

**INTEGRATED ANNUAL REPORT  
AND FINANCIAL STATEMENT**

**2023**



**HOME AFRIKA**



# HOUSES



*become* **HOMES**



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## About *this* Report

*Home Afrika Limited is pleased to present its 2023 Integrated Report. The Group views integrated reporting as a means of communicating with its stakeholders and providing insight into the Group's governance, strategy, performance and future prospects.*

### SCOPE AND BASIS FOR PREPARATION AND PRESENTATION FRAMEWORKS

This Integrated report has been prepared for the period 1st January 2023 to 31st December 2023 and covers the activities of the company and its subsidiary companies. It has been prepared in accordance with the International Integrated Reporting Council's (IIRC) Integrated Reporting Framework (<IR> Framework).

Home Afrika has applied the principles contained in the IFRS, Companies Act, Capital Markets Authority (CMA) Code of Corporate Governance, and the Nairobi Securities Exchange (NSE) listing requirements.

The report consciously communicates how Home Afrika's strategy, governance, performance and prospects lead to value creation for our stakeholders and investors over the short, medium and long term

### TARGET AUDIENCE AND MATERIALITY

It is prepared principally for our current and prospective investors to support their capital allocation assessments. The report is also relevant for any other stakeholder who has an interest in our performance and prospects. This report focuses on material matters that affect our ability to create and sustain value and deliver on our strategy.

Material matters are those factors that have the most impact on our ability to create value. They have an impact on our performance and relationships with our stakeholders. These matters influence the strategic approach adopted in steering the group in the short, medium and long term.

### BOARD RESPONSIBILITY

The Board of directors confirms its responsibility to ensure the integrity of the report. In its opinion, this report provides a true position of the group's activities, material issues and performance.

The 2023 Integrated Annual Report and Group Financial statements were approved by the Board of Directors on the 25th April 2024.

Certain statements in this report may constitute 'forward-looking statements'. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Home Afrika Limited and its subsidiaries to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements.

The Group undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document, or to reflect the occurrence of anticipated events. These have not been reviewed or reported on by the Group's auditors.

## Company Information

### BOARD OF DIRECTORS

Peter Mungai Ndung'u  
Jayne Nyokabi  
Mbugua Gecaga  
Luke Mwiti Kinoti  
Frida Owinga  
Bertha Mvati  
Antony Mbandi  
Catherine Wahome (Joined in April 2023)

### PRINCIPLE PLACE OF BUSINESS

Morningside Office Park  
Ngong Road  
P.O. Box 6254, 00100  
NAIROBI

### BRANCHES

#### Kisumu Office

Harleys Building, 1st Floor

#### Nanyuki Office

Ubii Plaza, 3rd Floor

#### Migaa Site Office

Migaa Golf Estate

### INDEPENDENT AUDITOR

GMK Accountants LLP  
Certified Public Accountants  
P.O. Box 8007 - 00200  
NAIROBI

### PRINCIPLE BANKERS

Kenya Commercial Bank Limited  
NAIROBI

I&M Bank Limited  
NAIROBI

Equity Bank  
NAIROBI

NCBA Bank  
NAIROBI

### LEGAL ADVISORS

Muriu Mungai & Company Advocates.  
MOMBASA

Wainaina Ireri & Co Advocates  
NAIROBI

Robson Harris & Co Advocates  
NAIROBI

MOJ Attorneys  
NAIROBI

### SUBSIDIARIES

Home Afrika Communities Limited  
NAIROBI

Mitini Scapes Development Limited  
NAIROBI

Migaa Management Limited  
NAIROBI

Lakeview Heights Development Limited  
NAIROBI

Llango Development Limited  
NAIROBI

Kikwetu Development Limited  
NAIROBI

Kivuli Golf Limited  
NAIROBI

Suburban Limited  
NAIROBI

## *Our* **Subsidiaries**





**MISSION:**

*To address the housing  
need in Africa*



**VISION:**

*To be the leader in the  
provision of dignified planned  
communities across Africa*

**SLOGAN:**

*Houses Become Homes*



*Our* **Culture**



**WHAT WE DO:**

Disciplined Focus on Results

**HOW WE DO IT:**

Empowering Innovation & Teamwork

## Our Values

*The Company's business development, internal interactions as employees and external interactions are driven and defined by our core values. These are:*

### PRIDES

1. Passion
2. Respect
3. Innovation
4. Discipline
5. Excellence
6. Spirit of teamwork

### PASSION

Passion for the job is every employee's emotional connection to their duties and their individual commitment to fulfilling their respective clients' needs. Passion for the organization is the employee's and company leadership's collective commitment to fulfilling the company's vision for success.

Passion is a tenet of the Company's core values because it encourages the employees to remain committed to their work and to own their respective duties while serving internal and external clients.

### RESPECT

Respect as a company value in this instance refers to the ability to consider other people in work related interactions. The platinum rule regarding respect is, if an employee requires it from others, they must also be respectful. The Company currently has a diverse client base and its interactions with them are defined by non-discrimination in all its forms and dignity of all persons. Respect amongst employees and the Company's leadership means consideration of their privacy, physical space and belongings, different viewpoints, philosophies, physical ability, beliefs and personality.

### INNOVATION

Innovation is the development of new values through solutions that meet new requirements, inarticulate needs, or old customer and market needs in value adding new ways. The Company remains committed to discussing and implementing employees' ideas for more effective policies, processes and methodologies. Employees are encouraged to engage their creative selves and contribute to the improvement of service delivery to internal and external clients.

### DISCIPLINE

Discipline as a core value refers to the employees' ability to understand the company's business strategy, ethical standards of conduct and expected employee output and incorporating them whilst carrying out their individual duties and decision-making processes.

### EXCELLENCE

As a core value, excellence in the Company's context refers to its continuous improvement.

Excellence is a talent or quality that is unusually good and so surpasses ordinary standards. It is also used as a standard of performance.

Practice makes perfect and so every employee must be allowed to keep improving his or her performance over time.

### SPIRIT OF TEAM WORK

Teamwork is the ladder that takes any organization to the heights of success. Teamwork is defined as the cooperative effort of a group of people to achieve a specific goal. This goal cannot be attained individually. A group of people with different talents must work together to accomplish the task. Good teamwork is the essence of any organizational achievement. This brings results that are more fruitful. Thus, the spirit of teamwork is the first attribute that every leader strives to inculcate in his employees. Teamwork supports in developing remarkable moral values among the team members. At the Company, we will inculcate teamwork by encouraging the already present group prayer and team activities effort.

## HISTORY AND BACKGROUND OF HOME AFRIKA

Home Afrika is a publicly listed Real Estate company incorporated in 2008 and founded on a mission to address the housing need in Africa.

Home Afrika was listed on the Growth Enterprise Market Segment (GEMS) of the Nairobi Securities Exchange (NSE) in July 2013.

Home Afrika Limited seeks to create communities around Africa by providing quality, sustainable and

affordable housing. We follow the principle of long term positive societal impact, creating synergies in our partnerships, integrity, fairness and discipline.

Our goal is to meet the huge demand for housing in Kenya and the rest of Africa.

### 2011 – 2012:

Home Afrika Limited initiates two new projects including Lakeview Heights in Kisumu County and Llango in Kwale County.

### 2010:

Home Afrika Limited is invited to partner in the Migaa Development Project set to be the largest gated community in Kenya

### 2009:

Home Afrika Limited gets its first major project, Morningside Office Park at a cost of Ksh. 1 Billion set to be completed in 2010.

### 2008:

In July 2008, the company is registered under the name Home Afrika Limited, with a capital outlay of Ksh. 200 Million and 128 shareholders



## HISTORY AND BACKGROUND OF HOME AFRIKA

### 2014:

Home Afrika rebrands as it positions to roll out new developments over the next five years

### 2022-2023:

Home Afrika Limited implements the turnaround strategy with key pillars on debt restructuring, business continuity, organization restructuring and operation control system

Migaa golf course officially received a certificate of course rating from Kenya Golf Union

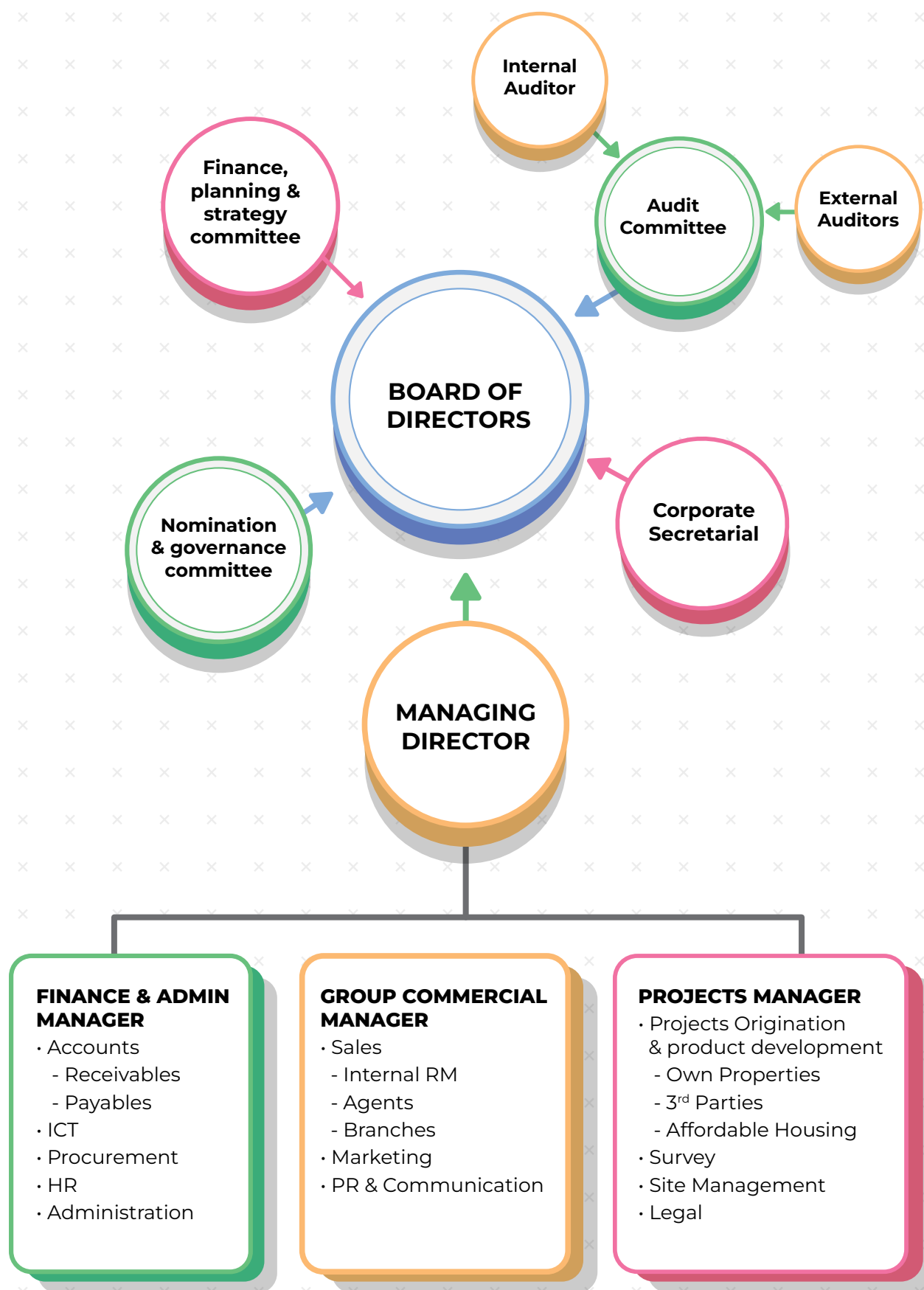
### 2015 - 2020:

Home Afrika Limited embarks on a restructuring process aimed at strengthening institutional capacity, utilizing a focused results based business model, and growing shareholder value

### 2013:

Home Afrika Limited lists on the Growth Enterprise Market Segment of the NSE

## Organization Structure



## Board of Directors

**PETER  
MUNGAI**



**CHAIRMAN**  
NON-EXECUTIVE INDEPENDENT DIRECTOR

### YEARS IN INDUSTRY: 30+

#### EDUCATION

- Doctor of Philosophy (Leadership & Management) – Management University of Africa (ongoing)
- Master of Business Administration (Strategic Management) – Management University of Africa
- Bachelor of Education (Business Studies & Mathematics) – Kenyatta University
- Certified Public Accountant of Kenya (CPA-K) – Institute of Certified Public Accountants of Kenya

#### INDUSTRY

Audit Accounting and financial advisory

#### SUMMARY

Mr. Peter Mungai is a seasoned Management Consultant with vast experience in team management, change management, corporate strategy development and implementation, collaboration and corporate partnerships.

He has over 30 years' experience in audit, accounting, and finance and management consultancy having worked in various institutions in different capacities. He serves in the Public Finance & Tax committee of ICPAK. His broad and versatile skill set has enabled him to have notable achievements including being the Past Chairman of the Board Directors of Limuru Golf & Country Club, Chairman of the Board of Finance & Council member of the Kenya Institute of Management and Chairman of New Dawn Investments.

He brings a wealth of experience in management consultancy, statutory audits, MIS Audits and impact assessment on projects having worked in various institutions such as Dan & Anderson Associates, Sub-Saharan Africa (ABM) Eastman Kodak Inc. and Wachira Irungu & Associates.

**JAYNE  
NYOKABI**



**MANAGING DIRECTOR**  
EXECUTIVE INDEPENDENT DIRECTOR

### YEARS IN INDUSTRY: 15 +

#### EDUCATION

- Master's in Business Administration (Finance)
- Bachelor of Commerce (Finance)
- Certified Public Accountant of Kenya (CPAK) and a registered member with ICPAK
- Certified Professional Mediator (CPM)
- Registered Estate Agent by the Estate Agency Registration Board, EARB
- Member of (AWAK) the Association of Women Accountants in Kenya.
- Rotarian

#### INDUSTRY

Real Estate, Accounting, Investments, Corporate Finance and Management consultancy.

#### SUMMARY

Jayne is in charge of providing strategic advice and guidance to the Board chairman and members of the board and overseeing the implementation the turnaround strategy to transform the group into an efficient, profitable and drive the organization to succeed by creating value for the Investors.

Through her leadership, in the past year the company performance has improved tremendously compared to the previous year. Also, working together with the board, she has participated in negotiations and signing off of key partnership agreements as part of the turnaround strategy implementation, organization restructuring which has seen the business operation cost drastically come down and has the mandate to ensure the company is a going concern.

She is keen to seeing the company achieve its mission of addressing the housing need in Africa and the vision of being the leader in providing dignified planned communities across Africa.

Her responsibility involves financial advisory and management, increasing the financial stability, establishing finance operational strategies by evaluating trends; determining profitability, accumulating resources; and implementing change as well as ensuring efficient resource utilization for Home Afrika Limited.





## Directors *profile*

**MBUGUA  
GECAGA**



**FINANCE COMMITTEE  
CHAIRMAN**

**NON EXECUTIVE NON  
INDEPENDENT DIRECTOR**

**YEARS IN INDUSTRY: 20 +**

### EDUCATION

He acquired his MBA at Henley Management College and a Bachelor's of Science at University of Nairobi.

### INDUSTRY

Marketing, brand strategy and business management.

### SUMMARY

A marketer by training Mr. Gecaga has over 20 years of experience in the Marketing and Branding profession. Having worked with British American Tobacco, the region's largest supplier of tobacco related products, in senior marketing positions in Kenya, Uganda, Ethiopia, Zimbabwe and the Indian Ocean Islands, Mbugua is well versed in strategic marketing, and he brings on-board important skillsets for the execution of the Company's marketing and sales strategies.

Mbugua is currently serving in the Finance, Procurement, Administration & Strategy Committee for Home Afrika Ltd; where among others he oversees the Group's financial performance and strategy. Aside from his role in the committee, drawing from his years of experience in marketing, he ensures that Home Afrika Ltd is aligned strategically in relation to brand presence and market.

**ANTONY  
MBANDI**



**NOMINATION & GOVERNANCE  
COMMITTEE CHAIRMAN**

**NON EXECUTIVE  
INDEPENDENT DIRECTOR**

**INDUSTRY – YEARS IN INDUSTRY:  
20+**

### EDUCATION

Mr. Antony has a BSc Information System and Technology from USIU-Africa and a Master's of Arts Degree in project Planning Management from University of Nairobi.

### INDUSTRY

ICT

Antony has a vast practical experience and knowledge in resource mobilization having worked in the bilateral space and not for profit space. He is passionate about philanthropy and social impact investing. Antony is a member of Institute of Directors – Kenya (IOD-K), He brings with him his tenacity for continuous improvement of institutions with a focus on the people.

### SUMMARY

Mr. Antony Mbandi is the immediate former Development Director of Strathmore University Foundation. Antony has a Bsc Information System and Technology from USIU-Africa and a Masters of Arts Degree in project Planning Management from University of Nairobi. He has a certification in quality standards and fundraising management from Indiana University Lilly Family School of Philanthropy, Leadership training from Strathmore University Business School and Auditor/Lead Auditor ISO 9001: 2000 from Kenya Bureau of Standards, among others. Mr. Antony also serves as a chairman in St. Mary's Mission Hospital Board (Langata and Elementaita), St. Michaels School – Kitui and St. Peters Nzambani Boys Secondary School – Kitui.

**LUKE  
KINOTI**



**AUDIT & RISK COMMITTEE  
CHAIRMAN**

**NON EXECUTIVE NON  
INDEPENDENT DIRECTOR**

**YEARS IN INDUSTRY: 30 +**

### EDUCATION

- Masters of Arts in Sociology - University of Nairobi
- Bachelor of Science in Mathematic & Statistics-University of Nairobi
- Post Graduate Diploma in Management- Kenya Institute of Management
- Institute of Certified Investment and Financial Analysts (ICIFA)

### INDUSTRY

Investment Banking, Private Equity and Real Estate Development

### SUMMARY

Luke Kinoti is a seasoned finance and investment professional with over 30 years of experience. He is a full member of the Institute of Certified Investment and Financial Analysts (ICIFA) and specializes in portfolio management, business strategies, investments deal structuring, and negotiations. Luke is the founder and CEO of Vedman Capital Limited, a licensed investment consulting firm focusing on innovative Small and Medium Enterprises.

Previously, Luke served as the Managing Director & CEO of Suntra Investment Ltd and was the Group CEO of Fusion Capital Group, a Private Equity and Real Estate firm in East Africa. Luke played a key role in launching the first Development Real Estate Investment Trust (D-REITS) in Africa in 2016 and was the Founding CEO of ECLOF Kenya, a private financial institution.

Luke's leadership roles include former Chairman of Key Microfinance Bank PLC and directorships at Home Afrika Limited, Kenya Association of Stockbrokers and Investment Banks (KASIB), REITs Association of Kenya (RAK), and Finance, Trade & Investment Network (FINTRINET). He is also a member of the Impact Investing Kenya (IIK) taskforce and an author of "The Merchant's Pearl," addressing challenges for modern-day entrepreneurs.

## Directors profile

**CATHERINE  
WAHOME**



NON EXECUTIVE  
INDEPENDENT DIRECTOR

**YEARS IN INDUSTRY: 20+**

### EDUCATION

She holds a Master of Philosophy degree from Cambridge University (UK), Master of Business Administration from the University of Nairobi and Bachelor of Commerce (First Class Honors) from Kenyatta University.

### INDUSTRY

Catherine Wahome is a seasoned People Management and Development professional with experience spanning close to 30 years, as a practitioner and advisor, in both the private and public sector.

### SUMMARY

Catherine is particularly proficient in leadership and organization development, talent management, performance and reward management, employee engagement, skills and competency development, and organizational transformation. Over the years, Catherine has worked with leading brands in the market to help them increase their leadership impact and overall productivity.

Catherine is also a Certified Executive Leadership and Organizational Effectiveness Coach. She is a member of the Institute of Human Resource Management.

**FRIDA A.  
OWINGA**



NON EXECUTIVE  
INDEPENDENT DIRECTOR

**YEARS IN INDUSTRY: 25 +**

### EDUCATION

- Bachelor of Science Degree in Organizational Leadership and Management from the Regent University, Virginia Beach.

### INDUSTRY

Learning and Development Coach & Mentor

### SUMMARY

Frida A. Owinga is the founder of Passion Profit, a people and enterprise development organization that fosters the creation of jobs and eradication of poverty by helping people turn their passion into profit. She is a certified Business Advisor and Best Year Yet Coaching Partner. She supports her clients to turn their passion into profitable work that they love and enjoy whether employed or self-employed.

She has been working with individuals and organizations for over 25 years across sectors - International Trade, Retail, Tours and Travel and Beauty; and geographies - Japan, USA, UK, South Africa, Uganda, Malawi and Zambia.

Frida studied organizational leadership and management at the Regent University in Virginia; small business management by Small Business Authority in Atlanta, Georgia; Launch and Grow Entrepreneurship at Babson College, in Boston and is an alumnus of 10k Women in Business by Goldman Sachs, USIU-Africa and continues to study to remain relevant and impactful.

She serves on the executive board of Organization of Women in International Trade (OWIT), as the Executive Vice President; non-executive director at Home Afrika Limited, a member of Boardroom Africa and is the Partnerships Director of SME Founders Association an organization that fosters a sustainable business environment for business leaders and professionals to grow and succeed.

**BERTHA  
N. MVATI**



NON EXECUTIVE  
INDEPENDENT DIRECTOR

**YEARS IN INDUSTRY: 15 +**

### EDUCATION

- Bachelor of Business Administration (Finance) – Uganda Christian University
- Program for Management Development – Strathmore University Skills Training: Lease Training – Amembal & Halladay (A&H)

### INDUSTRY

Finance and leasing expert with tremendous experience in deal origination, negotiation, execution and credit risk.

### SUMMARY

She has over 15 years' experience in fund raising, end to end contract management, strategic planning, operations management, budget planning, risk mitigation and board collaboration having worked in various institutions in different capacities.

Bertha holds a Bachelor of Business Administration degree in Finance from Uganda Christian University. She honed her skills further by undertaking the Program for Management Development course at Strathmore University and a Lease Training by the reputable and respected Amembal & Halladay (A&H). Her vast and diverse skillset has enabled her to have notable achievements including securing funding for transactions by debt structuring with local banks and offshore lenders while maintaining 100% repayment to all financiers, spearheading the setup of 6 majority-owned subsidiaries across East and Southern Africa, and steering the growth of the lease book from a USD 100,000 book to a lease book of over USD 100M. Her most recent achievement is her heading a Finance & Risk Board Committee which is mandated with ensuring that all financial, risk and compliance processes are running optimally.

In addition to being a Director at Home Afrika Limited, Bertha is also Board member at Avantis Limited and Lipa Chat who are aggregated service providers of IT systems, insurance and fleet management.

## Directors *profile*

### **BEN MUNYASYA**



COMPANY SECRETARY

**YEARS IN INDUSTRY: 20 +**

#### **EDUCATION**

He holds a Bachelor of Laws (LLB) and a Postgraduate Diploma in Law from Kenya School of Law (KSL) and he is also a Commissioner of Oaths and Notary Public.

#### **INDUSTRY**

Legal

Mr. Munyasya is a Certified Public Secretary, a lawyer with over 20 years' experience in Legal Practice as an Advocate of the High Court of Kenya and with myriad of experience dealing in private and public company secretarial service.



*Left to Right: Ms Bertha Mvati, Mr. Anthony Mbandi, Ms Jayne Nyokabi (M.D), Mr. Peter Mungai (Chairman), Mr. Mbugua Gecaga and Mr. Ben Munyasya.*



## Management *profile*



**JAYNE NYOKABI**  
MANAGING DIRECTOR

Jayne is in charge of providing strategic advice and guidance to the Board chairman and members of the board and overseeing the implementation the turnaround strategy to transform the group into an efficient, profitable and drive the organization to succeed by creating value for the Investors.

Through her leadership, in the past year the company performance has improved tremendously compared to the previous year. Also, working together with the board, she has participated in negotiations and signing off of key partnership agreements as part of the turnaround strategy implementation, organization restructuring which has seen the business operation cost drastically come down and has the mandate to ensure the company is a going concern.

She is keen to seeing the company achieve its mission of addressing the housing need in Africa and the vision of being the leader in providing dignified planned communities across Africa

Her responsibility involves financial advisory and management, increasing the financial stability, establishing finance operational strategies by evaluating trends; determining profitability, accumulating resources; and implementing change as well as ensuring efficient resource utilization for Home Afrika Limited.



**HILLARY ANDALO**  
FINANCE MANAGER

A highly skilled Finance, Management Accounts and Administration Professional CPA-K with over 10 years of work experience playing key roles in the preparation of strategic plans, providing financial analysis, effective leadership and ensuring fiscal compliance.

Adept in budget development and administration, financial modelling, forecasting and reporting, fixed assets management, strategic and long-term planning, opportunity analysis and risk management. Practiced in design and planning of audit and assurance engagements. Expertise in International Financial Reporting Standards and International Auditing Standards.

His responsibilities include but not limited to advisory role to the management on financial matters, manage cash flow, oversee the treasury function and adopt best practices in finance department and ensure timely preparation and submission of accurate & financial reports.

Hillary holds a degree in Bachelor of commerce accounting option and a registered member of ICPAK.



**KENRICK MICHUKI**  
COMMERCIAL MANAGER

Kenrick is a seasoned sales expert with over 20 years' experience in the sales field. As the head of sales, he is responsible for overseeing daily operations in the group Sales and Marketing department. He is a consistent performer and was instrumental in the exponential growth of the sales in the group.

He has previously worked for Family Business, Pwani Oil Industries, Safaricom, Fast Eddies Ltd before joining Home Afrika group as a Relationship Manager whereby he rose through the ranks to be the Group Commercial Manager.

His duties include guidance, training & mentorship, setting sales targets and goals, creating sales & marketing plans, assigning and building the team.

He holds Bachelors of Commerce degree in Business administration and management from Daystar University.



## Management *profile*



**ROBERT SIMIYU**  
PROJECTS MANAGER

Robert is a visionary change-oriented leader with attributes of disrupting docile company potentials with minimal budgets, optimizing the available resources to boost growth in an agile and dynamic environment, with an appetite of conflict resolution, Commercial Negotiations, legal eye on company operations with intent to minimize exposures and risks.

As head of Projects and Product Development, Robert has revolutionized the way Projects are looked at in the industry, revolutionizing processes that optimizes output for each product. Prior to joining Home Afrika, Robert served as the Head of Portfolios at Villa care limited, a leading real estate Company based in Nairobi where he was responsible for onboarding and overseeing company portfolio in over five counties in Kenya, championing portfolio growth. He

has held similar positions in different institutions namely Anchor Group of Companies – A real Estate Consortium, ABSA Bank and KEPSA- the Umbrella body of private institutions championing Advocacy

Mr. Simiyu Brings with him an extensive scope of over 13 years in Projects management and Product Development, He is a Graduate of Business Administration and Management from Mount Kenya University .He also holds a Diploma in Public Administration and Management from Moi University and Diploma in Bible and Theology from Nairobi Pentecostal Bible College. He has done several trainings aimed at transforming teams majorly - Life Skills Training, Core Business Skill Training, Behavior Change Communication, Projects Management – A.N.U



**DUNCAN NG'ENO**  
FINANCE & ADMINISTRATION  
MANAGER MIGAA

Duncan Ng'eno is an accountant by profession with over 10 years of experience excelling in managing general accounting functions and contributing to accounting controls. He has experience in providing direction to the accounting team. He has successfully ensured there is accountability and put in place controls that have contributed to the mitigation of risks and cost-saving as well. Duncan is a highly capable change-agent who consistently refines and revitalizes strategies, initiates change, facilitates solutions-driven approaches and team collaboration in the work environment.

Duncan holds a Bachelor's degree in Economics and Finance and he is ongoing with Masters in Business Administration.

His expert skills include accounting, financial management, financial control, budgeting and cash management, auditing, cost accounting, financial forecasting, strategic management as well as fixed asset management and control.

His responsibilities include handling Home Afrika Communities Limited in resolving conflicts, delegating and organizing tasks, as well as motivating and leading teams during project developments, ensuring that the company abides with the set of laws implemented by the state related to taxes and handling financial transactions and distributing monthly management accounts to budget holders among other responsibilities.



# Chairman's Statement

**PETER MUNGAI**

**CHAIRMAN - Non-Executive Independent Director**

**Dear Shareholders,**

On behalf of the Board of Directors, I am pleased to present to you the Home Afrika Group integrated annual report and financial statements for the year ended 31st December 2023.

## **An overview**

The year 2023 delivered both achievements and setbacks in our operating environment. We learnt to live with the aftermath of the global pandemic, the impact of global geopolitical risks that threatened the global stability, climate change among others. Despite the challenges, the company reported better performance compared to previous years.

Kenya's economic performance strengthened in 2023 with real GDP growth accelerating from 4.8% in 2022 to an estimated 5% in 2023. The year saw performance improvement in the real estate sector which was driven by economic expansion, urbanization, foreign direct investment and government policies. The company is accredited and licensed by the Estate Agents Registration Board (EARB), Kenya's regulatory and legislative body for estate agency practice.

In 2023, we were privileged to open the entire 18-hole golf course in Migaa Golf Estate in the month of June and in the month of September we got rated by Kenya Golf Union (KGU) as the 46th affiliated club in Kenya.





This has seen the club host major events and in July 2024, KGU has honored us and we shall be hosting an International event.

In terms of financial performance, the group continues to report better performance since the implementation of the Turn Around strategy which covered four key areas; Debt Restructuring, Business Continuity, Organizational Restructuring and Check on the Internal Control Systems.

This has led to the company reporting an operating profit growth of 113% for the year ended 31st December 2023 compared to the same period in 2022. The main contributor being the increase in reported sales of 59% which arose from the increase in registered leases and issued titles. This growth will continue as we continue to implement the strategy which has now been reflecting in the numbers for the past two years.

### Board Operations

During the year 2023, Ms. Catherine Wahome was appointed to the board as a non-executive director. The board is committed to put in strategies that will improve the performance of the company and create value for the shareholders as seen in the numbers since the implementation of the Turnaround strategy began. We look forward to better performance in 2024

We remain committed to oversee the implementation of sound corporate governance practices and structures. To enable efficient implementation, the Board has delegated its authority to various committees including the Nomination, Governance, HR & Administration Committee which is particularly tasked with ensuring compliance with relevant regulatory bodies and standards.

### Share Performance

The overall effect of the implementation of the turnaround strategy is the Group's material reduction in losses after tax by 57%. (From Kshs. 65.1 million for the period ended 31st December 2022 down to Kshs. 27.8 million posted in 2023.)

A business continuity committee was formed to develop other real estate solutions which will bring revenue to

the company, enable the Company to exit from the already sold out projects and hand over the projects to the management companies for the developer to stop incurring additional cost. The committee is also mandated to develop strategies and partnerships in the affordable housing space.

With the laid down strategies which have improved performance since their implementation, we believe this will bring back confidence to our investors and it will result to a higher share price.

### Dividends

The directors do not recommend a dividend for the period ending 31st December 2023.

