HOME AFRIKA



INTEGRATED

20 ANNUAL 24 REPORT

AND FINANCIAL STATEMENTS


MIGAA
GOLF CLUB
Certificate
COURSE RATING

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ABOUT THIS REPORT

Home Afrika Limited is pleased to present its 2024 Integrated Annual Report and Financial Statements. The Group views integrated reporting as means of communicating with its stakeholders and providing insight into the Group 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 2024 to 31st December 2024 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 (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 2024 Integrated Annual Report and Group Financial statements were approved by the Board of Directors on the 24th April 2025. 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
Jayne Nyokabi
Mbugua Gecaga
Luke Kinoti
Bertha Mvati
Antony Mbandi
Merab Ochieng (Joined in May 2024)
Catherine Wahome (Upto to Dec 2024)

PRINCIPLE PLACE OF BUSINESS

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

Kisumu Branch
Harleys Building
1st floor
Kisumu

Nanyuki Branch
Ubii Plaza
3rd Floor
Nanyuki

INDEPENDENT AUDITOR

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

PRINCIPLE BANKERS

Kenya Commercial Bank Limited

I&M Bank Limited

Equity Bank

NCBA Bank

Cooperative Bank

SUBSIDIARIES

Home Afrika Communities Limited

Mitini Scapes Development Limited

Migaa Management Company Limited

Lakeview Heights Development Limited

Llango Development Limited

Kikwete Development Limited

Kivuli Golf Limited

Suburban Limited

LEGAL ADVISORS

Muriu Mungai & Company Advocates.

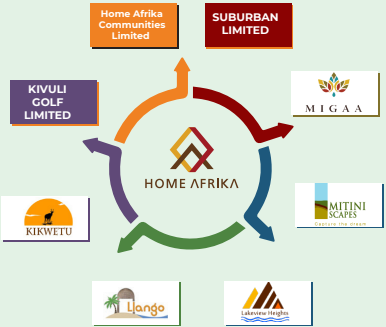
Wainaina Ireri & Co Advocates

Robson Harris & Co Advocates

MOJ Attorneys

Muchoki Kangata Njenga & Co Advocates

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



CULTURE:

What we do: Disciplined Focus on Results
How we do it: Empowering Innovation & Teamwork

CORE VALUES:

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

These are:



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 is 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 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.

KEY MILESTONES OVER THE YEARS:

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

2009

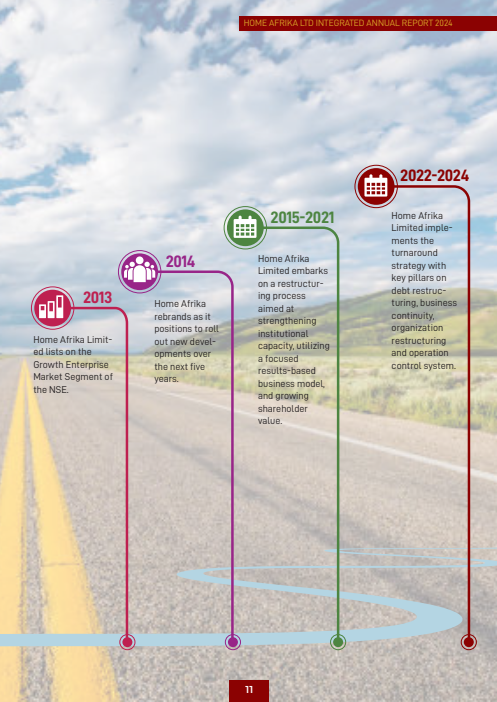
Home Afrika Limited gets its first major project, Morningside Office Park at a cost of Ksh: 1 billion set to be completed in 2010.

2010

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

2011-2012

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



2013

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

2014

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

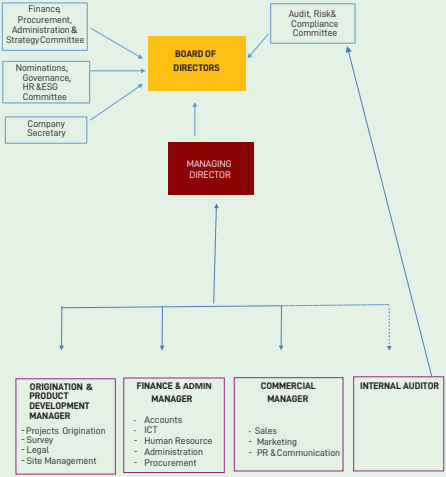
2015-2021

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

2022-2024

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

ORGANIZATION STRUCTURE



HOME AFRIKA LTD BOARD OF DIRECTORS





PETER MUNGAI

INDEPENDENT DIRECTOR (NON-EXECUTIVE DIRECTOR)

Appointment Date – 31st October 2019

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
EXECUTIVE DIRECTOR

Appointment Date 29th August 2020

YEARS IN INDUSTRY: 20+

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 the Association of Women Accountants in Kenya. (AWAK)
- Rotarian

INDUSTRY

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

SUMMARY

Jayne oversees 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's performance has improved tremendously compared to the previous year. Also, working together with the board, she has participated in negotiations and signing from 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 see 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.



MBUGUA GECAGA

NON-EXECUTIVE DIRECTOR (NON- INDEPENDENT)

Appointed Date of 1st July 2008

YEARS IN THE INDUSTRY: 20 +

EDUCATION

He acquired his MBA at Henley Management College and a Bachelor 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 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.



LUKE KINOTI

NON-EXECUTIVE DIRECTOR (NON- INDEPENDENT)

Appointment Date 24th July 2019

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 Africa 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.



ANTONY MBANDI

NON-EXECUTIVE DIRECTOR (INDEPENDENT DIRECTOR)

Appointment Date: 29th August 2022

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 Maters 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.



BERTHA MVATI

NON-EXECUTIVE DIRECTOR (INDEPENDENT DIRECTOR)

Appointment Date: 15th June 2020

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 dealing in 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 to ensure 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.



DINAH MERAB OCHIENG

NON-EXECUTIVE DIRECTOR (INDEPENDENT DIRECTOR)

Appointment Date: 29th May 2024

Finance, Procurement & Strategy Committee Member and Nomination Committee Member

Ms. Merab Ochieng is a multi-talented Executive, adept in diverse capacities aimed at achieving business goals.

She is proficient in a wide area including legal and policy compliance, partnership development, revenue generation and strategic planning.

INDUSTRY – Years in Industry: 12+

- She has a wealth of experience, scoping 12 years of experience working in various Civil Society Organizations, Academic institutions, County Government and currently in Corporates, six years of which have seen her actively engaged in Project Management. She, therefore, combines her experience in both theory and practice in her consulting engagements.

- Her areas of expertise include Gender, Youth Empowerment, Policy Development, Advocacy, Research Studies, Governance, Peace Building and Transitional Justice. She has been involved in a myriad of consultants including development of training manuals for capacity development, Policy development and Organizational development, Capacity building for youth programs. Ms. Merab is well versed with the African continent as she is widely travelled in the continent in her Project Management, Research, Monitoring and Evaluation as well as capacity development services.



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.





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's performance has improved tremendously compared to the previous year. Also, working together with the board, she has participated in negotiations and signing off 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 see 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.

Areas of Expertise:

- Product Development & Innovation
- Portfolio Management
- Strategic Planning
- Team Building & Leadership
- Operational Efficiency
- Cross-Sector Collaboration



HILLARY ANDALO

CHIEF FINANCE OFFICER

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 are not limited to advisory to the management on financial matters, management of cash flow, overseeing the treasury function and adoption of best practices in finance department and ensuring timely preparation and submission of accurate financial reports.

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

Areas of Expertise:

- Product Development & Innovation
- Portfolio Management
- Strategic Planning
- Team Building & Leadership
- Operational Efficiency
- Cross-Sector Collaboration



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, and assigning and building the team.

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

Areas of Expertise:

- Product Development & Innovation
- Portfolio Management
- Strategic Planning
- Team Building & Leadership
- Operational Efficiency
- Cross-Sector Collaboration



ROBERT SIMIYU

PROJECT MANAGER

Robert Simiyu is a seasoned project manager and product development expert with over 10 years of experience in the real estate and financial services sectors. At Home Afrika, Robert leads the Product Development Division, where he transforms innovative ideas into impactful products that shape the future of the industry.

Known for his visionary thinking and strategic execution, Robert has redefined how products are developed and delivered, introducing process improvements that have significantly boosted efficiency and output across the board.

Before joining Home Afrika, Robert served as Head of Portfolios at Villa Care Limited, a leading real estate company in Nairobi. There, he successfully managed and grew the company's property portfolio across more than five counties in Kenya. He has also held leadership roles at Anchor Group of Companies, ABSA Bank, and KEPSA—where he drove key initiatives in advocacy and portfolio growth.

Robert holds a bachelor's degree in business administration and management from Mount Kenya University and a Diploma in Public Administration and Management from Moi University, Diploma in Theological studies from NPBC College. He has also undertaken several professional training courses in Projects Management, Life Skills, Core Business Skills, and Behavior Change Communication from Africa Nazarene University, Estate Events Registration Board

Areas of Expertise:

- Product Development & Innovation
- Portfolio Management
- Strategic Planning
- Team Building & Leadership
- Operational Efficiency



MANAGING DIRECTOR'S STATEMENT
JAYNE NYOKABI

Dear Shareholders, Investors and Stakeholders,

The year 2024 marked a significant turning point in our financial performance and strategic execution, as the company returned to profitability following years of operational and market-related challenges.

Over the past three years, the team has been committed to implementing the turnaround strategy, and we are pleased to announce that, after 13 years, the company reported a net profit of Kshs 133.4 Million in 2024, as per the audited financial statements.

Operating Environment
Kenya's real estate sector experienced considerable growth in 2024, contributing significantly to the nation's GDP. The sector saw increased property transactions and development activities, although some areas, such as construction, faced challenges due to rising material costs. Affordable housing initiatives and government support played a pivotal role in shaping the market, while demand for land in suburban areas remained strong.

Financial Recovery and Growth
In 2024, the Company recorded a remarkable Kshs 781.9 Million in revenue, representing a 107% increase from the Kshs 377.2 Million reported in 2023. This tremendous growth was driven by successful sales strategies and improved project delivery timelines.

Gross profit increased to Kshs 373.5 Million, up from Kshs 114.8 Million in 2023, indicating improved cost controls and effective pricing strategies. Notably, we achieved an operating profit of Kshs 251.8 Million, compared to Kshs 3.3 Million in the previous year, a more than 75-fold increase.

Despite facing higher finance costs due to macroeconomic conditions, we still closed the year with a net profit of Kshs 133.4 Million, reversing a prior-year loss of Kshs 27.8 Million.

Operational Excellence
This turnaround was achieved through the disciplined execution of our restructuring plan, initiated in previous years.

Key contributors to this performance include:
- Completion and handover of strategic development projects.
- Streamlining of costs, resulting in controlled overheads.
- Sustained sales of land and housing units across key developments.
- Title issuance and rebuilding the company brand.
- Strategic partnerships and stakeholders' engagements.

Strategic Priorities for 2025

As we enter 2025, we remain committed to:

- Strengthening our balance sheet through asset optimization and debt reduction.
- Expanding into emerging markets through strategic partnerships and joint ventures.
- Enhancing corporate governance and transparency to strengthen investor confidence
- Promoting sustainable development by aligning our projects with ESG goals.

We recognize that challenges remain, particularly in the financing and regulatory environments, but we are confident that, with the continued support of our shareholders and the dedication of our team, Home Afrika is well positioned to deliver long-term value.

Acknowledgments

I wish to thank our Board of Directors, staff, customers and strategic partners for their unwavering support throughout the year. Together, we are rebuilding a resilient and sustainable future for Home Afrika Limited.

JAYNE NYOKABI



MANAGING DIRECTOR



CHAIRMAN'S STATEMENT

Peter Mungai

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present to you the Integrated Annual Report and Financial Statements of Home Afrika Group for the year ended 31 December 2024.

• An overview of the Operating Environment

The year 2024 was marked by significant global, regional, and national challenges, alongside remarkable achievements that shaped our journey. We navigated a challenging landscape characterized by high interest rates, fluctuations in exchange rates, and social and climate disruptions. Additionally, rising taxes impacted consumers' disposable income and led to reprioritization of spending.

As a result, Kenya's economic performance weakened, with real GDP growth declining from 5.7% in 2023 to an estimated 4.7% in 2024. Despite these headwinds, 2024 witnessed notable developments that positively impacted the real estate sector. Globally, supply chains began to stabilize, and inflation eased in key markets. Regionally, East Africa continued to experience rapid urbanization and infrastructure development, alongside growing interest in cross-border trade. Nationally, Kenya made meaningful progress in implementing the Affordable Housing Program and digitizing land records and transactions through the Ardhisasa platform. Additionally, diaspora remittances to Kenya increased by 18% in 2024 compared to 2023, further boosting real estate investments.

• Group Performance Overview

The Company continues to demonstrate resilience and strategic agility, as reflected in its performance. The Group has shown consistent improvement since the implementation of the Turnaround Strategy, which focuses on four key areas: debt restructuring, business continuity, organizational restructuring, and strengthening internal control systems.

This has led to the company reporting an operating profit of Kshs.133.5 Million and an impressive 52% increase in revenue, rising from Kshs. 377 million in 2023 to Kshs. 782 Million in 2024. The main contributor to this growth is the increase in reported sales, driven by a higher number of registered leases and issued titles. This positive trend is expected to continue as we continue to implement the strategy, whose success has reflected in our financial performance over the past three years.

• Board Operations

During the year 2024, Ms. Merab Ochieng was appointed to the board as a non-executive director. Her extensive experience will contribute immensely to the Company's strategic direction, governance excellence and long-term growth.

The board remains 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 2025.
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 & ESG 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 from Kshs. 27.8 million posted in 2023 to an operating profit of Kshs.133.5 Million in 2024 as highlighted above.

A Business Continuity Committee was established to identify and develop alternative real estate solutions aimed at generating new revenue streams for the Company. The committee also facilitates the exit from fully sold-out projects by overseeing their smooth transition to management companies, thereby allowing the developer to avoid further costs. Additionally, the committee is tasked with formulating strategies and forging partnerships within the affordable housing sector.

With the laid down strategies which have improved performance since their implementation, we believe that 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 2024.

- **2025 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 National Government, County Governments and other key stakeholders to provide real estate solutions.

We also intend to tighten the organization controls, run the company efficiently to enhance performance, 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 would like to take this opportunity to sincerely thank Home Afrika's investors and stakeholders for their continued support and confidence in the Company. I also wish to extend my deep appreciation to my fellow Board members for their unwavering commitment, loyalty, and service.

Finally, I would like to commend the management team and the entire staff for their dedication and hard work in driving the Company forward. Together, we remain focused on taking Home Afrika to the next level of growth and value creation.

God bless Home Afrika, God bless us all.

Peter Mungai



Chairman
Home Afrika Ltd

INPUT

HUMAN CAPITAL

- Skilled and motivated employees.
- Continued investment in employee welfare and well-being policies.
- Strong Leadership team.
- Experienced team.
- Training and Development Programme.

SOCIAL CAPITAL

- Stakeholder Engagement and Management.
- Positive relationships with union sable and non-unionaisable groups.
- Positive contractors & supplier relationships.
- Cooperation from Government and Regulators e.g. CMA/NSE/KRA
- Good staff relations.

NATURAL CAPITAL

- Energy, Fuel and Water.
- Sewer treatment.
- Garbage re-cycling.
- Use of environmentally friendly materials.

FINANCIAL CAPITAL

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

INTELLECTUAL CAPITAL

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

ASSET CAPITAL

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

VALUE CREATION PROCESS.

CORE ACTIVITIES

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

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

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

SUPPORTING ACTIVITIES

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

OUTPUT

- Commercial & Residential properties.
- Conference and virtual office facilities.
- Land
  - Mukinduri
  - Llango
  - Mvule
  - Moringa
  - Lakeview Heights
  - Sidai
  - Entim
  - Tulivu 1,2&3
  - Zuri Gardens
  - Noble Park Estate
  - Batian View
  - Kitengela Breeze

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
- Sale of commercial and residential property
- Hire of conference & virtual offices
- Commission from letting
- Land Survey income
- Land Survey income

OUR COSTS
- Infrastructure costs
- Finance costs
- Sales & marketing costs
- Human Resource & administrative costs

BUSINESS MODEL ACTIVITIES.

DEVELOPMENT

Once land acquisition and planning stages are finalized, Home Afrika proceeds with project development, upholding its commitment to procuring high quality products that comply with stringent environmental standards. With a reputation for delivering exceptional developments, the company capitalizes on economies of scale and strong supplier partnerships to ensure cost efficiency.

Securing sufficient project funding is a cornerstone of successful real estate development. Home Afrika adopts a diversified financing model that blends equity, debt, and pre-sales, strategically structured to support affordability. Drawing on years of industry expertise, the company has built solid relationships with a broad range of financial stakeholders, including commercial banks, equity financiers and emerging strategic partners.

Understanding the complexities of securing timely funding, Home Afrika's "Home Afrika 2.0" Short- to Medium-Term Strategy places high priority on attracting a strategic investor with significant financial strength. The company also continues to expand its network of commercial collaborators and deepen engagement with key financial institutions to enhance its capital base and support future growth.

PRODUCTS/PROJECTS ORIGINATION

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

- Property sales.
  Own property & 3rd party properties
- Property development.
- Property letting.
- Land survey.
- Golf tournaments
  Green fees

This aligns with Home Afrika's goal of positioning itself as a comprehensive, end-to-end solutions provider within the real estate sector

MARKETING

Home Afrika employs a diverse range of marketing strategies to engage its broad clientele, which spans between corporate clients, diaspora, investment groups, and businesses across various sectors of the economy.

These efforts include social media campaigns, corporate presentations, billboard advertisements, mall activations, event sponsorships (such as golf tournaments), diaspora outreach and outdoor engagements. Digital marketing has become a pivotal platform, with television campaigns, virtual tours and social media content playing a significant role in promoting and showcasing our products to the market.

COMMERCIALIZATION

This process involves meticulous designing, planning, permitting, and engineering where Home Afrika's fully integrated model ensures an efficient workflow. All stages are seamlessly aligned through a continuous feedback loop, which helps mitigate execution risks.

Client expectations are incorporated into the process to ensure that the commercial aspects are consistently aligned with the project's planning and design.

Continuous monitoring of new construction regulations, along with a comprehensive review of the existing master plan, enhances the likelihood of obtaining necessary approvals in a timely manner.

PRODUCT DEVELOPMENT

Product development encompasses the following key areas: due diligence and structuring, financial modeling, branding and marketing, value addition and infrastructure, as well as vendor and off-take financing.

