sensitive information to any person, with or without his request for such information, except as required in the ordinary course of business or under any law; or*
  - (c) *counsel or procure any other person to deal in securities of any company on the basis of unpublished price sensitive information.*
- (2) *Any insider, who deals in securities or communicates any information or consults any person dealing in securities in contravention of the provisions of subsection (1) shall be guilty of insider trading.*

*Insider trading Prohibited*

- 33 (1) *A person who is, or at any time in the preceding six months has been, connected with a body corporate shall not deal in any securities of that body corporate if by reason of his being, or having been, connected with that body corporate he is in possession of information that is not generally available but, if it were, would be likely to materially affect the price of those securities.*
- (2) *A person who is, or at any time in the preceding six months has been, connected with a body corporate shall not deal in any securities of any body corporate if by reason of his so being, or having been, connected with that first mentioned body corporate he is in possession of information that -*
- (a) *is not generally available but, if it were, would be likely to materially affect the price or value of those securities; and*
  - (b) *relate to any transaction (actual or expected) involving both bodies corporate or involving one of them and securities of other.*
- (3) *Where a person is in possession of any such information referred to in subsection (2) which if made generally available, would be likely to materially affect the price of securities but is not precluded by that subsection from dealing in those securities, he shall not deal in those securities if -*
- (a) *he has obtained the information, directly or indirectly, from another person and is aware, or ought reasonably to be aware, of facts or circumstances by virtue of which that other person is himself precluded by subsection (1) from dealing in those securities; and*
  - (b) *when the information was so obtained, he was associated with that other person or had with him an arrangement for the communication of information of a kind to which that subsection applies with a view to dealing in securities by himself and that other person or either of them.*

- (4) *A person shall not, at any time when he is precluded by subsections (1), (2), or (3) from dealing in any securities cause or procure any other person to deal in those securities.*
- (5) *A person shall not, at any time when he is precluded by subsection (1), (2), or (3) from dealing in any securities by reason of his being in possession of any information, communicate that information to any other person if -*
- (a) trading in those securities is permitted on any securities exchange; and*
  - (b) he knows, or has reason to believe, that the other person will make use of the information for the purpose of dealing or causing or procuring another person to deal in those securities.*
- (6) *Without prejudice to subsection (3), but subject to subsections (7) and (8), a body corporate shall not deal in any securities at a time when any officer of that body corporate is precluded by subsections (1), (2), or (3) from dealing in those securities.*
- (7) *A body corporate is not precluded by subsection (6) from entering into a transaction at any time by reason only of information in the possession of an officer of that body corporate if -*
- (a) the decision to enter into the transaction was taken on its behalf by a person other than the officer;*
  - (b) it had in operation at that time arrangements to ensure that the information was not communicated to that person and that no advice with respect to the transaction was given to him by a person in possession of the information; and*
  - (c) the information was not so communicated and such advice was not so given.*
- (8) *A body corporate is not precluded by subsection (6) from dealing in securities of another body corporate at any time by reason only of information in the possession of an officer of that first mentioned body corporate, being information that was obtained by the officer in the course of the performance of his duties as an officer of that first mentioned body corporate and that relates to proposed dealings by that first mentioned body corporate in securities of that other body corporate.*
- (9) *For the purpose of this section, a person is connected with a body corporate if, being a natural person -*
- (a) he is an officer of that body corporate or of a related body corporate;*
  - (b) he is a substantial shareholder in that body corporate or in a related body corporate; or*
  - (c) he occupies a position that may reasonably be expected to give him access to information of a kind to which subsections (1) and (2) apply by virtue of -*
    - (i) any professional or business relationship existing between himself ( or his employer or a body corporate of which he is an officer) and that body corporate or a related body corporate; or*
    - (ii) his being an officer of a substantial shareholder in that body corporate or in a related body corporate.*
- (10) *This section does not preclude the holder of a stockbroker's or dealer's licence from dealing in securities, or rights or interests in securities, of a body corporate, being securities or rights or interests that are permitted by a securities exchange to be traded on the stock market of that securities exchange, if -*
- (a) the holder of the licence enters into the transaction concerned as agent for another person pursuant to a specific instruction by that other person to effect that transaction;*

- (b) the holder of the licence has not given any advice to the other person in relation to dealing in securities, or rights or interests in securities, of that body corporate that are included in the same class as the first mentioned securities; and*
- (c) the other person is not associated with the holder of the licence .*

*(11) For the purpose of subsection (8), “officer”, in relation to a body corporate, includes -*

- (a) a director, secretary, executive officer or employee of the body corporate;*
- (b) a receiver, or receiver and manager, of property of the body corporate;*
- (c) an official manager or a deputy official manager of the body corporate;*
- (d) a liquidator of the body corporate; and*
- (e) a trustee or other person administering a compromise or arrangement made between the body corporate and another person or other persons.*

*(12) A person who contravenes this section shall be guilty of an offence and shall be liable -*

*(a) on a first offence -*

- (i) in the case of a body corporate, to a fine not exceeding five million shillings;*
- (ii) in the case of any other person, including a director or officer of a body corporate, to a fine not exceeding two million five hundred thousand shillings or to imprisonment for a term not exceeding five years or to both;*

*(b) on any subsequent conviction -*

- (i) in the case of a body corporate, to a fine not exceeding ten million shillings; or*
- (ii) in the case of any other person, including a director or officer of a body corporate, to a fine not exceeding five million shillings or to imprisonment for a term not exceeding seven years or to both.*

*(13) An action under this section for the recovery of a loss shall not be commenced after the expiration of six years after the date of completion of the transaction in which the loss occurred.*

*(14) Nothing in subsection (12) affects any liability that a person may incur under any other section of this Act or any other law.*

*(15) This section shall apply without prejudice to the generality of section 32A.*