### 2024 Strategic Outlook

As a company, we intend to continue Implementing the Strategies, register more leases and titles, pay off/restructure the remaining debts and work closely with the county governments and other key stakeholders to provide real estate solutions. We also intent to tighten the organization controls, run the company performance efficiently, and exit/hand over sold out projects to the management companies. We believe these will improve performance and create value for our shareholders.

### Appreciation

I take this opportunity to appreciate Home Afrika investors and other stakeholders for their continued support for our company. I would like to appreciate my fellow board members for their service, loyalty and commitment to duty in serving Home Afrika with me, the management team and the entire staff for their dedication to take the company to the next level.

**God bless Home Afrika, God bless us all.**

**Peter Mungai**  
Chairman  
Home Afrika Ltd

*the group continues to report better performance since the implementation of the Turn Around strategy*





# Managing Director's Statement

**JAYNE NYOKABI**

## MANAGING DIRECTOR

### Dear Shareholders,

In the past two years the team has been committed to implementing the turnaround strategy with the objective of bringing back the company to profitability and creating value for our investors.

In 2023, we saw the effects of the debt restructuring on our financial statements. Finance cost decreased by 37% while borrowings and the private bond reduced by 25%. New products were listed in our inventory and engagements with various stakeholders and potential investors happened with regards to business continuity. We sustained a lean and effective team which saw the company report a 59% increase in revenue for the year 2023 compared to 2022 and a material decline in loss after tax by 57%. (From Kshs. 65.1 million for the period ending December 31st 2022 down to Kshs. 27.8 million posted in 2023). This was as a result of organization restructuring and adherence to the operations control systems.

## OPERATIONS OVERVIEW

2023 will remain in the group's history books as the year that we opened the entire 18-holes golf course in our Migaa project in June 2023. Three months later in September 2023, we got rated by the Kenya Golf Union and Migaa Golf Club was accredited as the 46th golf club in Kenya.



The book value of the group's sellable land and other inventory stood at KSh.3.4 billion in 2023. Title issuance was a recurrent event as we issued titles for our various projects which include, 101 titles for Tulivu Phase 1& 2 (Naivasha), 38 titles for Joska (Kangundo road), 51 titles for Sidai (Isinya) and registered over 50 leases for Migaa projects.

Currently we are processing and issuing titles for Tulivu Phase 3 (Naivasha), Batian (Nanyuki), Kerobi (Isinya) and Lakeview Phase 3, (Riat Hill, Kisumu). Investors of these projects have already been communicated to and are requested to visit our offices

Operations will continue at our main office along Ngong road in Nairobi, Ubii Plaza in Nanyuki, Harleys Building in Kisumu, the site office in Migaa, Kiambu and Lango project in Tiwi, Kwale County.

The year also had its share of challenges which included but were not limited to; Changes in the government land registration policies and taxes, infrastructure deficits, market volatility, financing constraints, market oversupply and fake land real estate companies.

## BUSINESS MODEL

In line with the real estate trends, we seek to invest in projects that will give the customers satisfaction and generate highest returns for our investors.

With increasing urbanization and demand for integrated living and working spaces, mixed-use developments which have both commercial and residential areas have become popular in the country's major cities. Therefore, we try to create such concepts within our projects to ensure we meet this need. An example is our projects in Batian (Nanyuki), Joska (Kangundo road) and Naivasha (Tulivu).

There has been an increase in gated communities that offer security, amenities, and a sense of community. Our Migaa project which is a gated golf estate development has gained popularity among middle and high-income earners in Kenya. It features residential apartments and villas which are accompanied by a complete 18-hole golf course and a commercial center that is currently available for sale.

As a company, we seek to invest in projects that will generate highest returns and create value for our shareholders, thus ensuring we have the right products in the market and adequate skills to meet the company's objectives.

*We sustained a lean and effective team which saw the company report a 59% increase in revenue for the year 2023*



Addressing the housing deficit remains a priority for the current Kenyan government, leading to increased focus on affordable housing initiatives. We have expressed interest to the 47 county governments to partner in this space. We have also engaged potential investors and partners to be part of the stakeholders who will make affordable housing dream a reality in line with group Mission and Vision.

We also have other functions that support the business which include; Finance-Accounting & Treasury, PR & Communications, Administration, ICT, Legal & Compliance, HR & Knowledge management and Audit & Risk.

Our desired outcomes include but are not limited to; profits, customer satisfaction, cash flow sufficiency, project turn around, positive PR in the market among others.

## OUTLOOK

With the continued increase in investor confidence in the property market, Government's continued focus on affordable housing and infrastructure developments, increased foreign investor and diaspora appetite for Kenya's property market, we look forward to a better and positive performance in 2024.

Our focus will be to shorten the duration for title issuance, exit the projects that have been sold off by registering the leases and issuing titles and handing over to the management companies.

2024 will be our final year to turnaround the company performance and we believe with the laid down strategy the company shall report improved performance which will bring the company back to profitability and improve our share price.

## APPRECIATION

I would like to thank all our employees for their commitment and dedication in the face of unprecedented adversity. I wish to acknowledge the support and direction that the management and I have received from the Board of Directors. I would also like to appreciate all our stakeholders for the support and we remain most grateful to our shareholders for investing in Home Afrika.

**JAYNE NYOKABI**

MANAGING DIRECTOR,  
HOME AFRIKA LIMITED





“THE FUTURE IS  
NOT SOMETHING  
WE ENTER.  
THE FUTURE IS  
SOMETHING WE  
CREATE.

~Leonard I. Sweet

*Actual image of Lakeview heights development a product of Home Afrika Ltd located in Riat Hills, Kisumu with beautiful views of Lake Victoria, Kisumu CBD & Kisumu international airport*



## The Company *business* Model



### INPUT



#### HUMAN CAPITAL

- Skilled, motivated employees
- Strong Leadership team
- Experienced team



#### SOCIAL CAPITAL

- Positive relationships with unionisable and non-unionisable groups
- Positive supplier relationships
- Corporation from government and legislators e.g. CMA / KRA
- Good staff relations



#### NATURAL CAPITAL

- Energy, Fuel and Water
- Sewer treatment
- Garbage re-cycling



#### FINANCIAL CAPITAL

- Equity financing
- Market capitalization
- Equity and quasi-equity financing



#### INTELLECTUAL CAPITAL

- The only listed specialist real estate development company
- Our brand and reputation
- Static, web and mobile inventory



#### ASSET CAPITAL

- Buildings
- Site office
- Tractor(equipment)
- Vehicles

# The Company *business* Model

## VALUE CREATION PROCESS



### CORE ACTIVITIES



#### ORIGINATION

- Smart plots
- Migaa plots
- 3rd party properties and projects
- Valuation, surveying & beaconing



#### PRODUCT DEVELOPMENT

- Due diligence & structuring
- Financial modelling
- Branding & marketing
- Value addition & infrastructure
- Vendor and offtake financing



#### COMMERCIAL

- Relationship managers
- Site visits and virtual tours
- Corporate desks & presentations

#### SUPPORTING ACTIVITIES

- Finance-Accounting & Treasury
- PR & Marketing
- Administration
- ICT
- Legal and Compliance
- HR & knowledge management
- Audit & Risk

### OUTPUT



- Commercial & Residential property
- Conference and virtual office facilities
- Land

### DESIRED OUTCOMES



- Profits
- Customer satisfaction
- Achieved targets
- Timely financials
- Cash flow sufficiency
- Project turn around
- Vendor/Client finance
- Lean origination cost
- Positive PR in the market

### OUR REVENUES

- Property sales
- Own properties & 3rd party properties
- Property development
- Property letting
- Land survey

### OUR COST

- Infrastructure costs
- Finance costs
- Sales & marketing costs
- Human resource & administrative costs

## BUSINESS *model* ACTIVITIES



**50X 100 PLOTS FOR SALE**  
SMART PLOTS LOCATED IN PRIME AREAS WITH ACCESIBILITY TO ALL AMMENITIES  
,BREATHTAKING VIEWS, AFFORDABLE PRICES AND A PAYMENT PLAN

PROJECT	LOCATION	CASH PRICE(KSH.) START FROM:	PAYMENT PLAN(KSH.) (6MONTHS)
NOBLE PARK ESTATE	MACHAKOS	990,000	DEPOSIT 100,000 THEN BALANCE IN 6MONTHS
BATHIAN VIEW	NANYUKI	400,000	430,000
LAKEVIEW HEIGHTS	KISUMU	1,000,000	DEPOSIT 100,000 THEN BALANCE IN 6MONTHS
ENTIM BREEZE	NOONO	350,000	385,000
TULUVU GARDENS PHASE 3	NAIVASHA	400,000	435,000
ZURI GARDENS	MIRERA/NAIVASHA	500,000	530,000

FOR MORE INFORMATION YOU CAN CONTACT  
☎ 0749372071 📧 HOMEAFRIKA LTD  
or visit us at  
🌐 [www.homeafrika.com](http://www.homeafrika.com)

## DEVELOPMENT

Once land acquisition and planning phases are completed, Home Afrika initiates project development, maintaining its reputation for exclusively procuring high-quality products that meet rigorous environmental standards. Renowned for delivering projects of unparalleled quality, the company leverages economies of scale and robust supplier relationships to optimize costs.

Ensuring adequate project funding is paramount to successful property development. Home Afrika employs a financing structure comprising equity, debt, and pre-sales, strategically managed to achieve affordability. Building on years of experience, the company has cultivated strong ties with various financial entities, including commercial banks, equity investors, and new commercial partners.

Recognizing the challenges of timely funding acquisition, Home Afrika's "Home Afrika 2.0" Short to Medium Term Strategy prioritizes onboarding a strategic investor with substantial financial capacity. Additionally, the company remains committed to expanding its network of commercial partnerships and strengthening relationships with key financial institutions to bolster its financial capabilities.

## PRODUCTS/PROJECTS ORIGATION

Home Afrika has diversified in the following products/projects so as to expand its revenue base:

- Property sales
- Own properties & 3rd party properties
- Property development
- Property letting
- Land survey

This is within the goal of establishing itself as an all-round solution provider in the real estate industry.

## MARKETING

Home Afrika uses various marketing strategies to reach its wide clientele base that includes corporates, diaspora, investment groups and businesses among other sectors of the economy. It does this via; social media marketing, corporate presentations, mall activations, sponsorships e.g. golf tournaments, diaspora engagements and outdoor activities. Digital marketing has been a critical marketing platform. Virtual tours and social media posts have played an enormous role in showcasing our products in the market.

## COMMERCIALIZATION

This involves careful design, planning, permitting and engineering where the fully integrated model of Home Afrika again helps to ensure an efficient process. All processes are aligned through the continuous feedback loop that takes place and the execution risk is ultimately reduced.

Target clients' expected requirements are also included in the process to ensure that the commercial side is always aligned to the planning and designing of the project.

Monitoring new construction regulation on a continuous basis by carrying out a detailed advance study of the existing master plan also helps to improve the chance of receiving all necessary approvals in good time.

## PRODUCT DEVELOPMENT

Product development involves the following issues; Due diligence & Structuring, Financial Modelling, Branding & Marketing, Value addition & infrastructure and Vendor and offtake financing.

## The Business *model* breakdown

CAPITAL	INPUTS	OUTCOMES	BUSINESS ACTIVITIES TO ENHANCE OUTCOMES	CHALLENGES	COMPETITIVE ADVANTAGE OF THIS CAPITAL
HUMAN CAPITAL					
<p>At Home Afrika Group, we prioritize the well-being and motivation of our employees, contractors, and service providers as essential for generating value. We ensure a safe working environment and invest in comprehensive training programs to enhance skills and capabilities. Upholding fair labor practices is fundamental to our operations, ensuring equitable treatment for all employees. We foster open communication and collaboration, encouraging feedback and ideas to drive continuous improvement and innovation. Our commitment to the welfare and development of our team members contributes to a positive and inclusive workplace environment, essential for the success and sustainability of our organization</p>	<ul style="list-style-type: none"> <li>• 154 Skilled and motivated employees</li> <li>• 52 Casual workers</li> <li>• An experienced and diverse Board guided by the company Values</li> </ul>	<ul style="list-style-type: none"> <li>• Investment in training of employees and general staff welfare</li> <li>• 37% of women in the workforce</li> <li>• Employees are equipped with the necessary skills, knowledge, and resources to perform their roles effectively, resulting in improved productivity and efficiency across the organization.</li> </ul>	<ul style="list-style-type: none"> <li>• The strength of our corporate culture, the appreciation based on meritocracy and the Investments in our employees' professional development are some of the initiatives that add value over time.</li> <li>• Home Afrika has developed a capable and engaged workforce while ensuring a clear succession plan for its staff</li> <li>• We further ensure a safe work place and promote the health and wellbeing of our employees. Employees are constantly updated on the necessary trainings and safety precautions done.</li> <li>• The Home Afrika Board provides leadership through responsible citizenship.</li> </ul>	<p>Cost of acquisition of competent staff and their retention implies relatively high cost</p> <ul style="list-style-type: none"> <li>• Staff exits</li> <li>• Lawsuits - with regards the exiting staff</li> </ul>	<ul style="list-style-type: none"> <li>• The diverse backgrounds and professional training of our staff at HAL ensure that we are a leader at the Real estate market.</li> <li>• At Home Afrika, we are an equal opportunity employer without regard to race, national origin, religion, gender, age, sexual orientation, veteran status, physical or mental disability or other basis protected by law. While the Company is committed to following this principle in every facet of employment, all employees share in the responsibility to promote and foster a favorable work environment</li> </ul>





## The Business model breakdown

CAPITAL	INPUTS	OUTCOMES	BUSINESS ACTIVITIES TO ENHANCE OUTCOMES	CHALLENGES	COMPETITIVE ADVANTAGE OF THIS CAPITAL
<b>SOCIAL CAPITAL</b>					
<ul style="list-style-type: none"> <li>Developing and maintaining trusted relationships is a foundation for value creation. This has taken on added significance given the recent negative reviews on real estate firms. The challenging and competitive price environment has required us to take actions that have tested many of our relationships.</li> </ul>	<ul style="list-style-type: none"> <li>Positive relationship with our Customers.</li> <li>8334 shareholders</li> <li>Positive supplier relationships Cooperation from government and regulators. Positive relationship With unionized and non-unionized workforce.</li> </ul>	<ul style="list-style-type: none"> <li>Amicable Project close out for Llango, Lakeview, Tulivu. &amp; Migaa projects</li> <li>Delivery of social benefits to the community</li> </ul>	<ul style="list-style-type: none"> <li>Timely communication with our stakeholders</li> <li>Ensuring full compliance with all the regulators</li> <li>Upholding highest social standards</li> <li>Making a positive social contribution through our CSR (Full report on Pg 55)</li> </ul>	<p>Building Trust: Consistently delivering on promises, maintaining open communication, and addressing stakeholder concerns promptly to build trust. Managing Conflicts: Resolving conflicts and disputes among stakeholders to maintain positive relationships and collaboration</p>	Strong Stakeholder Networks: Enhanced reputation, access to resources, and support from stakeholders for sustainable growth and development.
<b>NATURAL RESOURCES</b>					
Natural Capital	<p>We use borehole water for all our completed projects, Migaa and Morningside Office park.</p> <ul style="list-style-type: none"> <li>Solar usage in our Residential properties i.e. Mitini</li> <li>Indigenous Trees at Migaa</li> </ul>	<p>We have adopted a 50% green concept in Migaa, where for every 1 acre of build, we have 1 acre of green</p> <ul style="list-style-type: none"> <li>Garbage recycling in Morningside Office park</li> <li>Sewer Treatment plant at Migaa</li> </ul>	<p>Provide leadership through responsible citizenship</p> <ul style="list-style-type: none"> <li>Conducting energy audits</li> </ul>	<p>Long term nature of the projects at HAL leading to unease with clientele</p> <ul style="list-style-type: none"> <li>Share price is dictated by market forces since Home Afrika is a publicly listed company, leading to share price fluctuations. As a result, the share value doesn't necessarily portray the book worth of the company.</li> <li>Not all clients are acceptable to the project close outs leading to lawsuits</li> <li>Stringent regulations from the government</li> </ul>	<ul style="list-style-type: none"> <li>At Home Afrika, the 1 acre of green for every one acre of build is a unique concept that's been incorporate at our Migaa project. It ensures that we conserve green space, and is one of a kind in Kenya</li> </ul>







## *Business environment and operating context*

In the dynamic business environment and operating context of Home Afrika Limited, several key factors shape the company's strategies and operations. Home Afrika operates within the real estate sector, where market trends, regulatory requirements, and economic conditions significantly influence business decisions. The company navigates challenges such as fluctuating property prices, evolving consumer preferences, and regulatory changes impacting land acquisition and development processes. Additionally, Home Afrika faces competition from both established players and emerging market entrants, necessitating continuous innovation and strategic adaptation to maintain its competitive edge. Amidst these challenges, Home Afrika capitalizes on its robust financial position, strong stakeholder relationships,

and commitment to sustainability to seize opportunities for growth and value creation. By closely monitoring market dynamics, embracing innovation, and leveraging its core competencies, Home Afrika strives to thrive in its operating environment and achieve sustainable success in the real estate industry.

### **STRATEGIC RESPONSE**

Home Afrika Limited strategically responds to the evolving business environment and operating context with adaptability, innovation, and a dedication to stakeholder value. Recognizing the impact of changes such as increases in stamp duty and the implementation of the new Finance Bill, the company proactively adjusts its strategies to mitigate associated risks and capitalize on emerging opportunities. Embracing agility, Home Afrika diversifies its portfolio, explores new market

segments, and enhances operational efficiency to drive growth and profitability. This entails investing in research and development to spur product and process innovation, optimizing financing strategies to secure adequate funding for projects amidst regulatory changes, and fortifying market presence through strategic partnerships. Additionally, the company prioritizes sustainability by integrating environmental considerations into its practices and adopting sustainable building methods to meet consumer demands and regulatory standards. By aligning its strategic initiatives with the evolving regulatory landscape, Home Afrika aims to sustain its competitive edge, foster long-term value creation, and achieve its organizational goals within the dynamic real estate sector.



STAKEHOLDER	CONCERN (S) / EXPECTATIONS	COMPANY RESPONSE	METHOD OF STAKEHOLDER ENGAGEMENT	LINK TO ETHICS & VALUES
<b>Employee (All levels)</b>	<ul style="list-style-type: none"> <li>• Job security</li> <li>• Career growth</li> <li>• Competitive Remuneration</li> <li>• Employee welfare &amp; safety</li> </ul>	<ul style="list-style-type: none"> <li>• Recognition for good performance</li> <li>• Staff needs forecasting &amp; regular recruitment</li> <li>• Departmental budgeting done by Dept. members</li> <li>• Incentives</li> <li>• Performance Improvement Program (PIP)</li> <li>• Competitive remuneration</li> <li>• Recognition for good performance</li> <li>• Consultative decision-making platform</li> </ul>	<ul style="list-style-type: none"> <li>• Virtual meetings</li> <li>• One-on-one Interviews</li> <li>• Staff Meetings</li> <li>• Email and phone communication</li> </ul>	<ul style="list-style-type: none"> <li>• There is a Staff Code of Conduct &amp; Ethics</li> <li>• Performance Appraisals are carried out regularly</li> <li>• A culture of ownership &amp; accountability guided by a bottom-to-top approach in setting Targets &amp; KPIs</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• ROI</li> <li>• Maximization of the value of investment</li> </ul>	<ul style="list-style-type: none"> <li>• Company restructuring (management &amp; board) to improve productivity and efficiency</li> <li>• Wider product portfolio</li> <li>• Creation of liquidity</li> <li>• Providing platforms to facilitate the addressing of concerns &amp; questions from shareholders promptly (MD also involved in this)</li> <li>• Fund-raising to complete projects and free up profits to pay dividends</li> </ul>	<ul style="list-style-type: none"> <li>• AGM Meetings</li> <li>• Special Meetings</li> <li>• Online platforms</li> <li>• Email &amp; Phone communication</li> <li>• Mass media</li> </ul>	<ul style="list-style-type: none"> <li>• Restructuring of the company both at Board and Management levels was undertaken to ensure efficiency &amp; effectiveness in how the company is run day to day</li> <li>• Active engagement of Financial journalists so as to help the Investor understand better how the company reports its financials so as to change public perception and improve the share price.</li> </ul>





STAKEHOLDER	CONCERN (S) / EXPECTATIONS	COMPANY RESPONSE	METHOD OF STAKEHOLDER ENGAGEMENT	LINK TO ETHICS & VALUES
<b>Suppliers / Creditors</b>	<ul style="list-style-type: none"> <li>• Provide a market Payment for raw materials, products and services</li> </ul>	<ul style="list-style-type: none"> <li>• Scheduled payment of suppliers</li> <li>• Reasonable credit terms to ensure they are paid as expected</li> <li>• Giving repeat business</li> <li>• Penalties that are applicable (if any) are also stipulated</li> <li>Room provided for renegotiation of terms</li> </ul>	<ul style="list-style-type: none"> <li>• Virtual meetings</li> <li>• One-on-one Meetings</li> <li>• Email &amp; Phone communication</li> <li>• Mass media</li> </ul>	<p>A Pre-qualification of Suppliers and 3-bid analyses during the procurement process is always undertaken to ensure that the company gets the best suppliers and gives repeat business to the suppliers.</p>
<b>Society / Community</b>	<ul style="list-style-type: none"> <li>• Operate as a responsible corporate citizen</li> <li>• Contribution in the area/community the company operates in</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure compliance with NEMA regulations</li> <li>• Provide employment opportunities</li> <li>• Value of property has appreciated</li> <li>• Improved infrastructure in conjunction with the county government – road fixing from Kiambu Road to Migaa, street lights up to Kiambu road</li> <li>• Improved security in conjunction with the National Government – police post was set up because of the existence of the Migaa project</li> <li>• Road demarcation for easy access to Riat plots.</li> </ul>	<ul style="list-style-type: none"> <li>• One-on-one Meetings</li> <li>• Email &amp; Phone communication</li> <li>• Mass media</li> </ul>	<ul style="list-style-type: none"> <li>• CSR activities were undertaken – Children's home visit</li> <li>• Tree Planting Ceremony at Migaa</li> <li>• Casual employees at our Migaa Project are drawn from the immediate community</li> </ul>



STAKEHOLDER	CONCERN (S) / EXPECTATIONS	COMPANY RESPONSE	METHOD OF STAKEHOLDER ENGAGEMENT	LINK TO ETHICS & VALUES
<b>Governments</b>	<ul style="list-style-type: none"> <li>• Tax compliance</li> <li>• Compliance to existing laws - land laws, company laws</li> <li>• Contribution to economic growth through job creation</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure up-to-date remittance &amp; payment of tax</li> <li>• Restructuring &amp; prompt payment outstanding backtaxes</li> <li>• Compliance with all relevant laws</li> <li>• Compliance with regulatory requirements &amp; standards</li> <li>• Provide employment</li> </ul>	<ul style="list-style-type: none"> <li>• One-on-one Meetings</li> <li>• Email &amp; Phone communication</li> <li>• Round Table discussions</li> </ul>	<ul style="list-style-type: none"> <li>• The company is regulated by the CMA &amp; the NSE and is committed to complying with these regulators' requirements by ensuring that there is proper corporate governance and compliance with all the requirements of being a listed company</li> <li>• Payments to KRA were remitted.</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Quality and innovative products that meet their needs</li> </ul>	<ul style="list-style-type: none"> <li>• Individualized attention by the sales team members who guide the customer through the entire purchase process and provide project &amp; document processing updates</li> <li>• In-house Legal Department tasked with direct processing of property ownership documents so as to improve speed of processing the documents</li> <li>• Seeking &amp; acting on customer feedback</li> <li>• Prompt issuance of statements to customers</li> </ul>	<ul style="list-style-type: none"> <li>• Virtual meetings</li> <li>• One-on-one meetings</li> <li>• Email &amp; Phone communication</li> <li>• Mass media</li> <li>• Social Media</li> </ul>	<ul style="list-style-type: none"> <li>• Social Media platforms are active and prompt in responding to customer issues be it feedback, questions or complaints.</li> <li>• Home Afrika has a comprehensive CRM through which data and information from customers is stored making engagement with customers better and informed.</li> </ul>
<b>Financiers</b>	<ul style="list-style-type: none"> <li>• Not to exposed to undue risk</li> <li>• Company meets all its financial obligations</li> </ul>	<ul style="list-style-type: none"> <li>• Commitment to paying off all the loans through prompt payment and restructuring</li> </ul>	<ul style="list-style-type: none"> <li>• Round table meetings</li> <li>• Email and phone communication</li> </ul>	<ul style="list-style-type: none"> <li>• The company purposes to meet all its financial obligations by repaying its debts and engaging its financiers when necessary</li> </ul>





## Material risks *and* opportunities

*Home Afrika Board has wholly committed the group to a process of risk management that is aligned to the principles of best practice and corporate governance. 9*

Material risks are the factors that have the most impact on our ability to create long-term value. They have an impact on our productivity, performance and relationships with our stakeholders. These matters influence the strategic approach adopted in steering the group.

Home Afrika Board has wholly committed the group to a process of risk management that is aligned to the principles of best practice and corporate governance. Proper risk assessment enables us to anticipate and respond to changes in the business environment as well as make informed decisions under conditions of uncertainties.

Home Afrika risk management processes are embedded in our everyday business activities and culture. For us, risk management involves achieving an appropriate balance between realizing opportunities for business gain while minimizing the adverse impacts of these risks.



## Material risks *and* opportunities

	CAPITAL STABILITY	GOVERNMENT POLICIES	OPERATING ENVIRONMENT	PEOPLE
<b>Material Matters</b>	<ul style="list-style-type: none"> <li>Adequate capitalization and need for low-cost financing partners.</li> <li>Liquidity &amp; revenue growth</li> <li>Project completion &amp; profitability</li> </ul>	<ul style="list-style-type: none"> <li>Government policies on affordable housing</li> <li>Government policies on physical planning policies</li> </ul>	<ul style="list-style-type: none"> <li>Challenging macroeconomic and microeconomic environments.</li> <li>Evolving regulatory landscape</li> </ul>	Talent nurturing, management and retention
<b>Risks</b>	<ul style="list-style-type: none"> <li>Project delays</li> <li>Reputational issues</li> <li>Litigation Risks</li> <li>Market risk</li> </ul>	<ul style="list-style-type: none"> <li>Key players moving towards the affordable housing space. Risk of investments declining in value due to Government affordable housing project</li> </ul>	The macroeconomic environment, characterized by increase in construction costs, slowdown in credit expansion, political uncertainty creates great business risks.	The effective execution of strategy is adversely affected by the failure to attract and retain talent.
<b>Opportunities</b>	<p>Capping of interest chargeable by CBK has made banks averse to facilitating short term loans. This has affected access to credit for companies and individuals whose target purchase of property in Migaa and similar projects by Home Afrika.</p> <p>With the return of free-floating interest rates from banks, Home Afrika has the opportunity to get local bank financial partners who are willing to partner in infrastructure projects.</p> <p>Recent enforcement of the clean energy rules that require all large-scale domestic housing units install renewable energy for water and house heating may have a significant cost effect on future projects by Home Afrika.</p>	<p>The government policy to deliver decent housing to working Kenyans is in line with HAL's business strategy.</p> <p>The supply of equitable housing will in turn increase new consumers/a new market in moderate-income households.</p> <p>The affordable housing policy will lead to decrease in manufacturing cost related to the real estate sector thus creating an opportunity to increase the overall output of the company.</p>	Political tension played a vital role in discouraging investment in real estate especially postponing of property -purchase decisions due to the uncertainty of election results, with political stability post the general elections this provides a great opportunity for credit advancement more so for households relying on the credit market towards home acquisition.	Talented employees are a great tool in responding to changes in our operating environment mentioned. Management of performance to ensure optimal productivity is essential.



## Material risks *and* opportunities

### OTHER RISKS

Risk means the quantifiable likelihood of loss or less than expected returns.

Risk management is the process of identifying, monitoring and managing potential risks in order to minimize the negative impact they may have on an organization.

### RISK MANAGEMENT PROCESS

Risk Management is the logical and systematic process of identifying assessing, managing and reporting all risks associated with the Company's business activities to minimize losses and maximize opportunities to pursue strategic goals. The Risk Management Process

outlines a standardized approach to the identification, analysis, evaluation, treatment, communication and monitoring of risk. All services will use this standardized approach and record the outcome in a series of Risk Registers. The Risk Registers will be collated at key organizational levels allowing for risks to be managed at the most appropriate level in the organization i.e. risk that fall outside the control of a line manager may be escalated to the appropriate level of management.

It is essential that action plans for the risks contained in the Risk Register are identified and an action person assigned. These Risk Registers must be under active consideration and be the subject of regular review.





## Material risks *and* opportunities



### STRATEGIC RISKS

These are risks that the group may not achieve its business objectives and goals. They arise from, improper implementation of company strategy and thereby deviating from them. The purpose of assessing strategic risks and opportunities is to identify the business operations which can be deployed to attain the objectives taking into account manageable risks, and also avoiding those business operations which involve unreasonably high risks. In addition, management of strategic risks facilitates the company's ability sustainably manage its personnel through the assurance that individual responsibilities are aligned with the overall company strategy and business objectives.

### FINANCIAL RISKS

These are risks that arise from gaps in budgeting, funding and revenues management, exposure on any of these fronts would affect the company's ability to manage its financial obligations. Budgeting exposure would manifest itself in

the form of expenditures that are beyond the approved budget or expenditures that are incurred with no consideration to the budget lines. Funding risks would manifest in the company's inability to meet its financial obligations to service providers and creditors whose extreme consequence would be attachment of company assets or insolvency proceedings. Revenue risk exposure are those risk that the company faces when the its income streams are disproportionate to the capital investment thereby creating loss-making ventures

### LEGAL & REGULATORY RISKS

Regulatory risks are exposures that arise from the company's failure to comply with regulatory requirements. They are annual and mandatory and therefore failing to comply may put the company's listed status in jeopardy. Legal risks are those that arise from civil litigation suits and public disputes regarding ethics, environments degradation or destruction, fraud, labor relations or any criminal proceeding against the company. Legal risks increase

financial and reputational risk exposure and disclosures must be made as frequently as they occur.

### REPUTATIONAL RISKS

Risk of loss resulting from damages to the group's reputation, in lost revenue, increased operating costs or destruction of shareholders' value, consequent to an adverse event. Adverse events typically associated with reputation risk include ethics, safety, security, sustainability and quality of products sold.

### OPERATIONAL RISKS AND MANAGEMENT RISKS

These are risks resulting from weaknesses in internal control processes, people, inadequacies in system and processes, human error, fraud, criminal acts or failures, legal issues, ICT breaches and physical or environmental processes through which the group operates. The aim is to avoid or reduce operational risks, taking into consideration the cost of controls measures in relation to the scope of risk.

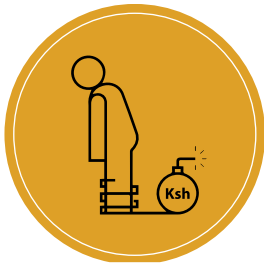


## Emerging Risks



### INNOVATION RISK:

Due to the changing business environment, Innovation presents challenges to companies that strategize to gain more market share or to stimulate growth. As the industry grows, there is need to seek to improve our innovativeness as well as aligning to the changing trends. The business environment is not static. As a means to mitigate this risk, we have a plan to implement the use of third party research to be actively be able to cope with the changing environment in the industry.