CAPITAL	INPUTS	OUTCOMES	BUSINESS ACTIVITIES TO ENHANCE OUTCOMES	CHALLENGES	COMPETETIVE ADVANTAGE OF THIS CAPITAL
HUMAN CAPITAL					
• At Home Afrika Group, we place a strong emphasis on the well-being and motivation of our employees, contractors and service providers, recognizing them as vital contributors to creating value. • We maintain a safe and supportive work environment and invest in extensive training programs to strengthen skills and enhance performance. • Fair labor practices are a cornerstone of our operations, ensuring that all employees are treated equitably. • We promote open communication and collaboration, actively encouraging feedback and ideas that drive continuous improvement and innovation. • Our commitment to the growth and welfare of our team fosters a positive, inclusive workplace culture that is key to the long-term success and sustainability of our organization.	• 156 Skilled and motivated employees • 29 Casual workers • An experienced and diverse Board guided by the company Values	•Investment in training of employees and general staff welfare • 37% of women in the workforce Employees are equipped with the necessary skills, knowledge, and resources to perform their roles effectively, resulting in improved productivity and efficiency across the organization.	• The strength of our corporate culture, the recognition of achievements based on merit, and our investment in the professional development of our employees are key initiatives that contribute to long-term value creation. • Home Afrika has developed a capable and engaged workforce while ensuring a clear succession plan for its staff • We further ensure a safe Workplace and promote the health and well being of our Employees are constantly updated on the necessary training and safety precautions. • The Home Afrika Board provides leadership through responsible citizenship.	• Cost of acquisition of competent staff and their retention implies relatively high cost. • Staff exits.	• The diverse backgrounds and professional expertise of our team at Home Afrika position us as a leader in the real estate market. • At Home Afrika, we are an equal opportunity employer, committed to diversity and inclusion, without regard to race, national origin, religion, gender, age, sexual orientation, veteran status, physical or mental disability, or any other characteristic protected by law. While the company is dedicated to upholding this principle in all aspects of employment, it is the shared responsibility of every employee to contribute to and maintain a positive and supportive workenvironment.

CAPITAL	INPUTS	OUTCOMES	BUSINESS ACTIVITIES TO ENHANCE OUTCOMES	CHALLENGES	COMPETETIVE ADVANTAGE OF THIS CAPITAL
SOCIAL CAPITAL					
• Building and nurturing trusted relationships is fundamental to creating long-term value. This has become even more crucial in light of recent negative reviews surrounding real estate firms. The challenging and highly competitive market conditions have prompted us to take actions that have tested the strength of many of our relationships.	• Positive relationships with our customers and all stakeholders. • 833 shareholders • Positive supplier Relationships. • Cooperation from government and regulators. • Positive relationships With unionized and non-unionized workforce.	• Amicable Project close out for Liunga, Lakeview & Migaa projects • Delivery of social benefits to the community.	• Timely communication with our stakeholders. • Quarterly project updates to clients. • Ensuring full compliance with all the regulators. • Upholding highest social standards • Making a positive social contribution through our CSR. (Full report on Pg ....)	• 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	• Strong Stakeholder Networks: Enhanced reputation, access to resources and support from stakeholders for sustainable growth and development.
NATURAL RESOURCES					
Natural Capital.	•We use borehole water for all our completed projects (Migaa and Morningside Office park) • Solar usage in our Residential properties. i.e. Mitini • We use environmentally friendly materials during survey activities.	• We have adopted a 50% green concept in Migaa, where for every 1 acre of build, we have 1 acre of green. •Garbage recycling in Morningside Office Park •Sewer Treatment plant at Migaa	• Provide leadership through responsible citizenship • Conducting energy audits	• Long term nature of the projects at HAL leading to unease with clientele • 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 • Not all clients are acceptable to the project close out leading to lawsuits • Stringent regulations from the government.	• At Home Afrika, the 1 acre of green for every one acre of build is a unique concept that has been incorporate at our Migaa project. It ensures that we conserve green spaces, and is one of a kind in Kenya

BUSINESS ENVIRONMENT AND OPERATING CONTEXT

Home Afrika Limited operates in a dynamic and evolving business environment where multiple factors influence its strategic direction and day-to-day operations. As a player in the real estate sector, the company is impacted by shifting market trends, economic fluctuations, and changes in regulatory frameworks that govern land acquisition and property development.

Home Afrika must also respond to changing consumer preferences and navigate price volatility in the property market. The competitive landscape includes both long-established firms and new market entrants, driving the need for ongoing innovation and strategic agility to remain ahead.

Despite these challenges, Home Afrika leverages its solid financial foundation, strong stakeholder partnerships, and commitment to sustainable development to pursue growth opportunities and deliver long-term value. By staying attuned to market dynamics, fostering innovation and building on its core strengths, the company is well-positioned to succeed and grow sustainably within the real estate industry.

Strategic Response

Home Afrika Limited responds strategically to an ever-evolving business landscape by prioritizing adaptability, innovation, and a strong focus on stakeholder value. In light of regulatory changes such as increased taxes and the implementation of new finance Laws.

The company proactively refines its strategies to mitigate risks and harness emerging opportunities. Demonstrating agility, Home Afrika continues to diversify its portfolio, tap into new market segments and streamline operations to enhance both growth and profitability. Key initiatives include investing in research and development to drive innovation in products and processes, optimizing financing approaches to ensure adequate project funding amid regulatory shifts and strengthening market positioning through strategic alliances.

Sustainability remains a core focus with the company integrating environmental considerations into its operations and aligning the same with consumer expectations and compliance requirements. By aligning its strategic direction with the changing regulatory and market environment, Home Afrika is committed to maintaining its competitive advantage, delivering long-term value and achieving its corporate objectives in the dynamic real estate sector.



STAKEHOLDERS ENGAGEMENT

Home Afrika Limited recognizes the importance of building and maintaining trust, addressing concerns and fostering collaboration with all stakeholders. Our approach to stakeholder engagement is guided by principles of inclusivity, transparency, accountability, respect, accessibility and pursuit of mutual benefit. Key Stakeholder Concerns/Expectations & the Company's Response.

STAKEHOLDER	CONCERNS/ EXPECTATIONS	COMPANY RESPONSE	METHOD OF STAKEHOLDER ENGAGEMENT	LINK TO ETHICS & VALUES
Employee (All levels)	• Job security • Career growth • Competitive Remuneration • Employee welfare & safety	• Recognition for good performance • Staff mentoring/coasting & regular recruitment • Department budgeting done by Dept. members • Incentives • Performance Improvement Program (PIP) • Competitive remuneration • Recognition for good performance • Consultative decision-making platform	• Virtual meetings • One-on-one interviews • Staff Meetings • Email and phone communication	• There is a Staff Code of Conduct & Ethics • Performance Appraisals are carried out regularly • A culture of ownership & accountability guided by a bottom-to-top approach in setting Targets & KPIs
Shareholders	• ROI • Maximization of the value of investment	• Company restructuring, management & board to improve productivity and efficiency • Wider product portfolio • Creation of liquidity • Providing platforms to facilitate the addressing of concerns & questions from shareholders promptly (MD also involved in this) • Fund-raising to complete projects and free up profits to pay dividends	• AGM Meetings • Special Meetings • Online platforms • Email & Phone communication • Mass media	• Restructuring of the company both at Board and Management levels was undertaken to ensure efficiency & effectiveness in how the company is run day to day • Active engagement of Financial journalists so as to help the investors understand better how the company reports its financials so as to change public perception and improve the share price.
Suppliers/creditors	• Provide a market • Payment for raw materials, products and services	• Scheduled payment of suppliers • Reasonable credit terms to ensure they are paid as expected • Giving repeat business • Penalties that are applicable (if any) are also stipulated • Room provided for renegotiation of terms	• Virtual meetings • One-on-one Meetings • Email & Phone communication • Mass media	• A Pre-qualification of Suppliers and 3-bid analysis during the procurement process is always undertaken to ensure that the company gets the best suppliers and gives repeat business to the suppliers.
Society/Community	• Operate as a responsible corporate citizen • Contribution in the area/community the company operates in.	• Ensure compliance with NEMA regulations. • Provide employment opportunities. • Value of property has appreciated. • Improved infrastructure in conjunction with the county government – road fixing from Kiambu Road to Migaa, street lights up to Kiambu road • Improved security in conjunction with the National Government – police post was set up because of the existence of the Migaa project • Road demarcation for easy access to Rifat plots.	• One-on-one Meetings • Email & Phone communication • Mass media	• CSR activities were undertaken -Food donations for families affected by floods in Mworoto and construction of houses for 2 families in Kisumu. • Tree Planting Ceremony at Migaa • Causal employees at our Migaa Project are drawn from the immediate community

Institutional Investors	• Transparent Reporting and Disclosure • Engagement and Dialogue. • Sustainable Business Practices. • Accountability and Stewardship • Strong Board Leadership and Independence	• Ensuring the financial and non-financial reports are available for perusal on the website and at the office. • Maintaining good corporate governance practices. • Ensuring internal and external audits are conducted annually. • Proper sustainability practices.	• One on One Meetings. • AGM • Special Meetings • Email and phone communication	• Fair treatment of all shareholders (including minorities). • Accountability. • Focus on sustainability and long-term goals.
Governments	• Tax compliance • Compliance to existing laws – land laws, company laws • Contribution to economic growth through job creation	• Ensure up-to-date remittance & payment of tax • Restructuring & prompt payment outstanding back taxes • Compliance with all relevant laws • Compliance with regulatory requirements & standards. • Providing employment	• One-on-one Meetings • Email & Phone communication • Round Table discussions	• The company is regulated by the CMA & 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 • Payments to KRA were remitted. • Registration with PRC was done.
Customers	• Quality and innovative products that meet their needs	• Individualized attention by the sales team members who guide the customer through the entire purchase process and provide project & document processing updates • In-house Legal Department tasked with direct processing of property ownership documents so as to improve speed of processing the documents • Seeking & acting on customer feedback. • Prompt issuance of statements to customers. • Sending Quarterly project updates to clients.	• Virtual meetings • One-on-one Meetings • Email & Phone communication • Mass media • Social media	• Social Media platforms are active and prompt in responding to customer issues be it feedback, questions or complaints. • Home Afrika has a comprehensive CRM through which data and information from customers is stored making engagement with customers better and informed.
Financiers	• Not to exposed to undue risk • Company meets all its financial obligations	• Commitment to paying off all the loans through prompt payment and restructuring	• Round table meetings • Email and phone communication	• The company purposes to meet all its financial obligations by repaying its debts and engaging its financiers when necessary


HOME AFRIKA
Title Deed
GARDENS
RERA
ASHA
DETAILS

STRATEGIES

STRATEGIC OBJECTIVE 1
LAND

STRATEGIC OBJECTIVE

Acquire land with the following objectives:

- Land Banking
- Subdivision for sale.
- Property development.

STRATEGIC INITIATIVES

- Seed financing.
- Joint venture.
- Government partnerships.

KEY PERFOMANCE INDICATORS

- Value addition through grading of roads and fencing of the projects.
- Executed use of locus map to easily locate beacons.
- Timely title processing. For customer satisfaction.
- Conducted searches for each project for due diligence.
- Ensured availability of beacons on each project.

Project report page 51-62

STRATEGIC OBJECTIVE 2
EXPANSION

STRATEGIC OBJECTIVE

To grow sales and revenue.

STRATEGIC INITIATIVES

- Go county plan.
- Corporate rebranding.
- Diversification of products.

KEY PERFORMANCE INDICATORS

- Project Origination: Undertake 2 internal staff trainings per quarter to enlighten on new projects.
- Property letting and management.
- Go county plan.

STRATEGIC OBJECTIVE 3
INNOVATION AND TECHNOLOGY

STRATEGIC OBJECTIVE

Reduce cost of construction through technology

STRATEGIC INITIATIVES

- Appropriate technology.
- Research and development.
- ERP systems.

KEY PERFOMANCE INDICATORS

- Network restructure and Increased connectivity.
- Periodic hardware maintenance and repair
- Active directory Implementation.
- Website revamping.
- Effective SAP, CRM and HRMIS implementation.

ICT report page 71-74

STRATEGIC OBJECTIVE 4
SERVICE EXCELLENCE

STRATEGIC OBJECTIVE

World class real estate service

STRATEGIC INITIATIVES

- Establishment of quality standards of framework.
- Benchmark against best practice.
- Planning and Quality assurance.
- Customer Relationship Management tool.

KEY PERFORMANCE INDICATORS

- Proper due diligence on all products.
- Trainings and development programs.
- Regular updates on the customer relationship management tool.

STRATEGIC OBJECTIVE 5 HUMAN CAPITAL

STRATEGIC OBJECTIVE

Identify, nurture and grow human capital that will increase the value of Home Afrika.

STRATEGIC INITIATIVES

- Talent Acquisition and retention.
- Performance management.
- Organizational structure.
- Successional planning.
- Creating the right business culture.
- Onboarding.
- Compensation.

KEY PERFORMANCE INDICATORS

- Increased employee retention rate.
- Through survey, there was an increase in overall employee satisfaction scores, reflecting our commitment to fostering a supportive and engaging work environment.
- Increased diversity and inclusion.

Human Capital report page 75-79

STRATEGIC OBJECTIVE 6 FINANCIAL STRENGTH

STRATEGIC OBJECTIVE

Increase Home Afrika's financial stability

STRATEGIC INITIATIVES

- Source of finance.
- Cost of financing.
- Return on Investment.
- Development of buyer financing model.
- Development of project financing model.

KEY PERFORMANCE INDICATORS

- Onboarding of high-end products.
- Maintaining good reputation with the financiers.
- Project value addition to ensure high Return on Investment.

Financial Strength report page 80-81

STRATEGIC OBJECTIVE 7 PARTNERSHIPS

STRATEGIC OBJECTIVE

- Revenue generation

INITIATIVE

- Outsourcing of processes.
- Strategic partnerships.
- Business model partnership.

KEY PERFORMANCE INDICATORS

- Diversified income streams.

STRATEGIC OBJECTIVE 8 MARKETING

STRATEGIC OBJECTIVES

Increase stakeholder engagement

STRATEGIC INITIATIVES

- Websites
- Branding and signages.
- Selling materials.
- Direct mail campaign.
- Email campaign.
- Ad placement and media buying.
- Public relations.
- Networking.
- Periodic reporting.
- Research.

KEY PERFORMANCE INDICATORS

- Increase digital engagement and achieve the target leads through creating innovative 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 thought leadership and brand awareness through extensive PR activities

Marketing report page 63-70


RI
SK
Management

MATERIAL RISKS AND OPPORTUNITIES

Material risks are the key factors that significantly affect our ability to generate long-term value. They influence our productivity, performance, and relationships with stakeholders, shaping the strategic decisions that guide the group's direction.
The Board of Home Afrika is fully committed to a risk management process that adheres to best practices and corporate governance principles. By conducting thorough risk assessments, we can anticipate and adapt to changes in the business environment, allowing us to make well-informed decisions in uncertain conditions.

Risk management is deeply integrated into our daily operations and organizational culture. For us, it means striking the right balance between seizing business opportunities and minimizing the potential negative impacts of associated risks.

	CAPITAL STABILITY	GOVERNMENT POLICIES	OPERATING ENVIRONMENT	PEOPLE
Material Matters	• Adequate capitalization and need for low- cost financing partners. • Liquidity and revenue growth. • Project completion and profitability.	• Government policies on affordable housing • Government policies on physical planning.	• Challenging macroeconomic and micro economic environment. • Changing regulatory environment	• Talent nurturing, management and retention
Risks	• Strategic risks • Financial and liquidity risks • Anti-money laundering risks. • Reputation and Litigation risk • Regulatory risks. • Ethical risks • Market risks and opportunity • Sustainability risks.	• Key players moving towards the affordable housing space. Risk of decrease in value of investments due to affordable housing project.	• The macroeconomic environment characterized by increase by slowdown in credit expansion, political uncertainty creates great business risks.	• The effective execution of strategy is adversely affected by failure to attract and retain talent.
Opportunities	• Capping of interest chargeable by CBK has made banks averse to facilitating short term loans which has affected access to credit for companies and individuals whose target to purchase property in Migaa as well as other projects of HAL. • With free-floating interest rates from banks HAL has the opportunity to get local bank finance partners who are willing to venture in infrastructure projects. • Enforcement of clean energy rules require all large-scale domestic housing units install renewable energy for water and housing install renewable energy for water and house heating may have a significant cost effect on future projects of HAL.	• The government policy to deliver decent housing is at par with HAL business strategy • The supply of equitable housing will in turn increasesnew consumers/ households. • 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 out of the company	• Political instability occasioned by continuous uproar for better governance poses a great risk as this affects those who could want to purchase property.	• Qualified working staff with different talents and potential is a great tool in responding to changes in our operating environment with optimal performance management.

OTHER RISKS

Risk refers to the quantifiable likelihood of incurring a loss or receiving returns that fall short of expectations.

Risk management is a structured approach to identifying, evaluating, monitoring, and mitigating potential threats in order to reduce their adverse effects on an organization

RISK MANAGEMENT PROCESS

Risk management is a structured approach to identifying, evaluating, monitoring, and mitigating potential threats in order to reduce their adverse effects on an organization.

The Risk Management Process offers a structured and consistent framework for identifying, analyzing, evaluating, addressing, communicating, and continuously monitoring risks across the organization. This standardized methodology must be adopted by all departments and services, with outcomes systematically recorded in dedicated risk registers.

These registers serve as essential tools for documenting potential threats and are to be compiled and integrated at various departmental levels. This ensures that risks are addressed at the most suitable tier of management. Any risks that surpass the decision-making authority or control of a departmental or line manager should be escalated to higher management for appropriate resolution.

Each risk entry within the register must include a clearly defined mitigation or response plan, along with the designation of an accountable individual responsible for executing the action steps. To remain effective, Risk registers must be treated as dynamic, living documents—reviewed frequently and updated regularly to reflect changes in the risk landscape, operational environment, or strategic priorities.

Additionally, fostering a risk-aware culture through ongoing training, open communication, and proactive engagement across all levels of the organization is crucial. This not only enhances preparedness but also promotes a collaborative approach to managing uncertainty.





STRATEGIC RISKS

Strategic risks refer to the potential threats that may prevent an organization from achieving its business goals and objectives. These risks often stem from the ineffective execution of the company's strategy or significant deviation from its intended direction. The primary aim of assessing strategic risks and opportunities is to pinpoint operational areas that can effectively support the achievement of business objectives—while considering acceptable levels of risk. At the same time, it helps in avoiding initiatives that pose excessive or unmanageable risks.
Moreover, effective management of strategic risks enhances the organization's ability to operate sustainably by ensuring that individual roles and responsibilities are closely aligned with the broader corporate strategy and goals. This alignment promotes accountability, clarity in execution, and long-term organizational stability.



ANTI-MONEY LAUNDERING RISKS

Anti-Money Laundering (AML) risks refer to the potential threats and vulnerabilities that could enable criminals to use land transactions to disguise the origins of illicit funds. These risks arise due to the nature of real estate transactions, which can involve large sums of money, complex ownership structures, and limited transparency.
HAL has come up with measures to ensure these risks are mitigated by including a clause in the reservation form, formulating policies and also sales agreement to comply with Financial Reporting Centre (FRC)directive.



