



Kimisitu Investment Company PLC

'Your umbrella in fair weather'



ANNUAL REPORT

2025



**Kimisitu Investment
Company PLC**
'Your umbrella in fair weather'

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COMPANY PROFILE

Directors who served during the year and to the date of this report were: -

Directors	Mr.	Simon M Mburu	Chairman
	Mr.	Patrick Alubbe	Vice Chairman
	Ms.	Gladys Kalimi	Director
	Ms.	Jennifer K Musyoki	Director
	Mr.	Duncan Okubasu	Director
	Mr.	Elijah Kiema	Director
	Ms.	Justa K. Mwangi	Director
	Mr.	Philip Nzioki	Director- Sacco Nominee

Company Secretary Lumallas Achieng & Kavere Advocates
Law Firm & Certified Public Secretary
P.O Box 20568 - 00100
Reg No. BN/2016/429228

Registrars C&R Registrars
Registrar Services

Independent Auditor MD LIGHT & ASSOCIATES
Certified Public Accountant of Kenya
3rd Floor, Skygo Building
Mombasa Road,
P.O. Box 46852 -00100

Registered Office Association of Evangelicals in Africa (AEA) Plaza
Valley Road.
P.O. Box 37159 - 00200
Nairobi, Kenya

Principle Bankers KCBank Limited Co-operative Bank Limited
Moi Avenue Branch, Nairobi Business Center Branch
P.O. Box 48231 - 00100 P.O Box 3259 - 00100
Nairobi, Kenya Nairobi, Kenya

CHAIRMAN'S STATEMENT



**SIMON MBURU, CPA(K), BSC FINANCE, MBA
BOARD CHAIRMAN**

Good morning fellow shareholders and stakeholders of Kimisitu PLC,

On behalf of the Board of Directors, I am pleased to present to you, the Chairman's Statement for the financial year ended 31 December 2025.

The year under review was one of transition, resilience and strategic repositioning undertaken against a backdrop of complex macroeconomic conditions and sector-specific pressures

Macroeconomic Context - (Inflation & Purchasing Power)

According to the Central Bank of Kenya, Kenya's macroeconomic landscape in 2025 showed signs of stabilization, with annual average inflation moderating to approximately 4.07%. While this represented an improvement from prior periods, the easing of inflation did not fully translate into enhanced purchasing power for households. Consumer spending remained constrained by structural economic challenges, elevated credit costs during the year, and sustained pressure on disposable incomes, particularly within lower-income segments. The cost of essential goods therefore continued to weigh heavily on household budgets.

National Economic and Sector Performance

The national economy recorded moderate growth, supported by varied sectoral performance:

- (i) The Services Sector remained as the largest contributor to GDP, driven by financial and insurance services, transport and ICT activities.
- (ii) Agriculture continued to play a central role in supporting food security, employment and export earnings, although its growth moderated compared to prior years.
- (iii) Manufacturing posted modest growth, constrained by high input costs and infrastructure challenges.
- (iv) Construction and Real Estate delivered mixed outcomes. While some recovery was observed, the sector remained under pressure from project delays, subdued demand, and intensified competition, including from government-led Affordable Housing initiatives.

CHAIRMAN'S STATEMENT

Recent PMI (Purchasing Managers' Index) data indicated continued contraction in private sector activity-though at a slower pace-highlighting persistent weaknesses in agriculture, construction and services, even as manufacturing and wholesale/retail segments showed early signs of stabilization.

External Funding Shifts - "The Trump Effect"

The year was further characterized by significant shifts in external development financing to Kenya. Changes in United States foreign policy led to the scaling back or cessation of several donor-funded programs, with material implications across key sectors including health, education, agriculture, governance, and water and sanitation. These developments had spill-over effects on investment activity, including real estate.

Given that a significant portion of our shareholder base operates within the affected sectors, these changes had a direct and indirect impact on the Company's business environment. In response, the Board has directed Management to pursue market diversification and explore strategic partnerships aimed at mitigating exposure to external funding volatility.

Market Dynamics and Affordable Housing Competition

Government-led Affordable Housing program expanded during the year, contributing to improved access to housing and supporting national development objectives. However, this rapid expansion has reshaped market dynamics within the real estate sector. While these initiatives are critical to addressing the national housing deficit, they have intensified competition, particularly as consumers increasingly favor completed affordable housing units over land acquisition. The Board recognizes such macro-level competition and the need for agile strategic responses, including sharper product differentiation and more targeted customer engagement, to protect and grow market share.

Corporate Restructuring - Sales Force Realignment

In the year under review, the Company undertook a deliberate organizational restructuring its Sales and Marketing function. This decision was driven by the need to recalibrate our sales strategy, improve accountability structures and improve performance outcomes within the evolving market dynamics.

This included the introduction of performance-linked incentives, clearer performance metrics and the adoption of a performance-oriented management framework across business segments. The Board remains committed to building a results-driven culture that supports sustainable growth.

CHAIRMAN'S STATEMENT

Financial Performance

In the year under review, the company made a profit before tax of Kshs.1,922,936 compared to Kshs.9,872,769 in 2024. This is as a result of the tough economic environment under which we operated that saw a dismal growth in topline. Notwithstanding this, disciplined cost management austerity initiatives resulted in a 15% reduction in overall expenditure.

The Company's asset base increased marginally by 1% to KShs. 179,306,096 from KShs. 178,068,614 in the prior year, reflecting balance sheet stability despite operating headwinds.

Strategic and Operational Achievements

Notwithstanding the challenging operating environment, the Company made deliberate progress in strengthening its asset base, product offering and operational infrastructure during the year under review. Key milestones achieved included:

- 1.Acquisition of Kimuka Gardens (39 plots), expanding the Company's products and enhancing its portfolio of residential development opportunities;
- 2.Acquisition of Kiserian Haven Court (56 plots), strengthening presence in a high-demand peri-urban residential corridor;
- 3.Completion of borehole drilling and construction of the water tower at Tulivu Gardens, enhancing project utility infrastructure and value proposition to customers;
- 4.Acquisition and installation of a mineral water purification plant, creating an additional revenue stream and supporting sustainability of on-site water solutions; and
- 5.Repackaging of Ngelani land through fencing and re-beaconing, improving security of tenure, asset presentation and market readiness of the development.

These initiatives demonstrate Management's continued focus on asset enhancement, product readiness, and long-term value creation for shareholders.

Governance, Strategic Oversight and Plan Review

In the year under review, the Board in line with its fiduciary responsibilities reinforced governance frameworks, strengthened internal controls and heightened oversight on risk management, compliance and operational accountability.

CHAIRMAN'S STATEMENT

The Board Charter was reviewed and updated in line with evolving best practice in corporate governance and is available on the Company's website. The Board remains firmly committed to transparency, sound financial reporting, and regulatory compliance.

In addition, the Board has resolved to undertake a comprehensive review of the Company's Strategic Plan in 2026 to ensure continued alignment with evolving market conditions, regulatory developments, competitive dynamics, and shareholder value expectations. This review will focus on:

1. Refining the Company's long-term growth and diversification strategy;
2. Reassessing product mix and market prioritization;
3. Strengthening capital allocation discipline and risk management; and
4. Ensuring strategic alignment between Board oversight and Management execution priorities.

The outcome of this review will guide the Company's medium-term strategic direction and capital deployment framework.

Leadership Transition - Appointment of Chief Executive Officer

The Board is pleased to introduce Mr. Stanley Mutiso Hussein as the new Chief Executive Officer, effective December 2025. Stanley holds an MBA in Strategic Management and brings on board over 13 years of progressive experience in leadership, business development, corporate strategy, organizational growth and strategic management garnered in real estate and other investment sectors.

Mr. Hussein succeeded Mr. Jack Gudo, who exited the Company after two years of service. The Board appreciates Mr. Gudo's contribution during his tenure and welcomes Mr. Hussein as the Company steers the next phase of operational and strategic execution.

Outlook

The Board maintains a prudent but optimistic outlook for 2026, guided by the following strategic priorities:

- (i) Improving operational efficiency and profitability
- (ii) Strengthening financial resilience;
- (iii) Expanding diversified revenue streams;
- (iv) Enhancing shareholder value through sustainable business practices.