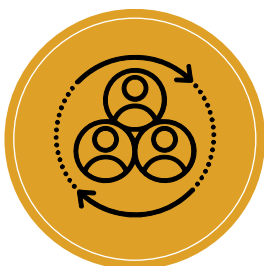
### DEBTORS MANAGEMENT

This is an emerging risk driven by economic status and liquidity challenges. It is also driven by the effects of our internal credit capping and the economic situation of the country. We have worked to mitigate this by implementing a strict credit policy with credit capping.



### THIRD PARTY RISKS

Third parties always exist in any business undertaking. Third parties form part of the company's stakeholders. In the course of our business dealings with third parties, we are exposed to certain risks for example supplier business failure. As a mitigation, supplier due diligence is done through extensive vetting by the company before any dealings with such third parties and we have a tendering process already in place.



### STAFF TURNOVER

Staff turnover has been witnessed during the year in various departments. However, turnover was within normal standards as well as within the company's tolerance limits. We have put in place measures to reduce turnover by improving employee satisfaction, reward policy as discussed in the Human capital report



### CYBER SECURITY RISK

As Technology advances, cyber security is projected as an emerging high risk. Due to the advancements, criminality will not stop. To mitigate the risk, the company has put control measures in place. This includes access controls, anti-viruses, and is working to acquire other measure



## Strategic Objectives

### STRATEGIC OBJECTIVE 1 LAND

#### STRATEGIC OBJECTIVE

Develop sustainable value proposition for strategic value in readiness for sale or land bank through the following ways.

#### INITIATIVE

1. Joint Ventures
2. Public Private Partnerships
3. Outright Purchases
4. Third Party Sales

#### KEY PERFORMANCE INDICATOR

- Maintain a pipeline pool of 50 Properties from which the company will seed from.
- Develop and Maintain business implementation strategy.
- Develop, plan and ensure adherence to company Business strategy
- Develop partnership Models and onboard partners

*Detailed report on pg.42-48*



### STRATEGIC OBJECTIVE 2 EXPANSION

#### STRATEGIC OBJECTIVE

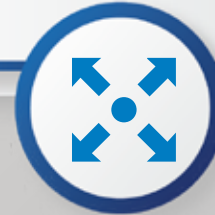
Develop models adapting to the ever-changing fluid Market.

#### INITIATIVE

1. Go county Model
2. Developing new products.
3. Affordable Housing
4. Partnerships

#### KEY PERFORMANCE INDICATOR

- Keep up with the county integrated plans
- Market surveys to tailor Customer needs
- New projects in new areas



### STRATEGIC OBJECTIVE 3 INNOVATION AND TECHNOLOGY

#### STRATEGIC OBJECTIVE

Reduce cost of construction through technology

#### INITIATIVE

1. Appropriate technology
2. Research & development
3. ERP system

#### KEY PERFORMANCE INDICATOR

- Network uptime -Internet & telephony
- Data Backups
- Network security Report
- Plan for system audits
- ICT infrastructure monitoring

*Detailed report on pg. 57-58*



### STRATEGIC OBJECTIVE 4 SERVICE EXCELLENCE

#### STRATEGIC OBJECTIVE

World class real estate service

#### INITIATIVES

1. Establishment of quality standards framework
2. Benchmark against best practice
3. Planning and quality assurance
4. Customer relationship Management (CRM) tool

#### KEY PERFORMANCE INDICATOR

- Customer - Centric Culture
- Personalization and Customization
- Net Promoter Score
- Fast Time Response
- Customer Retention Rate
- Employee Recognition and Reward Program





### STRATEGIC OBJECTIVE 5 HUMAN CAPITAL

#### STRATEGIC OBJECTIVE

Identify, nurture and grow human capital that will increase Home Afrika Value

#### INITIATIVES

1. Talent acquisition and retention
2. Performance management
3. Organizational structure
4. Succession Planning
5. Creating the right business culture
6. Onboarding
7. Compensation

#### KEY PERFORMANCE INDICATOR

- HR Compliance
- Performance Management
- Employee Satisfaction and Engagement
- Training and Development
- HR Administration
- CSR
- Diversity and Inclusion Metrics

*Detailed report on pg.84*



### STRATEGIC OBJECTIVE 6 STRATEGIC OBJECTIVE

#### STRATEGIC OBJECTIVE

Increase Home Afrika's financial stability.

#### INITIATIVE

1. Source of finance
2. cost of finance
3. ROI
4. Development of buyer financing model
5. Development of project financing model

#### KEY PERFORMANCE INDICATORS

- Home Afrika diversified their source of finance by fundraising, property management etc
- Carrying out due diligence on potential investors before engage them.
- Having payment plans with our buyers
- Cost of financing: Currently the group is servicing bank loans and the bond.
- Return on investments: The company employs a framework to determine return on investments on all the projects it undertakes that gives a return on investments of 25%

*Detailed report on pg.84*



### STRATEGIC OBJECTIVE 7 PARTNERSHIPS

#### STRATEGIC OBJECTIVE

Increase portfolio to the company through partnerships

#### INITIATIVE

1. Develop partnership matrix
2. Develop partnership proposals

#### KEY PERFORMANCE INDICATORS

- Coming up with new and enticing methods for partnership Models.
- Revenue guarantees
- Work with the board investment Committee for projects approval



### STRATEGIC OBJECTIVE 8 MARKETING

#### STRATEGIC OBJECTIVE

Increased stakeholder engagement

#### INITIATIVE

- |                                |                        |
|--------------------------------|------------------------|
| 1. Website partnerships        | 6. Public relations    |
| 2. Branding & Signage          | 7. Networking          |
| 3. Selling materials           | 8. Periodic reporting  |
| 4. Direct mail campaign        | 9. Research            |
| 5. Ad placement & media buying | 10. Loyalty programmes |

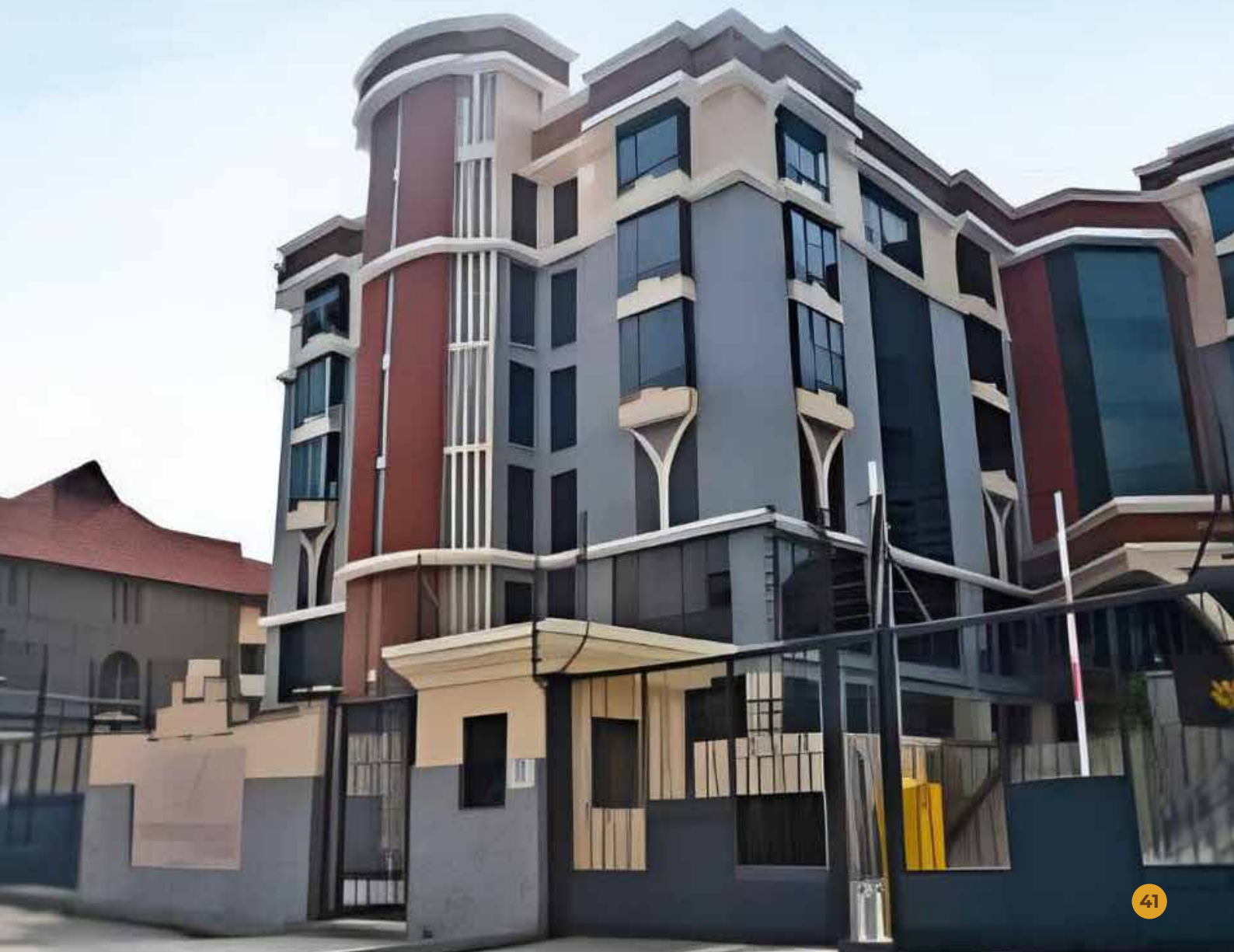
#### KEY PERFORMANCE INDICATORS

- Increase digital engagement and achieve the target leads through creating innovation content
- Excite the market through innovation and non-conventional marketing and communication material that appeals to the target
- To engage with various institutions (banks, SACCOs, Diaspora associations, membership clubs, travel agencies etc) to build brand awareness and excite the market through innovative and non-conventional offline and online activities
- Excite the market through innovation and non-conventional marketing and communication material that appeals to the target.
- Build though leadership and brand awareness through extensive PR activities.

*Detailed report on pg. 50-53*



# PROJECTS *Report*





## MIGAA GOLF ESTATE

Migaa Golf Estate represents Home Afrika Limited's ongoing development efforts, marking their second project in progress. Spanning across 774 acres, this development is spearheaded by Home Afrika Communities Limited, a dedicated special purpose vehicle established for this purpose. Situated off Kiambu Road in Kiambu County, Migaa Golf Estate promises to be a significant addition to the region's landscape.

The existing infrastructure within Migaa Golf Estate comprises essential components such as roads, a boundary wall, electric fence, gate houses, an operational

18-hole golf course, a clubhouse, water supply and reticulation systems, sewer reticulation and treatment facilities, power supply and installation, as well as ICT reticulation.

Upon completion, this expansive development will be further enhanced with the addition of natural dams, a shopping mall, conferencing facilities, educational institutions catering to both primary and secondary levels, a hotel, an ultra-modern hospital, and numerous other amenities to enrich the community's lifestyle.



*(Migaa Golf Estate: Irrigation of the Golf course back nine (Hole 10 – 18), Boundary wall & Cabro paved roads)*

### In 2023, significant strides were made at Migaa:

Renovation works began on the existing clubhouse to transform it into a fully functional facility. We enlisted the expertise of one of Migaa's architects, Architecture by Cedar, to aid in the design process.

The proposed renovation plans were handed over to the contractor for implementation in February 2024. Progress on the renovation project is well underway, and we anticipate its completion by June 2024.



*(Migaa Golf Estate: Ongoing proposed renovation works at the clubhouse)*



We made significant progress in ensuring the functionality of holes 1-9 which were under construction. Additionally, we are pleased to announce our official affiliation with the Kenya Golf Union and have obtained the certificate for course rating. With these developments, you can now fully enjoy a round of golf on our magnificent 18-hole course, and your scores will be counted towards your handicap.







*(Migaa Golf Course: Players enjoying a round of golf and KGU affiliation)*

A number of plot buyers commenced construction of their homes at Migaa and at the end of December 2023, there were 70 active construction sites



*(Migaa Golf Estate: Home construction works)*

## MITINI SCAPES

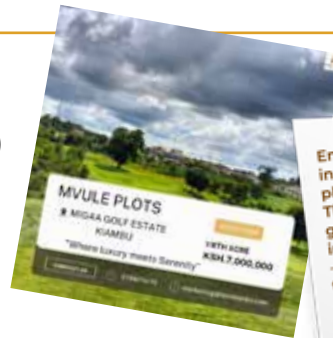
This represents yet another successful development by Home Afrika Limited, now a completed project with the Migaa Golf Estate. This development consists of a total of 82 units, comprising 12 villas and 70 apartment units. With a remarkable 93% of the units sold, the community boasts over 60 families currently residing within its premises.



## PDS & PLOT SALES AT MIGAA GOLF ESTATE

At the Migaa development, both Planned Development Sites (PDS) and plots are available for sale, offering buyers a range of options to suit their needs. Plots come in sizes of 1/8 acre and 1/4 acre, while PDS are available in acres. This diverse selection allows buyers the flexibility to design and develop homes that align with their individual tastes and preferences.

These plots and PDS are situated across various areas within the development, including Mugumo Ridge, Yellowwood Heights, Acacia, Elgon Olive, Elgon Plots, the Centre Piece Plots, Mukinduri, Migaa Mugumo, Muzura and S-Plots



Enjoy this INCREDIBLE deal located in Kiambu County. Get yourself a plot from **Ksh. 7,000,000**. The project has many features that give you an undeniable reason to invest in Mvule- Kiambu. They are:

- 30 mins drive from Nairobi town CBD.
- 18-hole golf course
- Electric perimeter fence.
- Well-graded access roads.
- Secure and friendly neighborhood.
- All social amenities available; Schools, Churches, hospitals, and security.

To Book Call/WhatsApp: **0794 898 635**  
The project located in Migaa Community is ongoing Sales

## LAKEVIEW heights



This project is located at Riat Hills, west of Kisumu County, approximately 12 minutes from Kisumu CBD with spectacular views of Lake Victoria, Kisumu International Airport and Kisumu City. **Selling 1/8 Acre from Ksh. 1,000,000**

## ZURI GARDENS

Zuri Gardens is our new Project located in Naivasha with amazing views of the lake Naivasha comprising of 1/8 Acre prime Residential plots approx. 10-minutes from old Naivasha Road.



This is a **3-acre project that is located in the Naivasha** area of Nakuru county, along the Old Naivasha Road and 500 meters from the main road.

The project is in the final stages of beaconing and plan registration.



# PROJECTS *Report*

## HOME AFRIKA – PROJECTS DEPARTMENT 2023

### INTRODUCTION

The Projects Department at Home Afrika is mandated to plan, manage, prepare, and maintain projects. In 2023, the department implemented two major projects successfully. The implemented projects are Noble Park 2 (6 ¼ plots), Zuri Gardens (22 1/8th plots), Mvule plots (19 ¼ plots), Mukinduri (156 plots) and Migaa Mugumo (16 plots). The key steps involved in the process included running a traverse and performing adjustment

computation to establish controls to be occupied for staking out procedure, data extraction from the final plan approved by the HAL management team, staking out of data, performing consistency checks on the staked-out points and beaconing. Planning and implementation of projects directly through departmental staff saved the company a lot of money initially paid to the service providers.



**ZURI GARDENS**

HOME AFRIKA

ELECTRICITY ON SITE    MODEL HOUSE THAT ONE CAN CONSTRUCT    READY TITLES

50 BY 100 PLOTS LOCATED IN MIRERA, NAIVASHA, 5 MIN DRIVE FROM NAIVASHA MAI MAHIU ROAD WITH BREATHTAKING VIEWS OF MT. LONGONOT & LAKE NAIVASHA AND IN A DEVELOPED AREA

STARTING FROM CASH PRICE KSH.500,000    MONTHLY INSTALMENTS KSH.530,000

+254769279175    @homeafrikatd    www.homeafrika.com

### NOBLE PARK 2

The project consists of 6 plots sitting on a 1 & ½ acre piece of land. The plots measure 100\*100 with breathtaking views of Koma hills, located at Machakos County, 100m off Kangundo road, approximately 38km from the CBD and 7 mins drive from Koma town.

### ZURI GARDENS

The project consists of an 1/8-acre plots on a 3 acre with a view of Mt. Longonot located at Mirera, Naivasha. 2 km from the Old Naivasha Road and 10 mins from Naivasha town with fertile soil.

### SMART PLOTS BUSINESS

To provide more affordable solutions in the market we lined up several properties to be subdivided and sold out in a Joint venture arrangement with the Landowners, we subdivide the pieces in terms of eighths, quarters, half Acres, and Acres.



HOME AFRIKA

**KEROBI PLAINS**

AT ISINYA

PRICE FROM 350,000/=

ALWAYS WHAT'S BEST FOR YOU

Home Afrika is a leading real estate company providing you with an opportunity to own a piece of land in a developed area. It is located 100m from the Standard Gauge Railway line.

FOR BOOKING +254-754-898-635

Located in Isinya, Kajiado County, approximately 20 km from Isinya Town, the property is served with a proper road network easily accessible from the Greater Southern Bypass Road and it is about 5km from the Standard Gauge Railway line. It is also 10 Km from Konza Techno City. The property can also be accessed through Mombasa Road 15km away, the project is undertaken in partnership with the vendors of the Land.



FOR SALE

**SIDAI**

PLAINS

35,000

1/8TH ACRE

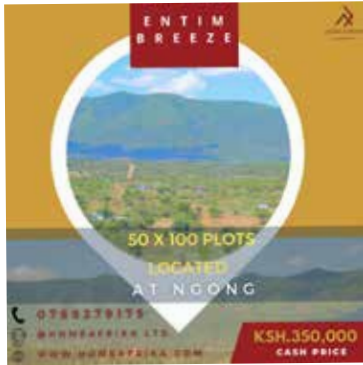
350,000

Sidai Plains is a 7 Acre property situated in Isinya, Kajiado County. Approximately 16 km from Isinya Town. The property is served with a proper road network easily accessible from the Greater Southern bypass and it is about 10km from the Standard Gauge Railway line.





## Entim Breeze



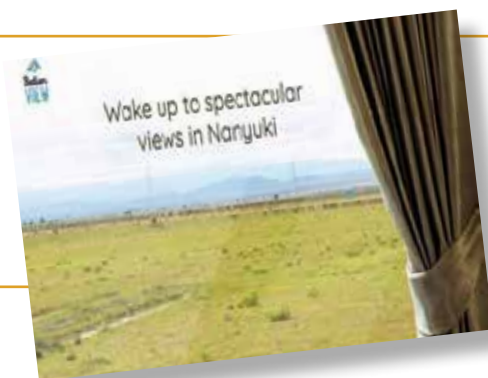
These beautiful and affordable 1/8-acre plots are located in Kimuka area of Ngong Kajiado County. Entim Breeze is located 25 minutes' drive from Ngong Town and 3km off the Ngong-Kibiko Suswa Road (Greater Southern Bypass) and near the Nairobi Malaba SGR and 10 KM from Kimuka Shopping Center. Works on the Nairobi-Malaba SGR link and on the greater Southern Bypass (both located in Kibiko area right next to Kimuka have commenced in earnest. This property is close to Ngong town, which provides supermarkets, banks, schools, and hospitals to the property owner. The road from Ngong Town to Entim Breeze is majorly tarmacked and partly murram making access to the property easy regardless of the weather. Amenities: Olosho Olbor Dispensary Kajiado West Technical Institute Kibiko Primary School Kibiko Secondary School

## Tulivu 1



This was another successful project seeded in the company, the project picked up quite well. Tulivu Gardens is located in Kinungi Naivasha, 7-minutes from Nakuru Highway (A104), 19-minutes from Naivasha Town. The project comprised of 52 plots.

## Batian View



The Project was opened in at the beginning of the Year and since it has picked up good momentum, we managed to push 70% of the project. This was a 30 Acre project located 15 Minutes from Nanyuki Town opposite Olpajeta Gate B



# Creativity *and* Innovation



*Locus map for displaying the approximate distances between beacons*

## CREATIVITY AND INNOVATION

The department invented better ways of engaging our clients and project implementation on the ground that will increase efficiency by adopting new surveying technologies and instruments like global navigation satellite systems (GNSS), Real-time kinematics (RTK), keyhole markup language (KML), and Locus map software. RTK systems rely on satellite, radio positioning, and communication, thereby helping conduct surveying faster than traditional methods. The KML file has helped us examine various geographical features on the ground that helped in decision-making. The department was able to render the inventories to stakeholders using both web and mobile platforms with the assistance of the IT

department. The above efforts assisted the relationship managers to better understand various HAL projects regarding the exact location on the ground and the landmarks around the projects.

## AFFORDABLE HOUSING SPACE

Housing is a key social determinant of people's quality of production. Kenya still grapples with a huge demand of housing. Home Afrika is looking to partner with like-minded Institutions to drive this pillar, by offering land and welcoming developers to bid and develop the land. This is in support and in line with the Affordable Housing Program by the Government which aims to provide affordable and dignified homes



*Llango plot buyers meeting*

## UPCOMING PROJECTS

We have earmarked the following areas that have great potential and we are looking at onboarding projects to our portfolio Konza, Kikuyu, Syokimau, and Kitengela.

## PARTNERSHIP AVENUES

Do you have a property for Sale, Letting and Property for Management, Valuation or Joint Venture talk to us?

We can make it happen. Kindly reach us through :

**[projects@homeafrika.com](mailto:projects@homeafrika.com) / +254715297696**

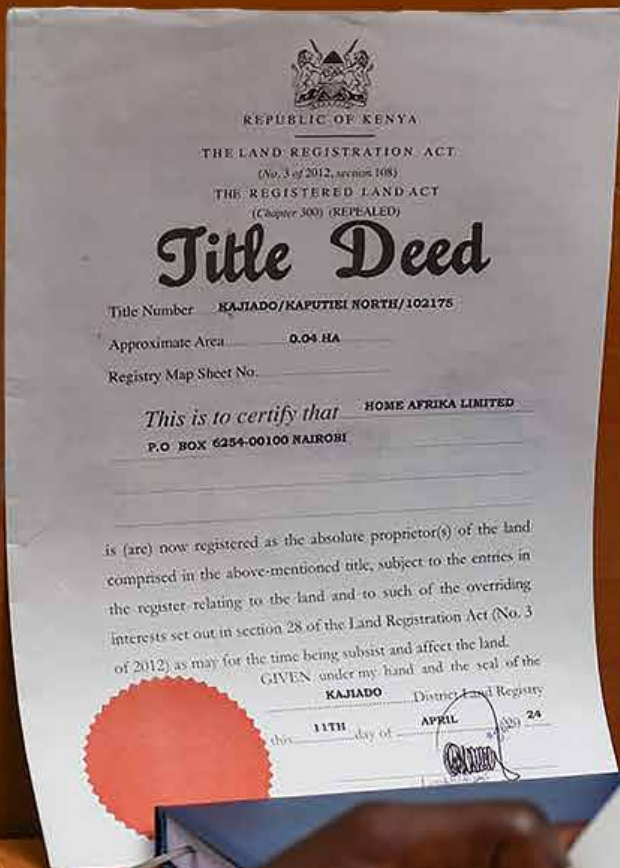




“

**The ability to bounce back after a setback is the single most important trait an entrepreneurial venture can possess**

**~ Richard Branson**



## Marketing Report

This report encapsulates our journey over the past year, highlighting our achievements, challenges, and the strategic initiatives we undertook to strengthen our brand presence and drive growth in the market.

As the Marketing Department, we are proud to share our accomplishments in marketing and public relations, which played a pivotal role in enhancing our visibility, engaging with our customers, and driving sales. Through innovative strategies and dynamic campaigns, we have successfully positioned Home Afrika among the leading real estate companies, dedicated to providing quality housing solutions and enhancing communities across Kenya.

### Key Achievements in Digital Marketing

One of the most important benefits is the global reach; it allowed us to connect with the diaspora clients. Through

targeted advertising we were able to tailor our posts to specific demographics and interests. Throughout the year, we engaged in;

Digital marketing campaigns aimed at promoting our various projects, targeting specific demographics, and driving leads. These campaigns leveraged a mix of social media advertising and email marketing to reach our target audience effectively. We have been able to appreciate the power of digital marketing and the reach we have achieved in terms of our digital/online presence.

Public Relations activities like engaging in thought leadership content, we published thought leadership content & blogs posts on topics relevant to our target audience, such as step by step process on property acquisition, tips for new real estate investors etc. These insights not only showcased our industry knowledge but also reinforced our brand authority and credibility.



**NATURE SCAPES APARTMENTS**  
NISALA GOLF ESTATE, KIAMBU COUNTY

	START FROM	FEATURES
1 BEDROOM	KSH 5,000,000	<input checked="" type="checkbox"/> AMPLE PARKING <input checked="" type="checkbox"/> PAVED DRIVEWAY <input checked="" type="checkbox"/> OPEN KITCHEN <input checked="" type="checkbox"/> MODERN INTERIOR FINISHES
3 BEDROOM DELUXE+EQ	KSH 12,000,000	



**WE OFFER YOU ONLY THE BEST LOCATIONS**  
*Invest with us today!!!*

- Good Security
- Shopping Centers
- Schools
- Worship Centers
- Developed Areas

**PRIME AREAS**

+254769279175 | [www.homeafrika.com](http://www.homeafrika.com)



## BRANDING

Over the years, Home Afrika has embarked on a transformative journey, adapting its branding strategy to align with shifting market dynamics and consumer preferences. From humble beginnings to becoming a trailblazer in Kenya's real estate sector, our branding initiatives have evolved as we have continually refined our brand positioning to stay ahead of the curve.

We have been creating a strong, positive perception of our company by tailoring our products and communication strategies to resonate with target audiences effectively which has increased our brand visibility. We pushed our employees to serve as brand ambassadors by always being branded when attending company related events and this has enabled us to differentiate ourselves from our competitors and have better marketing.





## OFFLINE ACTIVITIES

Throughout the year, we have been able to go beyond the digital world and have face to face interactions with clients which we were able to reach a variety of audience and reinforce our brand messaging. We participated in various activities;

### OPEN DAYS & ACTIVATIONS

Through immersive events, such as property expos, open days, Government institutions, Malls, office storms & community outreach programs, we were able to create memorable experiences that showcase our properties and engage with prospective buyers on a personal level.

We also had title deeds issuing ceremonies where clients were able to witness which gave them assurance that we deliver.



## NETWORKING EVENTS

We participated in other industry events to network with clients we were able to showcase our projects, and position Home Afrika as a thought leader in the real estate sector which aligned with our brand values, further enhancing our visibility and reputation.



## CORPORATE PRESENTATIONS

We distributed our brochures and did presentations on our ongoing projects which led to our brand recognition



*Migaa Golf Club officially received a certificate of course rating from KGU and became a complete 18 Hole Championship Golf course.*







Welcome to Morningside Business Hub—a dynamic space where innovation thrives and dreams take flight! We're delighted to introduce you to our exceptional offerings crafted to fuel your entrepreneurial journey.

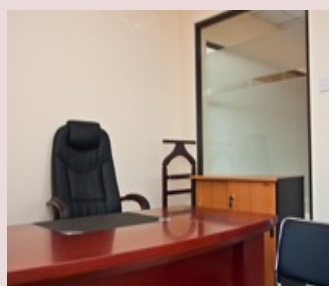
Here at Morningside Business Hub, we recognize the hurdles entrepreneurs face, from managing costs to navigating the complexities of business setup. That's why we've curated a selection of bespoke solutions tailored to your needs.

Our executive office suites redefine workspace excellence. Beyond providing a mere office, we offer a fully furnished, fully serviced environment that empowers you to unleash your potential. With everything

you need at your fingertips, you can focus on propelling your business forward while we handle the rest.

Step into our state-of-the-art conference space—a venue designed to inspire and captivate. Whether you're hosting a high-level meeting or a networking event, our dedicated team ensures every detail is meticulously attended to, leaving you free to make a lasting impression.

At Morningside Business Hub, we're more than just a workspace provider—we're your partner in success. Join us on this exhilarating journey and discover the difference a supportive and vibrant community can make. Welcome to a world of endless possibilities at Morningside Business Hub!





## CORPORATE SOCIAL Responsibility

In Compliance with Home Afrika Limited Corporate Social Responsibility Policy (CSR) and the Environmental, Social and Governance Policy, the Company has a responsibility to ensure that it positively impacts lives and remains a beacon of hope and restoration to the environment and communities it operates in.

In meeting its CSR obligations, the Company visited Morningstar Children's Home on 15th December 2023.

The home is a charitable children's ministry located in Kiambu which helps orphaned and the most vulnerable children in the society. Their main focus is successfully re-integrating children back to their communities and strengthening the family unity.

### ACTIVITIES ENGAGED IN

Serving and feeding the children, bonding with the Children, Making detergents, Washing Clothes, Cutting cow-feed (nappier grass), Preparing dinner & Fun Activities

The Social worker highlighted the history of the home and the progress they had made towards meeting the vision of the institution.

Thereafter, Home Afrika staff presented their donations.







## INTRODUCTION

In our today's world, there is no single, universal definition of ICT because the technologies, devices and even ideas related to ICT are constantly evolving. Any technology, infrastructure, component, or device that enables communications, data sharing, and global connectivity between people, organizations and machines is included in the umbrella term ICT.

The real estate tech sector is slowly being redefined by ever-changing market conditions and shifts in consumer behaviors. The real estate industry will not be replaced by a single technological solution, but rather the changes in the industry will be enabled by technology and the organizations that embrace it. The solution will not be found in the acquisition of hardware but in the adoption of innovative solutions that will largely be software solutions, applications and platforms.



### ICT ROLES FOR BUSINESS CONTINUITY

Home Afrika as a real estate company has adopted some technological concept which is a key role in the daily business driving functions.



### CLOUD COMPUTING

**Cloud computing** is the on-demand availability of computer system, resources, especially data storage (cloud storage) and computing power, without direct active management by the user. Home Afrika has integrated a cloud computing service which plays a pivotal role in accessing, retrieving and managing stored data on the cloud for greater flexibility and scalability. I.e. Mega cloud Back Up.



### SOFTWARE APPLICATIONS

#### SAP SYSTEM

Implementation of an ERP (SAP) system that supports accounting functions. The ERP package is designed to support and integrate almost every functional area of our business process such as sales and distribution, finance and accounting.



#### HRMIS

For the Human Resource, we have implemented a HRMIS app for managing payrolls.



#### SUN LAX ESS

For managing and maintaining employee database.





## ICT Department

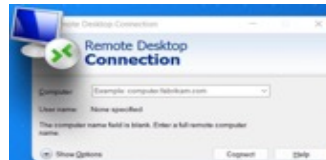


### NETWORK ACCESS MANAGEMENT

The business runs with client server network architecture hence all data are in a dedicated server implemented with domain system for better resource sharing and centralized data storage. This is an onsite data storage and backup mechanism.