FINANCIAL RISKS

Financial risks stem from weaknesses in budgeting, funding, and revenue management. Exposure in any of these areas can significantly hinder the company's ability to meet its financial obligations. Budgeting risks arise when expenditures exceed the approved limits or when spending occurs without aligning to designated budget lines. Such deviations can disrupt financial planning and strain available resources.
Funding risks occur when the company is unable to fulfill its financial commitments to service providers, creditors, or stakeholders. In severe cases, this may lead to legal actions such as asset seizure or even insolvency proceedings.
Revenue risks involve situations where income streams fall short of expectations relative to capital investments, resulting in unprofitable ventures and financial instability.
Proactive identification and management of these financial risks are essential to maintaining the company's solvency, operational continuity, and long-term sustainability according to HAL's policy.



LEGAL & REGULATORY RISKS

Legal risks, arise from the possibility of facing civil lawsuits, criminal charges, or client's disputes. These may be related to issues such as unethical business practices, environmental damage, fraud, labor disputes, or breaches of contractual obligations. Legal risks tend to increase as the company grows in size and complexity, particularly if proper legal oversight and risk mitigation strategies are not in place



OPERATIONAL RISKS AND MANAGEMENT RISKS

Operational risks are those arising from deficiencies or failures in internal processes, systems, and controls, as well as from human error, fraud, criminal activities, legal challenges, or external disruptions. These risks may also stem from inadequate or outdated information and communication technology (ICT) systems, breaches in data security, and adverse physical or environmental conditions affecting the group's operations.

Such vulnerabilities can compromise efficiency, disrupt business continuity, and lead to financial or reputational loss. The objective of managing operational risk is to identify, mitigate, or eliminate these exposures while balancing the cost and effectiveness of control measures against the scale and impact of the potential risks.



REPUTATIONAL RISKS

Reputational risk is the potential for financial or operational loss resulting from damage to the group's public image or brand perception. This type of risk can lead to a decline in revenue, increased operational costs, erosion of customer trust, and a reduction in shareholder value. Reputational harm often arises from adverse events such as ethical breaches, safety incidents, security failures, sustainability concerns, or issues related to the quality and integrity of products or services offered by the company. In today's highly connected world, even isolated incidents can quickly escalate and significantly impact stakeholder confidence.



ETHICAL RISKS

Ethical risks refer to situations or practices that may not be illegal but are morally questionable or socially irresponsible, potentially damaging the company's reputation, stakeholder trust, and long-term sustainability. In the Kenyan land sector, ethical risks are particularly significant due to historical land injustices, corruption, and a largely informal property market. To mitigate this, HAL has maintained a clear and transparent process of property acquisition for all its clients with reservation form and sales agreement clearly indicating terms and conditions which are adhered to.



REGULATORY RISKS

Regulatory risks refer to the potential exposure a company faces when it fails to adhere to applicable laws, rules, and regulations. These obligations are typically mandatory and are reviewed on an annual basis. Non-compliance can lead to serious consequences, including financial penalties, reputational damage, or even the loss of the company's operating or listed status



SUSTAINABILITY RISKS

This refers to the environmental, social, economic, and governance challenges that can undermine the long-term viability, profitability, and social license of the business. These risks, if not adequately managed, can lead to regulatory penalties, community resistance, reputational damage, or financial loss whereby HAL has improvised a compliance culture to the relevant authorities. The risks include;

Environmental Risks: This is whereby land development without proper environmental safeguards can lead to deforestation, loss of biodiversity, soil erosion, and disruption of water sources. In such cases NEMA (National Environment Management Authority) can deny permit if the company hasn't complied. HAL has implemented a compliance framework with relevant authorities and regulatory changes as they evolve.

Governance Risks: Weak internal controls or involvement in unethical land deals can expose companies to corruption-related risks. With a clear policy framework, HAL has made it a rule that if any of its directors is involved in any project, a declaration of conflict of interest should be declared according to the laid down framework to make sure that diversity and fairness is key with transparency and accountability as key.

Social Risks: Risks that arise from the company's relationship with people and society. HAL has incorporated sustainability by making sure the communities around their projects are empowered through corporate social responsibilities, economic empowerment by involving these communities to maintain these projects with clear terms of engagement which are contractual with existing laws to sustain their projects.

EMERGING RISKS



Innovation Risk

In evolving business environment, innovation poses both opportunities and challenges—particularly for companies aiming to expand their market share and drive sustainable growth. As the real estate industry continues to grow and become more competitive, it is essential to continuously enhance our level of innovativeness and stay aligned with emerging market trends, customer expectations, and technological advancements. Recognizing that the business landscape is far from static, we are proactively addressing this strategic risk by planning to integrate the use of third-party research and market intelligence. This approach will help us remain agile, data-driven, and better equipped to anticipate industry shifts, identify new opportunities, and make informed decisions. It also supports our commitment to maintaining relevance, competitiveness, and long-term resilience in a constantly changing environment.



Debtors Management Risk

This is an emerging risk primarily influenced by broader economic conditions and internal liquidity constraints. External factors such as rising inflation, high interest rates, and general economic uncertainty in the country have impacted customers' purchasing power and slowed down cash flows. Internally, the situation is further compounded by the implementation of our credit capping measures, which, while necessary for financial prudence, have also limited the flexibility of our financing options.

To mitigate this risk, we have adopted a robust credit management framework, which includes the enforcement of a strict credit policy, defined credit limits, and regular credit risk assessments. These measures are designed to safeguard the company from overexposure to credit defaults while maintaining a healthy balance between risk and revenue growth. Additionally, we continue to monitor market trends and customer behavior closely to adjust our credit strategy in response to changing economic realities.



Third Party Risks

In the course of engaging with third parties—such as suppliers, service providers, co ntractors, and consultants—we are inherently exposed to a variety of risks. These include, but are not limited to, supplier insolvency, poor service delivery, non-compliance with legal or ethical standards, and reputational damage arising from third-party action.

To mitigate these risks, the company has put in place a comprehensive third-party risk management strategy, which includes conducting thorough supplier due diligence before any contractual engagement. This vetting process evaluates a third party's financial stability, legal compliance, operational capacity, and ethical practices. Furthermore, we have implemented a structured tendering and procurement process to ensure fairness, transparency, and alignment with our internal control standards.

Ongoing monitoring and periodic performance reviews are also part of our approach to managing third-party risks, ensuring that our partners continue to meet our expectations and contribute positively to the company's operations and reputation.

Staff Turnover

During the year, the company experienced staff turnover especially in sales department. However, the turnover rate remained within industry benchmarks and well within the company's established tolerance limits. While employee mobility is a normal aspect of organizational dynamics, we recognize the potential impact of high turnover on productivity, institutional knowledge, and team morale.

To proactively address this risk and enhance employee retention, the company has implemented targeted measures aimed at improving overall job satisfaction and engagement. These include enhancements to our reward and recognition programs, career development opportunities, improved communication channels, and a more supportive workplace culture. These initiatives, as outlined in detail in the Human Capital Report, reflect our commitment to building a motivated, stable, and high-performing workforceo proactively address this risk and enhance employee retention, the company has implemented targeted measures aimed at improving overall job satisfaction and engagement. These include enhancements to our reward and recognition programs, career development opportunities, improved communication channels, and a more supportive workplace culture. These initiatives, as outlined in detail in the Human Capital Report, reflect our commitment to building a motivated, stable, and high-performing workforce.



Cyber Security Risk

With the rapid advancement of technology, cybersecurity has emerged as a significant and evolving risk. As digital systems become more integrated into business operations, the threat landscape continues to grow more complex, and malicious actors are constantly developing more sophisticated ways to exploit vulnerabilities. Despite technological progress, cybercrime is expected to persist and even intensify, posing risks to data integrity, operational continuity, and stakeholder trust.

In response to this growing threat, the company has implemented a range of cybersecurity control measures aimed at safeguarding its systems, data, and digital infrastructure. These include strict access controls, up-to-date antivirus and anti-malware solutions, firewalls, and regular system monitoring and updates. In addition, the company is actively exploring and planning to acquire more advanced cybersecurity tools and solutions, such as multi-factor authentication (MFA), encryption protocols, and cyber risk insurance.

Ongoing staff training and awareness programs are also part of our cybersecurity strategy to ensure employees remain vigilant and informed about emerging threats. These efforts collectively reflect our commitment to strengthening our cyber resilience and ensuring business continuity in the face of increasing digital risks.



! 50 BY 100 PLOTS

from KSH 6M

Mukinduri Ridge







Located in Migaa Golf Estate

+254769279175 @Homeafrikaltd www.homeafrika.com

PROJECTS REPORT

MIGAA
Explore life!

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

In 2024, significant strides were made at Migaa:
Renovation works were completed 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 and inspection process.
The renovated project was handed over on August 2024.

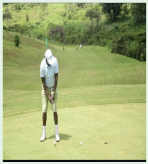


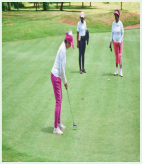


(Migaa Golf Estate: Clubhouse after renovations)

We are pleased to report that routine maintenance of the course is currently ongoing to ensure optimal playing conditions. The club is proud to have registered an encouraging number of new members and to have successfully hosted several tournaments in partnership with the Kenya Golf Union (KGU), Safaricom, and other esteemed brands.









(Migaa Golf Course: Players enjoying a round of golf)

Several plot buyers commenced construction of their homes at Migaa, and at the end of December 2024, there were 80 active construction sites and 200 residents residing within the estate.









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.

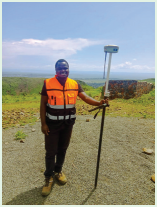


(Mitini Scapes at Migaa Golf Estate)

HOME AFRIKA

Introduction

The Projects Department at Home Afrika demonstrated exemplary performance in 2024, showcasing its dedication to effective planning, execution, and maintenance of development projects. With a strong focus on title mutation, value addition, and beaconing, the department consistently achieved remarkable results, solidifying its reputation for efficiency and technical expertise.



Among the notable accomplishments of the year were the successful implementation of key projects, including Lakeview Phase 4B, Mukinduri, and Mvule Plots. The meticulous process involved several critical steps, including running a traverse, performing adjustment computations to establish controls for staking out, extracting data from final plans approved by the Home Afrika Limited (HAL) management team, conducting staking out activities, performing consistency checks, and ultimately completing beaconing tasks. These steps ensured precision and quality in every stage of project execution, contributing to the successful delivery of these developments.

Title mutation was another area where the department excelled, processing and producing numerous property titles to facilitate ownership transfers seamlessly. This achievement not only streamlined administrative procedures but also improved customer satisfaction and strengthened stakeholder confidence in the department's capabilities.

Additionally, value addition initiatives played a pivotal role in enhancing the appeal and accessibility of the projects. Infrastructure improvements, such as road grading and the construction of a site house, elevated the overall quality of the developments, ensuring they met the expectations of prospective buyers and investors.

One of the standout aspects of the department's operations in 2024 was its decision to carry out these processes in-house. By doing so, the Projects Department significantly reduced costs without compromising on quality, showcasing its commitment to delivering high-quality services while maintaining economic efficiency.

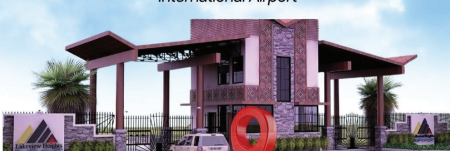
In conclusion, the Projects Department at Home Afrika displayed exceptional technical proficiency, operational efficiency, and strategic foresight in 2024. Through its accomplishments in title mutation, value addition, and beaconing, the department set a benchmark for success and innovation in the field of development projects. Its dedication to excellence continues to inspire confidence and optimism for future undertakings.

HOME AFRIKA
Houses Become Homes

Own a plot with Home Afrika Ltd

At Lakeview Heights, Riat Hills Kisumu

With breathtaking views of Lake Victoria, Kisumu CBD & Kisumu International Airport



Starting From

KSH 800,000

Kisumu office location
Harleys Building, 1st floor

+254769279175
0113387279

@homeafrikaltd

www.homeafrika.com

HOME AFRIKA
Houses Become Homes

Home Afrika Product Catalog

50 by 100 Plots located in Prime Location

Project	Location	Price (Kes)
TULIVU GARDENS	*Naivasha*	*400,000*
BATIAN VIEW	*Nanyuki*	*400,000*
ZURI GARDENS	*Naivasha*	*500,000*
LAKEVIEW *phase 2*	*Kisumu*	*800,000*
NOBLE PARK 1 *ESTATE*	*Machakos*	*990,000*
LAKEVIEW *phase4B*	*Kisumu*	*1,000,000*
KITENGELA BREEZE	*Kitengela*	*1,200,000*
NOBLE PARK 2- *1/4 pLOTS*	*Machakos*	*2,000,000*
MUKINDURI (Migaa)	*Kiambu*	*6,000,000*

Free site visits every Wednesday and Saturday

+254769279175 @homeafrikaltd www.homeafrika.com

SMART PLOTS BUSINESS
AFFORDABLE PLOTS PROJECTS
Home Afrika Limited has so far on-boarded and sold several affordable projects. These are projects that range in price between Ksh. 300,000 to Kes. 500,000. The affordable inventory is as follows:

Noble Park 1

The project consists of 25 plots sitting on a 3-acre piece of land. The plots measure 50*100 with breathtaking views of Koma hills, located at Machakos county, 100m off Kangundo road, approximately 38km from the CBD and 7 minutes' drive from Koma town.

Zuri Gardens

The project consists of 1/8-acre plots on a 3-acre plot with a view of Mt. Longonot located at Mirera, Naivasha, 2 km from the Old Naivasha Road and 10 minutes from Naivasha town.
With breathtaking views of Lake Naivasha, the plots are ideal for short-stay homes and family homes due to their ambience and serenity.

Kerobi Plains

This was Home Afrika's first project in the Isinya area of Kajiado County. It is 40 acres in size and is comprised of 1/8 Acre & 1/4 Acre Residential & Commercial Plots. It is 90% sold.

Sidai Plains

This is Home Afrika's second project in the Isinya area, Kajiado County. It is 7 acres in size is comprised of 1/8 Acre Residential & Commercial plots. It is right on the Isinya-Konza Bypass near Enchipai Campsite and Cottages. This is a sold-out project.

Entim Breeze

This is Home Afrika's first project in the Ngong area of Kajiado County. It is located in the Kimuka area of Ngong,
is 12 acres in size, and is comprised of 1/8 acre residential plots. This is also a sold-out project.

Batian View

Batian View by Home Afrika is a master-planned development located in Laikipia County, Kenya. It offers residential and commercial plots, making it an ideal investment opportunity. The project is situated just 20 minutes from Nanyuki Town and directly opposite the Ol Pejeta Conservancy, providing stunning views of the three peaks of Mount Kenya—Batian, Nelion, and Lenana.

The area is well-connected with accessible road networks and is close to key amenities, including an upcoming modern hospital. Its proximity to tourist attractions like the Ol Pejeta Conservancy makes it perfect for building holiday or residential homes.

Noble Park 2

It's six plots spread across a 1½-acre piece of land, the site offers breathtaking views of Koma Hills in Machakos County with the plots measuring 100*100, creating a serene and picturesque environment.
Conveniently located just 1.5 Kilometers off Kangundo Road and only 38 kilometers from Nairobi's Central Business District, it strikes a perfect balance between tranquility and accessibility.

Tulivu Gardens Phase 1

This is Home Afrika's first project that is located in the Kinungi area of Naivasha in Nakuru county. It is a 7-acre project comprised of 1/8 Acre residential and commercial plots. It is 98% sold.

Tulivu Gardens Phase 2

This is Home Afrika's second project in Kinungi, Naivasha which originated due to client's request for another project in Kinungi after the fast sell out of Tulivu Gardens Phase 1. It is comprised of 1/8 Acre residential plots only. It is sold.

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. 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 subdivided the pieces in terms of eighths, quarters, half Acres, and Acres

The Land Regulations (General) Regulations, 2017 in Kenya

The Land Regulations (General) Regulations, 2017 were enacted by the Ministry of Lands and Physical Planning under the authority of the Land Registration Act, 2012. These regulations were introduced to provide a clear legal framework for the implementation and administration of land registration processes in Kenya. The move was part of the broader land reform agenda triggered by the Constitution of Kenya, 2010, which emphasized equitable access, efficient land administration, and protection of land rights for all Kenyans.



MARKETING

Report



This report reflects our journey over the past year, highlighting both the successes and challenges we've faced, as well as the strategic steps we've taken to build a stronger brand presence and fuel growth in the market.

As the Marketing Department, we are excited to share the work we have done in marketing which has played a key role in boosting our visibility, connecting with our customers, and driving sales. Through creative strategies and engaging campaigns, we have worked hard to establish Home Afrika as one of the top real estate companies in Kenya.

Key Achievements in Digital Marketing

One of the most important achievements 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 online presence.

We introduced a QR code linking to our website to make it easier for potential clients to access property information instantly during field marketing activities. This has improved engagement and made it easier to share details about our projects on the spot.



Additionally, we launched a WhatsApp Channel to enhance our communication strategy. The channel allows us to share real-time updates, new property listings, promotional offers, and important announcements with a wider audience. It also provides a more interactive platform for building stronger customer relationships and maintaining consistent brand visibility.
https://whatsapp.com/channel/0029VaXRF467j6gFlb6X1E1B

Above the line Marketing

We implemented a strategic Above the Line marketing campaign to increase brand visibility, enhance credibility, and drive awareness of Migaa Golf Estate projects. These efforts were aimed at reinforcing brand recognition and increasing walk-ins at Home Afrika offices and attracting potential customers to our diverse properties.

Key activities were;

i) Billboards & Outdoor Advertising: High-visibility billboards and outdoor banners were strategically placed at Muthaiga, Thika Road & ABC Place, Waiyaki Way





ii) Television Campaigns: Migaa Golf Estate promo video was aired on Citizen TV during peak hours showcasing our premium property, designed to engage a wider audience and build brand trust across the country.

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. 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 encouraged 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.

We also erected Batian View (Nanyuki) & Noble Park (Koma Hill, Machakos) signages for easy identification of the projects.







Offline Activities

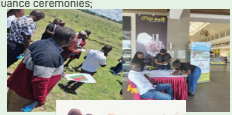
Throughout the year, we have been able to go beyond the digital world and have face to face interactions with clients which enables us to reach a variety of audience and reinforce our brand messaging.

We held the following activities;

- Open Days & Activations

We held the following open days & Title issuance ceremonies;

- Lakeview Heights (Riat Hills, Kisumu)
- Zuri Gardens (Naivasha)
- Batian View (Nanyuki)
- Kitengela Breeze (Kitengela)
- Noble Park 2 (Koma Hill, Machakos)
- Joska Plains (Off Kangundo Road)





Activations at Government institutions & Malls in Naivasha, Kisumu, Nyeri, Meru, Nairobi, Kiambu & Machakos. We also did office storms & flyer storming where we were able to engage with prospective buyers on a personal level.

Networking events

We also actively participated in various industry events to network with clients and showcase our projects. These engagements allowed us to position Home Afrika as a thought leader in the real estate sector, aligning with our core brand values.