CHAIRMAN'S STATEMENT

Appreciation

On behalf of the Board, I extend sincere gratitude to our shareholders for their continued confidence, to our Board members for their steadfast leadership, and to our employees for their unwavering commitment and dedication.

We also acknowledge the support of our partners, regulators and clients as we navigate complex economic and business landscapes.

We look forward to engaging with you during this AGM and to collectively advancing our Company's prospects in the year ahead

BY ORDER OF THE BOARD



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SIMON M. MBURU
BOARD CHAIRMAN

CEO'S STATEMENT



**STANLEY HUSSEIN, ACIM, MBA
C.E.O**

Good morning, Shareholders and Stakeholders of Kimisitu PLC.

It is my privilege to present the Chief Executive Officer's Report for the financial year ended 31 December 2025. Having been in office for barely one month by year-end, this report reflects both the operational performance achieved during the year under review and the execution priorities that will guide the Company's next phase of growth and performance improvement.

Operational Performance Overview

During the year, Management's primary focus was on stabilizing operations, improving project readiness and strengthening execution discipline across the business. The operating model was refined to prioritize:

1. Product readiness and site-level infrastructure;
2. Strengthening execution discipline and accountability;
3. Tightening operational controls around timelines, documentation, and service provider delivery; and
4. Enhancing coordination between frontline sales and back-office support functions.

These interventions were aimed at ensuring that projects are brought to market in a state that supports faster sales conversion, better customer experience and improved cash realization.

Product Delivery and Asset Readiness

Management prioritized accelerating the movement of projects from acquisition stage to sale-ready status by strengthening on-the-ground execution, project preparation, and service infrastructure. Emphasis was placed on site readiness, documentation completeness, and product presentation ahead of market activation.

Key delivery actions undertaken included bringing newly acquired sites at Kimuka Gardens into the active sales pipeline; structuring and preparing Kiserian Haven Court for market entry through fencing, beaconing, internal road grading and murraming; advancing essential service infrastructure at Tulivu through completion of borehole drilling and construction of the water tower; commissioning the mineral water purification plant at the Milimani 1A project to improve on-site water reliability; and enhancing the market readiness and security profile of the Ngelani project through fencing and re-beaconing works.

CEO'S STATEMENT

These actions have improved the operational readiness of the project portfolio, shortened time-to-market for new inventory, and strengthened the Company's capacity to convert land holdings into saleable, serviced products.

Sales and Marketing Execution

Management strengthened sales execution and operational support systems through standardized sales workflows from lead generation to documentation and handover, weekly pipeline reviews and deal conversion tracking, closer coordination between sales, legal, and operations to reduce transaction cycle times, and strengthened customer documentation and handover protocols.

These measures are contributing to shorter sales cycles, improved conversion outcomes, and enhanced customer confidence in our delivery capability.

Project Controls and Operational Governance

Operational governance was strengthened through:

- i. Introduction of clearer project ownership and accountability frameworks;
- ii. Enhanced monitoring of site-level costs and timelines;
- iii. Standardized project readiness checklists prior to sales activation; and
- iv. Tighter controls over contractor engagement, service provider deliverables and quality assurance.

These controls are already improving predictability of delivery outcomes and reducing execution risk across projects.

People, Performance and Operating Culture

Management initiated a shift towards a performance-driven operating culture anchored on clear role accountability, performance scorecards linked to delivery outcomes, targeted capability development in product knowledge and sales execution, and reinforcement of compliance, documentation discipline, and operational ethics.

The objective is to embed ownership and execution discipline at every level of the organization.

What Worked Well

Despite a constrained market environment, several operational strengths were evident in the year under review:

- i. Strong internal staff collaboration in bringing new inventory to market;
- ii. Improved discipline in project documentation and title verification prior to sales activation;
- iii. Successful execution of core infrastructure works at Tulivu Gardens; and
- iv. Positive customer response to better-serviced and better-packaged projects.

These demonstrate the organization's underlying execution capability when resources and coordination are aligned.

CEO'S STATEMENT



Key Operational Challenges

Management also encountered several execution challenges during the year under review, including:

- i. Slower sales velocity across some projects due to constrained market demand;
- ii. Longer conversion cycles driven by affordability pressures and buyer financing constraints;
- iii. Resource gaps in specialized technical and sales enablement skills;

These challenges have informed the operational improvement agenda for 2026

Strategy Review and Market Intelligence

In response to evolving market conditions and changing customer preferences, Management has commenced a structured strategy review to sharpen the Company's product mix, go-to-market approach, pricing framework and market prioritization.

This process is being informed by targeted market intelligence initiatives, including a market demand survey to identify high-potential demand corridors and customer preferences and a Training Needs Analysis to assess capability gaps across sales, operations and support functions.

Insights from these initiatives are guiding the refinement of the 2026–2027 execution strategy, with a clear focus on strengthening product–market fit, improving commercial effectiveness and aligning organizational capability with strategic priorities.

CEO'S STATEMENT

Project Completion and Infrastructure Expansion Plans

In 2026, Management will prioritize the full completion and operational optimization of the Tulivu water project. Key initiatives will include the solarization of the Tulivu water system to enhance sustainability, reliability and operating cost efficiency, as well as the extension of water reticulation within the project and into surrounding neighborhoods to enhance customer value and shareholders value.

This infrastructure-led approach remains central to product differentiation, improved service delivery and accelerated sales conversion across our developments.

Market Expansion and Diversification

To reduce concentration risk and unlock new demand pools, Management will pursue measured diversification into new geographic and customer markets. Priority focus areas include key growth corridors within the Greater Nairobi metropolitan region as well as selected satellite towns, peri-urban nodes and high-growth county markets supported by infrastructure investment and strong residential demand fundamentals.

All market entry decisions will be guided by structured survey studies assessing demand, pricing dynamics, infrastructure readiness, regulatory considerations and risk-adjusted returns, with capital deployed in a phased and disciplined manner.

People, Capability and Resource Retention

Execution capability remains central to delivery outcomes. Management is implementing targeted measures to strengthen organizational capacity, including onboarding specialized sales, technical and project delivery talent; strengthening retention of high-performing staff through clearer career pathways and performance-linked incentives; institutionalizing continuous training aligned to the Training Needs Analysis findings; and embedding a performance-driven operating culture anchored on accountability, delivery excellence, and customer focus.

Brand Leverage and Market Positioning

The Kimisitu brand remains a key strategic asset. Management will intensify efforts to leverage this brand through stronger brand-led marketing and customer trust messaging, improved consistency in product quality and customer experience across projects, strategic partnerships and agency relationships anchored on brand credibility and enhanced visibility across priority markets and digital platforms.

CEO'S STATEMENT

Way Forward – Operational Priorities for 2026

Looking ahead, Management will focus on disciplined execution and operational excellence to translate our strategy into measurable results. Our priorities for 2026 will be anchored on six core execution pillars.

First, we will strengthen project execution excellence by accelerating completion of infrastructure across active sites, standardizing project launch readiness criteria and reducing the cycle time from acquisition to market activation. This will enable faster product delivery and earlier revenue realization to meet the requirements of IFRS reporting standards.

Second, we will enhance sales enablement and conversion efficiency through improved sales tools and product knowledge, expand channel partnerships and referral networks and stronger lead qualification and conversion management. Our objective is to further shorten sales cycles and improve conversion outcomes.

Third, we will continue strengthening operational systems and controls by digitizing sales and project tracking workflows, improving data quality for management decision-making and reinforcing contract management and service provider oversight to enhance delivery discipline and accountability.

Fourth, we will deepen focus on customer experience and brand trust by improving customer onboarding, documentation and after-sales support, strengthening communication protocols and institutionalizing consistent service standards across all projects. This is central to strengthening the Kimisitu brand and sustaining customer confidence.

Fifth, we will reinforce cash flow and working capital discipline through tighter collections management, closer alignment of project phasing to cash generation and improved forecasting accuracy and cash visibility to support financial resilience and sustainable growth. Lastly, Management will pursue measured diversification into new markets and product segments, beginning with structured feasibility studies to assess demand, pricing, infrastructure readiness, regulatory considerations and risk-adjusted returns before any capital commitments are made. This disciplined approach will ensure that diversification enhances, rather than dilutes, shareholder value.