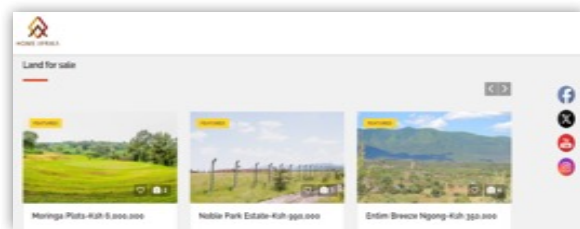
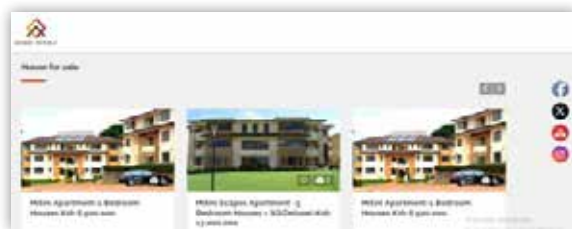
### SUPPORT FUNCTIONS

The IT department complements and supplements the organization in numerous ways. Some of these support functions include; remote support tools (TeamViewer, Any Desk) and Remote desktop connections.



### COMMUNICATION TECHNOLOGY & ARTIFICIAL INTELLIGENCE (AI) IMPLEMENTATION

The Communication Technology is very vital in daily business operations; it makes it possible to contact anyone no matter which part of the world they are in. To achieve this, we have been using and continue to use multiple channels such as website, emails, social media and video conferencing i.e., WhatsApp, Google Meets, Facebook, Twitter, Instagram, YouTube and Zoom are the communication functions currently used in the organization.



In our modern Business environment A.I is playing key role in building customer relationship. Our Website Platforms is integrated with A.I features and tools i.e. Chat box tool and feedback form for queries and commenting.



## Human Capital



The human capital at Home Afrika Company Limited remains a key foundation in driving business. Home Afrika Ltd aims at having skilled experienced and diverse employees in creating and executing strategies through their services and commitment to deliver excellence results build relationships and secure our reputation. The people are fundamental to Home Afrika's growth and the ability to create value. The company is continually working towards ensuring we have the best human capital by focusing on recruitment, Onboarding, Performance management, training and

development, employee reward programs, employee management programs, employee retention programs and staff welfare and wellness. Home Afrika value our employees as a great asset for the growth, productivity and profitability of our business.

Our ambition is to be the most sought-after employer where colleague's fee engaged and empowered to achieve their best in order to deliver only the best for our clients.

### OUR CULTURE

**WHAT WE DO:**  
Disciplined focus  
on results



**HOW WE DO IT:**  
Empowering innovation  
and teamwork



## DEMOGRAPHICS AND DIVERSITY

In our pursuit to ensure a well-balanced working environment we have ensured diversity in all areas possible including gender (female work force of 53% and a male work force of 46%). We are a fully multi ethnic organization with all regions of the country well represented. Our workforce encompasses a multi-generational profile, which ensures skills are well spread and opportunities for succession are provided. Diversity and inclusion are key to our sustainability strategy, ensuring talent continuity and broadening the company's appeal to employees in various market segments.

This will allow us to continue attracting and retaining employees who positively contribute to our success.

## RECRUITMENT

Recruitment is the first step in building an organization's human capital at all levels to meet and achieve our timely goals with the best candidates, on time, and on budget. It is our responsibility to focus and facilitate the overall goals of the organization through effective administration of human capital — focusing on employees as the company's most important asset. Attracting and retaining the best human capital is a high priority for the company. In order to meet the need of our customers and requirements of our regulators, we are focused on having the right people with the right skills and expertise in the right roles. The company focuses big on internal promotions.

Our aim is to fill arising vacancies internally first as a deliberate policy to emphasize more on talent within the organization to foster and promote growth within existing employees. Our recruitment process focuses more on diverse set of skills in addition to specific role expertise to ensure we hire highly competent, customer critic employees. We are also big on head hunting to ensure we have the best people on our team.



*Monthly staff meeting*

## PERFORMANCE MANAGEMENT

We remain committed towards driving a high-performance culture. We make use of the Key Performance Indicator approach to measure and support organization's goals and strategy. They allow us to focus on what matters most, and to monitor your progress. Our model of appraisal is the 360 degrees appraisal system which enables employees to get all rounded feedback. High performers are those employees who are aligned to our strategic plan, which is reflected in the achievement of the set out Key Performance Indicators, customer focus, internal business process and learning and development perspectives. In addition to the alignment to our strategic plan, our high performers have embraced a change mindset and freely share information with colleagues.

## REWARD MANAGEMENT

Home Afrika Limited believes in rewarding employees who perform exceptionally well. There are reward systems in place and thus employees are motivated to perform.

Recognition and praise is vital as it motivates the employees to work towards achieving and surpassing their set targets.

## TRAINING AND DEVELOPMENT.

At Home Afrika Ltd, we believe in improving skills for our employees and this is mainly done through educational activities that are designed to improve the job performance of an individual or group within Home Afrika. Our aim is to ensure that this strategic tool improves our business outcome, growing employees into managers and effective leaders through enhancement of certain knowledge, skills and abilities. In the year in review, trainings were highly encouraged both physical as well as virtual trainings. The company has a set aside budget for training for each individual to promote improvement of skills for the employees.



*Managing Director receiving certificate of mediation*





## EMPLOYEE ENGAGEMENT

The way our people think and feel about their work correlates with how satisfied our clients are, and how successful we are in delivering our strategy and performance aspirations. Therefore our aim is to keep staff engaged at all times. This is done via an existing employee engagement program.

### SUCCESS IN THIS AREA MEANS;

Employees are empowered and get ready to recognize their delivery against the company's strategic priorities.

Our people make the most of every opportunity to embrace new ways of working and learn new skills to remain relevant in a changing world of work and achieve their full potential

Employees are encouraged to speak up and feel heard when they voice their views

## EMPLOYEE WELFARE AND WELLNESS

Our commitment is to continuously have initiatives that guarantee our employees wellbeing and a well-balanced lifestyle. Health and safety management

has been our core part of a manager's responsibilities for many years, but staff welfare and well-being goes beyond the physical working environment. Physical, emotional and mental concerns can arise within and outside the workplace, and it has always been our duty to take a proactive step in identifying the cause of a loss of well-being, as well as finding a workable solution to it.

We aim to have a great working environment by having the following: -

### MEDICAL:

The Company meets the medical expenses of the employees and their nuclear family for all the permanent employees. The company pays full premium of the medical cover. The cover which is by a private company caters for all rounded medical needs.

WIBA (Work Injuries & Benefits Act): Cover for occupational Injuries or death within the work place.

Team buildings and end of year parties: This promotes good relations among employees as they are also able to interact outside the normal working environment.



*Staff awarding and recognition*







## MIGAA GREEN GOAL!

### *Tree Planting at Migaa*

Trees are fundamental to the ambience of any residential estate; in essence, define its very nature such as natural air conditioning, air filters and sponges for carbon. We see trees as the basis. Indigenous landscaping of wealth, character and integrity of Migaa. By planting a selection of indigenous species, we expect to save the many neighborhoods that severely lack trees and the life-saving health benefits they provide, and also to attract and feed birds throughout the year and celebration that brings people together. And through this, we anticipate that the property will take on new and interesting dimensions.







Team building is one of the key functions of the Human Resource department under Employee Relations, and an ongoing process that helps a work group evolve into a cohesive unit. The team members not only share expectations for accomplishing group tasks, but trust and support one another and respect one another's individual differences. As Home Afrika Limited, we unite employees around a common goal and generate greater productivity.



*Directors & staff engaging in a team building activity*



## REPORT FROM THE FINANCE MANAGER

In 2023 Home Afrika Limited continues its turnaround with losses decreasing from KSh. 65M in 2022 to KSh. 28 M in 2023 to report better performance since the implementation of the Turnaround Strategy.

### 2023 KEY HIGHLIGHTS

The Turnaround strategy covered four key areas; Debt Restructuring, Business Continuity, Organizational Restructuring and Check on the Internal Control Systems.

This has led to the company reporting an operating profit growth of 113% for the year ending 31st December 2023, compared to the same period in 2022. The main contributor was the increase in reported sales of 59% which arose from the increase in registered leases and issued titles. This growth will continue as we continue to implement the strategy which is now reflecting in the numbers for the past two years.

Operating and administration expenses reduced by 6% and 11% respectively for the year ended December 2023 compared to the same period in 2022. This is due to the continued internal controls systems implemented.

Negotiations and agreements signed with the banks and some key debt stakeholders have borne fruits as we see the decrease in finance cost by 37%, borrowings and the private bond reduced by 25%. The company is committed to adhering to the terms of the agreements to strengthen the balance sheet.

A business continuity committee was formed to develop other real estate solutions which will bring revenue to the company, exit the already sold out projects and hand over to the management companies for the developer to stop incurring additional cost. The committee is also mandated to develop strategies and partnerships in affordable housing space.

### REPORTING AND COMPLIANCE

The company's strategy on corporate governance is focused on three main agendas. These are; compliance with laws and regulations, promotion of growth in a sustainable manner and the improvement of shareholder value.

The Board of Directors (the "Board") is fully responsible and unreservedly committed to applying the fundamental principles of good governance, transparency, integrity, accountability and responsibility in all company dealings.

### OUTLOOK

The group is focused on delivering profitability by investing in the right structures, processes, systems, people and culture to support our long-term sustainable and profitable growth. A Turnaround Committee has been constituted. The committee has been mandated to look into the following areas:

1. Debt Restructuring
2. Business Continuity
3. Organizational Restructuring
4. Check on the operations Control Systems

With the ongoing turnaround strategy, the board is confident of improved group's performance and create value for all stakeholders.



**HILLARY ANDALO**  
FINANCE MANAGER





## Our Sustainability Journey

### CHAIRMANS STATEMENT ON SUSTAINABILITY

One of the key objectives of a company to keep the going concern so as to achieve the sustainability principle and to be able to achieve its long-term goals to all stakeholders while considering the relevant factors at hand including but not limited to environmental impact, social well-being and transparent governance.



Sustainability is widely recognized in various jurisdictions and adhered to globally accepted standards. Home Afrika has developed a sustainability policy which also endeavors to cover vision 2030. The policy is in line with the Constitution of Kenya 2010, the United Nations Sustainable Development Goals and the United Nations Declaration of Human Rights. The policy provides a framework on how Home Afrika takes into account its economic, social and environmental impact in its day-to-day activities.

The Company has also continued to implement the Turnaround strategy which in its four pillars of Debt-restructuring, business continuity, organizational restructuring and operations supervision is designed to bring back the Company to profitability. The Board recognizes that effective corporate practices are fundamental to ensure smooth and effective business operations. The Company conducts Corporate Governance Audits and Legal Compliance Audits once in every two years and the reports are presented before the Board where the Board is able to track the Company's progress and the changes that need to be done.

Home Afrika remains appraised of sustainability issues that require industry wide collaboration and recognizes that it is imperative to appreciate the '3Ps' of People, Prosperity and Planet.

**PETER MUNGAI**  
HOME AFRIKA LIMITED,  
CHAIRMAN.







### **SUSTAINABILITY AT HOME AFRIKA LIMITED IN 2023**

Sustainability is a key driver of value creation for real estate owners, investors and operators thus making it are the heart of our overall business strategy. Sustainability can be influenced by the following factors including but not limited to internal and external. Internally, the determinants are corporate governance and stakeholder engagement while external determinants include Management and Company Policies formulated by Home Afrika Limited.

### **EXTERNAL FACTORS**

Externally for sustainability to be achieved, we must consider stakeholder engagement, natural environment and social issues. Sustainability also involves consideration of the interaction between economic factors with social and environmental factors. Changes from external factors require management to not only address new issues in the market, but also to substantially change existing practices and create new management systems to accommodate the change.

### **STAKEHOLDER ENGAGEMENT**

Stakeholders are defined as all those who affect, are affected or could be affected by our business directly or indirectly. We engage stakeholders, ranging from employees, investors and commercial partners to governments, local communities and clients. Our Company is nurtured by cooperation between the aforementioned stakeholders. We work hard to build a shared understanding and an atmosphere of mutual support with all the parties involved in, and affected by our operations. We believe that the value we create as a business must ultimately be shared between all

stakeholders and contribute towards renewing and reaffirming the trust that they have in us and we have in them.

We have various ways to ensure the stakeholders are always informed through regular communication. Due to revolution and new technology in the market we are forced to adopt to technological ways so as to keep up with the market and attain sustainability thus forced to adopt to new changes to archive sustainability.

### **DIGITAL MAPPING TOOLS**

The Company has embraced Community mapping, using maps and photographs of an area to engage people of all levels of capability. Mapping is a good way of illustrating land use, community facilities, and transport networks in an area. Mapping really helps Stakeholders to view an area and make recommendations on improvements they would like to see or to comment on projects by location or features. We are able to swap hard copy maps and in-person workshops with digital mapping tools and facilitated online workshops or discussion forums to help people identify issues, provide local knowledge, explore ideas, build consensus or identify areas of conflict with our projects via our digital platforms. This works for both ideation and pioneering phases of a project.

Digital engagement tools have helped the Company in communicating with project stakeholders. The Company also recognizes that there is need to carefully plan our engagement activities, think about the customer and facilitate a quality stakeholder engagement experience by posing engaging questions and providing a range of digital tools and channels such as the Geo-reference





“One of the key objectives of a company to keep the going concern so as to achieve the sustainability principle and to be able to achieve its long-term goals to all stakeholders while considering the relevant factors at hand including but not limited to environmental impact, social well-being and transparent governance.”

map launched by Home Afrika Survey team to help stakeholders to easily locate their properties.

#### ENVIRONMENT

The world has seen various unprecedented climate changes in the last few years. Climate change having a grievous harm more so in the African continent, affecting the vulnerable communities and contributing to food insecurity. Home Afrika respects the environment and recognizes the need to preserve the environment by ensuring most of their projects they have planted trees. Although our facilities and operations have a small ecological footprint, we reduce the environmental impact of our business through preservation, conservation, and waste reduction practices, being that Environmental, Social and Governance (ESG) is critical component of real estate investment. ESG issues, this new “norm” is a result of trends already underway, including dramatically changing acceptance of the risks of climate change, innovations in the measurement and tracking of ESG performance, new innovative ESG investment alternatives, the growing influence of millennial investors, and substantial recognition of ESG initiatives from corporations.

Within Real Estate investing, ESG requires a more conscious focus on stakeholders and different perspectives from investors and clients, to tenants, residents, building staff and contractors. Issues of equity, sustainability, health and wellness, and diversity all filter into decision-making.

#### INTERNAL FACTORS

A Company’s culture, Values and vision and the Organizational structure and governance are internal

factors that affect sustainability. Internally, organization and governance are reflected in the structures that Companies use to monitor and control complex decisions throughout all stages of business operations. In 2023 the Company adopted various structures for sustainability including;

#### MANAGEMENT DECISIONS

Management ensures that each department in the Organizational structure plays their role in line with the Company’s Vision and Values. They come up with strategies in order to ensure that business operations are done in a sustainable manner.

In 2023, management ensured that the Company was run seamlessly by conducting weekly meetings to check on the progress of weekly action plans in all departments.

#### BUSINESS CONTINUITY

At home afrika we have embarked on a robust process of reverberating the company’s business strategies through a special board committee, (Investment Committee) this has seen the company engage with various partners not limited to

1. Partnerships
2. Affordable housing
3. Joint Ventures

The committee is in the process of engaging more investors with the view of enhancing mutual profitable benefits. Prospective investors can engage us through the below contacts: [projects@homeafrika.com](mailto:projects@homeafrika.com) or call us on the official office line



## CORPORATE GOVERNANCE REPORT

### STATEMENT ON CORPORATE GOVERNANCE AND LEGAL AUDIT REPORTS

Home Afrika Limited is committed to implementing and adhering to good corporate governance practices. The Company has ensured that Corporate Governance Principles are entrenched in the Company's strategic and operational objectives in order to maximize shareholder value, increase profitability, guarantee sustainable growth and comply with the relevant Laws and Regulations.

The Board is mandated to monitor and oversee the attainment of the Company's business objectives while ensuring the Company's Corporate Governance Principles as set out in the Board Charter are met and they are in line with the provisions of the Capital Markets Act- Code of Corporate Governance Practices for Issuers of Securities to the Public 2015.

The Company has established various structures to ensure that the Board is able to achieve these. These structures are:



## THE BOARD

### • Composition

The Board currently comprises of Eight (8) Directors. All the Directors apart from the Managing Director are non-executive. The Chairperson of the Board is independent and non-executive and is responsible for the operation, leadership and governance of the Board. The Managing Director on the other hand is responsible for the day-to-day management of the Company's business and the implementation of the Board Strategy.

As per regulations, the Board is made up of majority independent and minority non-independent membership as illustrated below;

### Director's Independence



*Directors' respective shareholdings are also illustrated below:*

No.	Director	Number of shares held	Independent / Non- Independent
1.	Peter Mungai	None	Independent
2.	Luke Kinoti	Through proxy	Non -Independent
3.	Antony Mbandi	None	Independent
4.	Mbugua Gecaga	Through proxy	Non -Independent
5.	Frida Owinga	None	Independent
6.	Bertha Mvati	None	Independent
7.	Catherine Wahome	None	Independent
8.	Jayne Nyokabi	None	Independent

The Board as currently constituted reflects Board diversity through variation in director's age, gender, professional qualifications and expertise.

Their expertise and knowledge are in various fields including economics, accounting, finance, organizational leadership & management, information systems technology, management consultancy, project planning management, mathematics and statistics, marketing and branding, law, project planning, estate agency and human resource management as illustrated below:





## 2. The Role of the Board

The Board of Directors primary responsibility is to provide leadership and vision to Company. The Board of directors does this by; defining the Company's mission, strategy and goals, overseeing corporate management and operations, monitoring the effectiveness of corporate governance practices and ensuring that shareholders rights and interests are considered during decision making. They also ensure that there are effective controls and systems to measure and manage the principal risks of the Company's business. The Board also reviews major strategic initiatives of the Company to determine whether the Company's proposed actions are aligned with long-term business strategies, shareholder objectives and good corporate governance practices.

## 3. Board Appointments, Re-Elections and Retirements

Board Directors are elected and or ratified by shareholders during the Annual General meeting for

terms not exceeding three (3) years. After three years, they are re-elected subject to shareholder's approval. Retirements are on a rotation basis to ensure proper succession planning.

In 2023, the following Director was appointed to join the Home Afrika Board;

- Catherine Wahome

## 4. Board Committees

To ensure efficiency and effectiveness in executing its mandate, the Board has delegated key aspects of governance to the following Board Committees.

1. Audit & Risk Committee.
2. Finance, Procurement and Strategy Committee.
3. Nomination, Governance, Human Resource and Administration Committee

Each Committee performs distinct roles as shown below;

## THE BOARD (8) MEMBERS



## BOARD COMMITTEES

### Audit and Risk Committee

The Committee is instrumental in the Board's fulfillment of its oversight responsibilities relating to the integrity of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the qualifications, independence and performance of the Company's external auditors, monitoring the performance of the Company's internal audit functions, risk management and business practices

The Committee is currently made up of Three (3) Directors with a majority being Independent and non-executive.

In the year of focus, the Committee reviewed the half year financials and full year financials to ensure integrity of the financial before publication. They also reviewed the reports by the internal auditor and oversaw the appointment of independent external auditors.

### Finance, Procurement and Strategy Committee:

The Committee reviews and recommends to the Board for approval matters pertaining to: business strategic plans including its implementation and monitoring process; new markets expansion; significant investment and divestment decisions; annual business and financial plans, budgets and sustainability.

The Committee currently comprises of Six (6) Directors with a majority being independent and non-executive.

In the year under review, the committee was able to review and ratify the 2023/2024 budget and approve seeding of new projects and review the half year and annual financials.

### Nomination, Governance, Human Resource and Administration Committee:

The Committee is tasked with ensuring the Board achieves optimal composition, there are appropriate Board remuneration and incentives policies, there is induction and continuous development of the Directors, the Company adheres to good corporate governance practices and the Company has adequate human resource to meet its objectives.

The Committee currently comprises of Six (6) Directors with a majority being Independent and non-executive.

In the year of focus, the Committee approved recruitment of additional personnel to support the Commercial team, planned trainings of Directors, reviewed the Company's Human Resource Structure .

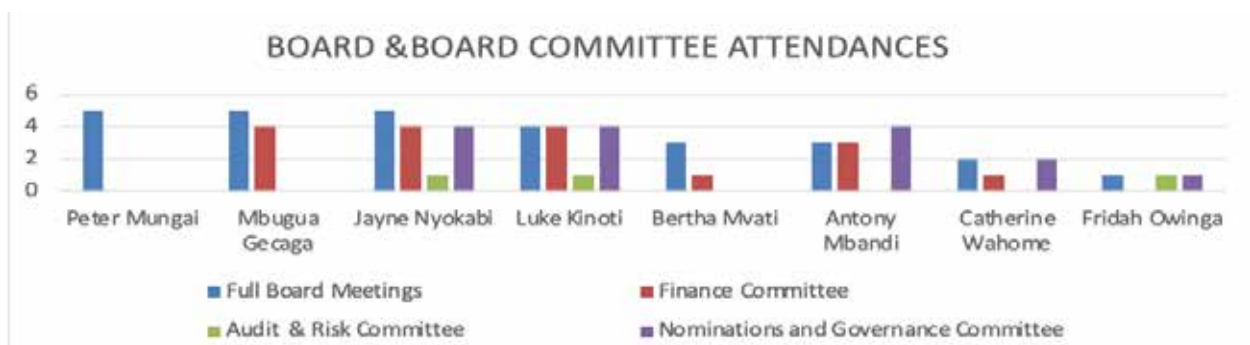


##### 5. Board & Committee Meetings

The Board develops its work plan annually. The work plan acts as a guide and sets out the Board activities for the year. Board meetings are held quarterly or as the Board deems necessary to carry out its responsibilities.

Board and committee meetings attendances in 2023 were as follows:

	Board Meeting	Audit & Risk Committee	Finance Procurement & Strategy Committee	Nomination, Governance & HR Committee
Total of Meetings held in 2023	5	1	4	4
Directors Names				
Peter Mungai	5	0	0	0
Frida Owinga	1	1	0	1
Luke Kinoti	4	1	4	4
Bertha Mvati	3	0	1	0
Mbugua Gecaga	5	0	4	0
Antony Mbandi	3	0	3	4
Jayne Nyokabi	5	1	4	4
Catherine Wahome	2	0	1	2



## 6. The Company Secretary

The Board has appointed a qualified, competent and experienced Company Secretary who is a member of the Institute of Certified Public Secretaries of Kenya. During the year under review, the Company Secretary remained at all times in good professional standing in accordance with applicable laws, regulations and professional requirements.

His principal duties include providing guidance to the Board and Board members on their duties, responsibilities and powers, assisting the Chairperson and the Managing Director in organizing meetings, providing secretarial services to the Board, including ensuring that the Board Work Plan is prepared and adhered to, updating the Board and Committee charters, ensuring that relevant returns are promptly filed with the relevant authorities and managing the process of conducting the AGM or extraordinary general meetings.

## 7. Board Charter

The Board Charter defines the Board's roles and responsibilities as well as functions and structures that support the Board members in carrying out their strategic oversight function. The Charter helps the Board in directing the organization to maximize long term value for all stakeholders.

The charter further provides the Board with a guidance tool with regards to corporate governance and outlines the principles of good corporate governance that the Company has adopted.

The Charter is complementary to the requirements regarding the Board and Board members contained in applicable Kenyan laws and regulations as well as other Company policies.

## 8. Board Training

The Board is committed to ensuring that Directors have access to training opportunities in order to ensure that they remain abreast of legal reforms, risks and opportunities within the sector and emerging corporate governance trends. The Nominations, Governance, Human Resource and Administration Committee in conjunction with the Company secretary is tasked with ensuring that directors are able to achieve the mandatory training hours.

In the year under review, they were able to organizing the following trainings;

1. Team Building Training-17th March 2023
2. Leadership & Governance Training – 30th June 2023- 2nd July 2023.
3. Strategic Planning and Management Training-18th -19th September 2023

## 9. Board Evaluation

The Board undertakes an annual assessment of the performance of its chairperson, that of its committees, individual Directors, the Managing Director (MD) and the Company Secretary. The

Evaluations can be formal or informal, simple or comprehensive and are coordinated through the Nominations and Governance Committee.

In the year ended December 2023 the Board evaluations were conducted based on the criteria and procedure agreed by the Board and in accordance with the Board Charter. The main objective of the evaluations was to assess how the Board has performed its oversight role and identify opportunities for improvement. Areas that require improvement were identified and actions to address these areas are being implemented

## 10. Board Remuneration

The Board recognizes that finding, attracting and retaining highly skilled Board members is important and has therefore formulated the Director's Remuneration Policy and given the mandate of reviewing and recommending remunerations structure to the Nomination and Governance Committee.

## COMPLIANCE WITH LAWS AND REGULATIONS

The Company is committed to ensuring that all directors, employees and stakeholders comply with all policies, laws and regulations applicable to the business. This is based on four pillars:

- Compliance with all license obligations, legislation, regulations, by-laws and regulatory guidelines.
- Engagement with regulators and industry bodies through face-to-face meetings and written submissions when changes to the existing business environment are under discussion.
- Discussions with regulators, members of the media and affected stakeholders to discuss public policy issues affecting the industry.
- Attending stakeholder workshops and engagements.

The Board of Directors plays a central role in formulation of corporate governance frameworks and monitoring the effectiveness of corporate governance practices under which the Company operates and proposes revisions as may be required from time to time. Some of the policies that the Board has approved to in order to reinforce good corporate governance practices govern the following areas;

### Conflict of interest

All Directors, senior management and employees are encouraged to avoid any situation that might give rise to conflict, real or perceived, between their personal interest and that of the Company. The Director's conflict of interest policy obliges Directors to fully disclose to the Board any real or potential conflict of interest whether direct or indirect. Directors are supposed to avoid situations where the Director may have interests that conflict with those of the Company. The Board has





procedures for managing conflict of interest which are in line with the Companies Act 2015 and the CMA Code of issuers.

Directors are supposed to disclose on appointment and annually circumstances that may give rise to conflict. It is also a key agenda item during every Board and Board Committee meeting.

Employees are also prohibited from engaging directly or indirectly in any business activity that competes or conflicts with the Company's interest. Such activities must be disclosed immediately to the Managing Director and written approval sought. In 2023 there were no conflict-of-interest matters reported.

### Insider Trading

The Company has an Insider trading policy which 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. 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 under the policy and under the Capital Markets Act (Cap 485A, laws of Kenya)

### Code of Conduct and ethics

The Company's Code of Conduct and Ethics Policy outlines the principles and policies that govern the Company's activities. The code of conduct and ethics expresses the values that drive the Company which include integrity, professionalism, non-discrimination and whistleblowing. The values are vital to securing and maintaining respect from the Company's stakeholders and the public at large. They are central to the Company's business growth and sustainability.

The Code is reviewed by the HR Department at least every two years, or more frequently based on changes in the internal and/or external operating and legal environment affecting the company's governance and ethics program.

The Code applies to all the Company's representatives, including its directors', employees, temporary workers, independent contractors, and consultants and should be read in conjunction with the applicable policies, procedures, laws and regulations governing all activities across HAL's operation.

### Whistleblowing

The Company has a whistleblowing policy that encourages employees and other stakeholders to raise concerns about the potential breaches on the HR Policy and the Code of Conduct and Ethics Manual. The policy provides a transparent and confidential process

of dealing with ethical concerns.

The policy establishes the office of the ombudsperson who is the Chairman of the Board. He is mandated to ensure fair and expeditious resolution of complaints in an impartial, confidential and independent manner. The Managing Director plays the role of the whistle officer and is mandated to keep records of all complaints received and acts as the secretary of the ombudsperson. The Ombudsperson can be contacted on email [ombudsperson@homeafrika.com](mailto:ombudsperson@homeafrika.com).

### Risk Management

The Company has a robust risk management framework which aims at bringing together risk management, internal controls and business integrity. The primary focus is identifying and mitigating both current and future material risks. The policy outlines the Company's risk management process and sets out the responsibilities of the Board, the audit and risk committee, the Managing Director, senior management and employees.

The process involves identifying risks, assessing threats and opportunities, mitigating the risks and maximizing on the opportunities, implementing risk control, monitoring and reviewing the risk management systems and providing regular reports to the Audit and Risk Committee. The Company conducts external and internal audits semi-annually and annually. The audits are conducted by auditors of proper standing in ICPAK and who report directly to the board to ensure their independence.

### Privacy Policy

The Company is committed to respecting and protecting the privacy of all directors, employees, clients and all stakeholders. In compliance with Article 31 of the Constitution of Kenya 2010 and the Data Protection Act 2019, in 2023, the Board ratifies Home Afrika Group Privacy Policy. The policy establishes rules and guidelines for the privacy and protection of personal data of any person who engages with the Company on any of its platforms.

The Company also registered as a data controller/processor with the Office of the Data Protection Commission.

## LEGAL COMPLIANCE AUDIT AND GOVERNANCE AUDIT

### LEGAL COMPLIANCE AUDIT

The Company has a Legal Compliance & Ethics Policy which is aimed at ensuring the Company conducts its business within the confines of International Laws, National Laws and Regulations. The policy assists the Board, management and staff in the fulfillment of its compliance and ethical responsibilities.

In compliance with the CMA Code of Corporate Governance Practices for Issuers of Securities to the



Public 2015, the Company conducts both internal and external audits. The Legal Compliance audit carried out in 2023 was aimed at assessing compliance with all Laws and Regulations governing both listed companies and companies in the real estate sector. The audit revealed that the Company had complied with all laws, regulations and national standards. The Company has been working on eliminating the compliance gaps and ensuring that the Company remains fully compliant.

#### GOVERNANCE AUDIT

In compliance with Capital Markets Authority (CMA) requirement for Companies to conduct governance audits at least once in every two years, the Company conducted governance audit in 2023. The audit was conducted by a Certified Public Secretary who is also an accredited governance auditor.

The audit was aimed at reviewing whether the Company has complied with all relevant laws and regulations and exhibits good governance. The auditor opined that the Board has put in place effective, appropriate and adequate governance structures in the Company which are in compliance with the Legal and Regulatory framework and in line with good governance practices. The Company is currently implementing the

recommendations given.

#### CORPORATE GOVERNANCE ASSESSMENT REPORT

In 2023 the Capital Markets Authority assessed the Corporate Governance Assessment Tracker for the year ended 31st December 2023. The assessment reviewed the Company's commitment to good corporate governance. The main focus was on board operations and control, rights of shareholders, stakeholders' relations, ethics and social responsibility, accountability, risk management and internal control and transparency and disclosure. The Capital Markets Authority awarded the Company a good rating of 74% a testament of the Board's commitment to sound corporate governance practices.

#### 1. COMMITMENT TO ESG

Home Afrika Limited believes that Environmental, Social and Governance (ESG) factors play an important role in assessing the long-term sustainability and value of its projects. It is for this reason that the Board has ratified the Environmental, Social and Governance Policy. The policy guides the Company in integrating ESG into its business operations.



#### ENVIRONMENT

The Company is committed to conducting its operations in compliance with local, national and occupational statutes and regulatory guidelines.



#### SOCIAL

The Company is cognizant of the far-reaching impact of its operations to its employees, stakeholders and surrounding communities. It considers the needs of its stakeholders and the impact of its projects to their lives.