One key highlight was our involvement in golf tournaments, where we connected with influential figures and potential clients in a relaxed, high- profile setting. This not only reinforced our expertise but also significantly enhanced our visibility and reputation within the industry. Through these strategic interactions, we continued to strengthen our brand presence and foster long-term relationships with key stakeholders.





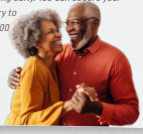
Article by David Kariuki | *2025 Release*

A report was conducted in Kenya targeting retirees by the Retirement Benefits Authority (RBA) as recorded in one of the Kenyan Newspapers. The research sought the answers on what retirees would do differently if given another chance to work again. You will be shocked by the research findings that targeted 975 people and make a wise decision before retirement.

Retirement's canvas often reveals a portrait of unfinished landscapes. The report speaks of a widespread longing for earlier harvests: homes built on time, savings grown to abundance, and side streams of income flowing freely. If given the chance to repaint their past, three-quarters of retirees would choose to cultivate a richer, more diverse retirement garden. However, this is not the case for many of them. Many are battling diseases while some have the responsibility to pay their children's school fees.

As a majority now spend their pensions on expenses such as rent, loan repayments, and recurrent expenditure, they lament that they wish they had known better when they were young and energetic. Truly, days have passed and their ability to work has gone down. A number of the retirees advise young people that 'don't wait until retirement to start building a home.' The retirees have gone ahead of us and we ought to learn a lesson. To avoid the lament in the future, we can make superior decisions that will shape out our future in a better way. We can build the homes earlier and invest earlier before the energy depletes. Home Afrika stands as the bridge between your today and the glorious future. How will that happen?

The retirement period can only be made better by investing early. You can secure your future by purchasing land in different parts of the country to avoid the lot that laments in retirement. We have 50 by 100 plots where you can build a home as early as now in Kiambu, Naivasha, Kitengela, Machakos, Nanyuki, Isinya, Ngong, Kisumu, among other parts of the country. Join millions of people who are building their future before retirement catches up with them.




Marriagside Office Park

MORNINGSIDE BUSINESS HUB – WHERE INNOVATION MEETS EXCELLENCE

Welcome to Morningside Business Hub, a strategically located premier workspace designed for ambitious professionals, dynamic startups, and industry leaders. More than just an office, we offer a next-level business environment where productivity, innovation, and success thrive.

Elevate Your Workspace Experience

• Executive Serviced Offices – Fully furnished, meticulously designed, and serviced to let you focus on what truly matters: growing your business.
• Customizable Leasing Options – Prefer a blank canvas? Lease an unfurnished space and shape it to reflect your brand's identity.

World-Class Conference & Meeting Facilities

Our state-of-the-art conference space redefines business gatherings. Whether it's a high-profile presentation, a strategic meeting, or a networking event, our premium setup and dedicated support team ensure everything runs seamlessly.

Seamless Accessibility & Smart Conveniences

• Ample Parking – Because first impressions matter.
• Strategic Location – Keeping you connected to key business districts.
• Inclusive & Accessible Design – Thoughtfully built to accommodate persons abled differently.

More Than a Workspace—A Business Ecosystem

At Morningside Business Hub, you don't just rent a space—you gain access to an elite network of entrepreneurs, industry pioneers, and visionaries. This is where deals are made, ideas take flight, and businesses scale to new heights.
Your success story starts here.
Welcome to Morningside Business
Hub.





ICT REPORT



ICT REPORT

In the world today, ICT (Information and Communication Technology) plays a vital role in the real estate industry, improving efficiency, communication, and streamlining processes, from property management to transactions and marketing. 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.

ICT plays a significant role in real estate transactions, facilitating efficiency in transactions and reduction of costs.

In essence, continued improvements in technology have significantly revolutionized the way real estate companies operate in the current business environment. However, the impact on the performance of the real estate sector with the deployment of technology is largely dependent upon the depth of its involvement across the various facets of the operational processes. How real estate players innovate and respond to technological advances will undoubtedly play a major role in differentiating the companies, their projects in the minds of consumers.

NETWORK STRUCTURE AND MANAGEMENT

With the increasing complexity of the world of business comes an increasing amount of data that businesses have to deal with. This data also comes in multiple dimensions. A business will see traffic in many different kinds of data, including text data, audio data and video data. In order to control this data, we have databases that help us store, manage and access company data.



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.

ICT Roles for Business Continuity Include:
Home Afrika as a real estate company has adopted some technological concept which is a key role in the daily business driving functions.

Communication Technology & Artificial Intelligence (Ai) Implementation
When it comes to business functionality, IT communication Technologies plays a vital role and is core principle in effective business continuity processes. To achieve this, we have been using and continue to use multiple channels such as emails, collaboration software, social media and Video conferencing i.e., G Suite, Facebook, Twitter, Instagram, YouTube and Zoom are the communication functions currently used in the organization.



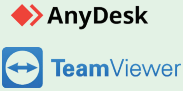
We have managed to integrate Zoom with A.I companion which helps Coordinate and execute tasks across your day with agentic AI

AI Companion can help you manage a series of multi-step actions on your behalf. Think about Zoom AI Companion as your dedicated team of highly skilled agents that you can delegate your work to. What does this mean? It means you can get your work done faster, improve results and have more time to build relationships with colleagues and customers

Support Functions
ICT has become an additional organ in the body of any business, allowing the business to achieve much greater things than it otherwise could without the help of IT.

The IT department is an important department, complementing and supplementing the others in numerous ways. Some of these support functions include; remote support tools (TeamViewer, Any Desk) and Helpdesk support tool.

ICT support functions encompass a wide range of activities focused on maintaining, optimizing, and troubleshooting an organization's information technology infrastructure, including hardware, software, and networks



The Sales Automation and Marketing Functions

With the rise of computers and the internet of things, marketing campaigns are becoming increasingly digital. The IT department helps the group with the sales and marketing functions of the business in numerous ways:

- **Website Management & Maintenance**

We have a customer-centric approach to business, and we have a user-friendly website to provide good customer experience. The redesign was successful in terms of project deliverables content to create a better customer experience. The website functions as a score marketing tool hence helping us to drive business.



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.

The Enterprise Resource Planning Function

SAP APPLICATION SOFTWARE

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.

EPESI CLOUD ERP PLATFORM.

CRM (Customer Relationship Manager) is a system that helps businesses manage and analyze customer interactions and data to improve customer relationships, retention, and sales growth

Human Capital



Human Capital

Home Afrika recognizes that its people are the cornerstone of its success. We are committed to fostering an inclusive, motivating, and encouraging work environment where skilled, experienced, and diverse employees are empowered to drive business growth and deliver exceptional results. By focusing on comprehensive human capital management, we are centered around the following pillars.

1. Recruitment and onboarding.



Talent acquisition stands as the foundational act in constructing our organization's human capital across all echelons, ensuring timely goal attainment with premier candidates, delivered punctually and within fiscal parameters. We resolutely administer human capital, prioritizing our employees as the company's paramount asset, to directly facilitate overarching organizational objectives. Attracting and securing priority. To satisfy client needs and regulatory mandates, we strategically emphasize placing adept individuals with precise skills and expertise in optimal roles.



Internal advancement forms a cornerstone of our talent strategy. We deliberately prioritize filling emerging vacancies from within our ranks, underscoring our commitment to nurturing and elevating existing employee potential. Our talent acquisition process strategically emphasizes a broad spectrum of competencies alongside specific role mastery, guaranteeing the onboarding of highly capable, client-centric personnel. Furthermore, we proactively engage in executive search to secure leading experts for our team.

2. performance management.

Our unwavering commitment propels us towards cultivating a high-performance ethos. We strategically deploy Key Performance Indicators (KPIs) as a vital compass, both measuring and bolstering the organization's overarching goals and strategy. These KPIs sharpen our focus on critical priorities and illuminate the path of progress. Our comprehensive 360-degree appraisal system empowers employees with holistic feedback, fostering well-rounded development. We recognize high performers as those individuals deeply aligned with our strategic blueprint, a synergy clearly evident in their stellar KPI achievements, unwavering customer centricity, streamlined internal processes, and proactive engagement in learning and development. Beyond this strategic alignment, our top talent embraces a dynamic change mindset and readily disseminates knowledge across the team.

3. Training and development.



Robust learning and development programs are integral to our strategy, upskilling and motivating employees to drive sustained business growth and enhance their professional capabilities. At Home Afrika Ltd., we are deeply invested in the continuous growth and empowerment of our employees. We strategically leverage dynamic educational initiatives meticulously designed to elevate job performance across individuals and teams.

Our vision is to harness this powerful tool to drive exceptional business results, nurturing our talent into future managers and impactful leaders by cultivating crucial knowledge, skills, and abilities. The past year witnessed a strong emphasis on diverse training opportunities, encompassing both immersive in- person sessions and flexible virtual platforms. Recognizing the pivotal role of skill enhancement, Home Afrika provides a dedicated training budget for each employee, fueling their individual development journey

The various learning opportunities include:

- On the job training which directly involves applying skills for enhanced proficiency.
- Conference attendance and industry events to keep employees abreast of sector developments and facilitate professional connections
- Driving mentorship and guidance initiatives to foster employee professional development and cultivate internal support systems.

4. Rewards and recognition programs.

Home Afrika Limited strategically celebrates and incentivizes staff contributions that propel our strategic objectives and embody our core culture and values. Our encompassing rewards program, encompassing both financial and non-financial elements, is meticulously crafted to attract, retain, and ignite the passion of our current team and future talent. We proactively cultivate a vibrant environment where exceptional performance is not just acknowledged but lavishly appreciated. This robust frameworkfuels workforce engagement and consistently drives superior outcomes, recognizing that impactful acknowledgment and sincere commendation are pivotal in empowering individuals to consistently exceed expectations



Relationship Manager receiving a gift voucher for selling 5 botian view nanyuki plots within a week

5. Employee Talent management.

Our talent management philosophy centers on proactively identifying, developing, and engaging individuals with high potential to become future leaders and key contributors. Through our structured talent review process and dedicated "Growth Catalyst Program," we provide tailored development plans, mentorship from senior leaders, and exposure to strategic initiatives.

The strategic execution of our talent management framework, particularly the "Growth Catalyst Program," has been instrumental in our ability to retain high-potential employees. The personalized development and clear pathways for advancement offered through these initiatives have fostered a strong sense of loyalty and ambition within this critical talent pool. As a result, we have observed a quantifiable result, during the reporting period, demonstrating the direct impact of our talent management strategy on securing the long-term commitment of our future leaders.

6. Employee retention

Our strategy for retaining top employees is anchored in providing unparalleled opportunities for professional growth and cultivating a deeply supportive
and inclusive workplace culture. This includes our bespoke "Ascend Leadership Program," tailored mentorship initiatives, and a recognition framework that celebrates exceptional contributions. As Home Afrika, we believe that by investing in their development and fostering a strong sense of belonging, we empower our highest- potential individuals to thrive and envision their long-term futures with Home Afrika Ltd



Luncheon with Home Afrika Group in Migaa Golf Estate

The focused execution of this retention strategy has yielded significant positive results in securing the commitment of our most valuable talent. During the reporting period, we observed a [quantifiable result, e.g., 15% decrease in voluntary turnover among identified top performers] compared to the previous year. This demonstrates the effectiveness of our proactive approach in creating an environment where our top employees feel valued, challenged, and motivated to remain integral to our success.

7. Employee staff welfare and well-being.

Our unwavering dedication centers on cultivating a galvanizing and supportive workplace where every employee feels esteemed and empowered to excel. Our encompassing well-being programs are architected to foster holistic employee flourishing. We are resolutely committed to perpetually implementing initiatives that secure our team's welfare and a harmonious lifestyle. For years, managers have held health and safety as core duties; however, our commitment to staff welfare transcends the physical workspace. Recognizing that physical, emotional, and mental challenges can emerge both within and beyond work, we proactively identify the root causes of diminished well-being and implement effective solutions.

Our vision for an exceptional work environment manifest through:

HEALTHCARE:

• The Company fully underwrites medical expenses for all permanent employees and their immediate families, covering the entire premium for a comprehensive private medical plan.
• WIBA Assurance: Providing robust coverage for workplace-related injuries or fatalities.

SOCIAL CONNECTION:

• Team Cohesion Events: Regularly organized team-building activities and celebratory end-of-the-year-end gatherings that nurture strong interpersonal bonds beyond the typical workday.

8. Diversity and Inclusion

Our enduring dedication centers on nurturing a workplace where every individual experience deep belonging and mutual understanding. At Home Afrika Ltd., we wholeheartedly embrace the powerful confluence of varied backgrounds and widespread acceptance, acknowledging its fundamental role in fostering this very sense of connection and empathy within our teams.

Throughout this reporting period, we amplified our efforts to forge a truly representative and welcoming environment, resolutely pursuing our ambitious yet crucial objective of achieving balanced gender parity, evidenced by our current workforce composition of 53% female and 46% male professionals. As a proudly multi-ethnic organization, we boast rich representation from all corners of the nation.

Our talent pool also encompasses a vibrant multi-generational spectrum, ensuring a robust exchange of expertise and providing fertile ground for future leadership. This commitment to varied perspectives and inclusive practices is pivotal to our long-term viability, securing talent continuity and broadening our allure to prospective employees across diverse market segments, ultimately empowering us to attract and retain individuals who significantly contribute to our continued triumphs.

By this we aim to be an Employer of Choice, enabling our team members to achieve their personal and professional goals while building lasting relationships and securing our reputation for excellence.



Finance Manager's Report

The financial year 2024 marks a significant milestone in Home Afrika Limited's turnaround journey. The Group has successfully transitioned from a loss-making position in previous years to reporting a net profit of KSh 133.5 million, a clear testament to the effectiveness of the strategic turnaround initiated in 2021.

Performance Highlights

The Turnaround Strategy, anchored on Debt Restructuring, Business Continuity, Organizational Restructuring, and Internal Controls, continued to deliver tangible results:

- Revenue grew by 107%, from KSh 377 million in 2023 to KSh 782 million in 2024, driven by increased registration of leases and issuance of titles, particularly fromthe Migaa and Smart Plots projects.
- Operating Profit rose significantly to KSh 223.8 million, compared to KSh 3.3 million in 2023 — an increase of over 6,700%.
- Profit before tax reached KSh 145 million, and net profit stood at KSh 133.5 million, reversing the KSh 28 million loss reported in 2023.
- Finance costs were contained at KSh 78.7 million, reflecting continued commitment to debt servicing and restructuring.
- Operating cash flow remained strong at KSh 307 million, funding the business without significant new borrowing.

Strategic Progress

The four pillars of the turnaround strategy remained central to the Group's operations:

1. **Debt Restructuring:**
   Agreements with creditors were upheld, leading to improved creditor confidence. Total liabilities decreased marginally, and finance costs remained within manageable levels.
2. **Business Continuity:**
   The Business Continuity Committee led initiatives in:
   - Generating revenue through green fees at the Migaa Golf Course.
   - Facilitating handovers of completed projects to reduce carrying costs.
   - Exploring new opportunities in the affordable housing space.
3. **Organizational Restructuring:**
   Operational efficiencies were enhanced, contributing to a reduction in administrative and other operating expenses as a percentage of revenue.
4. **Internal Control Systems:**
   Enhanced controls continued to support prudent financial management, improved compliance, and cost containment.

Governance and Compliance

The Board of Directors remains fully committed to best practices in corporate governance, with a focus on:

- Regulatory compliance;
- Long-term shareholder value creation; and
- Sustainable business practices.

The company-maintained transparency and accountability across all functions, aligned with its long-term strategic goals.

Outlook for 2025

Building on the solid gains in 2024, the Group aims to:

- Deepen its presence in luxury and mixed-use developments, leveraging market trends.
- Strengthen stakeholder value through prudent financial management and sustainable growth initiatives.
- Reduce liabilities further and build a stronger equity position.
- Acquire new strategic projects and partnerships aligned with its core mandate.

With profitability restored and the turnaround strategy proving effective, the Board and Management are confident in delivering sustained growth and value creation for all stakeholders.

Note: The Board has not recommended a dividend for the year ended 31 December 2024, prioritizing reinvestment in strategic growth areas.

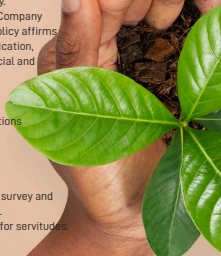


ESG & SUSTAINABILITY

COMMITMENT TO ESG

Home Afrika Limited recognizes that Environmental, Social and Governance (ESG) is not just a responsible choice but a strategic necessity. The nexus between ESG and business sustainability is increasingly evident with a direct correlation between good ESG performance and financial success.

The Company is guided by the ESG Guidance Manual by the Nairobi Securities Exchange (NSE) and the Company's Environmental, Social and Governance (ESG) Policy.
The Policy provides a roadmap through which the Company conducts business in a sustainable manner. The Policy affirms the Company's significant emphasis on the identification, assessment and management of Environment, Social and Governance risks.



ENVIRONMENT

The Company seeks to conduct its business operations in compliance with National and International Environmental Laws.

HAL ensures compliance through;
- Use of environmentally friendly materials during survey and beaconing processes. e.g use of recyclable pipes.
- Apportionment of a piece of land in each project for servitudes.
- Annual tree planting in various projects.
- Responsible Waste Management.

HAL is cognizant of the far-reaching impact of its operations on its employees, stakeholders and surrounding communities. The Company ensures;

The Company ensures compliance through;
- Conduct of CSR activities annually.
- Invitation of local community members to Company open days and title issuance ceremonies in each project.
- Formulation of policies that ensure employee welfare and rights are respected.
- Stakeholder engagement through various avenues e.g social media pages, website, Annual General Meetings and one on one meetings.

GOVERNANCE

HAL seeks to observe and adhere to all Laws, Regulations and Corporate Governance Codes.

The Company maintains good Corporate Governance practices and adheres to the Code of Corporate Governance by;

- Maintaining close relationship with regulators e.g. CMA, NSE & FRC.
- Submitting the required Corporate Governance documents as per regulators' requirements.
- Reviewing policies regularly to stay up to date with industry trends.
- Evaluating financials and policy adherence annually through external and internal audits.





CHAIRMAN'S STATEMENT ON SUSTAINABILITY

The Company has continued to place increased focus on sustainability by monitoring sustainability performance as we strive to meet the expectations of our stakeholders as well as ensuring we are managing our risks and taking advantage of opportunities
One of the key objectives of Home Afrika Limited is to keep the going concern so us 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. Our Company 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.

The company has adopted the principle of transparency and engagement that measures and monitors sustainability through KPIs which is critical to delivering against our sustainability strategy and targets of the company.
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 which are dependent on each other.

PETER MUNGAI

HOME AFRIKA LIMITED, CHAIRMAN.

SUSTAINABILITY AT HOME AFRIKA LIMITED IN 2024

Sustainability has become a vital part of any organization, as it has a bearing on customer choices, employee support, and investment decisions. The company has integrating sustainability and ESG considerations across value chains and business model are setting up their companies for long-term success and resilience.