Closing Remarks

The year under review was one of strengthening operational foundations and improving delivery readiness. My initial period in the organization has reinforced both the strength of Kimisitu PLC's asset base and brand, and the need for sharper execution discipline and faster operational delivery.

CEO'S STATEMENT

Management remains committed to translating strategy into measurable outcomes, restoring momentum and rebuilding investor confidence through consistent performance, transparency and disciplined execution.

On behalf of Management, I thank our shareholders, investors, customers, regulators, partners and staff for their continued support and confidence in Kimisitu PLC. We remain focused on delivering sustainable value for all our stakeholders.



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STANLEY MUTISO HUSSEIN

CHIEF EXECUTIVE OFFICER

MINUTES OF THE 14TH HYBRID ANNUAL GENERAL MEETING OF KIMISITU INVESTMENT COMPANY PLC HELD ON THE 3RD DAY OF MAY 2025 AT THE NAIROBI HOSPITAL AUDITORIUM.

SHAREHOLDERS PRESENT

Eighty-Seven (87) shareholders present physically and Seven Hundred and Eleven (711) shareholders who registered for online participation all totaling Seven Hundred and Ninety-Eight (798) shareholders.

DIRECTORS PRESENT

Simon Mburu	Board Chairman
Gladys Kalimi	Board Vice Chair
Patrick Alubbe	Director
Jennifer Musyoki	Director
Elijah Kiema	Director
Moses Mung'oni	Director
Justa Mwangi	Director
Philip Nzioka	Director

IN ATTENDANCE

Jack Gudo	General Manager
Eunice Kavere	Company Secretary
Daniel Dimba	Auditor

PRELIMINARIES

The Chairman called the meeting to order at 9:05 a.m. and welcomed all the Shareholders to the 14th Annual General Meeting for the year ended 31st December 2024.

The Chairman introduced all Directors present, the External Auditors and the Company Secretary. Thereafter, the Chief Executive Officer, Mr. Jack Gudo, was invited to introduce the Executive Management Team.

The Chairman recognized the presence of former Board members present at the meeting including former chairman Eng. Jacob Mwisyo and Peter Muyakho

The Chairman thereafter commenced with the formal business of the Annual General Meeting (AGM).

The Opening prayer was by Patrick Alubbe.

MINUTE 1/05/25: QUORUM

The Secretary confirmed the meeting was quorate at commencement there being over 100 members present physically and/or logged in online meeting the prescribed quorum by the Articles of Association of the Company

MINUTE 2/05/25: NOTICE OF THE MEETING

The Company Secretary, Ms. Eunice Kavere, read the notice convening the 14th Hybrid Annual General meeting highlighting the Ordinary business to be transacted.

MINUTE 3/05/25: ADOPTION OF THE AGENDA

The Agenda was adopted as follows;

1. To table the proxies and confirm presence of Quorum.
2. To read the Notice convening the meeting.
3. To receive, consider and if deemed appropriate adopt the Audited Financial Statements for the Year ended 31st December 2024, together with the Chairman's, General Manager's and the Auditor's reports thereon.
4. To approve the proposed dividend of Kshs.0.80 per share in respect of the year ended 31st December, 2024.
5. Retirement and Election of Directors.
 - (a) Mr. Elijah Kiema retires by rotation in accordance with Articles 72 and 105 of the Company's Articles of Association and being eligible offers himself for re-election.
 - (b) Mrs. Jennifer Musyoki retires by rotation in accordance with Articles 72 and 105 of the Company's Articles of Association and being eligible offers herself for re-election.
 - (c) Mr. Moses Mungoni who retires by rotation in accordance with Articles 72 and 105 of the Company's Articles of Association and shall not be seeking reelection.
 - (d) Mr. Duncan Tete Okubasu offers himself for election as Director of the Company.
 - (e) Dr. Frederick P. Khisa Wamalwa offers himself for election as Director of the Company.
 - (f) Mr. Timothy Mabeta Kambuni offers himself for election as Director of the Company.
6. To approve the Report of Directors' Remuneration for the year ended 31st December, 2024
7. To appoint MD Light & Associates as the Company's Auditors for the next financial year.

Proposer: Virginia Wanzeze

Secunder: Peter Muyako

MINUTE 4/05/25 CONSIDERATION AND ADOPTION OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2024, TOGETHER WITH THE REPORTS OF THE CHAIRMAN, THE GENERAL MANAGER AND THE AUDITOR THEREON

The Chairman highlighted the salient points of the Chairman's Statement for the year ended 31 December 2024 with the following highlights:

- (i) That the year under review was marked by significant economic and political turbulence, yet the Company stood firm, demonstrating resilience and strategic focus. The national and global economic landscape experienced shocks, including unpredictable tax policy changes at both national and county levels. The infamous Finance Bill 2024 debates led to economic lockdowns and uncertainties, causing customers to adopt a conservative approach to investment and resulting in lower-than-target sales. Additionally, regulatory changes such as the increase in stamp duty from 2% to 4% on title transfers, new NSSF Act provisions, Housing Levy, and SHIF contributions impacted both the Company's operations and shareholder's disposable income. The land sector also faced challenges, including demolitions in Athi River, land grabbing concerns, and policy shifts on freehold versus leasehold tenures. In response, the Company has instituted more rigorous due diligence and verification measures for all potential investments to safeguard shareholder value.
- (ii) That Strategically, significant progress was made on several fronts.
 - (a) The Ngelani Redpine Gardens project was repackaged with fencing and road regrading and had been reopened for sale at a cash price of KSHS.730,000.
 - (b) The Company had installed an additional 60,000-litre capacity at the Kitengela Milimani project, drilling a borehole at Tulivu Gardens in Lukenya, and commencing construction of a water tower. Furthermore, the Company was at an advanced stage of establishing a water purification plant at Kitengela Milimani, projected to be a significant alternative revenue stream.
- (iii) The Company had facilitated a collateral-based Memorandum of Understanding with Kimisitu Sacco, enabling members to acquire property without traditional security or guarantors, using the acquired property itself as loan security.
- (iv) Financially, given the fluid economic environment, the Company registered moderate performance and the Board had proposed a dividend at KSHS. 0.80 per share for the financial year ended 31st December 2024.

The General Manager proceeded to give brief remarks to the Shareholders on the performance and future prospects of the Company highlighting with the following highlights:

- (i) That the year ended 31st December 2024 was marked by reduced disposable incomes arising from the effects of inflation, SHIF provisions, and the housing levy, among other factors. This resulted in reduced product patronage, and some customers were unable to meet their financial obligations, leading to plot purchase withdrawals and surrenders.**
- (ii) That the Company posted a total operating income of KSHS. 48.17 million for the financial year ended 31st December 2024. This represented a 6% increase compared to KSHS. 45.44 million achieved in the financial year 2023. The increase in net income was mainly attributed to the increase in revenue from the sale of property and the effective cost management measures put in place by the Board and Management. Specifically, net income from sale of property for the year increased by 5.5% (KSHS. 2.28 million) to KSHS. 44.01 million.**
- (iii) That as an inventory management strategy, the Company embraced an open, first-come-first-serve policy with a minimum deposit commitment to the plot of choice. This improved customer confidence, allowing clients to visit the project, choose, and pay for their plot of choice in earnest, as opposed to merely booking.**
- (iv) That the Company embraced new marketing strategies by deepening its presence on digital platforms. This significantly improved brand awareness, visibility, and lead generation for sales.**
- (v) That looking ahead to the year 2025, the Company plans to increase the Company's product range through diversification into estate management and agency, the installation of a water purification plant, and joint ventures, as stipulated in the 2023-2027 Strategic Plan.**

The External Auditor read the Auditors' opinion on the Financial Statements stating that the same presented fairly, in all material respects, the Company's financial position as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting.