#### GOVERNANCE

The Company is committed to ensuring that all laws and regulations regarding corporate governance are complied with. The Company ensures transparency in reporting, effective Board leadership and diversity and good business ethics.



## OWNERSHIP STRUCTURE AS AT 31 DECEMBER 2023

	HOME AFRIKA LIMITED		
	OWNERSHIP STRUCTURE AS AT 31-12-2023		
	SHAREHOLDER CATEGORY		
RANK	FOREIGN INVESTOR	SHARES HELD	% HELD
1	YANG,ZEYUN	12,130,600	2.99
2	SSENYONGA,RASHID	6,015,200	1.48
3	YANG,ZEYUN	1,115,000	0.28
4	RIYAZ HUSSEIN MOHAMED RAJABALI	999,600	0.25
5	IKE,IKEOTUONYE ALBAN	500,000	0.12
6	SHAH,LALITABEN KANAIALAL MEGHJI	311,500	0.08
7	MUTSINZI,CYRILLE TRAKIZA	295,900	0.07
8	SHAH,LATABEN SURENDRAKUMAR	195,000	0.05
9	NDESANJO,WILSON NATHANIEL	190,000	0.05
10	PATEL,PRACHINABAHEN KAVEL	130,000	0.03
	<b>SUBTOTAL</b>	<b>21,882,800</b>	<b>5.40</b>
	<b>OTHERS</b>	<b>14,539,900</b>	<b>2.99</b>
	<b>TOTAL</b>	<b>36,422,700</b>	
<b>RANK</b>	LOCAL INDIVIDUALS INVESTORS	16,180,900	3.99
1	GATHITU,FRANCIS CHEGE	10,062,600	2.48
2	NYAGAH BOORE KITHINJI & LILIAN WANJIKU KITHINJI	10,000,000	2.47
3	HIRJI KHIMJI BHIMJI SEYANI & KARSAN KHIMJI SEYANI	7,722,900	1.91
4	HIRANI,NARAN KHIMJI;HIRANI,VIRJI KHIMJI	6,856,600	1.69
5	NDUNGU,PAUL WANDERI	6,000,000	1.48
6	DEVINE,PATRICK RICHARD	4,071,000	1.00
7	MARANYA,EUNICE MORAA	4,000,000	0.99
8	SHARMA,SANJEEV JYOTI	3,213,500	0.79
9	NGANGA,PAUL MUNYUA	2,911,000	0.72
10	NGANGA,JOHN THIONGO	71,018,500	17.52
	<b>SUBTOTAL</b>	<b>71,018,500</b>	<b>17.52</b>
	<b>OTHERS</b>	<b>326,803,920</b>	<b>75.25</b>
	<b>TOTAL</b>	<b>397,822,420</b>	<b>91.61</b>
	<b>CO-OP BANK SHARE REGISTRAR SERVICES 2023</b>		





## DIRECTORS' REMUNERATION REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

### INTRODUCTION

The members of the Board Nominations & Remunerations Committee during the year were, Antony Mbandi (Committee Chairperson), Luke Kinoti, Catherine Wahome, Bertha Mvati and Jane Nyokabi (Managing Director). All members are Non-Executive Directors.

The Schedule of attendance of BNRC meetings held during the year were as follows: -

#### Nominations & Remunerations Committee

	2-Feb	20-Apr	17-Aug	23-Nov	
Luke Kinoti	√	√	√	√	4
Fridah Owinga	√	*	*	*	1
Antony Mbandi	√	√	√	√	4
Bertha Mvati	*	*	*	*	0
Catherine Wahome	*	*	√	√	2
Jayne Nyokabi	√	√	√	√	4

KEY:	√	Present
	*	Absent

The BNRC's responsibilities have been set by the Board and are outlined in the Board Charter and the Committees terms of reference. The BNRC takes into account the need to recruit and retain valuable Directors in a challenging market environment

The BNRC believes that the Company complies with the main provisions of the Code of Corporate Governance for public listed companies. This is the inaugural report under the new Companies Act 2015 and the regulations. Accordingly, the Company is presenting the existing remuneration policy with this report. In subsequent reports, the Company will be required to seek a vote on the Remuneration policy where the policy is changed (or an advisory vote on the implementation is not passed).

The Directors' remuneration report is unaudited except where otherwise stated.

### Regulatory Changes

The Regulatory landscape in Kenya has witnessed a number of changes that have had an impact on the remuneration of Directors and the associated reporting.

In March 2016, the Capital Markets Authority ("CMA") issued the Capital Markets Code for Issuers of Securities ("The Code") which became operational after a year. The Code has outlined various compliance requirements in relation to Directors' Remuneration.

The new Companies Act 2015 was enacted in September

2015 and became operational in June 2016. According to the new Act, the Company is now required to table a Directors' Remuneration Report to its shareholders as part of its audited financial statements.

The Board has adopted a Board Charter and aligned it with the provisions of the Code and the new Companies Act. The Board Charter outlines a guideline on the Directors' Remuneration and Expense Policy.

### Remuneration for Non-Executive Directors

The Company's Non-Executive Directors' (NEDs) were issued with Directors' Service Contracts in compliance with the requirements of the new Act. These are contracts for service and not contracts for employment. The NEDs are compensated in the form of meeting attendance fees but are not entitled to any pension, bonus or long-term incentive plans

### Remuneration for Managing Directors

In order to remain an attractive employer, the Group ("Home Afrika") annually reviews its competitiveness against prevailing market practices.

The Managing Director's terms of employment were within the Companies HR policies.

### Link to Strategy

The 2019 to 2023 Strategic plan which intends to transform the group and to achieve an integrated approach to reward, linking Company strategy in the



form of the achievement of corporate objectives and individual performance to salary increases and bonus awards.

The major objective of the Group remuneration policy is to ensure that there is a clear link between each employee's individual level of performance and their reward. These, along with other factors such as market positioning and the overall reward budget, go into the annual salary and bonus review process for all employees including the executive team.

This ensures that a coordinated and consistent approach is taken - encouraging and supporting a high-performance culture whilst ensuring fairness and transparency across the Group.

To this end, an Integrated Performance Management Framework was rolled out with effect from January 2017.

### Pension entitlements

Only the Managing Director is entitled to participate in the Group's Pension Plan. Participation is restricted to defined monthly contributions that are applicable to permanent employees within the Group. The company is yet to adopt this.

### Share options and long-term incentive scheme

All Directors are not entitled to any share option arrangement or long-term share incentive schemes.

### Payments to past Directors

There was no payment of Directors' fees to past directors during the year.

The following table shows single figure remuneration for the Executive Director, Chairman and Non-Executive Directors in respect of qualifying services for the year ended 31 Dec 2023 together with the comparative figures for 2022 for Home Afrika Group.

#### a) Home Afrika Limited

Year ended 31 December 2023				
	Name	Salary Kes.	Meeting attendance fees Kes.	Total Kes.
1.	Peter Mungai-Chairperson	-	375,000.00	375,000.00
2.	Mbugua Gecaga	-	450,000.00	450,000.00
3.	Fridah Owinga	-	100,000.00	100,000.00
4.	Luke Kinoti	-	575,000.00	575,000.00
5.	Bertha Mvati	-	175,000.00	175,000.00
6.	Antony Mbandi	-	400,000.00	400,000.00
7.	Catherine Wahome	-	175,000.00	175,000.00
8.	Jane Nyokabi	6,570,000.00		6,570,000.00
	<b>TOTAL</b>	<b>6,570,000.00</b>	<b>2,250,000.00</b>	<b>8,820,000.00</b>

#### b) Home Afrika Limited

Year ended 31 December 2022				
	Name	Salary Kes.	Meeting attendance fees Kes.	Total Kes.
1.	Peter Mungai-Chairperson	-	225,000.00	225,000.00
2.	Mbugua Gecaga	-	200,000.00	200,000.00
3.	Fridah Owinga	-	150,000.00	150,000.00
4.	Luke Kinoti	-	275,000.00	275,000.00
5.	Bertha Mvati	-	100,000.00	100,000.00
6.	Benson Ashitiva	-	-	-
7.	Jane Nyokabi	6,570,000.00		6,570,000.00
	<b>TOTAL</b>	<b>6,570,000.00</b>	<b>950,000.00</b>	<b>7,520,000.00</b>



## a) Mitini Scapes Development Limited

Year ended 31 December 2023				
	Name	Salary Kes.	Meeting attendance fees Kes.	Total Kes.
1.	Boniface Kamau - Chairperson	-	-	-
2.	Susan Kasinga	-	50,000.00	50,000.00
3.	Geoffrey Kamau	-	100,000.00	100,000.00
4.	Jack Waihenya	-	50,000.00	50,000.00
5.	Barth Ragalo	-	50,000.00	50,000.00
6.	Connie Gakonyo	-	-	-
7.	Mbugua Gecaga	-	100,000.00	100,000.00
8.	Winnie Ngumi	-	100,000.00	100,000.00
	<b>TOTAL</b>	<b>-</b>	<b>500,000.00</b>	<b>500,000.00</b>

## b) Mitini Scapes Development Limited

Year ended 31 December 2022				
	Name	Salary Kes.	Meeting attendance fees Kes.	Total Kes.
1.	Boniface Kamau - Chairperson	-	-	-
2.	Susan Kasinga	-	50,000.00	50,000.00
3.	Geoffrey Kamau	-	100,000.00	100,000.00
4.	Jack Waihenya	-	50,000.00	50,000.00
5.	Barth Ragalo	-	50,000.00	50,000.00
6.	Connie Gakonyo	-	-	-
7.	Mbugua Gecaga	-	100,000.00	100,000.00
8.	Winnie Ngumi	-	100,000.00	100,000.00
	<b>TOTAL</b>	<b>-</b>	<b>500,000.00</b>	<b>500,000.00</b>





## a) Home Afrika Communities Limited

Year ended 31 December 2023				
	Name	Salary Kes.	Meeting attendance fees Kes.	Total Kes.
1.	Peter Mungai - Chairman	-	840,000.00	840,000.00
2.	Robert Muchoki	-	630,000.00	630,000.00
3.	Stephen Gichohi	-	630,000.00	630,000.00
4.	Luke Kinoti	-	630,000.00	630,000.00
5.	Anne Muchoki	-	630,000.00	630,000.00
6.	Michael Matimu	-	630,000.00	630,000.00
7.	Mbugua Gecaga	-	630,000.00	630,000.00
	<b>TOTAL</b>	-	<b>4,620,000.00</b>	<b>4,620,000.00</b>

## b) Home Afrika Communities Limited

Year ended 31 December 2022				
	Name	Salary Kes.	Meeting attendance fees Kes.	Total Kes.
1.	Peter Mungai - Chairman	-	1,250,000.00	1,250,000.00
2.	Robert Muchoki	-	990,000.00	990,000.00
3.	Stephen Gichohi	-	1,145,000.00	1,145,000.00
4.	Luke Kinoti	-	900,000.00	900,000.00
5.	Anne Muchoki	-	900,000.00	900,000.00
6.	Michael Matimu	-	900,000.00	900,000.00
7.	Mbugua Gecaga	-	75,000.00	75,000.00
	<b>TOTAL</b>	-	<b>4,610,000.00</b>	<b>4,610,000.00</b>



## a) Suburban Limited

Year ended 31 December 2023				
	Name	Salary Kes.	Meeting attendance fees Kes.	Total Kes.
1.	Dr. Mbira Gikonyo- Chairperson	-	298,381.00	298,381.00
2.	Geoffrey Luseno	-	298,381.00	298,381.00
	<b>TOTAL</b>		<b>596,762.00</b>	<b>596,762.00</b>

## a) Suburban Limited

Year ended 31 December 2023				
	Name	Salary Kes.	Meeting attendance fees Kes.	Total Kes.
1.	Dr. Mbira Gikonyo- Chairperson	-	395,715.00	395,715.00
2.	Geoffrey Luseno	-	495,715.00	495,715.00
	<b>TOTAL</b>		<b>891,430.00</b>	<b>891,430.00</b>



This section of the Remuneration Report describes the current policy for Directors' remuneration. It can be summarized as follows:-

#### a) Managing Director

##### BASE SALARY:

<b>Purpose/Link to Corporate:</b>	Part of a basic competitive package to retain individuals of the necessary caliber to execute the Company's business strategy
<b>Operation:</b>	The Managing Director is entitled to a Salary & Director's fees on the main board meetings. No separate Directors' fees are paid. The salary is reviewed annually in line with the Company's Human Resources plan.
<b>Opportunity:</b>	Salary reviews are based on market comparisons and increases to other Group staff. Increases in Managing Director salary is aligned to the average staff increase in the Group.

##### PENSION:

<b>Purpose/Link to Corporate:</b>	To provide Directors with a long-term savings opportunity; the pension forms part of a basic competitive package to recruit and retain
<b>Strategy Operation:</b>	A Defined Contribution plan for all Managing Directors.
<b>Opportunity:</b>	Company contribution as percentage of basic salary up to 7.5%, MD up to 7.5%.

##### BENEFITS

<b>Purpose/Link to Corporate:</b>	Insured benefits are included to provide employee protection for the benefit of the employee and Company
<b>Strategy Operation:</b>	Insured benefits provided as part of Group schemes.
<b>Opportunity:</b>	Group Medical Insurance Group Life Assurance Critical illness cover Club membership for business and personal use





## ANNUAL BONUS PLAN

<b>Purpose/Link to Corporate:</b>	The bonus payment is implemented in accordance with an approved Compensation Policy
<b>Strategy Operation:</b>	<p>The objective is to incentivize and focus attention on Company KPIs; to reward the achievement of financial, operational and individual targets and provide a competitive performance-related annual earnings opportunity.</p> <p>Profitability Target making up 50% of the bonus. The bonus will be calculated as 5% of net profit after tax for profits up to the amount of profit that was targeted and approved at the beginning of the year. For any profits over and above the profits that were targeted and approved at the beginning of the year, 25% of net profit after tax will be payable into the management bonus pool;</p> <p>Share Value Target making up the balance 50% of the bonus will be at 2% of the differential between company market capitalization between financial year periods. Base price is value per share as at Jan 1st 2018; and</p> <p>The above bonus pools will subsequently be shared amongst management and staff subject to performance criteria established by management year on year. Performance criteria will be based on: -</p> <p>Meeting of KPIs; and Longevity of stay in the company participating in attaining the results</p>
<b>Opportunity:</b>	The Managing Director's terms of employment were within the Companies HR policies.
<b>Performance Metrics:</b>	<p>Company element based on challenging corporate, operational and financial KPIs. Measures, targets and weightings are set in respect of each financial year.</p> <p>Personal elements based on performance measures set each financial year relevant to the individual's role and accountabilities. Details of the corporate performance measures applicable in the current financial year are contained in the Group Variable Pay pay-out policy. All bonus payments are at the discretion of the Board.</p>

### Executive Share Option Plans

The Company has not introduced Executive Share Option Plans. No plan has been recommended for the next financial year.



## b) Non-Executive Directors Meeting attendance fees

<b>Purpose/Link to Corporate:</b>	Competitive fee to recruit and retain.
<b>Strategy Operation:</b>	The NED fee is a meeting attendance fee that is paid quarterly in arrears.
<b>Opportunity:</b>	<p>Fees are determined in accordance with market practice. The Remuneration Committee recommends the fees payable to the Chairman and other NEDs.</p> <ul style="list-style-type: none"> <li>• Meeting attendance fees applies to attendance at Board meetings, Annual General Meeting, Board Committee meetings, Strategic Planning Workshop and Board Training Workshops;</li> <li>• The fee structure will pay the Board Chair and the Board Committee Chairs a higher meeting attendance fee than that paid to other Directors in attendance.</li> <li>• Directors attending out-of-country Board meetings will be entitled to receive an additional allowance.</li> <li>• No additional fees/allowances will be paid over and above the retainer and meeting attendance fees</li> </ul>
<b>Performance Metrics:</b>	None

## PERFORMANCE SHARE PLAN

The Company has not introduced any Executive and Non-Executive Performance Share plans.

### Other Key Policies influencing Directors' Remuneration

#### a. Recruitment policy

The Company's philosophy is that all Managing Directors should be remunerated at an appropriate level based on Home Afrika's remuneration policy and taking into account the experience and caliber of the individual. Managing directors are entitled to a salary and Main board meeting attendance fees and not the meeting attendance fees on other committees

A new non- Managing Director will be entitled to the applicable meeting attendance fees as per the existing compensation schedule on sitting allowance.

#### b. Policy on payment for loss of office

The Managing Director's employment contract provides for a maximum of 12 months' notice.

On termination of a Managing Director's service contract, the Company's policy is to pay the salary and benefits to which the executive is contractually entitled. There is no contractual entitlement to receive any bonus but depending on the circumstances, the Company may decide to make a bonus payment in respect of the period up to the termination date. It is not the Company's policy to make payments in respect of bonus if the Company is entitled to dismiss a Director for cause.

The letters of appointment for Non-Executive Directors do not provide for any notice period. However, the appointment ceases immediately upon termination by resignation, a resolution of the Board or shareholders and no further remuneration accrues to the Director thereafter.

#### c. Obligations in Service contracts

There are no obligations to individuals in Directors' Service contracts or Letter of Employment which give rise to entitlement beyond that described in the policy table and the policy on payment for loss of office.

#### d. Discretions retained by the Remuneration Committee

The Company does not operate any long-term incentive plan such as Share Option Plan, Share Performance plan, etc. Accordingly, there are no areas of discretion to disclose.

The BNRC and the Board feel confident that the remuneration policy continues to be appropriate for the Company and will support the implementation of the Group's short term and long-term objectives.

The regulations relating to the Directors' Remuneration Report were gazetted on 15 September 2017. The BNRC plans to develop a Remuneration policy that addresses the requirements set out in the regulations.



# FINANCIAL STRENGTH

## A. SOURCES OF FINANCE

The company has employed the following as sources of finance for its projects.

**Equity:** The company listed in the NSE GEMS section in 2013. Shareholder's funds are used to facilitate completion of the projects.

**Debt:** The company got funds from financial institutions Eco Bank and I&M bank to fund its Moru Ridge and Mitini projects respectively as from 2013. The company is also got a bond from NCBA and Co-operative bank. All these are still being serviced.

**Strategic Investors:** The Company is currently in the market looking for Strategic investors. The outcome has been encouraging with several potential investors expressing interest and are currently undertaking due diligence so as to invest with Home Afrika.

## B. COSTS OF FINANCING

Currently the company is servicing interest on loans sourced from I&M Bank and Eco – Bank. Negotiations and agreements signed with the banks and some key debt stakeholders have borne fruits as we see the decrease in Finance cost by 37%, borrowings and the private bond reduced by 25%.

## C. RETURN ON INVESTMENT

The company employs a framework to determine return on investment on all of the projects it undertakes that gives a return on investment of 30%. The strategies involve project and pricing committees that employs research-oriented matrix. This helps in,

1. Feasibility study
2. Carrying out due diligence,
3. Pricing
4. Cost analysis/Budget monitoring

## E. DEVELOP BUYER FINANCE MODEL.

A key challenge that often accompanies housing developments is the failure to link the ideal of a quality social housing project with the affordability realities of the target market. A further constraint highlighted by some critics is the limited availability of mortgage finance. The opportunity, therefore, is to bring together affordable housing delivery with affordable, appropriate finance. The company is looking for strategic partnerships with financial institution to assist potential client to be able to get financing for its products.







Home Afrika Limited  
Annual Report And Consolidated Financial Statements  
**For The Period Ended 31 December 2023**

**Home Afrika Limited**  
**Annual report and consolidated financial statements**

**For the Year ended 31 December 2023**

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**COMPANY INFORMATION**

BOARD OF DIRECTORS	: Peter Mungai Ndung'u : Jayne Nyokabi : Mbugua Gecaga : Luke Mwiti Kinoti : Frida Owinga : Bertha Mvati : Antony Mbandi : Catherine Wahome (Joined in April 2023)
REGISTRARS OFFICE	: Cooperative Bank Registrars Services : CIC Plaza, Upper Hill, Wing 2, 1st Floor : P.O. Box 48231, 00100 : Nairobi
PRINCIPLE PLACE OF BUSINESS	: Morningside Office Park : Ngong Road : P.O. Box 6254, 00100 : Nairobi
COMPANY SECRETARY	: Githogori and Harrison Advocates, : View Park Towers, : 10th floor, : P.O Box 67145-00200
INDEPENDENT AUDITOR	: GMK Accountants LLP : Certified Public Accountants : P.O. Box 8007-00100 : Nairobi
PRINCIPLE BANKERS	: Kenya Commercial Bank Limited Nairobi : I&M Bank Limited Nairobi  : Cooperative Bank (Kenya) Limited Nairobi  : Eco Bank Kenya Limited Nairobi  : Equity Bank Kenya Limited Nairobi
LEGAL ADVISORS	: Muriu Mungai & Company Advocates Nairobi  : Wainaina Ireri & Co. Advocates Nairobi  : Robson Harris & Company Advocates Nairobi  : MOJ Attorneys Nairobi





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COMPANY INFORMATION (CONTINUED)

SUBSIDIARIES	: Home Afrika Communities Limited
	: NAIROBI
	: Mitini Scapes Development Limited
	: NAIROBI
	: Migaa Management Limited
	: NAIROBI
	: Lake View Heights Development Limited
	: NAIROBI
	: Llango Development Limited
	: NAIROBI
	: Kikwetu Development Limited
	: NAIROBI
	: Kivuli Golf Limited
	: NAIROBI
	: Suburban Limited
	: NAIROBI
	: Moru Ridge Limited
	: NAIROBI
	: Migaa PDS Limited
	: NAIROBI
	: Smart Plots Limited
	: NAIROBI



**Home Afrika Limited**  
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**REPORT OF THE DIRECTORS**

The directors submit their report and the audited financial statements for the year ended 31 December 2023, which disclose the state of affairs of the group and the company.

**PRINCIPAL ACTIVITY**

The principal activity of the group is that of real estate development in housing and commercial

**BUSINESS REVIEW**

During the year 2023 the total turnover of the group increased from Kshs. 237,396,323 to Kshs. 377,195,320. This is a net effect of increase in registered leases, issued titles and percentage of completion. The loss for the year reduced from Kshs. 64,661,940. to Kshs. 27,835,780.

As at 31 December 2023, the net liability position of the group was Kshs. 2,586,545,675 compared to Kshs. 2,628,063,861 as at 31 December 2022.

Key performance indicators	Group		Company	
	2023 Kshs	2022 Kshs	2023 Kshs	2022 Kshs
Turnover (Shs)	377,195,320	237,396,323	22,798,000	9,525,000
Gross profit (Shs)	114,838,936	100,696,245	11,436,606	3,566,774
Gross profit margin (%)	30%	42%	0%	0%
EBITDA	9,993,185	(15,952,711)	(28,643,284)	(32,084,756)
Loss for the year	(27,835,780)	(65,108,046)	(32,828,008)	(36,056,015)
Net (liabilities) (Shs)	<u>(2,586,545,675)</u>	<u>(2,628,063,861)</u>	<u>(1,323,617,571)</u>	<u>(1,397,572,632)</u>

**PRINCIPAL RISKS AND UNCERTAINTIES**

The overall business environment continues to remain challenging mainly due to the tough economic environment in the wake of the covid 19 pandemic which had adverse impact on the Real Estate Sector. This led to reduced demand in land and houses and at the same time pressure on prices as developers and real estate agents struggle to offload slow moving stocks. The group focus for now is towards finalising on its flagship projects and at the same time diversifying in short term projects and sale of undeveloped land.

In addition to the business risk(s) discussed above, the company's activities expose it to a number of financial risks which are described in detail in Note 29 to the financial statements.

**DIVIDEND**

The directors do not recommend the declaration of a dividend for the year (2022: Nil).



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**REPORT OF THE DIRECTORS (CONTINUED)**

**DIRECTORS**

The directors who held office during the year and to the date of this report are shown on page 1.

In accordance with the company's Articles of Association, no director is due for retirement by

**STATEMENT AS TO DISCLOSURE TO THE COMPANY'S AUDITOR**

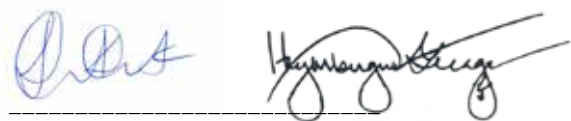
With respect to each director at the time this report was approved:

- (a) there is, so far as the person is aware, no relevant audit information of which the company's auditor is unaware; and
- (b) the person has taken all the steps that the person ought to have taken as a director so as to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**TERMS OF APPOINTMENT OF THE AUDITOR**

The company's auditor, GMK Accountants LLP, has indicated willingness to continue in office in accordance with the company's Articles of Association and Section 719 of the Kenyan Companies Act, 2015. The directors monitor the effectiveness, objectivity and independence of the auditor. The directors also approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees.

**BY ORDER OF THE BOARD**



**DIRECTOR**

**25<sup>th</sup> April** 2024





## Annual report and consolidated financial statements For the Year ended 31 December 2023

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Kenyan Companies Act, 2015 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and of the company as at the end of the financial year and of the group's and company's profit or loss for that year. It also requires the directors to ensure that the company keeps proper accounting records that are sufficient to show and explain the transactions of the group and the company; that disclose, with reasonable accuracy, the financial position of the group and company and group and that enable them to prepare financial statements of the group and the company that comply with International Financial Reporting Standards and the requirements of the Kenya Companies Act, 2015. The directors are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other

The directors accept responsibility for the preparation and fair presentation of there financial statements in accordance with International Financial Reporting Standards and in the manner required by the Kenyan Companies Act, 2015. They also accept responsibility for:

- i. Designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error;
- ii. Selecting and applying appropriate accounting policies; and
- iii. Making accounting estimates and judgements that are reasonable in the circumstances.

The Directors are of the opinion that the financial statements give a true and fair view of the financial position of the group and of the company as at 31 December 2023 and of the group's and company's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Kenyan Companies Act, 2015.

In preparing these financial statements the directors have assessed the group's and company's ability to continue as a going concern as set out in Note 1(a) to the financial statements. The directors are of the opinion that the group and its subsidiaries will remain a going concern for at least the next twelve months from the date of this statement based on the factors described in Note 1(a).

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors on 25<sup>th</sup> April 2024 signed on its behalf by :

**DIRECTOR**

**DIRECTOR**





**Home Afrika Limited**  
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**For the Year ended 31 December 2023**

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**REPORT OF THE INDEPENDENT AUDITOR**  
**TO THE MEMBERS OF HOME AFRIKA LIMITED**

**Disclaimer of Opinion**

We were engaged to audit the financial statements of Home Afrika Limited (the "company") and its subsidiaries (collectively referred to as the "consolidated financial statements" and "group") set out on pages 94 to 133, which comprise the consolidated and company statements of financial position as at 31 December 2023, and the consolidated and company statement of profit or loss and other comprehensive income, consolidated and company statement of changes in equity and consolidated and company statement of cash flows for the year then ended, and notes to the consolidated and company financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying consolidated financial statements of the group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

**Basis for Disclaimer of Opinion**

The following matters form the basis for our disclaimer of opinion:

- (i) The financial statements indicate that the group incurred a net loss of Kshs. 27,835,780 for the year ended 31 December 2023, and as of that date, the group had net current liabilities of Kshs. 2,979,304,455 and a deficiency in shareholders funds of Kshs. 2,586,545,675. These conditions indicate that a material uncertainty exists which may cast significant doubt on the group's ability to continue as a going concern. The directors have prepared these financial statements on a going concern basis as described in Note 1. We have not obtained sufficient appropriate audit evidence in respect of the basis and assumptions used by the directors to prepare the financial statements on a going concern basis as the discussions and negotiations with existing lenders and prospective investors as well as transactions related to sale of inventories have not been concluded as of the date of our audit opinion. As a result we were unable to determine whether the use of the going concern assumption is appropriate and, if applicable, to determine whether any adjustments might have been found necessary to the amounts reported in the financial statements should the going concern basis not be appropriate.
- (ii) Included within work in progress are two properties; namely the sports facility and club house with a cumulative cost of Kshs. 28,285,376 for which the title is not in the name of Home Afrika Communities Limited. No impairment for the properties has been made in the financial statements.
- (iii) As described in note 15 to the financial statements, included in the inventory are residential apartment blocks that are currently under construction with a carrying value of Shs. 570 million that are subject to foreclosure by the bank for non-payment of the borrowing. We were unable to obtain sufficient appropriate audit evidence as to the adequacy of provision impairment given the uncertainties in completion of the project as reflected in Note 15.

**REPORT OF THE INDEPENDENT AUDITOR  
 TO THE MEMBERS OF HOME AFRIKA LIMITED (CONTINUED)**

**Basis for Disclaimer of Opinion (continued)**

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. Because of the significance of the matters described in the basis for disclaimer of opinion section, and our consequential disclaimer of opinion, we have not reported on these.

**Responsibilities of Directors for the Financial Statements**

The directors are responsible for the preparation of the consolidated and company financial statements that give a true and fair view in accordance with IFRSs and the requirements of the Kenyan Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and company financial statements, the directors are responsible for assessing the Group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Consolidated and Company Financial Statements**

Our responsibility is to conduct an audit of the Company's financial statements in accordance with International Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Kenya, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

**Report on other matters prescribed by the Kenyan Companies Act, 2015**

As required by the Kenyan Companies Act, 2015, we report to you that subject to the matters referred to in the basis for disclaimer of opinion section of our report on page 101:

- the company and group has kept adequate accounting records and the company's and group's financial statements are in agreement with the accounting records;
- in our opinion the information given in the report of the directors on pages 89 to 90 is consistent with the financial statements

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA George Mwangi - Practising certificate No. 1622

For and on behalf of;

**GMK Accountants LLP**  
**Certified Public Accountants**  
**NAIROBI**

**25<sup>th</sup> April**

..... **2024**



**Home Afrika Limited**  
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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Notes	2023 Kshs	2022 Kshs
Revenue from contracts with customers	3	377,195,320	237,396,323
Cost of sales		<u>(262,356,384)</u>	<u>(136,700,078)</u>
<b>Gross profit</b>		114,838,936	100,696,245
Other operating income	4	13,042,482	12,296,875
Selling and distribution expenses		(7,146,950)	(7,220,898)
Administrative expenses		(80,262,576)	(90,608,083)
Other operating expenses		<u>(37,208,466)</u>	<u>(39,413,533)</u>
<b>Operating profit/(loss)</b>	5	3,263,426	(24,249,394)
Finance costs	7	<u>(25,512,991)</u>	<u>(40,412,546)</u>
<b>Loss before tax</b>		(22,249,565)	(64,661,940)
Tax charge	8	<u>(5,586,215)</u>	<u>(446,106)</u>
<b>Loss for the year</b>		<u><u>(27,835,780)</u></u>	<u><u>(65,108,046)</u></u>
<b>Total comprehensive loss for the year</b>		<u><u>(27,835,780)</u></u>	<u><u>(65,108,046)</u></u>
<b>(Loss) attributable to:</b>			
- Owners of the parent		(16,460,581)	(60,002,011)
- Non-controlling interest		<u>(11,375,199)</u>	<u>(5,106,035)</u>
		<u><u>(27,835,780)</u></u>	<u><u>(65,108,046)</u></u>
(Loss) per share (Shs)			
- basic and diluted	9	<u><u>(0.04)</u></u>	<u><u>(0.15)</u></u>

The notes on pages 102 to 133 form an integral part of these financial statements.  
Report of the independent auditor - pages 92 to 93.