Sustainability can help businesses innovate and grow while also addressing environmental and societal challenges that pose significant risks to the future existence of businesses. ESG can be considered a subset of sustainability, which is defined by the UN World Commission on Environment and Development as 'meeting the needs of present generations without compromising the ability of future generations to meet their own needs.

Sustainability is a key driver of value creation for real estate owners, investors and operators thus making it's 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 stake-holder 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.

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

Environment

The world has seen various unprecedented climate change in the last few years. Climate change having a grievous harm Moreso 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 that trees are planted in most projects.

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, vision, 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 2024 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 2024, management ensured that the Company was run seamlessly by conducting weekly meetings to check on the progress of weekly action plans in all departments.

The Turnaround Committee

In 2024, the Company established the Turnaround Committee.

The mandate of the turnaround Committee was to ensure there is;

a) Debt- Bond Restructuring.
b) Business Continuity.
c) Organizational Restructuring.
d) Operations Supervisions.

The Report had a restructuring action log providing solutions, recommendations and the timelines of working on the recommendations. In 2024, the Company worked on the recommendations within the given timelines and is continuously doing reviews to know which areas require improvements.



CORPORATE SOCIAL RESPONSIBILITY

As part of our compliance towards impacting lives and remaining a beacon of hope and restoration to the communities we operate in, we were able to;

- Donate food and clothing to Ting'ang'a ward community who were affected by floods at Mworoto village in Kamiti location.
  We were honored to do this with the area chief, MCA and County Admin amongst other leaders in the area.



- We built a new house to a young family whose house in Kobura Ward, Nyando Constituency, Kisumu County burnt down. As you can see the photos are showing the house they have been living in and the house we handed over to them accompanied by Hon. Jared Okelo; M.P Nyando, area chief representative, Home Afrika Board Member; Madam Merab Ochieng, our Managing Director; Madam Jayne Nyokabi, Home Afrika staff and the community.



- Handed over a new house to a family in Kobura Ward, Nyando Constituency, Kisumu County among those who were affected by the floods in 2024, accompanied by Hon. Jared Okelo; M.P Nyando, area chief representative, Home Afrika Board Member; Madam Merab Ochieng, our Managing Director; Madam Jayne Nyokabi, Home Afrika staff and the community.





CORPORATE GOVERNANCE REPORT



STATEMENT ON CORPORATE GOVERNANCE AND AUDIT REPORTS

Home Afrika Limited is dedicated to upholding and implementing best practices in corporate governance. The Company has put in place structures and policies to ensure high standards of corporate governance in compliance with the Capital Markets Act- Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 & the capital markets (Public offers listing and Disclosure Regulations 2023).

The Corporate governance framework continues to be robust in ensuring that the Company operates with integrity, transparency and accountability and compliance with Laws and Regulations in order to promote sustainable growth and enhance shareholder value.

The Board acknowledges that sound corporate governance is pivotal to sustainable growth in the interest of all stakeholders.

The Company's corporate governance strategy is centered around these key pillars:

- Board Effectiveness and Leadership.
- Transparency and Disclosure.
- Accountability and Internal Controls.
- Stakeholder Engagement.
- Ethics and Integrity.
- Compliance with Laws and Regulations
- Sustainability and Social Responsibility

The Company operates within a well-structured governance framework that establishes clear lines of authority and responsibility while ensuring the Board retains maintains its authority. Within this framework, the Board defines the Company's strategic direction, while the Management team is entrusted with overseeing daily operations.

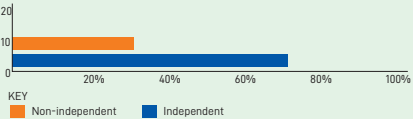
THE BOARD

Composition

The Board is currently comprised of Seven (7) 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 overseeing the Company operations, leadership, and governance. The Managing Director is responsible for the Company's daily operations and the execution of the Board's strategic directives.

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

Director's Independence



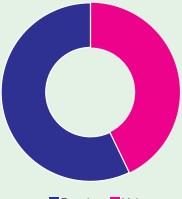
Directors' respective shareholdings are also illustrated below:

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

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

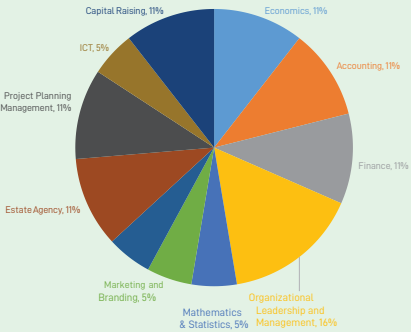
In terms of gender diversity, 43% of the Board are female, reflecting the Company's commitment to promoting inclusivity and balanced representation at the leadership level.

Board Gender Diversity



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, capital raising as illustrated below:

Director's Expertise and Knowledge



The Role of the Board

The primary responsibility of the Board of Directors is to provide strategic leadership and direction to the Company. This includes defining the Company's mission, vision, strategy, and goals; overseeing management and operational performance and ensuring the effectiveness of corporate governance practices. The Board safeguards shareholders' rights and interests during decision-making and ensures robust systems and controls are in place to identify, measure and manage key business risks. Additionally, the Board reviews major strategic initiatives to ensure alignment with the Company's long-term objectives, shareholder expectations and sound governance principles.

Board Appointments, Re-Elections and Retirements

Board Directors are elected and ratified by shareholders during the Annual General Meeting for terms of up to three (3) years. Upon completion of their term, Directors may be nominated for re- election, subject to shareholder approval. Director retirements follow a rotational schedule to support effective succession planning.

In May 2024, the following Director was appointed to join the Home Afrika Board;
- Merab Ochieng.

While one director resigned from their position being;
- Catherine Wahome.

Board Committees

In order to enhance efficiency and effectiveness in fulfilling its responsibilities, the Board has delegated specific governance duties to the following Board Committees;

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

Each Committee performs distinct roles as shown below;

THE BOARD (7) MEMBERS

Board Committees

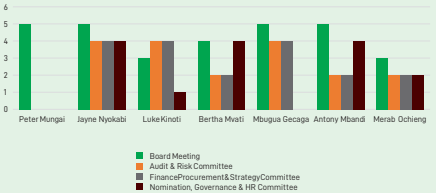
Audit, Risk and Compliance Committee	Finance, Procurement, Administration and Strategy Committee:	Nomination, Governance, Human Resource and ESG Committee:
The Committee plays a key role in supporting the Board's oversight of the integrity of the Company's financial statements, compliance with legal and regulatory requirements, the qualifications, independence and effectiveness of external auditors, the performance of internal audit functions, as well as the Company's risk management and overall business practices. 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 Messrs. GMK Accountants LLP.	The Committee reviews and provides recommendations to the Board for approval on matters including: business strategic plans and their implementation and monitoring; expansion into new markets; major investment and divestment decisions; annual business, financial, and sustainability plans and budgets. In the year under review, the committee was able to review and ratify the 2024/2025 budget, approve seeding of new projects in different Counties and review the half year and annual financials.	The Committee is responsible for ensuring the Board maintains an optimal composition, implementing effective remuneration and incentive policies for Directors, overseeing the induction and ongoing development of Board members, promoting sound corporate governance practices, and ensuring the Company has sufficient human resources to achieve its strategic goals. In the year of focus, the Committee followed up on implementation of Corporate Governance recommendations, approved review of all policies to ensure adherence with all Laws and Regulations, approved recruitment of additional personnel to support the Commercial team, planned trainings of Directors and ensured the Human Resource Department achieved its' strategic objectives.

Board & Committee Meetings

The Board develops it's work plan annually. The workplan 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 2024 were as follows: -

	Board Meeting	Audit & Risk Committee	Finance Procurement & Strategy Committee	Nomination, Governance & HR Committee
Total of Meetings held in 2024	5	4	4	4
Directors Names				
Peter Mungai	5	0	0	0
Jayne Nyokabi	5	4	4	4
Luke Kinoti	3	4	4	1
Bertha Mvati	4	2	2	4
Mbugua Gecaga	5	4	4	0
Antony Mbandi	5	2	2	4
Merab Ochieng	3	2	2	2



The Company Secretary

The Board has appointed a highly qualified, competent, and experienced Company Secretary who is a member of the Institute of Certified Public Secretaries of Kenya.
His principal duties include advising the Board and its members on their roles, responsibilities, and authority, supporting the Chairperson and Managing Director in coordinating and facilitating Board meetings, Providing comprehensive secretarial services to the Board and ensuring the Board Work Plan is developed and effectively followed, updating and maintaining Board and Committee Charters to align with governance best practices, ensuring timely submission of regulatory filings to the appropriate authorities and Overseeing the planning and execution of Annual General Meetings or extraordinary general meetings .

Board Charter

The Board Charter outlines the roles, responsibilities, functions, and structure that enable Board members to effectively execute their strategic oversight mandate. It serves as a guiding framework to help the Board steer the organization toward long-term value creation for all stakeholders. Additionally, the Charter provides corporate governance guidance by defining the principles of good governance that the Company adheres to. It also complements the legal and regulatory requirements governing the Board and its members, as stipulated in Kenyan laws, regulations, and Company policies.

Board Development (Training) and Professional Standards

The Board is dedicated to providing Directors with access to continuous training to keep them informed about legal reforms, industry risks and opportunities and emerging corporate governance trends. The Nominations and Governance Committee, in collaboration with the Company Secretary, is responsible for ensuring that Directors fulfill their mandatory training requirements and stay updated on critical developments affecting the sector.In the year under review, they were able to organize the following trainings;

i. Artificial Intelligence and Governance -25/9/2024
ii. 360 Degree Board Development Course – 2/9/2024
iii. Joint Team Building Seminar-8/10/2024

Additionally, Board members affiliated with professional bodies are expected to maintain active membership and good standing, ensuring they uphold the professional integrity and competence essential for effective governance.

Board Evaluation

The Board conducts an annual evaluation to assess the performance of its Chairperson, Board Committees, individual Directors, the Managing Director (MD) and the Company Secretary. These assessments, which may be formal or informal, simple or comprehensive are overseen by the Nominations and Governance Committee.

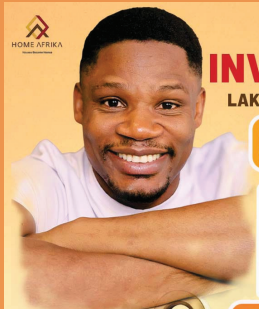
For the year ended December 2024, the Board evaluation was carried out in accordance with the agreed criteria and procedures set out in the Board Charter. The primary objective was to review the effectiveness of the Board's oversight role and identify areas of improvement. The evaluation report confirmed that the Board is effectively fulfilling its responsibilities. Additionally, it highlighted the key development areas as Board development, Board oversight of effective internal controls, effective Board induction, risk governance and succession planning. The Board is actively working on the identified areas to further strengthen governance and performance.

Board Remuneration

The Board acknowledges the importance of identifying, attracting, and retaining highly skilled Directors and has therefore developed the Director's Remuneration Policy. The Nomination and Governance Committee has been entrusted with the responsibility of reviewing and recommending the remuneration structure to ensure it remains competitive and aligned with industry best practices.



HOME AFRIKA



INVEST SMART

LAKEVIEW HEIGHTS PHASE 3B

1/8 ACRE PLOTS LOCATED AT RIAT KISUMU COUNTY,APPROXIMATELY 12 MIN DRIVE FROM KISUMU CBD & KISUMU INTERNATIONAL AIRPORT

AMENITIES

- ACCESSIBLE ROAD NETWORK
- READY TITLE DEEDS
- SERENE NEIGHBORHOOD
- WATER & ELECTRICITY AVAILABLE

OFFICE LOCATION

HARLEYS BUILDING 1ST FLOOR -KISUMU

CASH KSH2.3M



0113387279/+254769279175 @HOMEAFRIKALTD WWW.HOMEAFRIKA.COM

COMPLIANCE WITH LAWS AND REGULATIONS

The Company is dedicated to ensuring that all directors, employees, and stakeholders adhere to the policies, laws and regulations governing its operations.

This commitment is built on four key pillars:

• Regulatory Compliance: Adhering to all licensing requirements, legislation, regulations, by-laws and industry guidelines relevant to the business.

• Regulatory & Industry Engagement: Actively engaging with regulators and industry bodies through meetings and written submissions, particularly when changes to the business environment are being considered.

• Public Policy Advocacy: Collaborating with regulators, media representatives, and key stakeholders to address policy matters impacting the industry.

• Stakeholder Participation: Taking part in industry workshops, consultations, and stakeholder forums to stay informed and contribute to sector-wide discussions.

The Board of Directors plays a key role in shaping the Company's corporate governance framework and overseeing its effectiveness. It is responsible for ensuring that governance practices align with the Company's operational needs and regulatory requirements, recommending updates as necessary.

To strengthen corporate governance standards, the Board has approved various policies that provide guidance on the following key areas;

Conflict of interest

All Directors, senior management, and employees are expected to proactively avoid any situation that could create a real or perceived conflict of interest between their personal interests and those of the Company. The Directors' Conflict of Interest Policy requires full disclosure to the Board of any actual or potential conflicts, whether direct or indirect.

Directors must also refrain from engaging in any activities that may compromise their ability to act in the best interests of the Company. The Board has established procedures for identifying, managing, and resolving conflicts of interest in alignment with the Companies Act 2015 and the CMA Code for Issuers. Directors are required to declare any conflicts upon appointment and annually. Additionally, conflict-of-interest disclosures are a standing agenda item in all Board and Board Committee meetings.

Employees are similarly prohibited from participating in any business activities that compete with or conflict with the Company's interests, either directly or indirectly. Any such involvement must be disclosed immediately to the Managing Director, with written approval sought before proceeding.

In 2024, no conflict-of-interest cases were reported.

Insider Trading

The Company has an Insider Trading Policy designed to prevent the unauthorized sharing and misuse of material, non-public information related to the Company and its securities. This policy establishes a structured framework and clear procedures to guide Directors and Employees in understanding and fulfilling their responsibilities regarding insider trading regulations.

It is strictly prohibited for any individual to use confidential, non-public information to make investment decisions, including buying, selling, or trading the Company's securities. Additionally, sharing such information with unauthorized parties outside the normal course of business is not permitted, except where expressly authorized under the policy and in accordance with the Capital Markets Act (Cap 485A, Laws of Kenya).

Code of Conduct and ethics

The Company's Code of Conduct and Ethics Policy defines the core principles and guidelines that shape its operations. It reflects the fundamental values that drive the Company, including integrity, professionalism, non-discrimination and whistleblowing. These values are essential for building and maintaining trust among stakeholders and the wider public, serving as a cornerstone for the Company's long-term growth and sustainability.

The HR Department conducts a formal review of the Code at least every two years or more frequently if internal or external factors, such as regulatory changes necessitate updates to the Company's governance and ethics framework.

This Code applies to all representatives of the Company, including directors, employees, temporary staff, independent contractors, and consultants. It should be interpreted alongside relevant policies, procedures, laws, and regulations governing HAL's business activities.

Whistleblowing

The Board has ratified a Whistleblowing Policy designed to empower employees and stakeholders to report any suspected violations of the HR Policy, the Code of Conduct and Ethics Manual and other Company policies. This policy ensures a secure, confidential, and structured process for addressing ethical concerns.

To uphold integrity and accountability, the policy establishes the Office of the Ombudsperson. The office holder is the Chairman of the Board. This office is responsible for ensuring that all complaints are handled fairly, independently and with utmost discretion.

The Managing Director serves as the Whistleblowing Officer and is tasked with maintaining records of all reported cases and supporting the Ombudsperson in overseeing the resolution process.

For any concerns, stakeholders can confidentially reach out to the Ombudsperson via email at ombudsperson@homeafrika.com.



Risk Management

The Company has a comprehensive risk management framework designed to integrate risk management, internal controls, and business integrity. Its primary objective is to identify and mitigate both current and emerging material risks. The framework defines the Company's risk management process and outlines the roles and responsibilities of the Board, the Audit and Risk Committee, the Managing Director, senior management, and employees.

The risk management process includes risk identification, assessment of threats and opportunities, risk mitigation, optimization of opportunities, implementation of risk controls, continuous monitoring, and regular review of risk management systems. Additionally, the Audit and Risk Committee receives periodic reports to ensure ongoing oversight.

To reinforce accountability and compliance, the Company conducts semi-annual internal audits and annual external audits. These audits are carried out by auditors in good standing with ICPAK and report directly to the Board, ensuring their independence and objectivity.

Procurement

The Procurement Department at Home Afrika Limited stands as the crucial guardian of resource acquisition, strategically securing essential goods, services, and works with timely efficiency, unwavering cost-effectiveness and uncompromising ethical integrity while upholding stringent quality benchmarks.

Anchored by a comprehensive Procurement Policy that champions best practices and regulatory adherence, it ensures accountability remains paramount. Serving as a guiding beacon for management, staff, and subsidiaries, the department's core mission is to guarantee the precise delivery of quality resources on schedule, secure optimal value for every expenditure, cultivate impeccable ethical standards in supplier engagements, embed accountability and consistency within procurement practices and foster an environment of open, fair, and robust competition among suppliers.

Its primary role is to provide guidance to management, staff and subsidiaries of all departments by ensuring that the company obtains value for money on all the items and services procured.

Privacy Policy

The Company is dedicated to upholding and protecting the privacy of its directors, employees, clients, and all stakeholders. In alignment with Article 31 of the Constitution of Kenya (2010), the Data Protection Act (2019) and the Data Protection (General) Regulations 2021 the Company has a Privacy Policy. This policy sets out guidelines and principles to ensure the proper handling, security, and confidentiality of personal data for anyone interacting with the Company across its platforms.

Furthermore, the Company is registered as a data controller and processor with the Office of the Data Protection Commission, demonstrating its commitment to compliance and responsible data management.



LEGAL AND COMPLIANCE AUDIT AND GOVERNANCE AUDIT
LEGAL AND COMPLIANCE AUDIT

The Board has ratified the Legal Compliance & Ethics Policy which is designed to ensure that the Company business operations align with both international and national laws and regulations. This policy provides guidance to the Board, management, and staff in fulfilling their compliance and ethical obligations.

In compliance with the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public (2015), the Company conducts legal and compliance audits both by internal and external auditors. The Legal and Compliance Audit for the year ended December 2024, conducted by Ms. Saada Kinyanjui, an Advocate of the High Court of Kenya and a Certified Legal and Compliance Auditor, aimed to assess adherence to all applicable laws and regulations governing both listed companies and those in the real estate sector.

The audit confirmed that the company had addressed the compliance gaps identified during the previous audit. She gave an overall performance rating of 83% noting that the score reflects a strong compliance framework with limited gaps. She gave recommendations on the two partially complied areas; data protection and operational license. The company is currently working on the recommendations given to improve the compliance rating to 100%.



GOVERNANCE AUDIT

In adherence to the Capital Markets Authority (CMA) Code of Corporate Governance Practices for Issuers of Securities to the Public 2015, the Company has undertaken the governance audit for the year ended December 2024. The audit was conducted by a Certified Public Secretary who is also an accredited governance auditor FCS Issac Nduru of Ainick Advisory Limited.