The Financial Statements and Statement of Financial Position for the year ended 31 December 2024 were thereafter tabled reflecting the following **highlights**:

- (i) The Company recorded a net profit of Kenya Shillings Six Million, Seven Hundred and Eighty-Three Thousand and Eighty-One (Kshs.6,783,081) in the Financial Year 2024 down from Kenya Shillings Nine Million, One Hundred and Twenty-Seven Thousand, Six Hundred and Ten (Kshs.9,127,610) in Financial Year 2023. This represented a 25% decline.
- (ii) In the Financial Year 2024, Sales Revenue stood at Kenya Shillings Forty-Four Million, Fourteen Thousand, Eight Hundred and Fifty (Kshs.44,014,850) compared to Kenya Shillings Forty-One Million, Seven Hundred and Thirty-Four Thousand, Eight Hundred and Thirty-One (Kshs.41,734,831) in the Financial Year 2023, representing a 5.5% increase.
- (iii) Administration and Establishment expenses stood at Kenya Shillings Twelve Million, Six Hundred and Nineteen Thousand, Nine Hundred and Eighty-Six (Kshs.12,619,986) compared to Kenya Shillings Nine Million, Eight Hundred and Ninety-Two Thousand and Forty-Two (Kshs.9,892,042) in Financial Year 2023, reflecting a 27.6% increase.
- (iv) Staff costs increased from Kenya Shillings Eighteen Million, One Hundred and Ninety-Four Thousand, One Hundred and Twenty-Eight (Kshs.18,194,128) in Financial Year 2023 to Kenya Shillings Nineteen Million, Four Hundred and Forty-Seven Thousand and Six (Kshs.19,447,006) in Financial Year 2024, representing an 6.9% increase.
- (v) Governance costs increased from Kenya Shillings Three Million, Nine Hundred and Forty-Three Thousand, Seven Hundred and Eighty-Six (Kshs.3,943,786) in Financial Year 2023 to Kenya Shillings Six Million, Two Hundred and Sixteen Thousand, Seven Hundred and Seventy (Kshs.6,216,770) in Financial Year 2024, representing a 57.6% increase.
- (v) The Company's Fixed Assets stood at Kenya Shillings One Hundred and Thirty Million, Eight Hundred and Forty-Three Thousand, Three Hundred and Twenty (Kshs.130,843,320) in Financial Year 2024 compared to Kenya Shillings One Hundred and Eighty-Two Million, Four Hundred and Twenty-One Thousand, Nine Hundred and Thirty (Kshs.182,421,930) in Financial Year 2023.
- (vi) Current assets stood at Kenya Shillings Forty-Seven Million, Two Hundred and Twenty-Five Thousand, Two Hundred and Ninety-Four (Kshs.47,225,294) in Financial Year 2024 compared to Kenya Shillings Twenty-Nine Million, Eight Hundred and Seventy-Four Thousand, Five Hundred and Sixty-One (Kshs.29,874,561) in Financial Year 2023.

- (vii) The Total Assets base for the Financial Year 2024 stood at Kenya Shillings One Hundred and Seventy-Eight Million, Sixty-Eight Thousand, Six Hundred and Fourteen (Kshs.178,068,614) compared to Kenya Shillings Two Hundred and Twelve Million, Two Hundred and Ninety-Six Thousand, Four Hundred and Ninety-One (Kshs.212,296,491) in the Financial Year 2023.
- (viii) As per the Statement of Changes in Equity, Equity as at 31st December 2024 stood at Kenya Shillings One Hundred and Twenty-Four Million, Nine Hundred and Seventy-Six Thousand, Six Hundred and Fifty-Three (Kshs.124,976,653) compared to Kenya Shillings One Hundred and Twenty-Five Million, Two Hundred and Eighty-Six Thousand, Five Hundred and Seventy-Six (Kshs.125,286,576) as at 31st December 2023.

A question-and-answer session ensued and the Board and Management provided clarification on the Financial Statements as follows:

- i. The increase in Board and travelling allowance from 1,991,750 to 2,436,964 was due to additional Board meetings held during the financial year, including a meeting on 16 August 2024 convened to enhance Board cohesion and address strategic matters.
- ii. The increase in Board training costs from 35,000 to 918,723 arose from the first formal Board evaluation conducted with the support of an external consultancy firm, as well as training undertaken by Board members.
- iii. The higher AGM costs were attributable to the transition from a physical AGM to a hybrid format, which required the engagement of technical experts. Shareholders may deliberate and determine the preferred format for future AGMs.
- iv. The undeclared deposits/dividends amounting to 887,473 relate to funds received without sufficient member identification details, including membership number and/or Identity Card Number, thereby preventing allocation to the respective accounts.
- v. On closing stock, it was clarified that the plots constitute assets of the Company and contribute to the increase in share premium. The plots are considered utility plots belonging to shareholders and in some cases, are used as collateral to secure loans from the SACCO. Some plots are also being considered for development into rental properties.
- vi. On diversifying assets, it was noted that efforts are being made to enhance water capacity, including the drilling of a new borehole and the installation of a purification plant to improve water quality, with the aim of increasing revenue.

- vii. Shareholders were advised that for information on how to buy shares and claim outstanding dividends not older than three years, they should contact the Company's office.

Further, members were informed that all other questions would be compiled, answered and posted on the Company's website.

On a proposal by Florence Oile, seconded by Duncan Okubasu, it was unanimously resolved, that the Financial Statements and Statement of Financial Position for the financial year ended 31 December 2024, together with the Chairman's Statement, the Directors' and Auditor's Reports thereon be and are hereby adopted.

MINUTE 5/05/25: APPROVAL OF THE DIRECTORS DECLARATION OF DIVIDENDS FOR THE YEAR ENDED 31ST DECEMBER 2024 AT THE RATE OF 8%.

On a proposal by Peter seconded by Jemimah Nyakio, it was unanimously resolved that a dividend of Kshs 0.80 per share for the financial year ended 31 December 2024 payable to the Shareholders on the Register of Members as at the close of business on 3rd May 2025 as recommended by the Directors be and is hereby approved.

MINUTE 6/05/25: APPROVAL OF THE DIRECTORS' REMUNERATION FOR THE YEAR ENDED 31ST DECEMBER 2024.

On a proposal by Daniel Kioko, seconded by Peter it was resolved unanimously, to approve the Directors' Remuneration for the year ended 31st December 2024.

MINUTE 7/05/25: APPOINTMENT OF MD LIGHT & ASSOCIATES AS THE COMPANY'S AUDITORS FOR THE NEXT FINANCIAL YEAR.

On a proposal by Steven Gitau, seconded by Lucy Muini, it was resolved unanimously to re-appoint MD Light & Associates, in office as the Company's Auditors for the next financial year.

MINUTE 8/05/25: RETIREMENT AND ELECTION OF TWO DIRECTORS

The Chairman reported that three vacancies had arisen on the Board. In accordance with Articles 72 and 105 of the Company's Articles of Association, Mr. Moses Mung'oni retires by rotation and does offer himself for reelection. That Mr. Elijah Kiema and Mrs. Jennifer Musyoki were due to retire by rotation and had offered themselves for re-election. Additionally, Mr. Duncan Tete Okubasu, Dr. Frederick P. Khisa Wamalwa and Mr. Timothy Mabeta Kambuni had offered themselves for election to the Board.

Each candidate was accorded a moment to address the shareholders. Thereafter, the Chairman called upon the Company Secretary to conduct the elections.

Prior to voting, a video with guidelines on how shareholders could cast their votes for the candidates placed before the AGM and appearing in the Notice of this meeting was played.

The Company Secretary oversaw the voting process. After the votes were tallied, the results were declared as follows:

By a majority vote, it was resolved that:

- (i) Mr. Moses Mungoni be and is hereby retired by rotation.
- (ii) Mr. Elijah Kiema be and is hereby re-elected as a Director of the Company.
- (iii) Mrs. Jennifer Musyoki be and is hereby re-elected as a Director of the Company.
- (iv) Mr. Duncan Tete Okubasu be and is hereby elected as a Director of the Company.

The Chairman congratulated the newly elected and re-elected Directors and welcomed them to the Board.

MINUTE 9/05/25: A.O.B

There being no other business of which due notice had been given, the Chairman concluded the Business of the meeting at 1400 Hours EAT with a prayer from Gucho Kihara.