**Home Afrika Limited**  
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**COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	<b>Notes</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>
Revenue from contracts with customers	3	22,798,000	9,525,000
Cost of sales		<u>(11,361,394)</u>	<u>(5,958,226)</u>
<b>Gross profit</b>		11,436,606	3,566,774
Other operating income	4	1,092,728	465,000
Selling and distribution		(3,066,623)	(1,928,623)
Administrative expenses		(35,596,335)	(31,291,329)
Other operating expenses		<u>(6,180,633)</u>	<u>(6,867,837)</u>
<b>Operating loss</b>		(32,314,258)	(36,056,015)
Finance costs	7	<u>-</u>	<u>-</u>
<b>Loss before tax</b>		(32,314,258)	(36,056,015)
Tax	8	<u>(513,750)</u>	<u>-</u>
<b>Loss for the year</b>		<u><u>(32,828,008)</u></u>	<u><u>(36,056,015)</u></u>
<b>Total comprehensive loss for the year</b>		<u><u>(32,828,008)</u></u>	<u><u>(36,056,015)</u></u>
Loss per share			
- Basic	9	<u><u>(0.08)</u></u>	<u><u>(0.07)</u></u>



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

		<b>As at 31st December</b>	
	<b>Notes</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>
<b>Non-current assets</b>			
Property and equipment	10	49,346,569	56,053,965
Investment property	11	343,031,042	343,031,042
Intangible assets	12	379,168	565,922
Financial assets	14	2,000	2,000
		<u>392,758,779</u>	<u>399,652,929</u>
<b>Current assets</b>			
Inventories	15	3,401,751,171	3,582,144,154
Trade and other receivables	16	226,568,128	622,441,994
Cash and cash equivalents	17	33,821,780	3,190,807
		<u>3,662,141,079</u>	<u>4,207,776,955</u>
<b>Total assets</b>		<u>4,054,899,859</u>	<u>4,607,429,884</u>
<b>Current liabilities</b>			
Deferred income	18	796,443,392	1,087,477,331
Trade and other payables	19	1,456,383,550	1,599,298,705
Deposit from sale of plots and units	19	2,598,749,767	2,223,142,404
Borrowings	21	931,613,712	1,330,490,255
Private placement bond	22	680,950,000	820,660,028
Deposit for shares	22	152,446,022	155,346,022
Current tax	8	24,859,091	19,079,000
		<u>6,641,445,534</u>	<u>7,235,493,745</u>
<b>Net current liabilities</b>		<u>(2,979,304,455)</u>	<u>(3,027,716,791)</u>
<b>Total liabilities</b>		<u>6,641,445,534</u>	<u>7,235,493,745</u>
<b>Net liabilities</b>		<u>(2,586,545,675)</u>	<u>(2,628,063,861)</u>
<b>EQUITY</b>			
Share capital	24	405,255,320	405,255,320
Share premium	25	68,842,038	68,842,038
Accumulated deficit		<u>(2,531,393,271)</u>	<u>(2,584,286,656)</u>
<b>Equity attributed to owners of the parent</b>		<u>(2,057,295,913)</u>	<u>(2,110,189,298)</u>
Non-controlling interest		<u>(529,249,762)</u>	<u>(517,874,563)</u>
<b>Total equity</b>		<u>(2,586,545,675)</u>	<u>(2,628,063,861)</u>

The financial statements on pages 94 to 133 were approved and authorised for issue by the Board of Directors on **25<sup>th</sup> April** 2024 and were signed on its behalf by:

..... **DIRECTOR**

..... **DIRECTOR**

The notes on pages 102 to 133 form an integral part of these financial statements.  
Report of the independent auditor - pages 92 to 93.



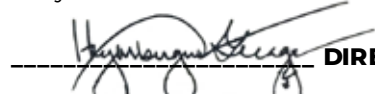
**Home Afrika Limited**  
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**COMPANY STATEMENT OF FINANCIAL POSITION**

		<b>As at 31st December</b>	
		<b>2023</b>	<b>2022</b>
<b>Non-current assets</b>	<b>Notes</b>	<b>Kshs</b>	<b>Kshs</b>
Property and equipment	10	45,124,953	48,608,887
Intangible assets	12	379,168	565,922
Investment in subsidiaries	13	2,752,000	2,752,000
Financial assets	14	2,000	2,000
		<u>48,258,121</u>	<u>51,928,809</u>
<b>Current assets</b>			
Inventories	15	246,689,434	263,023,426
Trade and other receivables	16	36,151,860	35,942,950
Cash and cash equivalents	17	1,722,286	1,497,227
		<u>284,563,580</u>	<u>300,463,603</u>
<b>Total assets</b>		<u>332,821,702</u>	<u>352,392,412</u>
<b>Current liabilities</b>			
Trade and other payables	19	928,898,770	943,857,134
Deposit from sale of plots	19	199,553,160	195,909,747
Private placement bond	21	524,435,730	603,765,207
Borrowings	20	2,683,068	6,078,161
Current tax	8	868,545	354,795
		<u>1,656,439,273</u>	<u>1,749,965,044</u>
<b>Net current liabilities</b>		<u>(1,371,875,693)</u>	<u>(1,449,501,441)</u>
<b>Net liabilities</b>		<u>(1,323,617,571)</u>	<u>(1,397,572,632)</u>
<b>EQUITY</b>			
Share capital	24	405,255,320	405,255,320
Share premium	25	68,842,038	68,842,038
Accumulated deficit		<u>(1,797,714,929)</u>	<u>(1,871,669,990)</u>
<b>Total equity</b>		<u>(1,323,617,571)</u>	<u>(1,397,572,632)</u>

The financial statements on pages 94 to 133 were approved and authorised for issue by the Board of Directors on **25<sup>th</sup> April** 2024 and were signed on its behalf by:

 **DIRECTOR**

 **DIRECTOR**

The notes on pages 102 to 133 form an integral part of these financial statements.  
 Report of the independent auditor - pages 92 to 93.

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Share capital Kshs	Share premium Kshs	Accumulated deficit Kshs	Total Kshs	Non controlling interests Kshs	Total equity Kshs
<b>Year ended 31 December 2022</b>						
At start of year	405,255,320	68,842,038	(2,524,284,645)	(2,050,187,287)	(512,768,528)	(2,562,955,815)
Total comprehensive (loss) for the year	-	-	(60,002,011)	(60,002,011)	(5,106,035)	(65,108,046)
At end of year	405,255,320	68,842,038	(2,584,286,656)	(2,110,189,298)	(517,874,563)	(2,628,063,861)
<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)

The notes on pages 102 to 133 form an integral part of these financial statements.  
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**COMPANY STATEMENT OF CHANGES IN EQUITY**

	<b>Share capital Kshs</b>	<b>Share premium Kshs</b>	<b>Accumulated deficit Kshs</b>	<b>Total Kshs</b>
<b>Year ended 31 December 2022</b>				
At start of year	405,255,320	68,842,038	(1,835,613,976)	(1,361,516,618)
Total comprehensive (loss) for the year	-	-	(36,056,015)	(36,056,015)
At end of year	405,255,320	68,842,038	(1,871,669,991)	(1,397,572,632)
<b>Year ended 31 December 2023</b>				
At start of year	405,255,320	68,842,038	(1,871,669,991)	(1,397,572,633)
Prior year adjustment			106,783,070	
Total comprehensive (loss) for the year	-	-	(32,828,008)	(32,828,008)
At end of year	405,255,320	68,842,038	(1,797,714,929)	(1,430,400,641)

The notes on pages 102 to 133 form an integral part of these financial statements.  
 Report of the independent auditor - pages 92 to 93.





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**CONSOLIDATED STATEMENT OF CASH FLOWS**

	Notes	2023 Kshs	2022 Kshs
<b>Operating activities</b>			
Cash from operations	26	395,618,598	46,073,438
Interest paid	27	(25,512,991)	(40,412,546)
Tax paid		-	(47,560)
Net cash from operating activities		<u>370,105,607</u>	<u>5,613,332</u>
<b>Investing activities</b>			
Cash paid for purchase of property and equipment	10	(188,120)	(627,000)
Proceeds from disposal of property and equipment		<u>619,772</u>	<u>-</u>
Net cash (used in) investing activities		<u>431,652</u>	<u>(627,000)</u>
<b>Financing activities</b>			
Repayment:			
- borrowings		(4,395,217)	(4,395,217)
- deposits for shares		2,900,000	3,000,000
Proceeds			
- hire purchase		(3,399,944)	-
- borrowings		<u>(334,293,846)</u>	<u>-</u>
Net cash (used in) financing activities	28	<u>(339,189,008)</u>	<u>(1,395,217)</u>
Increase/(Decrease) in cash and cash equivalents		<u>31,348,252</u>	<u>3,591,115</u>
<b>Movements in cash and cash equivalents</b>			
At start of year		(209,539)	(3,800,654)
Increase/(Decrease)		<u>31,348,252</u>	<u>3,591,115</u>
At end of year	17	<u><u>31,138,713</u></u>	<u><u>(209,539)</u></u>

The notes on pages 102 to 133 form an integral part of these financial statements.  
 Report of the independent auditor - pages 92 to 93.



**Home Afrika Limited**  
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**COMPANY STATEMENT OF CASH FLOWS**

	<b>Notes</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>
<b>Operating activities</b>			
Cash from operations	26	83,340,986	1,920,875
Interest paid	27	-	-
Net cash (used in)/from operating activities		<u>83,340,986</u>	<u>1,920,875</u>
<b>Investing activities</b>			
Cash paid for purchase of property and equipment	10	(289,000)	-
Cash paid for purchase of intangible assets	12	619,772	-
Proceeds from disposal of property and equipment		-	-
Net cash (used in) investing activities		<u>330,772</u>	<u>-</u>
<b>Financing activities</b>			
Repayment of borrowings		(3,399,943)	-
Bond repayment		<u>(79,329,477)</u>	<u>-</u>
Net cash from financing activities		<u>(82,729,420)</u>	<u>-</u>
(Decrease)/increase in cash and cash equivalents		<u>942,337</u>	<u>1,920,875</u>
<b>Movements in cash and cash equivalents</b>			
At start of year		(1,903,119)	(3,823,994)
(Decrease)/increase		<u>942,337</u>	<u>1,920,875</u>
At end of year	17	<u>(960,782)</u>	<u>(1,903,119)</u>

The notes on pages 102 to 133 form an integral part of these financial statements.  
 Report of the independent auditor - pages 92 to 93.



**Home Afrika Limited**  
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**NOTES**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. These financial statements comply with the requirements of the Kenyan Companies Act, 2015. The statement of profit or loss and statement of comprehensive income represent the profit and loss account referred to in the Act. The statement of financial position represents the balance sheet referred to in the Act.

**a. Basis of preparation**

The consolidated financial statements have been prepared under the historical cost convention, except as indicated otherwise below and are in accordance with International Financial Reporting Standards (IFRS). The historical cost convention is generally based on the fair value of the consideration given in exchange of assets. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Transfer between levels of the fair value hierarchy are recognised by the directors at the end of the reporting period during which the change occurred.

**Going concern**

The financial performance of the group is set out in the Director's report and in the statement of profit or loss and the other comprehensive income. The financial position of the group is set out in the statement of financial position. Disclosures in respect of risk management and capital management are set out in notes 29 and 30 to the financial statements.

During the year ended 31 December 2023, the group recognised a net loss of Kshs. 27.83 million (2022: Kshs. 65.1 million). The statement of financial position also indicates a deficiency in shareholders' funds of Kshs. 2.649 billion (2022: Kshs. 2.628 billion) and net current liabilities of Kshs. 3.04 billion (2022: Kshs. 3.02 billion). However, included in the current liabilities are deposits for sale of plots and units as well as deferred income of Kshs. 2.706 billion and Kshs. 1.032 billion respectively. There is little likelihood of these liabilities being paid out. Indications are that they will translate to revenues as the level of project completion improves as well as the registration of the leases for land and housing units sold has been completed.

As disclosed in Note 20, 21 and 22, the group is in default on payment on some borrowings, private placement bond and deposit for shares.

The directors have been actively engaging with the company lenders on restructuring of the current borrowing facilities and also with prospective investors to raise additional funds.

During the financial year ended 31 December 2023 the directors successfully obtained a final and full settlement agreement with the company lenders who have agreed to offer a discount for the outstanding credit facilities. The company had deposited Kshs 100 Million with the appointed advocates as a commitment towards settlement of the outstanding borrowings. This amount was paid to the lenders during the year 2023 as repayment of the accrued interest on the borrowings.

Based on the anticipated success of the negotiations above, the directors consider it appropriate to prepare the financial statements of the group and company on a going concern basis.



Home Afrika Limited  
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NOTES (CONTINUED)

**1. SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**a. Basis of preparation (continued)**

**i. New standards, amendments and interpretations adopted by the group**

The group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023. The group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

***IFRS 17 Insurance Contracts (issued in May 2017 and amended in June 2020)***

The new standard, effective for annual periods beginning on or after 1st January 2023, establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. The objective is to ensure that entities provide relevant information in a way that faithfully represents those contracts. The Company does not issue insurance contracts.

***Amendments to IAS 8 titled Definition of Accounting Estimates (issued in February 2021)***

The amendments, applicable to annual periods beginning on or after 1st January 2023, require entities to disclose their material accounting policy information rather than their significant accounting policies.

***Amendments to IAS 1 titled Disclosure of Accounting Policies (issued in February 2021)***

The amendments, applicable to annual periods beginning on or after 1st January 2023, require entities to disclose their material accounting policy information rather than their significant accounting policies.

**ii. New and revised standards and interpretations in issue but not yet effective**

***Amendments to IAS 1 titled Classification of Liabilities as Current or Non-current (issued in January 2020, amended in October 2022)***

The amendments, applicable to annual periods beginning on or after 1st January 2024, clarify a criterion in IAS 1 for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

***Amendment to IFRS 16 titled Lease Liability in a Sale and Leaseback (issued in September 2022)***

The amendment, applicable to annual periods beginning on or after 1st January 2024, requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss.

***Amendments to IFRS 9 and IFRS 17 titled Initial application of IFRS 17 and IFRS 9 – Comparative Information (issued in December 2021)***

The amendments, applicable on initial application of IFRS 17, add a transition option relating to comparative information about financial assets presented on initial application of IFRS 17.

The directors does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the Company.





**Home Afrika Limited**  
**Annual report and consolidated financial statements**  
**For the Year ended 31 December 2023**

**NOTES (CONTINUED)**

**1. SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**b. Significant accounting judgements, estimates and assumptions**

In the application of the accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The directors have made the following assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The assumptions and judgements set-out below do not consider the full potential impact of the recent coronavirus outbreak as it is too early at this stage to predict the full potential impact of this on the financial statements of the company.

**Measurement of expected credit losses (ECL):**

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL

ECLs are measured as the probability-weighted present value of expected cash shortfalls over the remaining expected life of the financial instrument.

The measurement of ECLs are based primarily on the product of the instrument's Probability of Default (PD), Loss Given Default (LGD), and Exposure At Default (EAD).

The ECL model applied for financial assets other than trade receivables contains a three-stage approach that is based on the change in the credit quality of assets since initial recognition.

- Stage 1 - If, at the reporting date, the credit risk of non-impaired financial instruments has not increased significantly since initial recognition, these financial instruments are classified in Stage 1, and a loss allowance that is measured, at each reporting date, at an amount equal to 12-month expected credit losses is recorded.
- Stage 2 - When there is a significant increase in credit risk since initial recognition, these non-impaired financial instruments are migrated to Stage 2, and a loss allowance that is measured, at each reporting date, at an amount equal to lifetime expected credit losses is recorded. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the ECL model requires reverting to recognition of 12-month expected credit losses.
- When one or more events that have a detrimental impact on the estimated future cash flows of a financial asset have occurred, the financial asset is considered credit-impaired and is migrated to Stage 3, and an allowance equal to lifetime expected losses continues to be recorded or the financial asset is written off.



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**NOTES (CONTINUED)**

**1. SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**b. Significant accounting judgements, estimates**  
**and assumptions (continued)**

Assessment of significant increase in credit risk: The determination of a significant increase in credit risk takes into account many different factors including a comparison of a financial instruments credit risk or PD at the reporting date and the credit or PD at the date of initial recognition. IFRS 9 however includes rebuttable presumptions that contractual payments are overdue by more than 30 days will represent a significant increase in credit risk (stage 2) and contractual payments that are more than 90 days overdue will represent credit impairment (stage 3). The group uses these guidelines in determining the staging of its assets unless there is persuasive evidence available to rebut these presumptions

For trade receivables, the group has applied the simplified model under IFRS 9 where lifetime expected credit loss allowance is recognised on the basis of a provisioning matrix.

**Useful lives, depreciation methods and residual values of property, plant and equipment and intangible assets**

Management reviews the useful lives, depreciation methods and residual values of the items of property, plant and equipment, intangible assets and right-of-use assets on a regular basis. During the financial year, the directors determined no significant changes in the useful lives and residual values. The carrying amounts of property, plant and equipment, right-of-use assets and intangible assets are disclosed in notes 10 and 12 respectively.

**Investment property**

The group holds land that is for designated development and sale and land that is as of the balance sheet date not designated for any specific future use. Under the requirement of IAS 40 on Investment Property, land that is held without any designated future use is classified as Investment

Property and measured at fair value in accordance with the accounting policy set-out below.

**Impairment of trade receivables**

The group reviews their portfolio of trade receivables on an annual basis. In determining whether receivables are impaired, the management makes judgement as to whether there is any evidence indicating that there is a measurable decrease in the estimated future cash flows expected.

**Fair value measurement and valuation process**

In estimating the fair value of an asset or a liability, the group uses market-observable data to the extent it is available. Where level 1 inputs are not available, the group makes use of financial models or engages third party qualified values to perform the valuation and provide inputs to the model. issue.

**c. Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of property and provision of services in the ordinary course of business and is stated net of rebates and discounts.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when the specific criteria have been met for each of the group's activities as described below. The amount of revenue is not considered to be reliably measured until all contingencies relating to the sale have been resolved.

The group evaluates each transaction to determine whether there are any separately identified components. Revenue is recognised as follows:



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**NOTES (CONTINUED)**

**1. SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**c. Revenue recognition**

- i. Revenue from sale of land is recognised when the transaction with the buyer is substantially complete which coincides with the transfer to the buyer of the significant risks and rewards of ownership and the entity retaining neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the land. Remaining revenue relating to infrastructure construction is recognised using the percentage of completion method.
- ii. Interest income is accrued by reference to time in relation to the principal outstanding and the effective interest rate applicable.
- iii. Dividend income is recognised when the shareholders right to receive payment has been established
- iv. Rental income is accrued by reference to time on a straight line basis over the lease term

**d. Investment in subsidiaries/Consolidation**

Subsidiaries are all entities (including special purpose entities) over which the group has the power to govern the financial and operating policies. Control is achieved when the company; has power over the trustee; is exposed or has right to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

The group also assesses the existence of control where it does not have a majority of the voting rights power but is able to govern the financial and operating policies of a subsidiary. Control may arise in certain circumstances where including the size of the group's voting rights relative to the size and dispersion of holdings of other shareholders give the group the power to govern the financial and operating policies, where potential voting rights are held by the company and rights from other contractual arrangements etc.

Intra-group balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-

company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary adjustments are made to financial statements of subsidiary to bring their accounting policies into line with the groups accounting policy.

**e. Property and equipment**

All property and equipment is initially recorded at cost and thereafter stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Depreciation on assets is calculated on the reducing balance basis method to write down the cost of each asset, or the revalued amount, to its residual value over its estimated useful life using the following annual rates:

	Rate %
Buildings	2.50 (straight line)
Motor vehicles	25.00
Tractor	37.50
Computer equipment	30.00
Office equipment	12.50
Furniture and fittings	12.50

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.



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**NOTES (CONTINUED)**

**1. SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**e. Property and equipment (continued)**

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of property and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit/loss.

**f. Investment property**

Investment property is long-term investments in land that are not occupied substantially for own use. Land held with an undetermined future use is also classified as investment property. Investment property is initially recognised at cost and subsequently carried at fair value representing open market value at the reporting date. Changes in fair value are recorded in profit or loss based on the percentage of completion as described in note (c) above.

Subsequent expenditure on investment property where such expenditure increases the future economic value in excess of the original assessed standard of performance is added to the carrying amount of the investment property. All other expenditure is recognised as an expense in the year which it is incurred.

Gains and losses on disposal of investment property is determined by reference to their carrying amount and are taken into account in determining operating profit/(loss).

**g. Intangible assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

**Computer software**

Computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives which are estimated to be 5 years.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the company, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets.

**h. Financial instruments**

Financial instruments are recognised when, and only when, the company becomes party to the contractual provisions of the instrument. All financial assets are recognised initially using the trade date accounting which is the date the company commits itself to the purchase or sale.

**Financial assets**

The company classifies its financial assets into the following categories:

**i. Amortised cost;**

Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows, and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding and are not designated at Fair Value Through Profit or Loss (FVTPL), are classified and measured at amortised cost; The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured.





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**NOTES (CONTINUED)**

**1. SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**h. Financial instruments (continued)**

**ii. Fair Value Through Other Comprehensive Income (FVTOCI):**

Financial assets that are held for collection of contractual cash flows where these cash flows comprise SPPI and also for liquidating the assets depending on liquidity needs and that are not designated at FVTPL, are classified and measured at value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for recognition of impairment gain or losses, interest revenue and foreign exchange gain and losses. Gains and losses previously recognised in OCI are reclassified from equity to profit or loss on disposal of such instruments. Gains and losses related to equity instruments are not reclassified.

**iii. Fair Value Through Profit or Loss (FVTPL):**

Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measure at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement.

Notwithstanding the above, the company may:

- on initial recognition of an equity investment that is not held for trading, irrevocably elect to classify and measure it at fair value through other comprehensive income
- on initial recognition of a debt instrument, irrevocably designate it as classified and measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

The loss allowance is measured at an amount equal to the lifetime expected credit losses for trade receivables and for financial instruments for which:

- the credit risk has increased significantly since initial recognition; or
- there is observable evidence of impairment (a credit-impaired financial asset).

If, at the reporting date, the credit risk on a financial asset other than a trade receivable has not increased significantly since initial recognition, the loss allowance is measured for that financial instrument at an amount equal to 12-month expected credit losses. All changes in the loss allowance are recognised in profit or loss as impairment gains or losses.

Lifetime expected credit losses represent the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses represent the portion of lifetime expected credit losses that result from default events on a financial asset that are possible within 12 months after the reporting date.

Expected credit losses are measured in a way that reflects an unbiased and probability-weighted amount determined by evaluating a range of possible outcomes, the time value of money, and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

All financial assets are classified as non-current except those that are held for trading, those with maturities of less than 12 months from the balance sheet date, those which management has the express intention of holding for less than 12 months from the reporting date or those that are required to be sold to raise operating capital, in which case they are classified as current assets.



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**NOTES (CONTINUED)**

**1. SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**h. Financial instruments (continued)**

**Financial liabilities**

Financial liabilities that are held for trading (including derivatives), financial guarantee contracts, or commitments to provide a loan at a below-market interest rate are classified and measured at fair value through profit or loss. The company may also, on initial recognition, irrevocably designate a financial liability as at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

All other financial liabilities are classified and measured at amortised cost.

**i. Inventories**

Inventories comprise of land and developments held for sale and is stated at the lower of cost and net realisable value. Cost is determined by the first-in-first-out (FIFO) basis and comprises all costs attributable to purchase of the land and direct cost for the development of common amenities and related service costs including finance costs.

**j. Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

**k. Share capital**

Ordinary shares are classified as equity. Mandatorily redeemable preference shares are classified as liabilities.

**l. Share premium**

Share premium represents the amount received by the company over the par value of the ordinary shares issued.

Deposits received for ordinary and preference shares are also classified as liabilities. On allotment of ordinary shares, the amounts are reclassified to equity.

**m. Dividend**

Proposed dividends are disclosed as a separate component of equity until declared.

Dividends are recognised as a liability in the period in which they are approved by the group's shareholders.

**n. Taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.



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**NOTES (CONTINUED)**  
**SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**n. Taxation (continued)**

**Current tax**

Current tax is provided on the results for the year, adjusted in accordance with tax legislation.

**Deferred tax**

Deferred tax is provided using the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised.

**o. Accounting for leases**

**The group as lessee**

On the commencement date of each lease (excluding leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value) the group recognises a right-of-use asset and a lease liability. Also excluded from such measurement are leases of land held as inventory for sale in the ordinary course of business which are carried as inventory and revenue therefrom accounted for under revenue accounting policy.

The lease liability is measured at the present value of the lease payments that are not paid on that date. The lease payments include fixed payments, variable payments that depend on an index or a rate, amounts expected to be payable under residual value guarantees, and the exercise price of a purchase option if the group is reasonably certain to exercise that option. The lease payments are discounted at the interest rate implicit in the lease. If that rate cannot be readily determined, the group's incremental borrowing rate is used.

For leases that contain non-lease components, the group allocates the consideration payable to the lease and non-lease components based on their relative stand-alone components.

The right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability, any lease payments made on or before the commencement date, any initial direct costs incurred, and an estimate of the costs of restoring the underlying asset to the condition required under the terms of the lease.

Subsequently the lease liability is measured at amortised cost, subject to remeasurement to reflect any reassessment, lease modifications, or revised fixed lease payments.

For leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value, the total lease payments are recognised in profit or loss on a straight-line basis over the lease period.

**p. Retirement benefit obligations**

The group and its employees contribute to the National Social Security Fund (NSSF), a statutory defined contribution scheme registered under the NSSF Act. The company's contributions to the defined contribution scheme are charged to profit or loss in the year to which they relate. The company has no further obligation once the contributions have been paid.

**q. Borrowing costs**

Borrowing costs that are attributable to acquisition, construction or production of a qualifying asset are capitalised as part of the asset based either on actual cost on specific borrowings or, in the case of general borrowings, based on a weighted average cost.

Capitalisation of borrowing costs ceases when all activities necessary to prepare the asset for its intended use or sale are complete. All other borrowing costs are recognised in profit or loss.

**r. Comparatives**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.



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**NOTES (CONTINUED)**

**2. Segmental reporting**

The group is engaged in the business of development and sale of real estate and related activities. This business is conducted through different subsidiaries representing separate projects of the group. The basis of reporting the performance of the group for resource allocation purposes to the board of directors (which represents the chief operating decision maker for the purposes of segmental reporting) is on a company by company basis.

While certain group companies are involved in post real-estate development activities such as provision of services to occupiers etc, these activities are not material to the group as a whole and therefore not separately disclosable.

In respect of the primary operations of real estate development and sale, all activities of the group are carried out within a single economic area

being Kenya and are therefore subject to common economic characteristics. These operations are therefore aggregated together, along with the immaterial related activities discussed in the preceding paragraph such that the group's activities comprises a single operating segment. The financial results for the operations of the group are presented to the board are the same as the measures of operating profit and profit before tax as presented in the statement of profit or loss and other comprehensive income. All the assets and liabilities of the group represent the single overall aggregated segment.

As its geographic operations are confined to a single country, no disclosures by geography are applicable. All revenue, costs, assets and liabilities arise and are held in Kenya.

