

HOME AFRIKA LTD

2025 ANNUAL GENERAL MEETING

SHAREHOLDERS QUESTIONS

NAME	AGENDA	QUESTION	RESPONSE
Christopher Chewa	Dividends	To motivate shareholders, the company should have considered dividend of at least 0.20 per share. What will directors do with shareholders' profit?	<p>The Board acknowledges shareholders' patience and loyalty over the years. For the year 2024, the Board does not recommend a dividend, though the company reported a profit. As per the IFRS, the accumulated loss has to be cleared for the company to pay dividend.</p> <p>As we implement the turnaround strategy, the Board remains committed to continue reporting profits and pay investors a return on their investment. As per the accounting standards, we have to cover / clear the losses that were reported previously to be able to pay dividend.</p>
Francis Gathitu		With the fruits of implementation of turnaround strategies initiated in 2022 now yielding fruits e.g. completion and rating of the Migaa Golf Course coupled with return to profitability in the year 2024 after 13 years, based on the company's internal forecasts, by which year should shareholders expect to start receiving dividends?	
Eliud Kimani		When will we see the group break even and give us dividend	
Francis Gathitu	Financial Report	Is there any audit / validation work done by the external auditor of the figures reported by the Management / Board in the financial statements / integrated report in light of the external auditor having not expressed an opinion on the financial statements (disclaimer of opinion) due to the 4 issues listed on pages 124 & 125 of the integrated annual report?	An Independent external auditor, GMK Accountants conducted a full audit in accordance with International Standards on Auditing (ISAs) & International Financial Reporting Standards (IFRS). The disclaimer of opinion does not imply an absence of audit procedures—it is primarily due to legacy issues and the valuation of inventory, which is currently recorded at cost rather than market value, among other matters.

HOME AFRIKA LTD

2025 ANNUAL GENERAL MEETING

SHAREHOLDERS QUESTIONS

			Management is actively addressing these audit qualifications and has made tangible progress. The company expects to fully resolve the outstanding issues in the coming year.
	Financial Statements	The external auditors have not been expressing an opinion on the financial statements (disclaimer of opinion) for the past 7 years (2018 to 2024), with 4 issues listed by the external auditor as the basis of the disclaimer of opinion on pages 124 & 125 of the integrated annual report. Is the company undertaking the requisite actions in order to address the 4 issues so that shareholders can look forward to a clean audit opinion for the year ending 31st December 2025	The Turnaround strategy addresses the issues raised by the auditors including, debt restructuring, exit of already sold-out projects, organization restructuring and implementation of strong internal controls.
	Credit Accessibility	What pre-emptive actions is the group taking to avert exposure to adverse lender action e.g. receivership which will destroy the company's value, in light of the continuing default on the borrowings and the private placement bond, especially now that a wholly owned subsidiary was placed under administration in 2024 for defaulting on its loans?	Part of the year's turnaround strategy was to engage the lenders on the historical debts. Discussions on restructuring are ongoing. The company has also set aside some properties where the sales proceeds will go towards payment of the loans.
	Credit	Will the ongoing engagements with the company lenders on restructuring of the current borrowing facilities result in haircuts as a tradeoff for prepayments or accelerated repayments? What is the envisaged quantum of the haircuts, if any, expected upon conclusion of the restructuring negotiations?	

HOME AFRIKA LTD

2025 ANNUAL GENERAL MEETING

SHAREHOLDERS QUESTIONS

	Equity Funds	<p>In light of the commendable achievements registered by the company in the year 2024 e.g., completion and rating of the Migaa Golf Course and return to profitability after 13 years, is the capital raising of additional equity funds envisaged to be concluded in 2025?</p> <p>Are the additional equity funds envisaged to be raised earmarked to be used for;</p> <ul style="list-style-type: none"> a) paying off the defaulted borrowings & private placement bond or b) accelerating completion of the infrastructure in Migaa Golf Estate? 	<p>With the restricting of the balance sheet, we believe this will help to regain the investors' confidence.</p> <p>There is land that has been set aside in Migaa, all sales proceeds go towards the payment of the bond.</p> <p>High quality discussions are at an advanced stage with various contractors & stakeholders for delivery and completion of infrastructure in Migaa</p>
	Shares	<p>What percentage / stake of the company is envisaged to be acquired by the strategic investor(s) in the equity injection/ capital raising and how much equity money is the company looking forward to raise?</p>	<p>The authorized share capital is 1,000,000 out of which 405 million has been paid for. Upon approval, the unpaid shares can be bought by investors.</p>
	Corporate Social Responsibility (C.S.R)	<p>There were plans to have a hospital called 'Ubora Hospital' built in Migaa. Is the construction ongoing? When is the hospital expected to be operational?</p>	<p>The property was sold to the investors who want to put up a hospital. The Investors plans are still on.</p>

HOME AFRIKA LTD

2025 ANNUAL GENERAL MEETING

SHAREHOLDERS QUESTIONS

	Group Sales Inventory	What was the absolute value of sales generated by the Group in the year 2024?	Kshs. 345M.
Debora Ambale	Ownership	Explain to us about news of Home Afrika being placed under receivership (or is Administration)?	Home Afrika is not under Receivership. It is one of the Subsidiary Companies, Mitini Scapes Development. Negotiations are ongoing and strategies have already been developed to pay off the loan.
Albert Katungi		Do you focus on residential real estate or commercial real estate or both?	Yes. We have both Residential and Commercial in our projects. Additionally with innovation we have other products which include but are not limited to Property Management, Research in the affordable housing and other technological Real Estate solutions.