SIGNED:

CHAIRMAN:

SECRETARY:

DATE:

KIMISITU INVESTMENT COMPANY PLC

(A Public company limited by shares)

Report and Financial Statements for the Year Ended 31st December 2025

REPORT OF THE DIRECTORS

The Board of Directors submit their report together with the audited financial statements for the year ended 31 December 2025 which disclose the state of affairs of the company.

1. Incorporation

The company is domiciled in Kenya where it is incorporated as a public company limited by shares under the Kenyan Companies Act, 2015. The address of the registered office is set out on page 1.

2. Principal activities

The principal activity of the company is purchase and selling of land, leasing of properties and mortgaging of properties.

3. Business review

Kimisitu Investment Company PLC continues to offer a wide range of innovative financial solutions leveraging on heavy investment in multi -channels and with a focus on excellent customer experience and a highly motivated and talented team.

4. Business Model

Kimisitu Investment Co. Limited Plc business model is focused on contributing to sustainable wealth creation for our shareholders by pooling resources for sound, innovative and market-driven investment products that are professionally managed and offer optimum returns through strategic planning, efficient operations, risk management and governance.

5. Financial review

In 2025, the company made a profit before tax of Kshs 1,922,936 compared to Kshs 9,872,769 in 2024. The company asset base increased by 1% to Kshs 179,306,096 from Kshs 178,068,614 in 2024.

The results for the year ended 31 December 2025 are out on page 9

6. Dividends

The board of directors has not recommended dividend payment

7. Directors

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

KIMISITU INVESTMENT COMPANY PLC

(A Public company limited by shares)

Report and Financial Statements for the Year Ended 31st December 2025

8. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

9 Statement of disclosure to the company 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 auditor is unaware ; and

(b) the person has taken all the steps that the person ought to have as a director so as to be aware of any relevant audits information and to establish that the company's auditor is aware of that information.

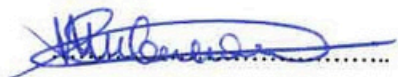
10 Terms and appointment of the auditor

MD Light & Associates have served for a term of three years and may not due for re-appointment. The directors also approved the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees. The agreed auditor's remuneration has been charged to profit or loss in the year.

11 Approval of the financial statements

The financial statements were approved at a meeting of the directors held on 2026.

By order of the board



Chair of the Board

Date: 16th February 2026.

KIMISITU INVESTMENT COMPANY PLC

(A Public company limited by shares)

Report and Financial Statements for the Year Ended 31st December 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Kenyan Companies Act, 2015 requires the directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the company keeps proper accounting records that: (a) show and explain the transactions of the company; (b) disclose, with reasonable accuracy, the financial position of the company; and (c) enable the directors to ensure that every financial statement required to be prepared complies with the requirements of the Companies Act, 2015.

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

- i) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements;
- ii) selecting and applying appropriate accounting policies; and
- iii) making accounting estimates and judgments that are reasonable in the circumstances.

Having made an assessment of the company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the company's ability to continue as a going concern.

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 2026 and signed on its behalf by;



Chair of the Board



Director

Independent Auditor Report
To the members of Kimisitu Investment Company PLC
For the year ended 31st December 2025

MD LIGHT & ASSOCIATES
Audit | Public sector Governance

Adv

Opinion

We have audited the accompanying financial statements of Kimisitu Investment Company PLC, set out on pages 9 to 23 which comprise the statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows for the year ended, and notes, including a summary of significant accounting policies.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards and the Kenyan Companies Act, 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. 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 financial statements in Kenya, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter.

Key audit matters are those matters that, in our professional judgement, were of most significance in audit of financial statements of the current period. These matters were addressed in the context of our audit as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

The financial statements include a correction of a prior period relating to the plot values allocated to customers who had not met threshold for revenue recognition, amounting to KES 17,353,262.84 explicitly identified in Note 8(b) arisen from the bill and hold arrangement.

The correction has been applied by adjusting the opening balances of stocks as at 01 January 2025 by 17,353,262.84, being the earliest practicable date.

Comparative figures have therefore not been restated due to its impracticability. The correction has no impact on cash flows.

How our audit addressed the key Audit Matter.

i) Conducted substantive testing on all stocks to ensure that all Plot values allocated to customer who have not met the threshold identified are accounted for in the current period.

ii) Assessed completeness and accuracy by sampling customers invoices and agreeing them to the stocks allotted. (ii) Verified the accuracy of the adjustment to the opening balance.

iv) Confirmed whether the adjustment had been correctly accounted for in line with the requirements of IAS 8 'accounting estimates and errors' and its exceptions

Independent Auditor Report

To the members of Kimisitu Investment Company PLC

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report, the Audit Committee's Report and the Detailed Income Statement as required by the Companies Act 15 of 2015 of Kenya, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act 15 of 2015, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor Report

To the members of Kimisitu Investment Company PLC

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal requirements

In our opinion the information given in the report of the directors on page 2 is consistent with the financial statements.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Daniel Dimba - Practicing Certificate No. 1978


MD LIGHT & ASSOCIATES - PF/514

Certified Public Accountants of Kenya 

Date 16th February 2026

KIMISITU INVESTMENT COMPANY PLC**(A Public company limited by shares)****Report and Financial Statements for the Year Ended 31st December 2025****A Statement of Profit and Loss for the Period Ended 31st December 2025**

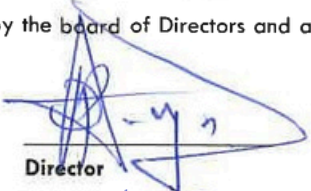
INCOME FROM OPERATIONS	NOTE	2025	2024
		Kes	Kes
Net Income from sale of property	2	29,544,011	44,014,850
Other Income	2	4,937,339	4,141,681
TOTAL OPERATIONS INCOME		34,481,350	48,156,521
EXPENDITURE			
Administration and Operational expenses	3	10,873,366	12,619,986
Staff costs	4	17,581,639	19,447,006
Governance costs	5	4,103,409	6,216,770
TOTAL COSTS		32,558,414	38,283,762
PROFIT FROM OPERATIONS BEFORE TAX		1,922,936	9,872,759
Taxation	6	(601,262)	3,089,688
PROFIT AFTER TAXATION		1,321,674	6,783,071

KIMISITU INVESTMENT COMPANY PLC
(A Public company limited by shares)
Report and Financial Statements for the Year Ended 31st December 2025
A Statement of Financial Position as at 31st December 2025

ASSETS	NOTE	2025 Kes	2024 Kes
Property and equipments	7(i)	16,034,317	14,278,432
Investment Property-Land	7(i)	9,030,630	9,030,630
Other Investments		30,000	30,000
Non-Current Assets Held for Sale	8	125,785,829	107,079,704
Intangible Asset-Operating Software System	7(ii)	339,644	424,555
		<u>151,220,420</u>	<u>130,843,321</u>
CURRENT ASSETS			
Trade and other receivables	9	12,906,007	21,600,927
Prepayments	9	1,061,902	1,104,573
Cash and cash equivalents	10	14,117,768	24,519,795
		<u>28,085,677</u>	<u>47,225,294</u>
TOTAL ASSETS		<u>179,306,096</u>	<u>178,068,614</u>
CAPITAL EMPLOYED			
Share capital	12	100,000,000	100,000,000
Share premium		20,704,610	20,704,610
Retained earnings		(3,318,395)	3,365,047
TOTAL EQUITY		<u>117,386,215</u>	<u>124,069,657</u>
CURRENT LIABILITIES			
Trade and other payables	11	61,042,343	52,421,582
Dividend payable	13	1,450,524	906,996
Corporation tax payable	6	(572,995)	670,371
		<u>61,919,872</u>	<u>53,998,949</u>
TOTAL EQUITY & LIABILITIES		<u>179,306,096</u>	<u>178,068,614</u>

The financial statements on pages 9 to 23 were approved for issue by the board of Directors and authorised and signed on their behalf by;


Chairman
 16th February
 Date


Director
 16th February
 Date

KIMISITU INVESTMENT COMPANY PLC

(A Public company limited by shares)