**3 Revenue from contracts with customers**

Recognised over time:

- Revenue from sale of property

**4 Other operating income**

Rental income

Green fees and other golf charges

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
	<u>377,195,320</u>	<u>237,396,323</u>	<u>22,798,000</u>	<u>-</u>
	<u>3,024,728</u>	<u>4,943,800</u>	<u>-</u>	<u>-</u>
	<u>10,017,754</u>	<u>7,353,075</u>	<u>1,092,728</u>	<u>465,000</u>
	<u>13,042,482</u>	<u>12,296,875</u>	<u>1,092,728</u>	<u>465,000</u>





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**NOTES (CONTINUED)**

**5 Operating (loss)**

The following items have been charged in arriving at operating (loss):

Depreciation on property and equipment (Note 10)  
 Amortisation of intangible assets (Note 12)  
 Auditors' remuneration  
 - current year  
 Directors' emoluments  
 Staff costs (Note 6)

**6 Staff costs**

Salaries and wages  
 Other staff costs  
 Pension costs:  
 - National Social Security Fund

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
	6,543,005	8,017,946	3,484,219	3,692,522
	-	0	186,754	278,737
	1,488,594	2,054,517	314,517	314,517
	6,135,000	11,589,929	2,775,000	0
	41,394,615	44,828,071	23,180,852	23,114,348
	36,187,891	41,156,837	21,967,729	22,741,498
	4,573,724	3,038,234	936,723	96,450
	633,000	633,000	276,400	276,400
	41,394,615	44,828,071	23,180,852	23,114,348

The average number of persons employed during the year, by category, were:

Sales and marketing  
 Projects  
 Management and administration  
 Total

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	27	27	20	20
	111	111	2	2
	36	36	26	26
	173	173	48	48

**7 Finance costs**

Interest expense:  
 - bank borrowings  
 - private placement bond  
 - deposit for shares

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
	23,720,191	38,680,946	-	-
	-	-	-	-
	1,792,800	1,731,600	-	-
	25,512,991	40,412,546	-	-





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**NOTES (CONTINUED)**

**8 Tax**

	<b>Group</b>	<b>Company</b>
	<b>2023</b>	<b>2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Current tax	5,586,215	446,106
Deferred tax (credit)/charge (Note 24)	-	-
	<u>5,586,215</u>	<u>446,106</u>
The tax on the group's (loss) before tax differs from the theoretical amount that would arise using the basic rate as follows:		
(Loss) before tax	<u>(22,249,565)</u>	<u>(32,314,258)</u>
Tax calculated at a tax rate of 30% (2019: 30%)	<u>(6,674,870)</u>	<u>(9,694,277)</u>
Tax effect of:		
- income and expenses not taxable/allowable	<u>(150,297,904)</u>	<u>626,376</u>
- tax losses and other temporary differences on which deferred tax has not been recognised	<u>162,558,989</u>	<u>10,095,747</u>
	<u>5,586,215</u>	<u>(94,681)</u>

**9 (Loss) per share**

Basic group loss per share is calculated by dividing the loss attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

	<b>Group</b>	<b>Company</b>
	<b>2023</b>	<b>2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Net (loss) attributable to shareholders	<u>(16,460,581)</u>	<u>(36,056,015)</u>
Weighted average number of ordinary shares	<u>405,255,320</u>	<u>405,255,320</u>
(Loss) per share - basic and diluted	<u>(0.04)</u>	<u>(0.09)</u>

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**NOTES (CONTINUED)**

**10 Property and equipment**

<b>Group</b>	<b>Building Kshs</b>	<b>Tractor Kshs</b>	<b>Motor vehicles Kshs</b>	<b>Computer equipment Kshs</b>	<b>Furniture and fittings Kshs</b>	<b>Office equipment Kshs</b>	<b>Total Kshs</b>
<b>Year ended 31 December 2023</b>							
<b>Cost</b>							
At start of year	33,138,104	26,043,521	13,499,875	10,827,765	22,318,404	31,689,788	137,517,457
Additions	-	-	-	-	-	188,120	188,120
At end of year	33,138,104	26,043,521	13,499,875	10,827,765	22,318,404	31,877,908	137,705,577
<b>Depreciation</b>							
At start of year	15,796,377	10,340,198	10,624,939	9,105,488	15,457,662	19,933,931	81,258,594
Charge for the year	1,424,856	2,322,343	915,576	432,972	739,776	581,338	6,416,861
At end of year	17,221,233	12,662,541	11,540,515	9,538,461	16,197,438	20,515,269	87,675,455
<b>Net book value</b>	15,916,871	13,380,980	1,959,360	1,289,304	6,120,966	11,362,639	50,030,122
<b>Year ended 31 December 2022</b>							
<b>Cost</b>							
At start of year	33,138,104	25,416,521	13,499,875	10,827,765	22,318,404	31,689,788	136,890,457
Additions	-	627,000	-	-	-	-	627,000
Disposal	-	-	-	-	-	-	-
At end of year	33,138,104	26,043,521	13,499,875	10,827,765	22,318,404	31,689,788	137,517,457
<b>Depreciation</b>							
At start of year	14,371,521	6,917,539	9,730,969	8,472,649	14,634,673	19,248,353	73,375,703
Charge for the year	1,424,856	3,422,659	893,970	632,840	822,988	685,578	7,882,891
Disposal	-	-	-	-	-	-	-
At end of year	15,796,377	10,340,198	10,624,939	9,105,488	15,457,662	19,933,931	81,258,594
<b>Net book value</b>	17,341,727	15,703,323	2,874,936	1,722,277	6,860,742	11,755,857	56,258,862

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**NOTES (CONTINUED)**

**10 Property and equipment (continued)**

<b>Company</b>	<b>Building Kshs</b>	<b>Motor vehicles Kshs</b>	<b>Computer equipment Kshs</b>	<b>Furniture and fittings Kshs</b>	<b>Office equipment Kshs</b>	<b>Total Kshs</b>
<b>Year ended 31 December 2023</b>						
<b>Cost</b>						
At start of year	56,994,527	9,193,220	7,323,225	17,311,148	5,737,215	96,559,335
Additions	-	-	-	-	-	-
At end of year	56,994,527	9,193,220	7,323,225	17,311,148	5,737,215	96,559,335
<b>Depreciation</b>						
At start of year	18,524,593	6,598,777	6,186,632	12,579,954	4,060,207	47,950,163
Charge for the year	1,424,856	905,424	352,915	591,396	209,628	3,484,219
At end of year	19,949,449	7,504,201	6,539,547	13,171,350	4,269,835	51,434,382
<b>Net book value</b>	<u>37,045,078</u>	<u>1,689,019</u>	<u>783,678</u>	<u>4,139,798</u>	<u>1,467,381</u>	<u>45,124,953</u>
<b>Year ended 31 December 2022</b>						
<b>Cost</b>						
At start of year	56,994,527	9,193,220	7,323,225	17,311,148	5,737,215	96,559,335
Additions	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
At end of year	56,994,527	9,193,220	7,323,225	17,311,148	5,737,215	96,559,335
<b>Depreciation</b>						
At start of year	17,099,737	5,733,963	5,699,521	11,904,066	3,820,639	44,257,926
Charge for the year	1,424,856	864,814	487,111	675,888	239,853	3,692,522
Disposal	-	-	-	-	-	-
At end of year	18,524,593	6,598,777	6,186,632	12,579,954	4,060,207	47,950,163
<b>Net book value</b>	<u>38,469,934</u>	<u>2,594,443</u>	<u>1,136,593</u>	<u>4,731,194</u>	<u>1,677,008</u>	<u>48,608,887</u>



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**NOTES (CONTINUED)**

**11 Investment property**

**Group**

**Year ended 31 December 2023**

At start of year				
Additions	300,900,939	Land Kshs	42,130,103	WIP Kshs
Fair value gain	-		-	
Transfers to inventories	-		-	
At end of year	300,900,939		42,130,103	343,031,042
At start of year	389,298,000		42,130,103	431,428,103
Additions	-		-	
Fair value gain	-		-	
Transfers to inventories	(88,397,061)		-	(88,397,062)
At end of year	300,900,939		42,130,103	343,031,041

The fair value of investment property comprising buildings was determined by reference to the market prices of similar properties of the type and in the area in which the property is situated. The valuation was carried out by an independent professional valuer with recent experience in the location and category of the investment property being valued.

The fair value of the group's land investment properties are determined periodically by an independent professionally qualified valuer adjusted by management to reflect the current stage of completion of the project. In determining the valuations the valuer refers to current market conditions including recent sales transactions of similar properties. In estimating the fair value of the properties, the highest and best use of the property is their use at the end of the project development adjusted by the completion factor to reflect the condition as of the balance sheet date. There has been no change in the valuation technique used during the year.

**Fair value hierarchy**

**Group:**

Land held as investment property				
		Level 1 Kshs	Level 2 Kshs	Level 3 Kshs
	-		-	343,031,042

The fair valuation of the investment property is included as a level 3 valuation based on a significant non-observable input being the stage of completion of the project development within which the investment property resides which therefore has a material impact on the fair valuation as of the date of the statement of financial position. The percentage of completion used for this valuation is 59.80% as at 31 December 2021 (54.65% as at 31 December 2020). Management does not expect there to be a material sensitivity to the value of the investment property as the percentage of completion is based on qualified professional assessments of the project development.

The table above presents the changes in the carrying value of the investment property arising from these fair valuation assessments.

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**NOTES (CONTINUED)**

**12 Intangible assets**

<b>Group</b>	<b>Computer Software Kshs</b>	<b>Website costs Kshs</b>	<b>Total Kshs</b>
<b>Year ended 31 December 2023</b>			
<b>Cost</b>			
At end of year	10,508,836	1,183,800	11,692,636
<b>Amortisation</b>			
At start of year	9,942,914	1,183,800	11,126,714
Amortisation for the year	-	-	-
At end of year	10,129,668	1,183,800	11,313,468
<b>Net book value</b>	379,168	-	379,168
<b>Year ended 31 December 2022</b>			
<b>Cost</b>			
At start of year	10,508,836	1,183,800	11,692,636
Additions	-	-	-
At end of year	10,508,836	1,183,800	11,692,636
<b>Amortisation</b>			
At start of year	9,664,177	1,183,800	10,847,977
Amortisation for the year	278,737	-	278,737
At end of year	9,942,914	1,183,800	11,126,714
<b>Net book value</b>	565,922	-	565,922
<b>Company</b>	<b>Computer software</b>		
<b>Cost</b>	<b>2022 Kshs</b>	<b>2022 Kshs</b>	
At start of year	10,508,836	10,508,836	
Additions	-	-	
At end of year	10,508,836	10,508,836	
<b>Amortisation</b>			
At start of year	9,942,914	9,664,177	
Amortisation for the year	186,754	278,737	
At end of year	10,129,668	9,942,914	
<b>Net book value</b>	379,168	565,922	

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**NOTES (CONTINUED)**

**13 Investments in subsidiaries**

Company Name	Country of incorporation	Holding		Company	
		2023	2022	2023 Kshs	2022 Kshs
Suburban Limited	Kenya	50%	50%	100,000	100,000
Mitini Scapes Development Limited	Kenya	100%	100%	100,000	100,000
Lakeview Heights Development Limited	Kenya	100%	100%	100,000	100,000
Lango Development Limited	Kenya	100%	100%	100,000	100,000
Kikwetu Limited	Kenya	100%	100%	100,000	100,000
Smart Plots Limited	Kenya	100%	100%	100,000	100,000
Home Afrika Communities Limited	Kenya	60%	60%	2,100,000	2,100,000
Migaa Management Limited	Kenya	52%	52%	52,000	52,000
Less: Provision for impairment of subsidiary				-	-
				<u>2,752,000</u>	<u>2,752,000</u>

The composition of the group is as follows:

Name	Country of incorporation	Proportion of ownership interest		Proportion owned via subsidiary companies		Wholly or non- wholly owned subsidiary
		2023	2022	2023	2022	
Mitini Scapes Development Limited	Kenya	100%	100%	-	-	Wholly
Lakeview Heights Development Limited	Kenya	100%	100%	-	-	Wholly
Lango Development Limited	Kenya	100%	100%	-	-	Wholly
Kikwetu Limited	Kenya	100%	100%	-	-	Wholly
Smart Plots Limited	Kenya	100%	100%	-	-	Wholly
Home Afrika Communities Limited	Kenya	60%	60%	-	-	Non-wholly
Suburban Limited	Kenya	50%	50%	-	-	Non-wholly
Migaa Management Limited	Kenya	52%	52%	-	-	Non-wholly
Moru Ridge Limited	Kenya	-	-	60%	60%	Non-wholly
Kivuli Golf Limited	Kenya	-	-	60%	60%	Non-wholly
Migaa PDS Limited	Kenya	-	-	60%	60%	Non-wholly

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**NOTES (CONTINUED)**

**13 Investments in subsidiaries (continued)**

The group owns 50% equity shares of Suburban Limited. The remaining 50% is held by unrelated shareholders. An assessment of control was performed by the group based on whether the group has the practical ability to direct the relevant activities unilaterally and it was concluded that the group was involved in active day to day management and therefore had dominant powers to direct the relevant activities of Suburban Limited.

**Summarised financial information**

Summarised financial information in respect of each of the group's main subsidiaries that has a material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	<b>Home Afrika Communities Limited</b>		<b>Suburban Limited</b>		<b>Moru Ridge Limited</b>	
	<b>2023 Kshs</b>	<b>2022 Kshs</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>
Current assets	1,924,575,500	1,948,783,149	72,660,581	73,553,816	555,239,606	889,533,451
Non-current assets	22,543,765	24,934,806	247,145	304,860	2,316	3,309
Current liabilities	(4,461,393,113)	(4,461,143,478)	(123,923,399)	(124,204,921)	(1,713,976,367)	(2,047,306,187)
Non-controlling interests	2,577,713	13,317,043	(45,355,073)	(45,295,075)	(478,217,186)	(477,750,211)

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**NOTES (CONTINUED)**

**13 Investments in subsidiaries (continued)**

**Summarised financial information (continued)**

	<b>Home Afrika Communities Limited</b>		<b>Suburban Limited</b>		<b>Moru Ridge Limited</b>	
	<b>2023 Kshs</b>	<b>2022 Kshs</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>
Revenue	81,600,861	130,920,323	0	3,328,800	-	-
Expenses	(108,449,186)	(131,870,495)	(119,997)	(1,491,047)	(1,167,435)	(12,016,265)
<b>(Loss) or profit for the year</b>	<b>(26,848,325)</b>	<b>(950,172)</b>	<b>(119,997)</b>	<b>1,837,753</b>	<b>(1,167,435)</b>	<b>(12,016,265)</b>
Profit or loss attributable to the non-controlling interests	(57,222,384)	(57,222,384)	834,377	834,377	(209,805,782)	(209,805,782)
Net cash (out)/in flow from operating activities	3,822,523	3,822,523	(1,012,130)	(1,012,130)	(6,490,733)	(6,490,733)
Net cash (out)/in flow from investing activities	(782,275)	(782,275)	-	-	-	-
Net cash (out)/in flow from financing activities	(3,000,000)	(3,000,000)	-	-	-	-
<b>Net cash (out)/ in flow</b>	<b>40,248</b>	<b>40,248</b>	<b>(1,012,130)</b>	<b>(1,012,130)</b>	<b>(6,490,733)</b>	<b>(6,490,733)</b>

**Significant restrictions**

There are no significant restrictions on the company's or subsidiary's ability to access or use the assets and settle the liabilities of the group.



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**NOTES (CONTINUED)**

**14 Financial assets**

			<b>Group and company</b>	
			<b>2022</b>	<b>2021</b>
<b>Available-for-sale</b>	<b>Incorporation</b>		<b>Kshs</b>	<b>Kshs</b>
Morningside Office Park Limited	Kenya	12%	<u>2,000</u>	<u>2,000</u>

The carrying amount of the investment above is not expected to be materially different from its fair value

**15 Inventories**

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Plots held for sale	1,057,145,175	733,162,117	246,689,434	263,023,426
Units held for sale	67,842,813	232,740,339	-	-
Work in progress	2,667,294,263	3,006,772,779	-	-
Less: impairment provision	<u>(390,531,081)</u>	<u>(390,531,081)</u>	<u>-</u>	<u>-</u>
	<u>3,401,751,171</u>	<u>3,582,144,154</u>	<u>246,689,434</u>	<u>263,023,426</u>

Inventory with a cost amounting to Shs. 106,878,163 have been pledged as security against deposit for preference shares as disclosed in Note 22.

Inventory with a cost amounting to Shs. 36,405,588 have been pledged as security against private placement bond as disclosed in Note 21.

Inventory amounting to Shs. 32,976,135 is pledged as security to contractors as disclosed in note 19.

Included in the inventories above are residential apartments constructed by a separate group entity, Moru Ridge Limited with cumulative costs amounting to Shs. 570,000,000 where the project has stalled since 2015. The said residential apartments have been subject to foreclosure by the bank for non payment of the loan. The bank was unsuccessful in its effort to get a buyer to buy the properties and they did not receive any offers that were close to the cumulative costs so far incurred in putting up the residential blocks. As disclosed in Note 31, the above matter is still subject to a ongoing legal case where the court ordered that the bank take up the property at market value.

**16 Trade and other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Current</b>				
Trade receivables	2,926,718	2,741,218	-	-
Less: impairment provision	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net trade receivables	2,926,718	2,741,218	-	-
Other receivables	14,671,811	13,530,480	39,136	49,136
Deposits and prepayments	55,003,420	102,651,195	(2,349,024)	(2,259,938)
Shareholders account	500,000	500,000	-	-
Receivables from related parties (Note 28(iii))	171,622,956	521,175,878	762,116,872	861,808,876
Less: impairment provision	<u>(18,156,776)</u>	<u>(18,156,776)</u>	<u>(723,655,124)</u>	<u>(823,655,124)</u>
	<u>226,568,128</u>	<u>622,441,994</u>	<u>36,151,860</u>	<u>35,942,950</u>

In the opinion of the directors, the carrying amounts of trade and other receivables approximate to their fair value. The carrying amounts of the group's / company's trade and other receivables are denominated in Kenya shillings.



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**NOTES (CONTINUED)**

**17 Cash and cash equivalents**

	<b>Group</b>		<b>Company</b>	
	<b>2023 Kshs</b>	<b>2022 Kshs</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>
Cash at bank and in hand	<u>33,821,780</u>	<u>3,190,807</u>	<u>1,722,286</u>	<u>1,497,227</u>
For the purposes of the statement of cash flows, the year end cash and cash equivalents comprise the				
Cash and bank	33,821,780	3,190,807	1,722,286	1,497,227
Bank overdraft (Note 20)	<u>(2,683,068)</u>	<u>(3,400,346)</u>	<u>(2,683,068)</u>	<u>(3,400,346)</u>
	<u>31,138,713</u>	<u>(209,539)</u>	<u>(960,782)</u>	<u>(1,903,119)</u>

The company's cash and bank balances are held with major Kenyan financial institutions and, in so far as the directors are able to measure any credit risk to these assets, it is deemed to be limited.

The carrying amounts of the group's/company's cash and cash equivalents are denominated in Kenya

**18 Deferred income**

	<b>Group</b>	
	<b>2023 Kshs</b>	<b>2022 Kshs</b>
Deferred income	<u>796,443,392</u>	<u>1,087,477,331</u>

Deferred income represents unrecognised revenue on account of ongoing construction.

**19 Trade and other payables**

	<b>Group</b>		<b>Company</b>	
	<b>2023 Kshs</b>	<b>2022 Kshs</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>
<b>Current</b>				
Trade payables	621,861,258	625,670,361	115,916,618	117,032,791
Accruals	145,070,406	206,855,453	138,098,687	153,680,844
Provision for legal cases	23,559,525	23,559,525	-	-
Interest accrual - preference shares	134,282,157	134,282,157	-	-
Provision for other liabilities	286,268,422	286,268,422	-	-
Deposit for service charge and shares	59,063,784	32,899,564	-	-
Other payables	72,974,720	80,882,510	40,703,405	40,649,450
Payable to related parties (Note 28(iv))	<u>113,303,278</u>	<u>208,880,712</u>	<u>634,180,060</u>	<u>632,494,051</u>
	<u>1,456,383,550</u>	<u>1,599,298,704</u>	<u>928,898,770</u>	<u>943,857,135</u>
Deposit from sale of plots and units	<u>2,598,749,767</u>	<u>2,223,142,404</u>	<u>199,553,160</u>	<u>195,909,747</u>
<b>Total trade and other payables</b>	<u>4,055,133,317</u>	<u>3,822,441,108</u>	<u>1,128,451,930</u>	<u>1,139,766,882</u>

Included in the above liabilities are amounts due to contractors totalling to Shs. 250,069,911 secured by plots. Also, included in trade payables are balances totalling to Shs. 42,798,445 that are subject to legal demand.

As disclosed in note 31, provision for legal cases comprise of amounts where the group has ceded and intends to pay or amounts as directed by the court.

In the opinion of the directors, the carrying amounts of trade and other payables approximate to their fair value. The carrying amounts of the group's/company's trade and other payables are denominated in Kenya



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**NOTES (CONTINUED)**

**# Trade and other payables (continued)**

The maturity analysis of the group's trade and other payables is as follows:

**Year ended 31 December 2023**

	<b>0 to 1 month Kshs</b>	<b>2 to 3 months Kshs</b>	<b>4 to 12 months Kshs</b>	<b>Total Kshs</b>
Trade payables	32,835,631	266,957,043	322,068,584	621,861,258
Accruals	37,236,939	45,992,950	61,840,517	145,070,406
Provision for legal cases	-	23,559,525	-	23,559,525
Interest accrual - preference shares	-	-	134,282,157	134,282,157
Provision for other liabilities	-	-	286,268,422	286,268,422
Deposit from sale of plots and units	-	-	2,598,749,767	2,598,749,767
Deposit for service charge and shares	-	-	72,974,720	59,063,784
Other payables	-	-	113,303,278	72,974,720
Payable to related parties	-	-	113,303,278	113,303,278
	<u>70,072,570</u>	<u>336,509,518</u>	<u>3,702,790,723</u>	<u>4,055,133,317</u>

**Year ended 31 December 2022**

Trade payables	33,036,760	268,592,242	324,041,359	625,670,361
Accruals	53,096,038	65,581,208	88,178,207	206,855,453
Provision for legal cases	-	-	-	23,559,525
Interest accrual - preference shares	-	-	134,282,157	134,282,157
Provision for other liabilities	-	-	286,268,422	286,268,422
Deposit from sale of plots and units	-	-	2,223,142,404	2,223,142,404
Deposit for service charge and shares	-	-	80,882,510	32,899,564
Other payables	-	-	208,880,712	80,882,510
Payable to related parties	-	-	208,880,712	208,880,712
	<u>86,132,798</u>	<u>357,732,975</u>	<u>3,554,556,483</u>	<u>3,822,441,108</u>

The maturity analysis of the company's trade and other payables is as follows:

**Year ended 31 December 2023**

	<b>0 to 1 month Kshs</b>	<b>2 to 3 months Kshs</b>	<b>4 to 12 months Kshs</b>	<b>Total Kshs</b>
Trade payables	66,953,346	41,649,499	7,313,773	115,916,618
Accruals	16,775,738	43,190,016	78,132,933	138,098,687
Deposit from sale of plots	26,625,047	172,928,113	-	199,553,160
Other payables	-	3,611,235	37,092,170	40,703,405
Payable to related parties	-	-	634,180,060	634,180,060
	<u>110,354,131</u>	<u>261,378,863</u>	<u>756,718,936</u>	<u>1,128,451,930</u>

**Year ended 31 December 2022**

Trade payables	67,598,047	42,050,546	7,384,198	117,032,791
Accruals	18,668,603	48,063,296	86,948,945	153,680,844
Deposit from sale of plots	26,138,931	169,770,816	-	195,909,747
Other payables	-	3,606,448	37,043,002	40,649,450
Payable to related parties	-	-	632,494,051	632,494,051
	<u>112,405,581</u>	<u>263,491,106</u>	<u>763,870,195</u>	<u>1,139,766,882</u>



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**NOTES (CONTINUED)**

**21 Borrowings**

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
The borrowings are made up as follows:				
<b>Current</b>				
Bank loans	928,930,644	1,324,412,094	-	2,677,815
Hire Purchase	-	2,677,815	-	-
Book overdraft	2,683,068	3,400,346	-	3,400,346
	<u>931,613,712</u>	<u>1,330,490,255</u>	<u>2,683,068</u>	<u>6,078,161</u>

The borrowings are secured by the following:

- (i) I & M Bank Limited
  - Joint and several personal guarantees and indemnities of an amount of Shs. 325,000,000 each by the directors of Mitini Scapes development Limited.
  - Corporate guarantee and indemnity of Home Afrika Limited for an amount of Shs. A fixed and floating debenture for an amount of Shs. 325,000,000 over all the assets of Mitini Scapes Development Limited.
  - First legal charge/mortgage for an amount of Shs. 325,000,000 over the sublease unit PDS SO3 on L.R. No. 29059, Nairobi registered in the name of Mitini Scapes Development Limited.
- (ii) Eco Bank Kenya Limited
  - Legal charge of Shs. 400,000,000 over property known as unit No. MO014 situated on L.R. No. 29059, Kiambu.
  - Corporate guarantee and indemnity from Home Afrika Communities Limited, Home Afrika Limited, Tulip Trustee Limited and Linyanti Limited for an amount of Shs. 400,000,000.
  - First loss payee in respect of all insurance proceeds payable to the company under an all risk insurance policy for the assets charged as security as well as any proceeds payable under the all risk contractor's policy taken out by the company in connection with the construction.

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>Kshs</b>	<b>Kshs</b>
Weighted average effective interest rates at the reporting date were:		
Bank borrowings	<u>18.5%</u>	<u>18.5%</u>

In the opinion of the directors, the carrying amounts of borrowings and lease obligations approximate to their fair value.

The carrying amounts of the company's borrowings are denominated in Kenya shillings.

During the year, the group was in default of covenants under borrowing agreements by non repayment of the principal and interest and the details are as below:

i) I & M Bank Limited

Borrowings from this institution amounted to Kshs. 78,930,644 (2022: Kshs. 141,284,691) as at the reporting date. During the year ended 31 December 2023 the directors negotiated a final and full settlement with the bank of Kshs 100 million and the group paid Kshs 22 million during the year towards settlement of the loan balance. The outstanding balance of Kshs 79 million will be repaid in the next financial year from proceeds realised from sale of 6 housing units under Mitini Scapes Development Limited and sale of 5 acres of land under Lake View Heights Limited in Kisumu.

ii) Eco Bank Kenya Limited

Borrowings from this institution amounted to Kshs 850,000,000 (2022: Shs. 1,183,127,403) as at the reporting date. The loan balance have been re-stated to match the market value of the security pledged for the loan as supported by a High Court ruling dated 22nd January 2020. The group expects to settle the obligation under this facility in the next financial year.





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**NOTES (CONTINUED)**

**22 Private Placement Bond**

	<b>Group</b>		<b>Company</b>	
<b>Current</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>
Bond - principal	500,000,000	500,000,000	500,000,000	500,000,000
Interest accrual - bond	180,950,000	320,660,028	24,435,730	103,765,207
	<u>680,950,000</u>	<u>820,660,028</u>	<u>524,435,730</u>	<u>603,765,207</u>

In 2014, the group raised Kshs. 500,000,000 through the issue of a 5 year private placement bond. Interest on the corporate bond is at 17% per annum payable semi-annually in arrears. Interest payments on the bond were delayed as at 31 December 2018 and as a result, the bond has been classified as a current liability.

The notes are issued in denominations of Shs. 100,000. The final maturity of the Notes was 16 December 2021. However, there is early redemption any time after 18 December 2017 by the issuer in whole or in part on any interest payment date on provision of a notice of no more than 90 days or less than 30 days.

The notes are partially secured by first legal charge on land, Unit Number PDS W01 situated on L.R. No 29059, Kiambu included within inventories.

During the year, the group was in default of covenants under borrowing agreements by non repayment of the principal and interest and the details are as below:

Borrowings from this institution amounted to Kshs. 500,000,000 (2022: Kshs. 500,000,000) as at the reporting date. Interest payable of **Kshs. 185,331,820 (2022: Kshs. 320,660,028)** remained unpaid as at 31 December 2023. The management negotiated for full and final settlement of Kshs 320million and Kshs 460,950,000 with Cooperative Bank and NCBA Bank Kenya Plc respectively during the year under review. The group repaid Kshs 100 million towards repayment of accrued interest during the year under review. The amounts due under this facility have been restated to reflect the full and final settlement amounts agreed on with the lenders. The management expects to meet all contractual obligations in the future.

**22 Deposit for shares**

	<b>Group</b>	
<b>Current</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>
- Deposits for ordinary shares pending allotment	87,757,300	87,757,300
- Deposits for preference shares pending issue	64,688,722	67,588,722
	<u>152,446,022</u>	<u>155,346,022</u>
	<u>152,446,022</u>	<u>155,346,022</u>

The deposits for preference shares pending issue relate to Home Afrika Communities Limited and Kikwetu Development Limited which are both subsidiaries of the parent company.

- (i) Deposits for preference shares pending issue - Home Afrika Communities Limited
  - The members passed an ordinary resolution on 24 June 2013 authorising the issue of 1,000 preference shares of Shs. 600,000 each.
  - The tenure of the preference shares shall be 3 years with the right to receive a cumulative dividend at a rate of 20.5% p.a. to be paid together with capital upon redemption and rank in priority over ordinary shares in repayment.
  - The preference shares are secured by a first legal charge over property unit L.R. No. 29059 PDS W01 (I.R No.133694) measuring 25.31 acres valued at approximately Shs 650,000,000.
- (ii) Deposits for preference shares pending issue - Kikwetu Development Limited
  - The company intends to issue preference shares at a subscription price of Shs. 500,000 each.
  - The tenure of the preference shares shall be 3 years with the right to receive dividend at a rate of 18% per annum. The group is in default with the contractual contract with the preference shareholders.
- (iii) Deposit for ordinary shares pending allotment relates to amounts received with respect to the reservation of shares to minority interest in the subsidiary companies. No shares had been allotted as at the statement of financial position date.



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**23 Deferred tax**

Deferred tax is calculated, in full, on all temporary differences under the liability method using a principal tax rate of 30% (2020: 30%). The movement on the deferred tax account is as follows:

	<b>Group</b>	
	<b>2023 Kshs</b>	<b>2022 Kshs</b>
At start of year	-	-
Credit to profit or loss (Note 8)	-	-
At end of year	-	-

**Group**

Deferred tax (assets) and liabilities, deferred tax charge/(credit) to other comprehensive income and deferred tax charge/(credit) in profit or loss are attributable to the following items:

	<b>At start of year Kshs</b>	<b>Charge/(credit) to profit or loss Kshs</b>	<b>At end of year Kshs</b>
<b>Deferred tax liabilities</b>			
Fair value gain on investment property	152,153,167	(152,153,167)	-
<b>Deferred tax assets</b>			
Property and equipment	(338,023)	36,179	(301,844)
Tax losses carried forward	435,566,164	(33,481,405)	(469,047,569)
	435,228,141	(33,445,226)	(469,349,413)
<b>Net deferred tax asset</b>	587,381,308	(185,598,393)	(469,349,413)
Deferred tax assets not recognised	587,381,308	(185,598,393)	469,349,413
	-	-	-

Deferred tax assets on tax losses carried forward are only recognised to the extent of certainty of availability of sufficient future taxable profits to utilise such losses against. Deferred tax assets amounting to Kshs. 466,292,889 (2021: Kshs. 446,070,656) in respect of tax losses carried forward amounting to Kshs. 1,554,309,630 (2022: Kshs. 1,452,252,048) that can be carried forward against future taxable profits have not been recognised. These tax losses over the last 10 years are as follows:

	<b>Kshs</b>	<b>Expiry</b>
- tax losses arising in 2013	85,589,927	
- tax losses arising in 2014	35,339,120	
- tax losses arising in 2015	302,031,430	
- tax losses arising in 2016	116,532,264	
- tax losses arising in 2017	176,542,796	
- tax losses arising in 2018	289,610,191	
- tax losses arising in 2019	212,853,964	
- tax losses arising in 2020	217,546,823	
- tax losses arising in 2021	31,168,668	
- tax losses arising in 2022	65,108,046	



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**23 Deferred tax (continued)**

	<b>Company</b>		
	<b>2023</b>	<b>2022</b>	
	<b>Kshs</b>	<b>Kshs</b>	
At start of year	-	-	
(Credit)/charge to profit or loss	-	-	
At end of year	-	-	
	<b>(Credit)/charge</b>		
	<b>At start of year</b>	<b>to profit or loss</b>	<b>At end of year</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Deferred tax (assets)</b>			
Property and equipment	(187,273)	236,803	49,530
Tax losses carried forward	(206,470,398)	(9,350,600)	(215,820,998)
<b>Net deferred tax asset</b>	(206,657,671)	(9,113,797)	(215,771,468)
Deferred tax assets not recognised	206,657,671	9,113,797	215,771,468
	-	-	-

Deferred tax assets amounting to Kshs. 232,002,3075 (2022: Kshs. 264,322,640) in respect of tax losses carried forward amounting to Kshs. 966,699,561 (2022: Kshs. 881,119,970) that can be carried forward against future taxable profits have not been recognised as there is no certainty of recoverability of such losses. These tax losses arose over the previous years as follows:

	<b>Kshs</b>
- tax losses arising in 2015	113,378,831
- tax losses arising in 2016	79,600,553
- tax losses arising in 2017	131,643,016
- tax losses arising in 2018	119,716,033
- tax losses arising in 2019	186,902,329
- tax losses arising in 2020	192,885,311
- tax losses arising in 2021	31,168,668
- tax losses arising in 2022	36,056,015

**## Share capital**

**Authorised:**

500,000,000 (2021: 500,000,000) ordinary shares of shs. 1 (2020: Shs. 1) each

**Issued and fully paid:**

405,255,320 (2021: 405,255,320) ordinary shares of Shs. 1 (2020: shs. 1) each

<b>Group and company</b>	
<b>2023</b>	<b>2022</b>
<b>Kshs</b>	<b>Kshs</b>
500,000,000	500,000,000
405,255,320	405,255,320

**25 Share premium**

<b>Group and company</b>	
<b>2023</b>	<b>2022</b>
<b>Kshs</b>	<b>Kshs</b>
68,842,038	68,842,038

At start and end of the year



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**# Cash from operations**

	<b>Group</b>		<b>Company</b>	
	<b>2023 Kshs</b>	<b>2022 Kshs</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>
Reconciliation of (loss) before tax to cash from/(used in) operations:				
(Loss) before tax	(375,724,694)	(64,661,940)	(32,314,258)	(36,056,015)
<b>Adjustments for:</b>				
Depreciation on property and equipment (Note 10)	6,543,005	8,017,946	3,484,219	3,692,522
Amortization intangible assets (Note 12)	186,754	278,737	186,754	278,737
(Gain) on disposal of property and equipment	-	-	-	-
Impairment provision on inventories (Note 15)	-	-	-	-
Fair value gain on investment property (Note 11)	-	-	-	-
Impairment of investment in subsidiary (Note 13)	-	-	-	-
Loss on disposal of property and equipment	-	-	-	-
Interest expense (Note 7)	1,792,800	40,412,546	-	-
Changes in working capital:				
- inventories	180,392,983	21,797,044	13,427,777	18,434,441
- trade and other receivables	256,791,091	(186,880,474)	(307,996)	3,947,193
- trade and other payables	232,692,208	161,971,567	(7,918,581)	11,623,997
- deferred income	(291,033,939)	65,138,011	-	-
- Prior year adjustment	6,783,070	-	106,783,070	-
Cash from/(used in) operations	<u>18,423,278</u>	<u>46,073,437</u>	<u>83,340,986</u>	<u>1,920,875</u>

**# Net debt reconciliation**

Reconciliation of liabilities arising from financing activities:				
At start of year:				
Borrowings (Note 20)	1,324,412,094	1,312,015,165	-	-
Private placement (Note 21)	500,000,000	500,000,000	500,000,000	500,000,000
Deposit for shares (Note 22)	155,346,022	158,346,022	-	-
	<u>1,979,758,116</u>	<u>1,970,361,187</u>	<u>500,000,000</u>	<u>500,000,000</u>
Interest on borrowings charged to profit or loss	1,792,800	40,412,546	-	-
Interest on borrowings capitalised to inventory net of interest accruals included under trade and other payables	(395,481,451)	12,396,929	-	-
Cash flows:				
- Operating activities (interest paid)	(1,792,800)	(40,412,546)	-	-
- Proceeds from borrowing	-	-	-	2,677,815
- Repayments of borrowings	(4,395,217)	(4,395,217)	-	-
- Repayment of preference shares	2,900,000	3,000,000	-	-
At end of year	<u>1,582,781,448</u>	<u>1,981,362,899</u>	<u>500,000,000</u>	<u>502,677,815</u>
<b>Representing:</b>				
Borrowings (Note 20)	928,930,644	1,324,412,094	-	-
Private placement (Note 21)	500,000,000	500,000,000	500,000,000	500,000,000
Deposit for shares (Note 22)	152,446,022	155,346,022	-	-
Hire purchase (Note 20)	-	2,677,815	-	2,677,815
	<u>1,581,376,666</u>	<u>1,982,435,931</u>	<u>500,000,000</u>	<u>502,677,815</u>





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**28 Related party transactions and balances**

The nature of related parties is through common directorship and shareholding.