The primary objective of the audit was to assess the Company's compliance with applicable laws and regulations while evaluating the effectiveness of its governance structures. The auditor noted that the Board has put in place effective, appropriate and adequate governance structures which are in compliance with the legal & regulatory framework. He observed a few compliance gaps on board operations and policies which he gave the recommendations that the company is working on.

CORPORATE GOVERNANCE ASSESSMENT REPORT

In 2024 the Capital Markets Authority assessed the Corporate Governance Assessment Tracker for the year ended 31st December 2024. The assessment was based on review of the following areas: Commitment to Good Corporate Governance (66 percent rating); Board Operations and Control (66 percent rating); Rights of Shareholders (66 percent rating); Stakeholder Relations (80 percent rating); Ethics and Social Responsibility (74 percent rating); Accountability, Risk Management and Internal Control (76 percent rating); Transparency and Disclosure (75 percent rating)

The Capital Markets Authority awarded the Company a good rating of 72% a testament of the Board's commitment to sound corporate governance practices. The Company continues to implement the recommendations of CMA to improve the level of implementation of the CMA Code and other good governance practices.



DIRECTORS' REMUNERATION REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

INTRODUCTION

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

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

Nominations & Remunerations Committee

	2- Feb	20- Apr	19- Nov	28- Nov	Total meetings attendance
Luke Kinoti	✓	✗	✓	✗	2
Merab Ochieng	✗	✓	✓	✗	2
Antony Mbandi	✓	✓	✓	✗	3
Bertha Mvati	✗	✗	✓	✗	1
Fridah Owinga	✓	✗	✗	✗	1
Jayne Nyokabi	✓	✓	✓	✓	4

Key ✓ Present ✗ Absent

The Committee'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 committee 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 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 Companies Act 2015 was enacted in September 2015 and became operational in June 2016. According to the Act, the Company is 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 Companies Act. The Board Charter outlines a guideline on the Directors' Remuneration 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 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 Company's HR policies.

Link to Strategy
The 2019 to 2024 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 31st Dec 2024 together with the comparative figures for 2024 for Home Afrika Group.

a) Home Afrika Limited

	Year ended 31 December 2024			
	Name	**Salary**	**Meeting attendance fees**	**Total**
		Kes.	Kes.	Kes.
1	Peter Mungai-Chairperson	-	375,000.00	375,000.00
2	Mbugua Gecaga	-	400,000.00	400,000.00
3	Fridah Owinga	-	50,000.00	50,000.00
4	Luke Kinoti	-	275,000.00	275,000.00
5	Bertha Mvati	-	250,000.00	250,000.00
6	Antony Mbandi	-	425,000.00	425,000.00
7	Catherine Wahome	-	75,000.00	75,000.00
8	Jane Nyokabi	6,570,000.00		6,570,000.00
	TOTAL	**6,570,000.00**	**1,850,000.00**	**8,420,000.00**

b) Home Afrika Limited

	Year ended 31 December 2023			
	Name	**Salary**	**Meeting attendance fees**	**Total**
		Kes.	Kes.	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
	TOTAL	**6,570,000.00**	**2,250,000.00**	**8,820,000.00**

a) Mitini Scapes Development Limited

	Year Ended 31 December 2024			
	Name	Salary	Meeting Attendance fees	Total
1	Boniface Kamau - Chairperson	-	-	-
2	Susan Kasinga	-	000.00	000.00
3	Geoffrey Kamau	-	70,000.00	70,000.00
4	Jack Waihenya	-	50,000.00	50,000.00
5	Barth Ragalo	-	50,000.00	50,000.00
6	Connie Gakonyo	-	000.00	000.00
7	Mbugua Gecaga	-	50,000.00	50,000.00
8	Winnie Ngumi	-	50,000.00	50,000.00
	TOTAL	-	**270,000.00**	**270,000.00**

b) Mitini Scapes Development Limited

	Year Ended 31 December 2023			
	Name	Salary	Meeting Attendance fees	Total
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	-	100,000.00	100,000.00
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
	TOTAL	-	**500,000.00**	**500,000.00**

a) Home Afrika Communities Limited

	Year Ended 31 December 2024			
#	Name	Salary	Meeting Attendance fees	Total
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	Antony Mbandi	-	630,000.00	630,000.00
	TOTAL	**-**	**3,990,000.00**	**3,990,000.00**

	Year Ended 31 December 2023			
#	Name	Salary	Meeting Attendance fees	Total
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	Antony Mbandi		315,000.00	315,000.00
	TOTAL	**-**	**4,620,000.00**	**4,620,000.00**

a) Suburban Limited

	Year Ended 31 December 2024			
	Name	**Salary**	**Meeting Attendance fees**	**Total**
1	Dr. Mbira Gikonyo - Chairperson	-	000.00	000.00
2	Geoffrey Luseno	-	000.00	000.00
	TOTAL		**000.00**	**000.00**

b) Suburban Limited

	Year Ended 31 December 2023			
	Name	**Salary**	**Meeting Attendance fees**	**Total**
1	Dr. Mbira Gikonyo - Chairperson	-	298,381.00	298,381.00
2	Geoffrey Luseno	-	298,381.00	298,381.00
	TOTAL		**596,762.00**	**596,762.00**



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

Managing Director Base Salary:
Purpose/Link to Corporate: Part of a basic competitive package to retain individuals of the necessary caliber to execute the Company's business strategy.

Operation: The Managing Director is entitled to a Salary & Director's fee 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.

Opportunity: 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:
Purpose / Link to Corporate: To provide Directors with a long-term savings opportunity; the pension forms part of a basic competitive package to recruit and retain.

Strategy Operation: A Defined Contribution plan for all Managing Directors. Opportunity: Company contribution as percentage of basic salary up to 7.5%, MD up to 7.5%.

Benefits
Purpose / Link to Corporate: Insured benefits are included to provide employee protection for the benefit of the employee and Company.

Strategy Operation: Insured benefits provided as part of Group schemes.

Opportunity: Group Medical Insurance Group Life Assurance Critical illness cover Club membership for business and personal use.

Annual Bonus Plan
Purpose / Link to Corporate: The bonus payment is implemented in accordance with an approved Compensation Policy

Strategy: 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.

Operation: 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;

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

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: -
Meeting of KPIs; and Longevity of stay in the company participating in attaining the results.

Opportunity: The Managing Director's terms of employment were within the Companies HR policies.
Performance Metrics: Company element based on challenging corporate, operational and financial KPIs. Measures, targets and weightings are set in respect of each financial year.
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.

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

Non-Executive Directors Meeting attendance fees
Purpose / Link to Corporate: Competitive fee to recruit and retain.
Strategy Operation: The NED fee is a meeting attendance fee that is paid quarterly in arrears.
Opportunity: Fees are determined in accordance with market practice. The Remuneration Committee recommends the fees payable to the Chairman and other NEDs.

- Meeting attendance fees applies to attendance at Board meetings, Annual General Meeting, Board Committee meetings, Strategic Planning Workshop and Board Training Workshops;

- 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.
- Directors attending out-of-country Board meetings will be entitled to receive an additional allowance.
- No additional fees/allowances will be paid over and above the retainer and meeting attendance fees

Performance Metrics: None

Performance Share plan

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

Other Key Policies influencing Directors' Remuneration

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.

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.

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.

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

Capitals Impacted: Financial, Manufactured, Intellectual, Social & Relationship

Overview

In 2024, Home Afrika delivered a return to profitability, posting a net income of KSh 133.5 million. This performance reflects our strategic shift toward financial sustainability, capital efficiency, and long-term value creation. The financial strength strategy integrates four key areas: diversified funding, debt optimization, disciplined capital deployment, and improved access to buyer financing.

Funding Sources and Capital Structure

To sustain operations and execute key projects, Home Afrika maintained a diversified capital base:

- Equity Capital: Shareholder funds continued to support key developments, reinforcing stakeholder confidence following our return to profitability.
- Strategic Capital: Investor engagement efforts intensified, with several parties conducting due diligence for long-term equity partnerships aligned with our growth strategy.

Debt Management and Financial Risk

We maintained active financing relationships across multiple facilities. However, two key developments in 2024 affected our debt profile:

- I&M Bank placed Mitini Scapes Ltd., a wholly owned subsidiary, under administration. We are currently engaged with the appointed administrator and lender to explore an equitable resolution.
- Eco Bank received court approval to dispose of project security at market value. Negotiations are underway to ensure orderly settlement and minimize balance sheet risk.

Despite these developments, we continued to honor all other debt obligations. Our total finance costs rose to KSh 78.7 million (from KSh 25.5 million in 2023), reflecting reinstated interest payments following the lapse of prior grace periods.

To stabilize future outflows, we are actively pursuing:

- Debt restructuring and prepayments;
- Refinancing options with existing lenders;
- Equity injections to reduce leverage.

Disciplined Capital Allocation

We apply a rigorous Return on Investment (ROI) framework across all major developments, targeting a minimum 30% return. This approach integrates:

- Market-based feasibility assessments;
- Structured risk and pricing reviews;
- Real-time budget monitoring systems.

This model underpinned our return to profitability and will remain central to future capital deployment.

Buyer Finance Ecosystem

Affordable financing remains a key barrier to homeownership in our target market. In 2024, we progressed toward strategic partnerships with banks and mortgage providers to co-develop tailored buyer finance products. These efforts aim to:

- Increase accessibility for end-users;
- Accelerate unit sales;
- Improve cash flow timing and revenue recognition.

Looking Ahead (2025 and Beyond)

Our financial strength strategy will continue to support value creation through:

- Completion of debt resolution processes with I&M Bank and Eco Bank;
- Finalization of new equity partnerships;
- Scaling up buyer financing frameworks;
- Maintaining disciplined, ROI-driven investment principles.

This approach ensures long-term sustainability while aligning capital usage with stakeholder expectations and market realities.

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2024



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COMPANY INFORMATION

BOARD OF DIRECTORS

Peter Mungai
Jayne Nyokabi
Mbugua Gecaga
Luke Kinoti
Bertha Mvati
Antony Mbandi
Merab Ochieng (Joined in May 2024)
Catherine Wahome (Upto to Dec 2024)

PRINCIPLE PLACE OF BUSINESS

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

Kisumu Branch
Harleys Building
1st floor
Kisumu

Nanyuki Branch
Ubii Plaza
3rd Floor
Nanyuki

INDEPENDENT AUDITOR

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

PRINCIPLE BANKERS

Kenya Commercial Bank Limited

I&M Bank Limited

Equity Bank

NCBA Bank

Cooperative Bank

SUBSIDIARIES

Home Afrika Communities Limited

Mitini Scapes Development Limited

Migaa Management Company Limited

Lakeview Heights Development Limited

Llango Development Limited

Kikwete Development Limited

Kivuli Golf Limited

Suburban Limited

LEGAL ADVISORS

Muriu Mungai & Company Advocates.

Wainaina Ireri & Co Advocates

Robson Harris & Co Advocates

MOJ Attorneys

Muchoki Kangata Njenga & Co Advocates



REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 December 2024, 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 properties.

BUSINESS REVIEW

During the year 2024 the total turnover of the group increased from Kshs. 377,195,320 to Kshs. 781,906,719. This is the net effect of more plots and houses sales made in the current year compared to prior year and increase in percentage of completion.
The group repoted a profit of Kshs 133,466,505 for the year 2024 compared to loss of Kshs 27,835,780 reported in the year 2023.
As at 31 December 2024, the net liability position of the group was Kshs. 2,331,953,844 compared to Kshs. 2,586,545,675 as at 31 December 2023.

	Group		Company	
Key performance indicators	**2024 Kshs**	**2023 Kshs**	**2024 Kshs**	**2023 Kshs**
Turnover (Kshs)	781,906,719	377,195,320	48,056,410	22,798,000
Gross profit (Kshs)	373,475,325	114,838,936	26,773,876	11,436,606
Gross profit margin (%)	47.76%	30.45%	55.71%	50.16%
EBITDA	229,523,736	9,993,185	(15,418,788)	(28,643,284)
Profit for the year	133,466,505	(27,835,780)	(18,897,446)	(32,828,008)
Net (liabilities) (Kshs)	(2,331,953,844)	(2,586,545,675)	(1,326,342,782)	(1,323,617,571)

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 (2023: Nil).

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 119.

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

STATEMENT AS TO DISCLOSURE TO THE COMPANY'S AUDITOR

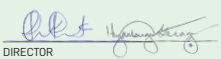
With respect to each director at the time this report was approved:
(a) There is, so far as the person is aware, no relevant audit information of which the company's auditor is unaware; and
(b) The person has taken all the steps that the person ought to have taken as a director so as to be aware of any 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 continues 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

24/04/ 2025

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 irregularities.

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 2024 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 24/04/ 2025 signed on its behalf by :

DIRECTOR DIRECTOR

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 128 to 137**, which comprise the consolidated and company statements of financial position as at 31 December 2024, and the consolidated and company statements of profit or loss and other comprehensive income, consolidated and company statements of changes in equity and consolidated and company statements of cash flows for the year then ended, and notes to the consolidated and company financial statements, including material accounting policy information.

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 had net current liabilities of Kshs. 2,722,853,595 and a deficiency in shareholders funds of Kshs. 2,331,953,844. 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 Kshs 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 for impairment given the uncertainties in completion of the project as reflected in Note 15.

(iv) As detailed in note 32 one of the group entities have been placed under administration for recovery of debts owed to one of the group lenders. This affects the going concern of the entity and the group as a whole. 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 since the houses pledged as security are subject to auction by the lenders.

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.

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

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 Group and 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

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 124:**

- 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 121 to 122** 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

24/04/ **2025**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	2024 Kshs	2023 Kshs
Revenue from contracts with customers	3	781,906,719	377,195,320
Cost of sales		(408,431,394)	(262,356,384)
Gross profit		**373,475,325**	**114,838,936**
Other operating income	4	31,350,350	13,042,482
Selling and distribution expenses		(11,404,217)	(7,146,950)
Administrative expenses		(136,527,855)	(80,262,576)
Other operating expenses		(33,131,114)	(37,208,466)
Operating profit/(loss)	**5**	**223,762,489**	**3,263,426**
Finance costs	7	(78,694,316)	(25,512,991)
Profit /(loss) before tax		**145,068,173**	**(22,249,565)**
Tax charge	8	(11,601,668)	(5,586,215)
Profit/(loss) for the year		**133,466,505**	**(27,835,780)**
Total comprehensive income for the year		**133,466,505**	**(27,835,780)**
Profit/(Loss) attributable to:			
- Owners of the parent		52,995,548	(16,460,581)
- Non-controlling interest		80,470,957	(11,375,199)
		133,466,505	(27,835,780)
(Loss) per share (Shs)			
- basic and diluted	9	0.13	(0.04)

The notes on **pages 138 to 174** form an integral part of these financial statements.
Report of the independent auditor - **pages 124 to 127.**

COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	2024 Kshs	2023 Kshs
Revenue from contracts with customers	3	4 8,056,410	22,798,000
Cost of sales		**(21,282,534)**	**(11,361,394)**
Gross profit	2	6,773,876	11,436,606
Other operating income	4	2 ,004,500	1,092,728
Selling and distribution		(4,530,976)	(3,066,623)
Administrative expenses		(37,103,395)	(35,596,335)
Other operating expenses		**(5,485,700)**	**(6,180,633)**
Operating loss		(18,341,696)	(32,314,258)
Finance costs	7	-	-
Loss before tax		(18,341,696)	(32,314,258)
Tax	**8**	**(555,750)**	**(513,750)**
Loss for the year		(18,897,446)	(32,828,008)
Total comprehensive loss for the year		**(18,897,446)**	**(32,828,008)**
Loss per share			
- Basic	9	(0.05)	(0.08)

The notes on **pages 138 to 174** form an integral part of these financial statements.

Report of the independent auditor - **pages 124 to 127.**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31st December	
		2024	2023
	Notes	Kshs	Kshs
Non-current assets			
Property and equipment	10	47,612,666	49,346,569
Investment property	11	343,031,042	343,031,042
Intangible assets	12	254,043	379,168
Financial assets	14	2,000	2,000
		390,899,751	**392,758,779**
Current assets			
Inventories	15	3,000,918,623	3,401,751,171
Trade and other receivables	16	341,435,975	226,568,128
Cash and cash equivalents	17	5,997,290	33,821,780
		3,348,351,888	**3,662,141,079**
Total assets		**3,739,251,638**	**4,054,899,859**
Current liabilities			
Deferred income	18	239,217,084	796,443,392
Trade and other payables	19	1,505,759,153	1,456,383,550
Deposit from sale of plots and units	19	2,448,770,133	2,598,749,767
Borrowings	21	1,019,528,965	931,613,712
Private placement bond	22	680,950,000	680,950,000
Deposit for shares	22	143,146,022	152,446,022
Current tax	8	33,834,126	24,859,091
		6,071,205,483	6,641,445,534
Net current liabilities		**(2,722,853,595)**	**(2,979,304,455)**
Total liabilities		**6,071,205,483**	**6,641,445,534**
Net liabilities		**(2,331,953,844)**	**(2,586,545,675)**

EQUITY			
Share capital	24	405,255,320	405,255,320
Share premium	25	68,842,038	68,842,038
Accumulated deficit		(2,357,272,397)	(2,531,393,271)
Equity attributed to owners of the parent		(1,883,175,039)	(2,057,295,913)
Non-controlling interest		(448,778,805)	(529,249,762)
Total equity		(2,331,953,844)	(2,586,545,675)

The financial statements on **pages 128 to 137** were approved and authorised for issue by the Board of Directors on 24/04/ 2025 and were signed on its behalf by:

DIRECTOR DIRECTOR

The notes on **pages 138 to 174** form an integral part of these financial statements.

Report of the independent auditor - **pages 124 to 127.**

COMPANY STATEMENT OF FINANCIAL POSITION

	Notes	As at 31st December 2024 Kshs	2023 Kshs
Non-current assets			
Property and equipment	10	43,663,825	45,124,953
Intangible assets	12	254,042	379,168
Investment in subsidiaries	13	2,752,000	2,752,000
Financial assets	14	2,000	2,000
		46,671,867	48,258,121
Current assets			
Inventories	15	232,325,543	246,689,434
Trade and other receivables	16	48,799,562	36,151,860
Cash and cash equivalents	17	1,749,645	1,722,286
		282,874,750	284,563,580
Total assets		**329,546,617**	**332,821,702**
Current liabilities			
Trade and other payables	19	877,057,959	928,898,770
Deposit from sale of plots	19	252,971,415	199,553,160
Private placement bond	21	524,435,730	524,435,730
Borrowings	20	-	2,683,068
Current tax	8	1,424,295	868,545
		1,655,889,399	1,656,439,273
Net current liabilities		**(1,373,014,649)**	**(1,371,875,693)**
Net liabilities		**(1,326,342,782)**	**(1,323,617,571)**

EQUITY			
Share capital	24	405,255,320	405,255,320
Share premium	25	68,842,038	68,842,038
Accumulated deficit		(1,800,440,139)	(1,797,714,929)
Total equity		(1,326,342,781)	(1,323,617,571)

The financial statements on **pages 128 to 137** were approved and authorised for issue by the Board of Directors on 24/04/ 2025 and were signed on its behalf by:



DIRECTOR



DIRECTOR

The notes on **pages 138 to 174** form an integral part of these financial statements.