Report and Financial Statements for the Year Ended 31st December 2025

A Statement of Changes In Equity for the Period Ended 31 December 2025

	Share Capital	Share Premium	Proposed Dividend	Retained Earnings	Total
	Kes	Kes	Kes	Kes	Kes
AS AT 01.01.2025	100,000,000	20,704,610	906,996	3,359,931	124,971,536
Issued during the year 2024	-	-	8,000,000	(8,000,000)	-
Proposed dividend	-	-	-	-	-
2024 Dividends paid in 2025	-	-	(7,456,471)	-	(7,456,471)
Profit for the Period After Tax	-	-	-	1,321,674	1,321,674
AS AT 31.12.2025	100,000,000	20,704,610	1,450,524	(3,318,395)	118,836,739
AS AT 01.01.2024	100,000,000	20,704,610	714,179	4,581,966	123,656,216
Issued During the Year	-	-	-	-	-
Proposed dividend	-	-	8,000,000	(8,000,000)	-
2023 Dividends paid in 2024	-	-	(7,807,183)	-	(7,807,183)
Prior year adj	-	-	-	-	-
Profit for the Period After Tax	-	-	-	6,777,965	6,777,965
AS AT 31.12.2024	100,000,000	20,704,610	906,996	3,359,931	122,626,997
AS AT 01.01.2023	100,000,000	20,704,610	560,074	2,238,342	123,503,026
Issued during the Year	-	-	-	-	-
Proposed dividend	-	-	6,000,000	(6,000,000)	-
Proposed directors' fee	-	-	-	-	-
2022 Dividends paid in 2023	-	-	(5,845,895)	-	(5,845,895)
Prior year adjustments	-	-	-	(783,986)	(783,986)
Profit for the year	-	-	-	6,783,071	6,783,071
AS AT 31.12.2023	100,000,000	20,704,610	714,179	2,237,427	123,656,216

KIMISITU INVESTMENT COMPANY PLC**(A Public company limited by shares)****Report and Financial Statements for the Year Ended 31st December 2025****A Statement of Cash Flows for the Period Ended 31st December 2025**

	2025	2024
	Kes	Kes
Cash flow from Operations		
Profit before taxation for the period	1,922,936	9,872,769
Adjustments for:		
Depreciation	2,067,704	1,876,310
Amortisation	84,911	106,139
Final tax for year 2024 paid in year 2025	670,031	(2,003,694)
Cash flow from Operations before working Capital changes	<u>3,405,520</u>	<u>9,851,524</u>
Decrease in Accounts Receivables	8,737,590	154,546
Increase in trade and other payables	8,620,761	(31,870,033)
Decrease (Increase) in Non-Current Assets held for sale	(18,706,125)	59,635,814
Income tax paid during the period	(1,179,722)	(2,419,745)
	<u>878,024</u>	<u>35,352,106</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Non-Currect Assets during the period (PPE)	(3,874,590)	(10,052,035)
Non-Currect Assets NBV Disposed during the period (PPE)	-	63,381
	<u>(3,874,590)</u>	<u>(9,988,654)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividends paid	(7,456,471)	(7,807,183)
	<u>(7,456,471)</u>	<u>(7,807,183)</u>
Net (decrease)/increase in Cashflows	(10,453,027)	17,556,279
Cash and Cash Equivalents at the start of the year	24,570,795	7,014,516
Cash and Cash Equivalents at the end of the period	<u><u>14,117,768</u></u>	<u><u>24,570,795</u></u>

KIMISITU INVESTMENT COMPANY PLC

(A Public company limited by shares)

Report and Financial Statements for the Year Ended 31st December 2025

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1) SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation and summary of significant accounting policies

The financial statements are prepared on the historical cost basis in accordance with International Financial Reporting Standards. The financial statements comprise the income statement and statement of comprehensive income (as one statement), the statement of financial position, the statement of changes in equity, the statement of cash flows, significant accounting policies and the notes.

(i) Standards and interpretations effective in current period

The following new interpretations issued by the International Financial Reporting Interpretations Committee and revised standards are effective in the current period:

- IAS12, Income tax: Tax consequence on dividends (As revised in 2017: Effective for annual periods beginning on or after 1 January 2019).
- IFRS 16, Leases: New lessee accounting model (As revised in 2016: Effective for annual periods beginning on or after 1 January 2019)
- IFRS 15, Income Recognition from Contracts (As Revised in 2015; Effective for annual periods beginning on or after 1 January 2018).

The directors have assessed the relevance of the new standards, interpretations and amendments to existing standards with respect to the scheme's operations and concluded that they will not impact on the financial statements.

(b) Going Concern

The Company forecasts and projections, taking account of reasonably possible changes in trading performance, show the Company should be able to operate within their current funding levels into the foreseeable future.

The aforementioned situation will have an effect on the Company's performance for the subsequent year. The Company's management have carried out an assessment on each of the portfolio companies with the metrics considered being; staff collaboration, business activity, supply chain, liquidity and financial performance. They have then put in place mitigating measures to combat the risks identified in these areas.

Management has put in place ample measures such as remote working for some employees and setting up robust IT infrastructure for the employees ,directors and shareholders to be able to safely access relevant IT applications and conduct virtual meetings. The Directors have a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. The financial statements therefore have been prepared on a going concern basis.

c) Revenue

Revenue from sale of services is recognized upon performance of the service and customer acceptance based on the proportion of actual service rendered to the total services to be provided. Revenue is measured at the fair value of the consideration received or receivable, net of discounts and sales-related taxes collected on behalf of the government of Kenya.

KIMISITU INVESTMENT COMPANY PLC

(A Public company limited by shares)

Report and Financial Statements for the Year Ended 31st December 2025

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

d) Borrowing costs

All borrowing costs are recognized in statement of comprehensive income in the period in which they are incurred.

e) Dividends

Dividends on ordinary shares are charged to equity in the year in which they are declared. Proposed dividends are shown as a separate component of equity until they have been ratified at the Annual General Meeting.

f) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The current tax is based on taxable profit for the year, determined in accordance with the Kenyan Income Tax Act.

g) Deferred tax

Deferred income tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognized for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognized for all temporary differences that are expected to reduce taxable profit in the future and any unused tax losses or unused tax credits. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered.

The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognized in statement of comprehensive income.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which it expects the deferred tax asset to be realized or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

h) Translation of foreign currencies

All transactions in foreign currencies are initially recorded in Kenya Shillings, using the spot rate at the date of the transaction. Foreign currency monetary items at the statement of financial position date are translated using the closing rate. All exchange differences arising on settlement or translation are recognized in statement of comprehensive income.

KIMISITU INVESTMENT COMPANY PLC

(A Public company limited by shares)

Report and Financial Statements for the Year Ended 31st December 2025

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

Accounting policies (Contd...)

g) Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using reducing balance method. The following annual rates are used for the depreciation of property, plant and equipment:

Computers	25.0%
Furniture and fittings	10.0%
Office equipments	10.0%
Motor vehicle	25.0%
Borehole building	2.0%
Amortisation of software	20.0%

Full depreciation is charged in the year of purchase and none in the year of asset disposal.

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in the statement of comprehensive income.

h) Trade and other receivables

Trade and other receivables are carried at original invoiced amount less an estimate made for doubtful receivables based on a review of all outstanding amounts at the year-end. Bad debts are written off in the year in which they are identified.

i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

j) Financial liabilities

Financial liabilities are initially recognised at the transaction price (including transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest

k) Employee benefits: post-employment benefits

i) Retirements benefits

The company and its employees also contribute to the National Social Security Fund (NSSF). Contributions are determined by local statute and the company's contributions are charged to the statement of comprehensive income in the year which they relate.

ii) Provident fund

The company contributes to a Staff Provident Fund held by Britam at the rate of 12.5 % of the employee's pensionable pay while the employees contributes 5% of their individual.

iii) Staff accident and medical insurance cover

The company operates a group personal accidents cover and a group life assurance cover for their staff, and a medical insurance cover for the employees and their immediate families.