The following transactions were carried out with related parties:

	<b>Group</b>	
	<b>2023 Kshs</b>	<b>2022 Kshs</b>
i) <b>Sale of goods</b>		
Sale of plots to other related parties - shareholders	-	-

	<b>Group</b>		<b>Company</b>	
	<b>2023 Kshs</b>	<b>2022 Kshs</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>
ii) <b>Key management personnel compensation</b>				
Short term employee benefits	49,428,425	54,883,354	36,977,925	34,202,925

	<b>Group</b>		<b>Company</b>	
	<b>2023 Kshs</b>	<b>2022 Kshs</b>	<b>2023 Kshs</b>	<b>2022 Kshs</b>
iii) <b>Outstanding balances arising from payments to/received from related parties</b>				
Receivable from related parties (Note 16)	153,466,180	503,019,102	38,461,748	38,153,752
Receivables from related parties can be analysed as follows:				
- Subsidiaries	-	-	38,153,752	38,153,752
- Other related parties	153,466,180	503,019,102	-	-
	153,466,180	503,019,102	38,153,752	38,153,752

The amounts receivable from related parties are interest free, have no specific dates of repayment and are unsecured.

iv) **Outstanding balances arising from payments to/received from related parties**

	<b>Group</b>		<b>Company</b>	
	<b>2023 Kshs</b>	<b>2021 Kshs</b>	<b>2023 Kshs</b>	<b>2021 Kshs</b>
Payable to related parties (Note 19)	113,303,278	92,426,633	634,180,060	534,249,383
Payables from related parties can be analysed as follows:				
- Subsidiaries	-	-	558,819,410	458,888,733
- Other related parties e.g. Directors, shareholders	113,303,278	92,426,633	75,360,650	75,360,650
	113,303,278	92,426,633	634,180,060	534,249,383

The amounts payable to related parties are interest free, have no specific dates of repayment and are unsecured.



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**Risk management objectives and policies**

**Financial risk management**

The group's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk.

Risk management is carried out by the management under policies approved by the board of directors. Management identifies and evaluates financial risks in close co-operation with various departmental heads. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk and credit risk

**a. Market risk**

*Interest rate risk*

The group's exposure to interest rate risk arises from non-current borrowings/current borrowings. Financial assets and liabilities obtained at different rates expose the company to interest rate risk.

At 31 December 2021, if interest rates at that date had been 1 percentage point lower with all other variables held constant, post-tax loss for the year would have been Shs. 9,184,106 (2020: Shs. 7,721,197) lower, arising mainly as a result of lower interest expense on variable rate borrowings. The effect would be the opposite were interest rates to be 1% higher. 1% represents the maximum expected high change in rates.

**b. Credit risk**

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, management assesses the credit quality of the customer, taking into account their financial position, past experience and other factors.

Individual limits are set based on internal or external information in accordance with limits set by the management. The utilisation of credit limits is regularly monitored.

In assessing whether the credit risk on a financial asset has increased significantly, the company compares the risk of default occurring on the financial asset as at the reporting date with the risk of default occurring on that financial asset as at the date of initial recognition. In doing so, the company considers reasonable and supportable information that is indicative of significant increases in credit risk since initial recognition and that is available without undue cost or effort. There is a rebuttable assumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due.

For these purpose default is defined as having occurred if the debtor is in breach of contractual obligations, or if information is available internally or externally that suggests that the debtor unlikely to be able to meet its obligations. However, there is a rebuttable assumption that that default does not occur later than when a financial asset is 90 days past due.

If the company does not have reasonable and supportable information to identify significant increases in credit risk and/or to measure lifetime credit losses when there has been a significant increase in credit risk on an individual instrument basis, lifetime expected credit losses are recognised on a collective basis. For such purposes, the company groups financial assets on the basis of shared credit risk characteristics, such as:

- type of instrument;
- industry in which the debtor operates; and
- nature of collateral



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**NOTES (CONTINUED)**

**# Risk management objectives and policies (contir**

**Financial risk management (continued)**

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit impaired include observable data about the the following events:

- significant financial difficulty of the debtor
- a breach of contract
- it is probable that the debtor will enter bankruptcy
- the disappearance of an active market for the financial asset because of financial difficulties.

The gross carrying amount of financial assets with exposure to credit risk at the balance sheet date of the group was as follows:

**Group**

<b>Basis for measurement of loss allowance</b>	<b>12-month expected credit losses</b>	<b>Lifetime expected credit losses (see note below)</b>			<b>Total</b>
		<b>a)</b>	<b>b)</b>	<b>c)</b>	
<b>As at 31 December 2023</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Trade receivables	-	-	-	2,926,718	2,926,718
Other receivables	-	-	-	14,671,811	14,671,811
Deposits and prepayments	-	-	-	55,003,420	55,003,420
Shareholders account	-	-	-	500,000	500,000
Receivables from related parties	-	-	-	171,622,956	171,622,956
Gross carrying amount	-	-	-	244,724,904	
Loss allowance	-	-	-	(18,156,776)	(18,156,776)
Exposure to credit risk	-	-	-	226,568,128	226,568,128
<b>As at 31 December 2022</b>					
Trade receivables	-	-	-	2,741,218	2,741,218
Other receivables	-	-	-	13,530,480	13,530,480
Deposits and prepayments	-	-	-	102,651,195	102,651,195
Shareholders account	-	-	-	500,000	500,000
Receivables from related parties	-	-	-	521,175,878	521,175,878
Gross carrying amount	-	-	-	640,598,770	640,598,770
Loss allowance	-	-	-	(18,156,776)	(18,156,776)
Exposure to credit risk	-	-	-	622,441,994	622,441,994

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**# Risk management objectives and policies (continued)**

**Financial risk management (continued)**

**Company**

Basis for measurement of loss allowance	12-month expected credit losses	Lifetime expected credit losses (see note below)			
		a)	b)	c)	Total
As at 31 December 2023	Kshs	Kshs	Kshs	Kshs	Kshs
Other receivables	-	-	-	39,136	39,136
Deposits and prepayments	-	-	-	(2,349,024)	(2,349,024)
Receivables from related parties	-	-	-	762,116,872	762,116,872
Gross carrying amount	-	-	-	759,806,984	759,806,984
Loss allowance	-	-	-	(723,655,124)	(723,655,124)
Exposure to credit risk	-	-	-	36,151,860	36,151,860
<b>As at 31 December 2022</b>					
Other receivables	-	-	-	49,136	49,136
Deposits and prepayments	-	-	-	(2,259,938)	(2,259,938)
Receivables from related parties	-	-	-	861,808,876	861,808,876
Gross carrying amount	-	-	-	859,598,074	859,598,074
Loss allowance	-	-	-	(823,655,124)	(823,655,124)
Exposure to credit risk	-	-	-	35,942,950	35,942,950

Financial assets for which the loss allowance has been measured at an amount equal to lifetime expected credit losses have been analysed above based on their credit risk ratings as follows:

- financial assets for which credit risk has increased significantly since initial recognition but that are not credit impaired;
- financial assets that are credit impaired at the balance sheet date;
- trade receivables, contract assets and lease receivables for which the loss allowance is always measured at an amount equal to lifetime expected credit losses, based, as a practical

**(c) Liquidity risk**

Cash flow forecasting is performed by the finance department of the group by monitoring the company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the group does not breach borrowing limits or covenants on any of its borrowing facilities.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the company's management maintains flexibility in funding by maintaining availability under committed credit lines.

Notes 21 and 20 disclose the maturity analysis of borrowings and trade and other payables



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**29 Risk management objectives and policies (continued)**

The following table details the group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on undiscounted cash flows of financial liabilities based on the earliest date on which the group can be required to pay.

**Group**

**Year ended 31 December 2023**

	<b>Interest rate %</b>	<b>Less than 1 year Kshs</b>	<b>1 - 5 years Kshs</b>	<b>More than 5 years Kshs</b>	<b>Total Kshs</b>
Interest bearing liabilities					
- Bank loans	18.5%	1,100,782,813	-	-	1,100,782,813
- Private placement bond	17.0%	500,000,000	-	-	500,000,000
Non-interest bearing liabilities					
- Deposit for shares	-	152,446,022	-	-	152,446,022
- Trade and other payables	-	4,055,133,317	-	-	4,055,133,317
		<u>5,808,362,152</u>	<u>-</u>	<u>-</u>	<u>5,808,362,152</u>

**Year ended 31 December 2022**

	<b>Interest rate %</b>	<b>Less than 1 year Kshs</b>	<b>1 - 5 years Kshs</b>	<b>More than 5 years Kshs</b>	<b>Total Kshs</b>
Interest bearing liabilities					
- Bank loans	18.5%	1,569,428,332	-	-	1,569,428,332
- Private placement bond	17.0%	500,000,000	-	-	500,000,000
Non-interest bearing liabilities					
- Deposit for shares	-	155,346,022	-	-	155,346,022
- Trade and other payables	-	3,822,441,108	-	-	3,822,441,108
		<u>6,047,215,462</u>	<u>-</u>	<u>-</u>	<u>6,047,215,462</u>

**Company**

**Year ended 31 December 2023**

	<b>Interest rate %</b>	<b>Less than 1 year Shs</b>	<b>1 - 5 years Shs</b>	<b>More than 5 years Shs</b>	<b>Total Shs</b>
Interest bearing liabilities					
- Corporate bond	17.0%	500,000,000	-	-	500,000,000
Non-interest bearing liabilities					
- Trade and other payables		1,128,451,930	-	-	1,128,451,930
		<u>1,628,451,930</u>	<u>-</u>	<u>-</u>	<u>1,628,451,930</u>

**Year ended 31 December 2022**

	<b>Interest rate %</b>	<b>Less than 1 year Shs</b>	<b>1 - 5 years Shs</b>	<b>More than 5 years Shs</b>	<b>Total Shs</b>
Interest bearing liabilities					
- Corporate bond	17.0%	500,000,000	-	-	500,000,000
Non-interest bearing liabilities					
- Trade and other payables		1,139,766,882	-	-	1,139,766,882
		<u>1,639,766,882</u>	<u>-</u>	<u>-</u>	<u>1,639,766,882</u>



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**NOTES (CONTINUED)**

**30. Capital management**

**Internally imposed capital requirements**

- to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk;
- to comply with the capital requirements set out by the group's bankers;
- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to maintain a strong asset base to support the development of business.
- to maintain an optimal capital structure to reduce the cost of capital.

The group sets the amount of capital in proportion to risk. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. Consistently with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided capital. Net debt is calculated as total debt (as shown in the statement of financial position) less cash and cash equivalents. Capital comprises all components of equity (i.e. share capital, share premium and other reserves retained earnings). Due to accumulated losses, the group is entirely funded by its lenders.

**31. Contingent liabilities**

The group is in receipt of certain claims for damages, refunds from deposit for plot buyers and preference share holders and other remuneration from former employees amounting to Shs. 40,453,643. Amounts payable based on agreement entered into with the former employees as of the date of approval of these financial statements have been provided for where material. Disputed amounts of Shs. 15,092,114 have not been provided for as the company does

not believe these are payable based on legal and other advice received. It is not possible to predict with certainty any further amounts that are payable following completion of the ongoing discussions in this regard. Any ceded balance or amounts where the group has been directed by the courts have been accrued in the books as disclosed in note 19.

The group is subject to an ongoing case whereby, the bank is seeking to liquidate an asset that was secured against funds advanced to one of the subsidiaries which was undertaking a project for construction of apartments. The court ordered the bank to repurchase the property by a private treaty and at market value. The company is awaiting for the bank to determine the next course of action.

Home Afrika Communities Limited (a subsidiary) received preliminary of Shs. 109,478,760 claims from the Kenya Revenue Authority. The company has disputed the assessment and lodged a formal objection through their tax consultant. There has been no further development in this regard. No provision for this has been recognised in these financial statements based on defences available against such claims. It is not possible to determine with certainty the amounts that may be payable.

The group is also subject to claims which arise in the ordinary course of business. No provisions for such claims have been recognised as the directors are of the opinion that no material loss will arise from such claims.

**Incorporation**

Home Afrika Limited is incorporated in Kenya under the Companies Act as a public limited liability company and is domiciled in Kenya.

**Presentation currency**

The financial statements are presented in Kenya Shillings (Shs).



**Home Afrika Limited**  
**Annual report and consolidated financial statements**  
**For the Year ended 31 December 2023**

**SCHEDULE OF EXPENDITURE**

**1 SELLING AND DISTRIBUTION EXPENSES**

	<b>Group</b>		<b>Company</b>	
	<b>2023 Kshs</b>	<b>2022 Shs</b>	<b>2023 Kshs</b>	<b>2022 Shs</b>
Marketing fees	1,114,322	1,000,688	767,322	454,503
Commissions	5,773,451	2,292,600	2,299,301	-
Advertising and sales promotion	259,177	1,113,661	-	712,428
<b>Total selling and distribution expenses</b>	<b>7,146,950</b>	<b>4,406,949</b>	<b>3,066,623</b>	<b>2,502,031</b>

**2 ADMINISTRATIVE EXPENSES**

**Employment:**

Salaries and wages	36,820,891	43,508,026	22,244,129	18,454,792
Medical	1,121	2,174,539	-	-
Staff training and welfare	4,572,603	658,050	936,723	92,400
<b>Total employment costs</b>	<b>41,394,615</b>	<b>46,340,615</b>	<b>23,180,852</b>	<b>18,547,192</b>

**Other administrative expenses:**

Directors and Committee allowance	6,135,000	10,382,500	2,775,000	1,175,000
Meetings expenses	359,540	340,750	359,540	340,750
Legal and professional fees	9,756,350	6,122,459	4,174,744	2,363,930
Vehicle running	3,559,545	1,492,079	1,530,295	927,509
General expenses	-	-	-	-
Office expenses	13,392,471	11,493,149	627,761	524,106
Postages and telephones	100,337	248,020	22,680	217,220
Audit fees				
- current year	1,488,594	(572,700)	314,517	-
- under provision in prior years	-	-	-	-
Travelling and accommodation	888,830	1,485,520	857,940	1,280,890
Donations	179,263	10,000	50,000	10,000
Computer expenses	2,321,285	2,067,908	1,209,124	1,033,267
Printing and stationery	-	-	-	-
Bank charges and commissions	686,746	280,514	493,883	165,530
Secretarial fees	-	2,500	-	2,500

<b>Total other administrative expenses</b>	<b>38,867,961</b>	<b>33,352,699</b>	<b>12,415,484</b>	<b>8,040,702</b>
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<b>Total administrative expenses</b>	<b>80,262,576</b>	<b>79,693,314</b>	<b>35,596,335</b>	<b>26,587,894</b>
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**3 OTHER OPERATING EXPENSES**

**Establishment:**

Depreciation on property and equipment	6,543,005	3,510,765	3,484,219	1,348,147
Repairs and maintenance	480,736	622,140	180,290	66,000
Service charge	1,290,957	266,482	1,290,957	266,482
Insurance	607,855	1,247,912	417,000	82,639
Security	16,476,441	9,823,464	-	-
Amortization intangible asset	186,754	-	186,754	-
Electricity	6,601,417	5,209,246	242,523	387,936
Rent and rates	4,649,481	6,537,848	222,720	267,264
Licence and subscriptions	371,820	430,840	156,170	351,240
<b>Total other operating expenses</b>	<b>37,208,466</b>	<b>27,648,697</b>	<b>6,180,633</b>	<b>2,769,708</b>



*Success is the sum of  
small efforts- repeated  
day in and day out.*

**~ Robert Collier**

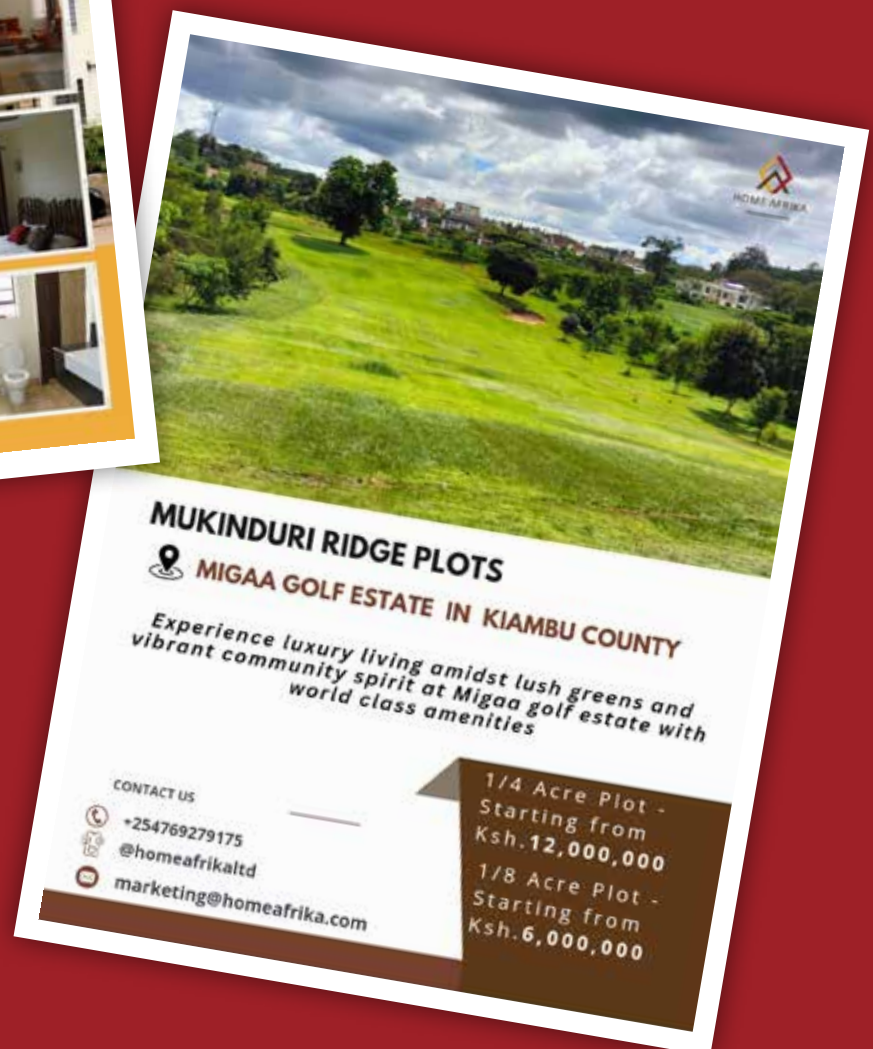


**MITINI SCAPE APARTMENTS**  
MIGAA GOLF ESTATE, KIAMBU COUNTY

	START FROM
1 BEDROOM	KSH.5,000,000
3 BEDROOM DELUXE+SQ	KSH.12,000,000

**FEATURES**

- ✓ AMPLE PARKING
- ✓ PAVED DRIVEWAY
- ✓ OPEN KITCHEN
- ✓ MODERN INTERIOR FINISHES



**MUKINDURI RIDGE PLOTS**  
MIGAA GOLF ESTATE IN KIAMBU COUNTY

Experience luxury living amidst lush greens and vibrant community spirit at Migaa golf estate with world class amenities

**CONTACT US**

- +254769279175
- @homeafrikaltd
- marketing@homeafrika.com

1/4 Acre Plot - Starting from Ksh.12,000,000  
1/8 Acre Plot - Starting from Ksh.6,000,000







Home Afrika Limited | 5th Floor, Morningside Office Park | Ngong' Road, P.O. Box 6254 – 00100, Nairobi. Tel: +254 (0) 20 272000  
[info@homeafrika.com](mailto:info@homeafrika.com) | [www.homeafrika.com](http://www.homeafrika.com)

## NOTICE OF THE ANNUAL GENERAL MEETING

**Notice is hereby given** that the Annual General Meeting of the Shareholders of Home Afrika Limited will be held virtually on Thursday, 27th June 2024 at 10.00 am to transact the following business:

### AGENDA

#### ORDINARY BUSINESS

##### 1. Constitution of the Meeting

To read the notice convening the meeting and determine if a quorum is present.

##### 2. Confirmation of the Minutes

To confirm the Minutes of the previous Annual General Meeting held on 29th June 2023.

##### 3. Financial Statement for the Year ended 31st December 2023

To receive, consider and if thought fit, adopt the Audited Consolidated Financial Statements for the year ended 31st December 2023 together with the Directors' and Auditors reports thereon.

##### 4. Dividend

To note that the Directors do not recommend the payment of a dividend for the year ended 31st December 2023.

##### 5. Election of Directors

a. In accordance with Articles 92 and 93 of the Company's Articles of Association, the following Director is due for retirement by rotation and being eligible, individually offer herself for re-election:

1. Bertha Navuri Mvati.

b. In accordance with Article 115 of the Company's Articles of Association, the following Director has been appointed as a Director on the Board to hold office until the conclusion of the next Annual General Meeting, retire and being eligible, individually offer herself for election:

1. Merab Dinah Ochieng.

##### 6. Remuneration of Directors

To receive, consider and if thought fit, approve the Directors' Remuneration Report for the year ended 31st December 2023 and to authorize the Board to fix the remuneration of the Directors.

##### 7. Appointment and Remuneration of Auditors

To appoint Messrs. GMK Accountants LLP as auditors of the Company, having expressed their willingness in accordance with the provisions of Section 721(2) and 724 of the Companies Act 2015 and to authorize the Board to fix their remuneration for the ensuing financial year.

##### 8. Any Other Business

To transact any other business that may legally be transacted at an annual general meeting, of which due notice has been received.

By Order of the Board

**Ben Munyasya**  
**Company Secretary**

Notes: (Instructions to use the virtual AGM System)



## HOME AFRIKA

Home Afrika Limited | 5th Floor, Morningside Office Park | Ngong' Road, P.O. Box 6254 – 00100, Nairobi. Tel: +254 (0) 20 272000  
[info@homeafrika.com](mailto:info@homeafrika.com) | [www.homeafrika.com](http://www.homeafrika.com)

## NOTES

1. In accordance with Section 298(1) of the Companies Act, shareholders entitled to attend and vote at the AGM are entitled to appoint a proxy to attend and vote on their behalf. A proxy need not be a member of the Company and **will need to have access to a mobile phone**. A proxy form must be signed by the appointor or his attorney duly authorized in writing. If the appointer is a body corporate, the instrument appointing the proxy shall be given under its common seal or under the hand of an officer or duly authorized attorney of such body corporate. **A completed form of proxy should be emailed to [info@homeafrika.com](mailto:info@homeafrika.com) or delivered to Custodial & Investor Services, Co-operative Bank Registrar, KUSCCO Centre, Kilimanjaro Avenue-Upper Hill, so as to be received not later than Tuesday, 25th June 2024 at 10.00 a.m.** When nominating a proxy, the **ID/Passport No, email and mobile number of the proxy** must be submitted to facilitate registration. Any proxy registration that is rejected will be communicated to the Shareholder concerned no later than Tuesday, 25th June 2024 to allow time to address any issues.
2. Registration for the AGM opens on **Thursday, 6th June 2024 at 10:00 a.m. and will close on Wednesday, 26th June 2024 at 12:00 noon**. Shareholders will not be able to register after **Wednesday, 26th June 2024 at 12:00 noon**.
3. For assistance, shareholders should dial the following helpline number: +254 716 80 20 70 or + 254 769 279 175 from 9:00 a.m. to 3:00 p.m. during the open registration period. Any shareholder outside Kenya should dial the helpline number or email **[info@homeafrika.com](mailto:info@homeafrika.com)** to be assisted to register.
4. Duly registered Shareholders and Proxies wishing to participate in the meeting should register for the AGM online at **[https://us06web.zoom.us/webinar/register/WN\\_s8ybOB5zSeSbGT2uXIUWGA](https://us06web.zoom.us/webinar/register/WN_s8ybOB5zSeSbGT2uXIUWGA)** or vote via USSD using short code number **Send a SMS "REG" to 23071** and follow the various prompts regarding the registration process. In order to complete the registration process, shareholders will need to have their Share Account Number or CDSC Account Number and the ID/Passport Number which were used to purchase their shares.
5. The Virtual AGM will be accessible to Shareholders and Proxies who have duly registered and received the log-in credentials. Duly registered Shareholders and Proxies will receive a short message service (SMS) prompt on their registered mobile numbers, 24 hours prior to the AGM acting as a reminder of the AGM. A second SMS prompt shall be sent 2 hours ahead of the AGM, reminding duly registered Shareholders and proxies that the AGM will begin in 2 hours' time.
6. Duly registered Shareholders and Proxies can access the Virtual AGM using their log in credentials via **[https://us06web.zoom.us/webinar/register/WN\\_s8ybOB5zSeSbGT2uXIUWGA](https://us06web.zoom.us/webinar/register/WN_s8ybOB5zSeSbGT2uXIUWGA)** to view the livestream and vote and submit questions. Shareholders without internet access can vote via a short code, **Send a SMS "REG" to 23071** and submit their questions by sending a short message service (SMS) to + 254 769 279 175.
7. Shareholders wishing to raise any questions or clarifications regarding the AGM may do so by:
  - a. **During the AGM**
    - i. Shareholders accessing Virtual AGM via the zoom webinar link **[https://us06web.zoom.us/webinar/register/WN\\_s8ybOB5zSeSbGT2uXIUWGA](https://us06web.zoom.us/webinar/register/WN_s8ybOB5zSeSbGT2uXIUWGA)** ; click on the link and it will take you to registration. Fill in the required information. (*full names, ID/Passport Number, Shares Account Number/CDSC Account Number*)
    - ii. Shareholders who want to ask a question, should type their question on the chat box, send their written questions by email to **[info@homeafrika.com](mailto:info@homeafrika.com)** or send a short message service (SMS) to + 254 769 279 175.
  - b. **Prior to AGM**
    - i. Shareholders can register prior the AGM via the zoom webinar link **[https://us06web.zoom.us/webinar/register/WN\\_s8ybOB5zSeSbGT2uXIUWGA](https://us06web.zoom.us/webinar/register/WN_s8ybOB5zSeSbGT2uXIUWGA)**; click on the link and it will take you to registration. Fill in the required information. (*full names, ID/Passport Number, Shares Account Number/CDSC Account Number*)
    - ii. Sending their written questions by email to **[info@homeafrika.com](mailto:info@homeafrika.com)** or send a short message service (SMS) to + 254 769 279 175
    - iii. To the extent possible, physically delivering their written questions with a return physical address or email address to the offices of Custodial & Investor Services, Co-operative Bank Registrar, KUSCCO Centre, Kilimanjaro Avenue-Upper Hill.
- *Shareholders must provide their full details (full names, ID/Passport Number, Shares Account Number/CDSC Account Number) when submitting their questions and clarifications by email or delivery.*
- *All questions and clarification must reach the Company on or before Wednesday, 26th June 2024 at 10:00 a.m.*
8. Shareholders wishing to vote during the AGM:
  - i. The shareholders in the meeting will be instructed on when to start voting. The voting icon will appear and they will vote for each resolution at a time
  - ii. Shareholder can also vote via a short code, **Send a SMS "REG" to 23071** and follow the various prompts regarding the voting process.
9. In accordance with Section 283(3) of the Companies Act, a copy of this notice and agenda, the proxy form, the Annual Report and Audited Financial Statements for the year ended 31st December 2023, the minutes of the previous AGM held on 29th June 2023 and the profiles of the new directors to be elected may be viewed on or downloaded from the Company's website at [www.homeafrika.com](http://www.homeafrika.com)
10. Results of the AGM voting shall be published on the Company's website within 24 hours following the conclusion of the AGM.

Shareholders are continuously encouraged to monitor the Company's website [www.homeafrika.com](http://www.homeafrika.com) for updates relating to the AGM.



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### PROXY FORM

I/We, \_\_\_\_\_ of P.O. Box

\_\_\_\_\_ being a member/member of the above-named Company,

hereby appoint \_\_\_\_\_ of (postal  
 address, email, mobile number and ID no.) \_\_\_\_\_

and failing \*him/her the Chairman of the meeting as my/our proxy to vote for me/us and on my/our  
 behalf at the Annual General Meeting of the Company to be held via virtually on **Thursday, 27<sup>th</sup> June 2024**  
**at 10.00 a.m.**, and at any adjournment thereof.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

Signature(s)/Company Seal: \_\_\_\_\_

NB. Unless otherwise instructed, the proxy will vote as he/she thinks fit.

### Notes

**{Instructions to be provided by the virtual AGM System Provider}**

Shareholders are continuously encouraged to monitor the Company's website [www.homeafrika.com](http://www.homeafrika.com) for updates relating to the AGM.

Directors: Peter Mungai (Chairman), Jayne Nyokabi (Managing Director), Mbugua Gecaga, Luke Kinoti, Bertha Mvati,  
 Antony Mbandi, Catherine Wahome & Merab Ochieng







HOME AFRIKA



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