Report of the independent auditor - **pages 124 to 127**.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2023	Share capital Kshs	Share premium Kshs	Accumulated deficit Kshs	Total Kshs	Non controlling interests Kshs	Total equity Kshs
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)
Year ended 31 December 2024						
At start of year	405,255,320	68,842,038	(2,531,393,271)	(2,126,649,879)	(529,249,762)	(2,586,545,675)
Prior year adjustment	-	-	121,125,326	121,125,326	-	121,125,326
Total comprehensive (loss) for the year	-	-	52,995,548	52,995,548	80,470,957	133,466,505
At end of year	405,255,320	68,842,038	(2,357,272,397)	(1,952,529,005)	(448,778,805)	(2,331,953,844)

** The prior year adjustment relates to service charge expenses paid by the company on behalf of the management company which are now written back and surcharged to the management company.

The notes on **pages 138 to 174** form an integral part of these financial statements.

Report of the independent auditor - **pages 124 to 127.**

COMPANY STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2023	Share capital Kshs	Share premium Kshs	Accumulated deficit Kshs	Total Kshs
At start of year	405,255,320	68,842,038	(1,871,669,991)	(1,397,572,633)
Adjustment for interest provision	-	-	100,000,000	100,000,000
**Prior year adjustment	-	-	6,783,070	6,783,070
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)	(1,323,617,571)
Year ended 31 December 2024				
At start of year	405,255,320	68,842,038	(1,797,714,929)	(1,323,617,571)
**Prior year adjustment 1	-	-	10,811,274	10,811,274
**Prior year adjustment 2	-	-	5,360,962	5,360,962
Total comprehensive (loss) for the year	-	-	(18,897,446)	(18,897,446)
At end of year	405,255,320	68,842,038	(1,800,440,139)	(1,326,342,781)

** The prior year adjustment in 2023 relates to write-off of accounts payable related to services not offered to the company.

** The prior year adjustment 1 in 2024 relates to service charge expenses paid by the company on behalf of the management company which are now written back and surcharged to the management company.

** The prior year adjustment 2 in 2024 relates to write-off of overstated staff costs in the prior years.

The notes on **pages 138 to 174** form an integral part of these financial statements.

Report of the independent auditor - **pages 124 to 127**.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2024 Kshs	2023 Kshs
Operating activities			
Cash from operations	26	385,809,311	395,618,598
Interest paid	27	(78,694,316)	(25,512,991)
Net cash from operating activities		307,114,995	370,105,607
Investing activities			
Cash paid for purchase of property and equipment	10	(3,089,138)	(188,120)
Proceeds from disposal of property and equipment		-	619,772
Net cash (used in) investing activities		(3,089,138)	431,652
Financing activities			
Repayment:			
- borrowings		(4,395,217)	(4,395,217)
- deposits for shares		12,200,000	2,900,000
Proceeds			
- hire purchase		(2,678,216)	(3,399,944)
- borrowings		(334,293,846)	(334,293,846)
Net cash (used in) financing activities	28	(329,167,280)	(339,189,008)
Increase/(Decrease) in cash and cash equivalents		(25,141,423)	31,348,252
Movements in cash and cash equivalents			
At start of year		31,138,713	(209,539)
Increase/(Decrease)		(25,141,423)	31,348,252
At end of year	17	5,997,290	31,138,713

The notes on **pages 138 to 174** form an integral part of these financial statements.

Report of the independent auditor - **pages 124 to 127**.

COMPANY STATEMENT OF CASH FLOWS

	Notes	2024 Kshs	2023 Kshs
Operating activities			
Cash from operations	26	4,377,856	86,019,199
Interest paid	27	-	-
Net cash (used in)/from operating activities		4,377,856	86,019,199
nvesting activities			
Cash paid for purchase of property and equipment	10	(1,667,428)	(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		(1,667,428)	330,772
Financing activities			
Repayment of borrowings		(2,678,215)	(3,399,946)
Bond repayment		-	(79,329,475)
Net cash used in financing activities		(2,678,215)	(82,729,421)
Increase in cash and cash equivalents		32,213	3,620,551
Movements in cash and cash equivalents			
At start of year		1,717,432	(1,903,119)
(Decrease)/increase		32,213	3,620,551
At end of year	17	1,749,645	1,717,432

The notes on **pages 138 to 174** form an integral part of these financial statements.

Report of the independent auditor - **pages 124 to 127**.

NOTES

1 Material accounting policy information

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 2024, the group recognised a net profit of Kshs.133.46 million (2023: Loss of Kshs.27.83 million). The statement of financial position also indicates a deficiency in shareholders' funds of Kshs.2.33 billion (2023: Kshs.2.59 billion) and net current liabilities of Kshs.2.72 billion (2023: Kshs. 2.97 billion). However, included in the current liabilities are deposits for sale of plots and units as well as deferred income of Kshs.2.45 billion and Khs.239.22 million 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.

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.

1.3 Adoption of new and revised financial reporting standards

(i) The following new and revised standards have become effective for the first time in the financial year beginning 1st January 2024:

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

The amendments 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 IAS 1 titled Non-current Liabilities with Covenants (issued in October 2022)

The amendments improve the information an entity provides about liabilities arising from loan arrangements for which an entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement.

Amendment to IAS 41 titled Taxation in Fair Value Measurements (issued in May 2020 as part of the Annual Improvements to IFRS Standards 2018-2020)

The amendment, applicable to annual periods beginning on or after 1st January 2022, to IAS 41 removed the requirement to exclude taxation cash flows when measuring fair value. This amendment aligned the requirements in IAS 41 on fair value measurement with those in other IFRS Standards.

(ii) New and revised standards and interpretations in issue but not yet effective

The group has not applied the following new and revised standards and interpretations that have been published but are not yet effective for the year beginning 1st January 2024. None of the changes is expected to have any material impact on the Company's financial statements except IFRS 18, which will require changes to the presentation, and related disclosures, of the Profit and Loss Account and the Statement of Cash Flows.

Amendments to IAS 21 titled Lack of Exchangeability (issued in August 2023)

The amendments, applicable to annual periods beginning on or after 1st January 2025, require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

IFRS 18 titled Presentation and Disclosure in Financial Statements (issued in April 2024)

The new standard, applicable to annual periods beginning on or after 1st January 2027, replaces IAS 1 and sets out revised requirements for the presentation and disclosure of information in general purpose financial statements.

IFRS 19 titled Subsidiaries without Public Accountability: Disclosures (issued in May 2024)
The new standard, applicable to annual periods beginning on or after 1st January 2027, specifies the disclosure requirements a subsidiary without public accountability is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.
Other:
The group does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the Company.

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.

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:

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. 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.

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.

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.

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.

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

	Group		Company	
	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs
Recognised over time:				
- Revenue from sale of property	781,906,719	377,195,320	48,056,410	22,798,000

4. Other operating income

Rental income	3,969,500	3,024,728	-	-
Green fees and other golf charges	27,380,850	10,017,754	2,004,500	1,092,728
	31,350,350	13,042,482	2,004,500	1,092,728

5 Operating (loss)

The following items have been charged in arriving at operating (loss):	Group 2024 Kshs	Group 2023 Kshs	Company 2024 Kshs	Company 2023 Kshs
Depreciation on property and equipment (Note 10)	5,636,122	6,543,005	2,797,783	3,484,219
Amortisation of intangible assets (Note 12)	-	0	125,125	184,754
Auditors' remuneration				
- current year	1,740,000	1,488,594	364,840	314,517
Directors' emoluments	5,250,000	6,135,000	2,100,000	2,775,000
Staff costs (Note 6)	65,791,869	41,394,615	24,350,801	23,180,852

6 Staff costs

Salaries and wages	63,059,814	36,187,891	22,915,614	21,967,729
Other staff costs	2,099,055	4,573,724	1,158,787	936,723
Pension costs				
- National Social Security Fund	633,000	633,000	276,400	276,400
	65,791,869	**41,394,615**	**24,350,801**	**23,180,852**

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

	Group 2024	Group 2023	Company 2024	Company 2023
Sales and marketing	27	27	20	20
Projects	111	111	2	2
Management and administration	36	36	26	26
Total	173	173	48	48

7 Finance costs

	Group 2024 Kshs	Group 2023 Kshs	Company 2024 Kshs	Company 2023 Kshs
Interest expense:				
- bank borrowings	76,901,516	23,720,191	-	-
- private placement bond	-	-	-	-
- deposit for shares	1,792,800	1,792,800	-	-
	78,694,316	**25,512,991**	-	-

NOTES (CONTINUED)

8 Tax

	Group		Company	
	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs
Current tax	11,601,668	5,586,215	555,750	-
Deferred tax (credit)/ charge (Note 24)	-	-	-	-
	11,601,668	5,586,215	555,750	-
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	145,068,173	(22,249,565)	(18,341,696)	(32,314,258)
Tax calculated at a tax rate of 30% (2019: 30%)	43,520,452	(6,674,870)	(5,502,509)	(9,694,277)
Tax effect of:				
- income and expenses not taxable/allowable	(194,477,773)	(150,297,904)	623,376	638,376
- tax losses and other temporary differences on which deferred tax has not been recognised	162,558,989	162,558,989	5,583,735	9,113,797
	11,601,668	5,586,215	704,602	57,896

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.

	Group		Company	
	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs
Net (loss) attributable to shareholders	52,995,548	(60,002,011)	(18,897,446)	(32,828,008)
Weighted average number of ordinary shares	405,255,320	405,255,320	405,255,320	405,255,320
(Loss) per share - basic and diluted	0.13	(0.15)	(0.05)	(0.08)

NOTES (CONTINUED)

10 Property and equipment

Group	Building Kshs	Tractor Kshs	Motor vehicles Kshs	Computer equipment Kshs	Furniture and fittings Kshs	Office equipment Kshs	Total Kshs
Year ended 31 December 2024							
Cost							
At start of year	33,138,104	26,043,521	13,499,875	10,827,765	22,318,404	31,877,908	137,705,577
Additions	-	-	-	1,292,348	852,750	944,040	3,089,138
At end of year	33,138,104	26,043,521	13,499,875	12,120,113	23,171,154	32,821,948	140,794,715
Depreciation							
At start of year	17,221,233	12,662,541	11,540,515	9,538,461	16,197,438	20,515,269	87,675,455
Charge for the year	937,704	2,073,207	674,967	498,464	731,441	590,811	5,506,594
At end of year	18,158,937	14,735,748	12,215,482	10,036,924	16,928,879	21,106,079	93,182,049
Net book value	**14,979,167**	**11,307,773**	**1,284,393**	**2,083,189**	**6,242,275**	**11,715,869**	**47,612,666**
Year ended 31 December 2023							
Cost							
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
Disposal	-	-	-	-	-	-	-
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
Depreciation							
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
Disposal	-	-	-	-	-	-	-
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
Net book value	**15,916,871**	**13,380,980**	**1,959,360**	**1,289,304**	**6,120,966**	**11,362,639**	**50,030,122**

NOTES (CONTINUED)

10 Property and equipment (continued)

Company	Building Kshs	Motor vehicles Kshs	Computer equipment Kshs	Furniture and fittings Kshs	Office equipment Kshs	Total Kshs
Year ended 31 December 2024						
Cost						
At start of year	56,994,527	9,193,220	1,970,680	17,311,148	5,737,215	91,206,790
Additions	-	-	1,292,348	76,500	298,580	1,667,428
At end of year	56,994,527	9,193,220	3,263,028	17,387,648	6,035,795	92,874,218
Depreciation						
At start of year	19,949,449	7,504,201	1,517,774	13,171,350	4,269,835	46,412,610
Charge for the year	937,704	679,068	442,584	535,956	202,471	2,797,783
At end of year	20,887,153	8,183,269	1,960,358	13,707,306	4,472,306	49,210,393
Net book value	36,107,374	1,009,951	1,302,670	3,680,342	1,563,489	43,663,825
Year ended 31 December 2023						
Cost						
At start of year	56,994,527	9,193,220	7,323,225	17,311,148	5,737,215	96,559,335
Additions	-	-	289,000	-	-	289,000
Disposal	-	-	(5,641,545)	-	-	(5,641,545)
At end of year	56,994,527	9,193,220	1,970,680	17,311,148	5,737,215	91,206,790
Depreciation						
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	-	-	(5,021,773)	-	-	(5,021,773)
Disposal	1,424,856	905,424	352,915	591,396	209,628	3,484,219
At end of year	19,949,449	7,504,201	1,517,774	13,171,350	4,269,835	46,412,609
Net book value	**37,045,078**	**1,689,019**	**452,906**	**4,139,798**	**1,467,380**	**44,794,181**

NOTES (CONTINUED)

11 Investment property

Group Year ended 31 December 2024	Land Kshs	WIP Kshs	Total Kshs
At start of year	300,900,939	42,130,103	343,031,042
Additions	-	-	
Fair value gain	-		-
Transfers to inventories			-
At end of year	300,900,939	42,130,103	343,031,042
Year ended 31 December 2023			
At start of year	300,900,939	42,130,103	343,031,042
Additions	-	-	
Fair value gain	-		-
Transfers to inventories			-
At end of year	**300,900,939**	**42,130,103**	**343,031,042**

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:	Level 1 Kshs	Level 2 Kshs	Level 3 Kshs	Fair value Kshs
Land held as investment property	-	-	343,031,042	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.

NOTES (CONTINUED)

12 Intangible assets

Group	Computer Software Kshs	Website costs Kshs	Total Kshs
Year ended 31 December 2024			
Cost			
At end of year	10,508,836	1,183,800	11,692,636
Amortisation			
At start of year	10,129,668	1,183,800	11,313,468
Amortisation for the year	-	-	-
At end of year	10,254,793	1,183,800	11,438,593
Net book value	**254,043**	-	**254,043**
Year ended 31 December 2023			
Cost			
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
Amortisation			
At start of year	9,942,914	1,183,800	11,126,714
Amortisation for the year	186,754	-	186,754
At end of year	10,129,668	1,183,800	11,313,468
Net book value	**379,168**	-	**379,168**

Company	Computer software 2024 Kshs	2023 Kshs
Cost		
At start of year	10,508,836	10,508,836
Additions	-	-
At end of year	10,508,836	10,508,836
Amortisation		
At start of year	10,129,668	9,942,914
Amortisation for the year	125,125	186,754
At end of year	10,254,793	10,129,668
Net book value	**254,042**	**379,168**

13 Investments in subsidiaries

Company

Name	Country of incorporation	Holding 2024	Holding 2023	Company 2024 Kshs	Company 2023 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				-	-
				2,752,000	**2,752,000**

The composition of the group is as follows:

Name	Country of incorporation	Proportion of ownership interest 2024	Proportion of ownership interest 2023	Proportion owned via subsidiary companies 2024	Proportion owned via subsidiary companies 2023	Principal Activities	Wholly or non-wholly owned subsidiary
Mitini Scapes Development Limited	Kenya	100%	100%	-	-	Development and sale of real estate	Wholly
Lakeview Heights Development Limited	Kenya	100%	100%	-	-	Development and sale of real estate	Wholly
Lango Development Limited	Kenya	100%	100%	-	-	Development and sale of real estate	Wholly
Kikwetu Limited	Kenya	100%	100%	-	-	Development and sale of real estate	Wholly
Smart Plots Limited	Kenya	100%	100%	-	-	Development and sale of real estate	Wholly
Home Afrika Communities Limited	Kenya	60%	60%	-	-	Development and sale of real estate	Non-wholly
Suburban Limited	Kenya	50%	50%	-	-	Development and sale of real estate	Non-wholly
Migaa Management Limited	Kenya	52%	52%	-	-	Development and sale of real estate	Non-wholly
Moru Ridge Limited	Kenya	-	-	60%	60%	Development and sale of real estate	Non-wholly
Kivuli Golf Limited	Kenya	-	-	60%	60%	Development and sale of real estate	Non-wholly
Migaa PDS Limited	Kenya	-	-	60%	60%	Development and sale of real estate	Non-wholly

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.

	Home Afrika Communities Limited		Suburban Limited		Moru Ridge Limited	
	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs
Current assets	1,725,241,548	1,924,575,500	69,583,002	72,660,581	555,239,206	555,239,606
Non-current assets	20,202,853	22,543,765	233,258	247,145	1,622	2,316
Current liabilities	(3,868,746,290)	(4,461,393,113)	(120,967,016)	(123,923,399)	(1,668,736,011)	(1,713,976,367)
Non-controlling interests	**88,004,864**	**2,577,713**	**(45,523,630)**	**(45,355,073)**	**(479,722,303)**	**(478,217,186)**

13 Investments in subsidiaries (continued)

Summarised financial information (continued)

	Home Afrika Communities Limited		Suburban Limited		Moru Ridge Limited	
	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs
Revenue	597,726,308	81,600,861	0	0	-	-
Expenses	(384,158,430)	(108,449,186)	(337,114)	(119,997)	(376,2794)	(1,167,435)
(Loss) or profit for the year	213,567,878	(26,848,325)	(337,114)	(119,997)	(376,2794)	(1,167,435)
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)	-	-	-	-
Net cash (out) / in flow	40,248	40,248	-1,012,130	-1,012,130	-6,490,733	-6,490,733

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.

NOTES (CONTINUED)

14 Financial assets

Available-for-sale	Incorporation		Group and company 2024 Kshs	2023 Kshs
Morningside Office Park Limited	Kenya	12%	2,000	2,000

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

15 Inventories

	Group		Company	
	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs
Plots held for sale	948,312,093	1,057,145,175	232,325,543	246,689,434
Units held for sale	67,842,813	67,842,813	-	-
Work in progress	2,375,294,797	2,667,294,263	-	-
Less: impairment provision	(390,531,081)	(390,531,081)	-	-
	3,000,918,623	**3,401,751,171**	**232,325,543**	**246,689,434**

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 an ongoing legal case where the court ordered that the bank take up the property at market value.

16 Trade and other receivables

	Group		Company	
	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs
Current				
Trade receivables	2,736,208	2,926,718	-	-
Less: impairment provision	-	-	-	-
Net trade receivables	2,736,208	2,926,718	-	-
Other receivables	(573,130)	14,671,811	39,136	39,136
Deposits and prepayments	57,614,210	55,003,420	261,758	(2,349,024)
Shareholders account	(5,100,000)	500,000	-	-
Receivables from related parties (Note 28(iii))	304,915,443	171,622,956	772,153,792	762,116,872
Less: impairment provision	(18,156,776)	(18,156,776)	(723,655,124)	(723,655,124)
	341,435,975	**226,568,128**	**48,799,562**	**36,151,860**

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.

NOTES (CONTINUED)

17 Cash and cash equivalents

	Group		Company	
	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs
Cash at bank and in hand	5,997,290	33,821,780	1,749,645	1,722,286

For the purposes of the statement of cash flows, the year end cash and cash equivalents comprise the following:

Cash and bank	5,997,290	33,821,780	1,749,645	1,722,286
Book overdraft (Note 20)	-	(2,683,068)	-	(2,683,068)
	5,997,290	**31,138,713**	**1,749,645**	**(960,782)**

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 shillings.

