

Sameer Africa PLC
Actual Questions and Responses
For the 51st Annual General Meeting to be held on 29th June 2020

	QUESTION	RESPONSE
1	<p>Shareholders name: David Otieno CDSC a/c no: 103969 Q&A Channel: USSD</p> <p>Question: could you confirm the dividend payout?</p>	<p>The year ended 31 December 2019 was a challenging year for the group. Due to supply problems and the costs relating to the closure of the tyre business operations, the group did not report a profit for the year and as a consequence, no dividend has been declared for the year ending 31 December 2019, therefore no payout will occur.</p>
2	<p>Shareholders name: Andrew Mukite Musangi CDSC a/c no: 240460 Q&A Channel: WEB</p> <p>Question: What are the plans to unlock real estate value in the company and generate cash?</p>	<p>The company will invest in the development of feasible real estate projects that meet the group's expected return and that is within the acceptable risk level. Several proposals will be looked at in FY2021 as it is too early to give specific details on any upcoming projects. Shareholders will be kept abreast of these developments through press releases and results announcements.</p>
3	<p>Shareholders name: JOSEPH otuke CDSC a/c no: 4715 Q&A Channel: USSD</p> <p>Question: it's long since we received dividend please arrange so that we can receive one soon even from our reserves</p>	<p>The board has taken very decisive steps to ensure the future profitability of the company. These steps include the closure of the loss-making tyre business and the focus on the profitable real estate business.</p> <p>These measures will ensure that a dividend can be paid in future but not for this year.</p>
4	<p>Shareholders name: JOSEPH otuke CDSC a/c no: 4715 Q&A Channel: USSD</p> <p>Question: why do think is good for dividend</p>	<p>Dividends are tied to the profitability the company has achieved and the amount of earnings required to be retained for future growth. Therefore, a good dividend is the one that balances both these aspects.</p>
5	<p>Shareholders name: Nzau Jones CDSC a/c no: 74683 Q&A Channel: USSD</p> <p>Question: when will the company go back to profit?</p>	<p>Having closed our loss-making segments, we expect the company to go back to profitability. The current projections are that the real estate business profits will increase from Kshs 67 million reported in 2019 to Kshs 185 million in 2020, while the tyre business loss of Kshs 1 billion in 2019 will reduce to a loss of Kshs 321 million in 2020. The overall group loss is</p>

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		<p>projected to be Kshs 130 million in 2020 but will turn to a profit projected at Kshs 150 million in 2021. However, shareholders should realize that we are currently operating under very rare and uncertain times because of the Covid-19 pandemic and therefore accurate projections are difficult under these circumstances.</p>
6	<p>Shareholders name: KENYALOGY.COM LIMITED /BEST INVESTMENT DECISIONS LTD CDSC a/c no: 4245822/4406486 Q&A Channel: USSD</p> <p>Question: As the company is now to be engaged in real estate business and has terminated all its other lines of business, kindly advice when a revaluation of the company's land and assets will be carried out.</p>	<p>The group's policy is to account for investment property at cost less accumulated depreciation and any impairment losses. However, the group also discloses the fair value of investment properties as determined by external, independent Valuers.</p> <p>Please refer to note 15(i) of the Audited Financial Statements</p>
7	<p>Shareholders name: Patrick Njogu</p> <p>CDSC a/c no: 8834 Q&A Channel: USSD</p> <p>Question: Tyre making machine where are they</p>	<p>Following the tyre factory closure in 2016, the machines used to manufacture the tyres were sold during the 2017 financial year to various interested buyers, some of whom are tyre manufacturers in other locations worldwide, other buyers bought the machines for factories that were not tyre manufacturers but required such machines for their production process, while some machines that could not find buyers due to being obsolete were sold as scrap to various local scrap metal traders.</p> <p>The proceeds from the disposal of factory assets were Kshs 94.8 million and were disclosed in our 2017 Annual Financial Statements (see Note 10 (a))</p>
8	<p>Shareholders name: Patrick Njogu</p> <p>CDSC a/c no: 8834 Q&A Channel: USSD</p> <p>Question: Value of land Mombasa rd</p>	<p>The value of commercial properties and leasehold land is disclosed in 2019 Annual Financial Statements under Note 15 (c). The valuation approach and assumptions are also disclosed under this note. Based on the fair value approach used, the value of the leasehold land along Mombasa Road is Kshs 4.04 Billion.</p>