KIMISITU INVESTMENT COMPANY PLC**(A Public company limited by shares)****Report and Financial Statements for the Year Ended 31st December 2025****Notes to the Financial Statements for the Year Ended 31st December 2025**

2 NET INCOME FROM SALE OF PROPERTY	2025	2024
Sales	Kshs.	Kshs.
Tulivu Gardens	7,076,000	10,972,628
Harmony Gardens	1,690,000	4,432,929
Kimuka Gardens	1,294,100	1,233,900
Kimisitu Olives	1,500,000	3,253,000
Mbuni Gardens	740,000	795,000
Baraka Gardens	100,000	605,000
Tulivu 2 Gardens	48,831,348	83,522,000
Sidai Gardens	2,277,610	5,624,041
Malili Breeze Konza.	17,794,500	21,707,001
Kimisitu Haven Court-Kiserian	5,660,000	-
	86,963,558	132,145,499
COST OF SALES		
Opening Stock (Note 8b)*	124,432,946	166,715,508
Purchase of Kimisitu Haven Court-Kiserian	40,009,419	28,494,835
Purchase of Hillside Gardens-Kimuka	18,763,000	-
Cost of goods available for sale	183,205,365	195,210,343
Closing Stock (NOTE 8)	(125,785,818)	(107,079,684)
Cost of sales	57,419,547	88,130,659
Gross Profit From Property Sales	29,544,011	44,014,840
OTHER INCOME		
Water sales	2,968,654	2,332,505
Interest on fixed & call deposits	1,719,915	560,553
Gail/Loss on Disposal	-	(51,409)
Other incomes	248,770	1,300,032
	4,937,339	4,141,681
Total net income	34,481,350	48,156,521

KIMISITU INVESTMENT COMPANY PLC
(A Public company limited by shares)

Notes to the Financial Statements for the Year Ended 31st December 2025.

	2025	2024
	Kes	Kes
NOTE A - CLOSING STOCK		
Ngelani	39,441,154	39,441,154
Tulivu Gardens	-	2,806,516
Harmony Gardens	1,011,218	1,011,218
Mbuni Gardens	1,060,097	1,590,145
Lukenya Silver Oak Gardens	6,708,372	6,708,372
Kimisitu Olives	558,912	1,676,736
Kitengela 2	1,560,824	1,560,824
Kitengela Milimani 1B	1,196,291	1,196,291
Lukenya Maanzoni	1,180,223	1,180,223
Kimuka Gardens	374,002	748,004
Kitengela Milimani 2	932,403	932,403
Kiserian Phase 3	605,357	605,357
Baraka Gardens	1,023,984	1,023,984
Kitengela 1	301,717	301,717
Joska 1	212,957	212,957
Joska 3	228,324	228,324
Joska 4	207,036	207,036
Sidai Gardens	-	592,741
Tulivu 2 Gardens	9,642,933	31,071,673
Malili Breeze Gardens	4,339,865	13,984,009
Kimisitu Haven Court-Kiserian	36,437,149	-
Hillsides Garden-Kimuka	18,763,000	-
	125,785,829	107,079,704

3 ADMINISTRATIVE AND OPERATING EXPENSES

Rent Expenses	3,127,824	2,873,080
Borehole expenses	967,312	1,794,217
Depreciation	2,067,703	1,876,309
Travelling & Property Search Expenses	214,731	365,052
Marketing & Public Relations	1,137,267	1,595,231
Consultancy Services	474,021	363,801
Office Expenses	457,100	395,821
Share Registry Services Fees	284,513	283,272
Software Licences	508,875	546,312
ERP Support Fees	196,233	336,400
Bank Charges	128,900	180,925
Company Secretarial Services	37,200	141,750
Water & Electricity Expense	124,686	153,276
Insurance - Office Equipment	150,279	198,941
Email, Internet & Intranet	250,869	273,954
Operating System - Amortisation	84,907	106,140
Vehicle Running Expenses	313,857	300,612
Telephone/Business Mobile & Postage	30,500	49,450
Printing & Stationery	175,568	180,709
Legal fees	449	-
Office Building maintenance	-	299,120
Support & Maintenance - Equipment	47,820	242,267
Travelling Expenses	39,702	63,347
Business Licence	53,050	51,000
	10,873,366	12,670,986

KIMISITU INVESTMENT COMPANY PLC**(A Public company limited by shares)****Notes to the Financial Statements for the Year Ended 31st December 2025****4 STAFF COSTS**

	2025	2024
	Kes	Kes
Salaries and Wages	11,381,196	12,827,690
Sales Commissions	246,240	504,074
Staff Medical Insurance	3,572,491	3,555,215
Staff pension cost	1,028,192	1,039,639
Special Events - Team building expense	-	553,808
Staff welfare and benefits	78,874	126,349
Staff life assurance	77,276	92,971
Staff training and development	185,063	26,909
Staff recruitment expenses	311,872	158,616
NSSF contribution	477,763	360,720
Staff housing levy	181,272	201,014
Professional subscription	41,400	-
	17,581,639	19,447,006

5 GOVERNANCE COSTS

	Kes	Kes
Board allowances & travelling expenses	1,778,387	2,436,964
Board training & development	81,126	918,723
AGM expenses	1,866,429	2,003,976
Audit fees	212,538	212,538
Directors indemnity insurance	93,365	102,090
Hospitality	54,918	8,405
Shareholders expenses	-	3,001
Board Housing levy expense	16,646	37,296
Directors fees	-	493,777
	4,103,409	6,216,770

6 CURRENT TAX

Tax Payable b/f 2025	670,371	2,004,121
Tax charge for the year	601,262	3,089,688
Tax paid	(670,031)	(2,003,694)
Installment Tax Paid During the Year	(914,677)	(2,338,036)
Withholding Tax on Interest Income	(259,920)	(81,709)
Tax payable/(receivable) as at 31.12.2025	(572,995)	670,371

KIMISITU INVESTMENT COMPANY PLC
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Notes to the Financial Statements for the Year ended 31st December 2025.

COMPUTER SOFTWARE ALLOWANCE

	2025 Kshs.
WDV AS AT 01.01.2025	424,555
ADDITIONS	-
	<u>424,555</u>
Allowance @ 20%	84,911
Total Allowance	-
WDV AS AT 31.12.2025	<u>339,644</u>

7 (i) NON-CURRENT ASSETS MOVEMENT SCHEDULE (see worksheet - PPE)

7 (ii) INTANGIBLE ASSETS

Computer software

	2025 Kshs.	2024 Kshs.
Cost		
At start of the year	424,555	530,694
Addition	-	-
At the end of the year	<u>424,555</u>	<u>530,694</u>
Amortisation		
Charge for the year	84,911	106,139
At the end of the year	<u>84,911</u>	<u>106,139</u>
Net book Value	<u>339,644</u>	<u>424,555</u>

8 (a) NON-CURRENT ASSETS HELD FOR SALE

Asset Description		
Tulivu 2 Gardens (9 plots)	9,642,933	31,071,673
Ngelani (89 Plots)	39,441,154	39,441,154
Tulivu Gardens	-	2,806,516
Harmony Gardens (1 plot)	1,011,218	1,011,218
Mbuni Gardens (2 Plots)	1,060,097	1,590,145
Lukenya Silver Oak Gardens (22 Plots)	6,708,372	6,708,372
Kimisitu Olives 4 plots)	558,912	1,676,736
Kitengela 2 (5 Plots)	1,560,824	1,560,824
Kitengela Milimani 1B (1 Plot)	1,196,291	1,196,291
Lukenya Maanzoni (2 Plots)	1,180,223	1,180,223
Kimuka Gardens (2 plots)	374,002	748,004
Kitengela Milimani 2 (2 Plot)	932,403	932,403
Kiserian Phase 3 (3 Plots)	605,357	605,357
Baraka Gardens (2 plots)	1,023,984	1,023,984
Kitengela 1 (1 Plot)	301,717	301,717
Joska 3 (1 Plot)	228,324	228,324
Joska 1 (1 Plot)	212,957	212,957
Joska 4 (1 plot)	207,036	207,036
Sidai Gardens (1 plots)	-	592,741
Malili Breeze Gardens (9 plots)	4,339,865	13,984,009
Kimisitu Haven Court-Kiserian	36,437,149	-
Hill side Gardens-Kimuka	18,763,000	-
	<u>125,785,818</u>	<u>107,079,684</u>