18 Deferred income

	Group	
	2024 Kshs	2023 Kshs
Deferred income	239,217,084	998,427,582

Deferred income represents unrecognised revenue on account of ongoing construction.

19 Trade and other payables

	Group		Company	
	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs
Current				
Trade payables	580,028,627	621,861,258	75,553,868	115,916,618
Accruals	131,007,966	145,070,406	136,515,213	138,098,687
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	67,612,229	59,063,784	-	-
Other payables	76,754,823	72,974,720	39,200,164	40,703,405
Payable to related parties (Note 28(iv))	206,245,404	113,303,278	625,788,714	634,180,860
	1,505,759,153	1,456,383,550	877,057,959	928,898,770
Deposit from sale of plots and units	2,448,770,133	2,598,749,767	252,971,415	199,553,160
Total trade and other payables	**3,954,529,286**	**4,055,133,317**	**1,130,029,374**	**1,128,451,930**

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 shillings.

NOTES (CONTINUED)

20 Trade and other payables (continued)

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

Year ended 31 December 2024

	0 to 1 month Kshs	2 to 3 months Kshs	4 to 12 months Kshs	Total Kshs
Trade payables	30,626,777	248,998,832	300,403,018	580,028,627
Accruals	33,627,366	41,534,611	55,845,989	131,007,966
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	-	-	2,448,770,133	2,448,770,133
Deposit for service charge and shares	-	-	76,754,823	67,612,229
Other payables	-	-	206,245,404	76,754,823
Payable to related parties	-	-	206,245,404	206,245,404
	64,254,143	**314,092,968**	**3,714,815,350**	**3,954,529,286**

Year ended 31 December 2023

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
	70,072,570	**336,509,518**	**3,702,790,723**	**4,055,133,317**

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

Year ended 31 December 2024

	0 to 1 month Kshs	2 to 3 months Kshs	4 to 12 months Kshs	Total Kshs
Trade payables	43,639,854	27,146,934	4,767,080	75,553,868
Accruals	16,583,383	42,694,788	77,237,042	136,515,213
Deposit from sale of plots	33,752,288	219,219,127	-	252,971,415
Other payables	-	3,477,866	35,722,298	39,200,164
Payable to related parties	-	-	625,788,714	625,788,714
	93,975,525	**292,538,715**	**743,515,134**	**1,130,029,374**

Year ended 31 December 2023

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
	110,354,131	**261,378,863**	**756,718,936**	**1,128,451,930**

NOTES (CONTINUED)

21 Borrowings

The borrowings are made up as follows:	Group		Company	
	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs
Current				
Bank loans	1,019,528,965	928,930,644	-	-
Hire Purchase	-	-	-	-
Book overdraft	-	2,683,068	-	2,683,068
	1,019,528,965	**931,613,712**	**-**	**2,683,068**

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. 325,000,000.
- 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 S03 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. M0014 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.

Weighted average effective interest rates at the reporting date were:	Group	
	2024 Kshs	2023 Kshs
Bank borrowings	18.5%	18.5%

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 outastanding balance of Khs 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 toKshs 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.

NOTES (CONTINUED)

22 Private Placement Bond

	Group		Company	
	2024	2023	2024	2023
Current	Kshs	Kshs	Kshs	Kshs
Bond - principal	500,000,000	500,000,000	500,000,000	500,000,000
Interest accrual - bond	180,950,000	180,950,000	24,435,730	24,435,730
	680,950,000	**680,950,000**	**524,435,730**	**524,435,730**

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

	Group	
	2024	2023
Current	Kshs	Kshs
- Deposits for ordinary shares pending allotment	79,957,300	87,757,300
- Deposits for preference shares pending issue	63,188,722	64,688,722
	143,146,022	152,446,022
	143,146,022	**152,446,022**

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 indefault 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 subsidary companies. No shares had been allotted as at the statement of financial position date.

NOTES (CONTINUED)

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:

	Group	
	2024 Kshs	2023 Kshs
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:

	At start of year Kshs	Charge/(credit) to profit or loss Kshs	At end of year Kshs
Deferred tax liabilities			
Fair value gain on investment property	152,153,167	(152,153,167)	-
Deferred tax assets			
Property and equipment	(338,023)	(277,930)	(615,953)
Tax losses carried forward	435,566,164	(14,611,384)	(450,177,548)
	435,228,141	(14,889,314)	(450,793,501)
Net deferred tax asset	**587,381,308**	**(167,042,481)**	**(450,793,501)**
Deferred tax assets not recognised	587,381,308	(167,042,481)	450,793,501
	-	-	-

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:

	Kshs	Expiry
- 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	**18,354,766**	
- tax losses arising in 2022	**27,835,780**	

NOTES (CONTINUED)

23 Deferred tax (continued)

	Company	
	2024 Kshs	2023 Kshs
At start of year	-	-
(Credit)/charge to profit or loss	-	-
At end of year	-	-

Deferred tax (assets)	At start of year Kshs	(Credit)/charge to profit or loss Kshs	At end of year Kshs
Property and equipment	(187,273)	(77,306)	(264,579)
Tax losses carried forward	(206,470,398)	(5,506,429)	(211,976,827)
Net deferred tax asset	(206,657,671)	(5,583,735)	(212,241,406)
Deferred tax assets not recognised	206,657,671	5,583,735	212,241,406
	-	-	-

Deferred tax assets amounting to Kshs. 232,002,3075 (2022: Kshs. 264,322,640) in respect of tax losses carried froward 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:

	Kshs
- 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	18,354,766
- tax losses arising in 2022	32,828,008

24 Share capital

	Group and company	
	2024 Kshs	2023 Kshs
Authorised:		
500,000,000 (2022: 500,000,000) ordinary shares of shs. 1 (2022: Shs. 1) each	500,000,000	500,000,000
Issued and fully paid:		
405,255,320 (2022: 405,255,320) ordinary shares of Shs. 1 (2022: shs. 1) each	405,255,320	405,255,320

25 Share premium

	Group and company	
	2024 Kshs	2023 Kshs
At start and end of the year	68,842,038	68,842,038

NOTES (CONTINUED)

26 Cash from operations

Reconciliation of (loss) before tax to cash from/(used in) operations:	Group 2024 Kshs	Group 2023 Kshs	Company 2024 Kshs	Company 2023 Kshs
(Loss) before tax	145,068,173	(22,249,565)	(18,341,696)	(32,314,258)
Adjustments for:				
Depreciation on property and equipment (Note 10)	5,636,122	6,543,005	2,797,783	3,484,219
Amortization intangible assets (Note 12)	125,125	186,754	125,125	186,754
(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)	78,694,316	25,512,991	-	-
Changes in working capital:				
- inventories	807,858,435	180,392,983	14,591,892	13,427,777
- trade and other receivables	(114,867,847)	256,791,091	(12,647,701)	(307,996)
- trade and other payables	(100,604,031)	232,692,208	1,680,217	-7,918,581
- deferred income	(557,226,308)	-291,033,939	-	-
- Prior year adjustment	121,125,326	6,783,070	16,172,236	-
Cash from/(used in) operations	**385,809,311**	**395,618,598**	**4,377,856**	**83,340,986**

27 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	-	-
	1,979,758,116	1,970,361,187	500,000,000	500,000,000
Interest on borrowings charged to profit or loss	78,694,316	40,412,546	-	-
Interest on borrowings capitalised to inventory net of interest accruals included under trade and other payables	90,598,322	12,396,929	-	-
Cash flows:				
- Operating activities (interest paid)	(78,694,316)	(40,412,546)	-	-
- Proceeds from borrowing			-	2,677,815
- Repayments of borrowings	(4,395,217)	(4,395,217)	-	-
- Repayment of preference shares	12,200,000	3,000,000	-	-
At end of year	**2,078,161,220**	**1,981,362,899**	**500,000,000**	**502,677,815**
Representing:				
Borrowings (Note 20)	1,019,528,965	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)	143,146,022	155,346,022	-	-
Hire purchase (Note 20)	-	2,677,815	-	2,677,815
	1,662,674,987	**1,982,435,931**	**500,000,000**	**502,677,815**

NOTES (CONTINUED)

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:

i) Sale of goods	Group 2024 Kshs	Group 2023 Kshs
Sale of plots to other related parties - shareholders	-	-

ii) Key management personnel compensation

	Group 2024 Kshs	Group 2023 Kshs	Company 2024 Kshs	Company 2023 Kshs
Short term employee benefits	48,543,425	49,428,425	36,302,925	36,977,925

iii) Outstanding balances arising from payments to/received from related parties

	Group 2024 Kshs	Group 2023 Kshs	Company 2024 Kshs	Company 2023 Kshs
Receivable from related parties (Note 16)	286,758,687	153,466,180	48,498,668	38,461,748
Receivables from related parties can be analysed as follows:				
- Subsidiaries	-	-	38,153,752	38,153,752
- Other related parties	286,758,687	153,466,180	-	-
	286,758,687	**153,466,180**	**38,153,752**	**38,153,752**

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

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

	Group 2024 Kshs	Group 2023 Kshs	Company 2024 Kshs	Company 2023 Kshs
Payable to related parties (Note 19)	206,245,404	113,303,278	625,788,714	634,180,060
Payables from related parties can be analysed as follows:				
- Subsidiaries	-	-	550,428,064	558,819,410
- Other related parties e.g. Directors, shareholders	206,245,404	113,303,278	75,360,650	75,360,650
	206,245,404	**113,303,278**	**625,788,714**	**634,180,060**

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

NOTES (CONTINUED)

29 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.

NOTES (CONTINUED)

29 Risk management objectives and policies (continued)

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

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 2024	Kshs	Kshs	Kshs	Kshs	Kshs
Trade receivables	-	-	-	2,736,208	2,736,208
Other receivables	-	-	-	-573,130	-573,130
Deposits and prepayments	-	-	-	57,614,210	57,614,210
Shareholders account	-	-	-	-5,100,000	-5,100,000
Receivables from related parties	-	-	-	304,915,463	304,915,463
Gross carrying amount	-	-	-	359,592,751	359,592,751
Loss allowance	-	-	-	(18,156,776)	(18,156,776)
Exposure to credit risk	-	-	-	**341,435,975**	**341,435,975**
As at 31 December 2023					
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	244,724,904
Loss allowance	-	-	-	(18,156,776)	(18,156,776)
Exposure to credit risk	-	-	-	**226,568,128**	**226,568,128**

NOTES (CONTINUED)

29 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 2024	Kshs	Kshs	Kshs	Kshs	Kshs
Other receivables	-	-	-	39,136	39,136
Deposits and prepayments	-	-	-	261,758	261,758
Receivables from related parties	-	-	-	772,153,792	772,153,792
Gross carrying amount	-	-	-	772,454,686	772,454,686
Loss allowance	-	-	-	(723,655,124)	(723,655,124)
Exposure to credit risk	-	-	-	**48,799,562**	**48,799,562**
As at 31 December 2023					
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**

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:

a) financial assets for which credit risk has increased significantly since initial recognition but that are not credit impaired;
b) financial assets that are credit impaired at the balance sheet date;
c) 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 expedient, on provision matrices.

(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 respectively.

NOTES (CONTINUED)

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

	Interest rate %	Less than 1 year Kshs	1 - 5 years Kshs	More than 5 years Kshs	Total Kshs
Interest bearing liabilities					
- Bank loans	18.5%	1,208,141,824	-	-	1,208,141,824
- Private placement bond	17.0%	500,000,000	-	-	500,000,000
Non-interest bearing liabilities					
- Deposit for shares	-	143,146,022	-	-	143,146,022
- Trade and other payables	-	3,954,529,286	-	-	3,954,529,286
		5,805,817,132	**-**	**-**	**5,805,817,132**

Year ended 31 December 2022

	Interest rate %	Less than 1 year Kshs	1 - 5 years Kshs	More than 5 years Kshs	Total Kshs
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
		6,047,215,462	**-**	**-**	**6,047,215,462**

Company

Year ended 31 December 2023

	Interest rate %	Less than 1 year Shs	1 - 5 years Shs	More than 5 years Shs	Total Shs
Interest bearing liabilities					
- Corporate bond	17.0%	500,000,000	-	-	500,000,000
Non-interest bearing liabilities				-	
- Trade and other payables		1,130,029,374	-	-	1,130,029,374
		1,630,029,374	**-**	**-**	**1,630,029,374**

Year ended 31 December 2022

	Interest rate %	Less than 1 year Shs	1 - 5 years Shs	More than 5 years Shs	Total Shs
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
		1,639,766,882	**-**	**-**	**1,639,766,882**

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 share holders 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.

32 Incorporation

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

33 Presentation currency

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

SCHEDULE OF EXPENDITURE

	Group		Company	
	2024 Kshs	2023 Kshs	2024 Kshs	2023 Kshs
1 SELLING AND DISTRIBUTION EXPENSES				
Marketing fees	4,627,640	1,114,322	1,668,941	767,322
Commissions	4,601,303	5,773,451	2,862,035	-
Advertising and sales promotion	2,175,274	259,177	-	0
Total selling and distribution expenses	**11,404,217**	**7,146,950**	**4,530,976**	**3,066,623**
2 ADMINISTRATIVE EXPENSES				
Employment:				
Salaries and wages	63,692,814	36,820,891	23,192,014	22,244,129
Medical	0	1,121	-	-
Staff training and welfare	2,099,055	4,572,603	1,158,787	936,723
Total employment costs	**65,791,869**	**41,394,615**	**24,350,801**	**23,180,852**
Other administrative expenses:				
Directors and Committee allowance	5,250,000	6,135,000	2,100,000	2,775,000
Meetings expenses	856,440	359,540	856,440	359,540
Legal and professional fees	26,431,609	9,756,350	3,444,325	4,174,744
Vehicle running	6,101,672	3,559,545	2,133,422	1,530,295
Office expenses	24,492,246	13,392,471	632,265	627,761
Postages and telephones	239,549	100,337	237,230	22,680
Audit fees				
- current year	1,740,000	1,488,594	364,840	314,517
Travelling and accommodation	2,232,896	888,830	1,074,846	857,940
Donations	100,000	179,263	-	50,000
Computer expenses	2,275,195	2,321,285	1,743,183	1,209,124
Printing and stationery	-	-	-	-
Bank charges and commissions	1,016,379	686,746	166,043	493,883
Secretarial fees	-	-	-	-
Total other administrative expenses	**70,735,986**	**38,867,961**	**12,752,594**	**12,415,484**
Total administrative expenses	**136,527,855**	**80,262,576**	**37,103,395**	**35,596,335**
3 OTHER OPERATING EXPENSES				
Establishment:				
Depreciation on property and equipment	5,636,122	6,543,005	2,797,783	3,484,219
Repairs and maintenance	533,976	480,736	196,452	180,290
Service charge	1,290,960	1,290,957	1,290,960	1,290,957
Insurance	240,702	607,855	-	417,000
Security	16,861,746	16,476,441	-	-
Amortization intangible asset	125,125	-	125,125	-
Electricity	5,156,652	6,601,417	450,604	242,523
Rent and rates	2,850,541	4,649,481	289,536	222,720
Licence and subscriptions	435,290	371,820	335,240	156,170
Total other operating expenses	**33,131,114**	**37,208,446**	**5,485,700**	**6,180,633**

Home Afrika Limited | 5th Floor, Morningside Office Park | Ngong' Road, P.O. Box 6254 – 00100, Nairobi. Tel: +254 (0) 20 272000
info@homeafrika.com | 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, 26th June 2025 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 27th June 2024.

3. **Financial Statement for the Year ended 31st December 2024**
   To receive, consider and if thought fit, adopt the Audited Consolidated Financial Statements for the year ended 31st December 2024 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 2024.

5. **Election of Directors**

   (a) In accordance with Articles 92 and 93 of the Company's Articles of Association,the following Directors are due for retirement by rotation and being eligible,individually offer themselves for re-election:
      i. Mr. Peter Mungai
      ii. Mr. Luke Kinoti
      iii. Ms. Jane Nyokabi
      iv. Mr. Mbugua Gecaga

   (b) In accordance with Article 115 of the Company's Articles of Association and the Board Charter the following Director has been appointed to the Board as a Non-Executive Director to hold office for a term of three-years, now he is hereby presented to the Shareholders at this Annual General Meeting for ratification. Upon the conclusion of his term and at the appropriate Annual General Meeting, he shall retire, and being eligible, shall individually offer himself for re-election:
      i. Mr. Kabiru Martin Njoroge.

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6. Remuneration of Directors
To receive, consider and if thought fit, approve the Directors' Remuneration Report for the year ended 31st December 2024 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 for the third year, 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.

SPECIAL BUSINESS

8. Approval of Policies Pursuant to Regulation 8.21 of the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023
To consider and if thought fit, to pass the following resolution as an Ordinary Resolution;
In accordance with the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023, Thirteenth Schedule on Continuing Obligations Section 8.21 the following Company policies be and are hereby approved for implementation:
(i) Directors' Remuneration Policy.
(ii)Communications Policy.
(iii)Corporate Disclosure Policy.
(iv)Stakeholders' Engagement & Management Policy.
(v) Board Diversity Policy.

9. 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)

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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 legal@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 Monday, 23rd June 2025 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, 24th June 2025** to allow time to address any issues.

2. Registration for the AGM opens on **Wednesday, 4th June 2025 at 10:00 a.m. and will close on Wednesday, 25th June 2025 at 12:00 noon**. Shareholders will not be able to register after **Wednesday**, **25th June 2025 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/ legal@homeafrika.com to be assisted to register.

4. Duly registered Shareholders and Proxies wishing to participate should register for the AGM online at https://us06web.zoom.us/webinar/register/WN_ImeljtVhQ8qTQaEXI5033Q 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_ImeljtVhQ8qTQaEXI5033Q

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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_lmeljtVhQ8qTQaEXl5033Q ; 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/legal@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_lmeljtVhQ8qTQaEXl5033Q 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 /legal@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, 25th June 2025 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.

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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 2024, the minutes of the previous AGM held on 27th June 2024 and the profiles of the new director to be elected may be viewed on or downloaded from the Company's website at www.homeafrika.com. Policies for approval pursuant to Regulation 8.21 of the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023 are also available for perusal on the website.

10. Results of the AGM voting shall be published on the Company's website within 24 hours following the conclusion of the AGM.

11. Shareholders are continuously encouraged to monitor the Company's website www.homeafrika.com for updates relating to the AGM.

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PROXY FORM

I/We,_____of P.O.Box

_____being a member/members 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, 26th June 2025 at 10.00 a.m.**, and at any adjournment thereof.

Dated this_____day of _____2025

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 for updates relating to the AGM.

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HOME AFRIKA

Pent Suite 01 | 5th Floor, Morningside Office Park, Ngong Road
P.O. Box 6254-00100, Nairobi, KE | Phone: +254 20 277 2000/ +254 716 802 070
info@homeafrika.com | www.homeafrika.com

 Home Afrika Ltd  @HomeAfrika  Home Afrika Limited