***b) Reinstated plots partially sold and previously stated as closing stock 2024**

	2024 Kshs.
Harmony Gardens	1,011,218
Kimuka Gardens	374,002
Sidai Gardens Kimuka	592,741
Tulivu 2 Gardens	13,928,681
Malili	1,446,621
	<u>17,353,263</u>

KIMISITU INVESTMENT COMPANY PLC
(A Public company limited by shares)
Report and Financial Statements for the Year Ended 31st December 2025
Notes to the Financial Statements for the Year Ended 31st december 2025

9 TRADE & OTHER RECEIVABLES

	2,025 Kes	2024 Kes
Tulivu Gardens	-	1,083,000
Harmony Gardens	-	695,000
Kimuka Gardens	102,000	373,100
Baraka Gardens	135,000	235,000
Kitengela Milimani Project Contributions Receivables	895,162	1,098,545
Mbuni Gardens	491,000	84,000
Refundable deposits	1,191,984	1,191,984
Other debtors	566,209	294,795
Malili Breeze	2,011,499	1,685,999
Kimisitu Haven Court-Kiserian	90,000	-
Staff receivable	5,652	20,663
Tulivu 2 Gardens	7,335,601	13,747,881
Sidai Gardens	81,900	1,090,959
	12,906,007	21,600,927

10 CASH AND CASH EQUIVALENTS

Co-operative bank current account	1,735,077	3,335,972
KCB current account	72,106	3,313,489
Kimisitu sacco corporate account	206,943	2,071,137
Fixed deposit account	8,573,951	13,689,733.14
Mpesa holding control account	40,393	18,134
M-Pesa float	492,690	189,130
Cash in hand	808	3,940
Savings Account- Sacco NWD	2,995,800	1,898,260
	14,117,768	24,519,795

11 TRADE AND OTHER PAYABLES

Deferred income projects	7,511,630	12,931,843
Trade payables	22,874,061	5,449,564
Accrued Office Expenses	537,526	537,526
Accrued Expenses - Kitengela Milimani	9,004	9,004
Plot booking deposits	2,496,780	8,385,131
Accrued expenses - Tulivu gardens	3,067,733	3,363,433
Accrued expenses - Harmony gardens	1,654,318	1,819,468
Accrued expenses - Kitengela Milimani 1C	2,063,145	2,063,145
Accrued expenses - Kimuka gardens	1,039,367	1,079,917
Accrued expenses - Mbuni Gardens	1,285,290	1,286,897
Accrued expenses - Baraka Gardens, Komarock	1,369,258	1,389,308
Other payables	2,000,614	996,662
Project Provisions - Kimisitu Haven Court Kiserian	4,967,243	-
Project Provisions - Kimisitu Haven Court Kiserian	3,981,768	-
Accrued expenses - Kitengela Milimani 1B	594,296	594,296
Accrued expenses - Lukenya Silver Oak	723,227	723,227
Payroll control account	344,309	503,757
Accrued expenses - Kimisitu Olives	(26,251)	136,171
Accrued directors fees	16,021	509,799
	56,509,339	41,779,148

KIMISITU INVESTMENT COMPANY PLC

(A Public company limited by shares)

Report and Financial Statements for the Year Ended 31st December 2025

Notes to the Financial Statements for the Year Ended 31 December 2025

	2025	2024
	Kes	Kes
TRADE AND OTHER PAYABLES CONT..	56,509,339	41,779,149
Undetermined deposits	697,773	887,473
Rescourse gardens - Payment for apartments	435,283	435,283
Rescourse gardens - Unutilized marketing funds	430,647	430,647
Water connection fees	404,000	404,000
Staff advance	8,400	-
Staff payroll cost - PAYE	71,282	377,317
Deferred income water	776,630	344,049
Sunset boulevard - marketing funds	26,595	26,595
Staff payroll cost - NHIF	32,023	42,658
Housing fund levy	12,867	60,576
Lawyers Fees	25,420	25,420
Staff payroll cost - NSSF	78,888	62,880
Accrued expenses - Katani	121,542	121,542
Pension payable control account	295,223	21,841
Accrued expenses - Ngelani	(3,426,810)	(2,714,742)
Provisions Sidai Gardens	1,015,612	1,065,712
Provisions Tulivu 2 Gardens	1,739,383	5,589,897
Project Provisions - Malili Breeze Project	1,785,469	3,152,822
Accrued Company Secretarial Services	-	92,800
Accrued Audit Fees	-	212,538
Wht Vat Payable.	2,777	3,125
	61,042,343	52,421,582
12 SHARE CAPITAL		
Authorized Share Capital		
10,000,000 Ordinary shares of Kshs. 10 each	100,000,000	100,000,000
Issued and Fully Paid Up Share Capital		
At the start of the year	-	-
Issued during the year	-	-
As at the end of the year	-	-
13 PROPOSED DIVIDEND		
At the start of the year	906,996	714,179
Paid during the year	(7,456,471)	(7,807,183)
Proposed div during the year 2024	8,000,000	8,000,000
	1,450,524	906,996
14 PRIOR YEAR ADJUSTMENTS	17,353,263	-

Arising from correction of a prior period relating to the plot values allocated to customers who had not met threshold for revenue recognition (Note 8b)

PROPERTY AND EQUIPMENTS

	Computers and Accessories Kes	Office & Other Equipment Kes	Furniture, Fittings & Equipment Kes	Buildings Kes	Motor Vehicle Kes	Land Kes	Total Kes
Cost as at 01.01.25	4,865,302	3,770,174	3,961,010	10,889,589	2,578,541	9,030,630	35,095,246
Additions	387,000	1,007,395		2,480,195			3,874,590
Disposals During the year							
Cost as at 31.12.2025	5,252,302	4,777,569	3,961,010	13,369,784	2,578,541	9,030,630	38,969,836
Acc. dep. as at 01.01.25	3,910,536	1,916,323	1,455,319	2,351,381	2,203,626		11,837,185
Charge for the period	335,442	286,125	250,569	1,101,840	93,729		2,067,704
Acc. dep. as at 31.12.25	4,245,978	2,202,448	1,705,888	3,453,221	2,297,355		13,904,889
NBV as at 31.12.2025	1,006,325	2,575,121	2,255,122	9,916,563	281,186	9,030,630	25,064,947
NBV as at 31.12.2024	954,766	1,853,851	2,505,691	8,538,208	374,915	9,030,630	23,258,061

**KIMISITU INVESTMENT COMPANY PLC
TAX COMPUTATION - 2025**

PIN NO:	P051339151H	2025 Kes	2024 Kes
Net profit the year		1,922,936	9,872,759
Add Back Disallowable Expenses			
Pension	176,325		223,977
Depreciation	2,067,704		1,419,649
finns annd penalties	-		-
Amortisation	84,911		132,673
		2,328,940	
Less Allowable Expenses			
Wear and Tear	(2,162,760)		(773,560)
Computer Software Allowance	(84,911)		(132,673)
Computer Software allowance Claimed	-	(2,247,671)	-
Adjusted Taxable Profit / (Loss)		2,004,205	10,742,822
Tax thereon @ 30%		601,262	3,222,847
Less:			
Tax Payable b/f 2025		942,245	1,326,724
Tax paid :		(670,031)	(1,318,427)
Installment Tax Paid During the Year		(914,677)	(2,285,614)
Withholding Tax on Interest Income		(259,920)	(3,285)
Tax Payable/(Receivable) as at 31.12.2024		(301,121)	942,245

WEAR AND TEAR SCHEDULE

	Class A 25.0% Kes	Class B 10.0% Kes	Total Kes
W.D.V as at 1 January 2025	1,329,681	13,848,303	15,177,984
Additions	387,000	3,487,590	3,874,590
Disposals	-	-	-
	1,716,681	17,335,893	19,052,574
Wear and tear allowance	(429,170)	(1,733,589)	(2,162,760)
W.D.V as 31 December 2025	1,287,511	15,602,304	16,889,814

SOFTWARE ALLOWANCE

	Kes
W.D.V as at 1 January 2025	424,555
Additions	-
	424,555
Allowance @ 20%	84,911
Additional Allowance	-
W.D.V as 31 December 2025	339,644



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