



TPS

TPS EASTERN AFRICA PLC



SERENA HOTELS

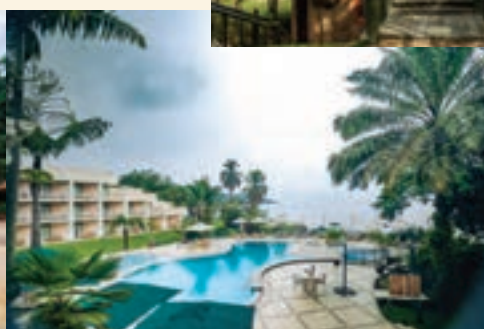
SAFARI LODGES AND CAMPS

HOTELS • RESORTS

Integrated Report &
Financial Statements Year | **2025**

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1.0 Our Integrated Report Approach

About our 2025 Integrated Report

Integrated Report Overview

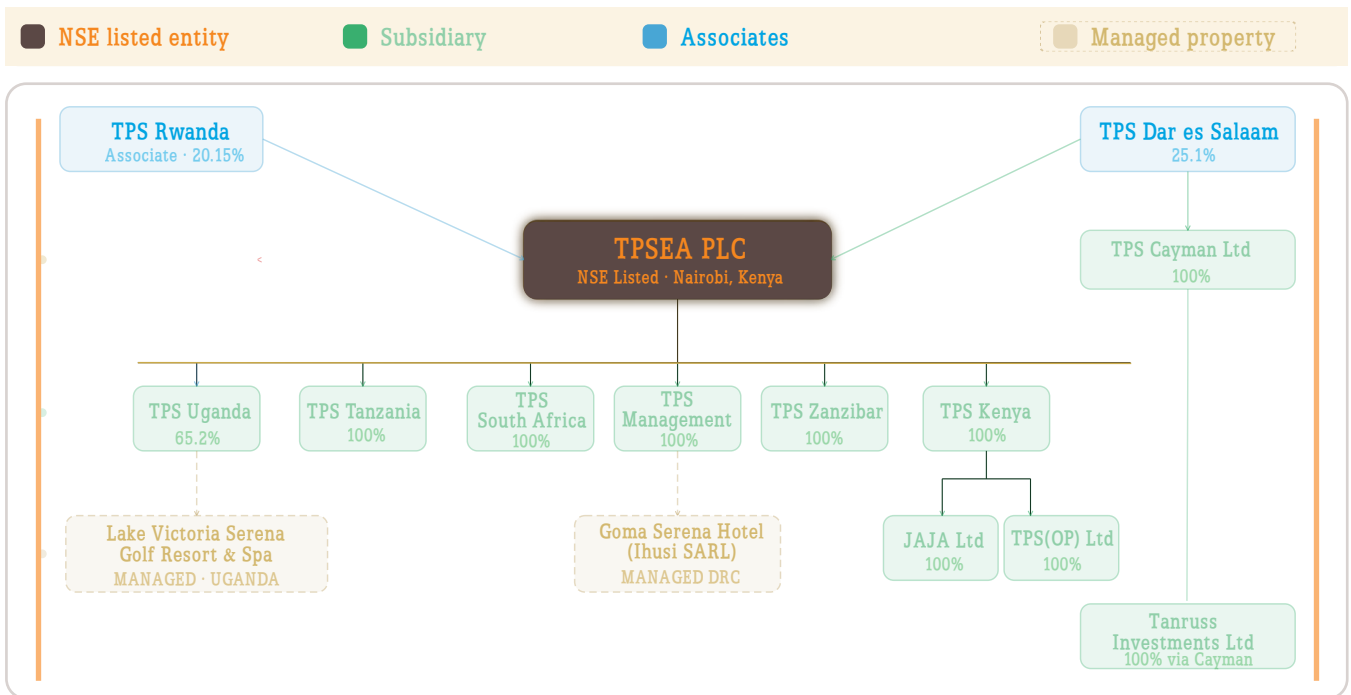
TPS Eastern Africa PLC (TPSEAP/the Company/the Group/Serena Hotels) is pleased to present its 2025 annual integrated report. This report provides stakeholders with material information to help them understand how we create and preserve value. We articulate our efforts to implement our strategy and highlight key achievements that demonstrate our progress. This report also offers insight into our governance and risk management processes, which guard against the erosion of value over time.

Scope and Boundary

The information presented in this report covers the period beginning 1st January 2025 and ending 31st December 2025. Information from prior years has been included for comparison and, in some instances, as a baseline against which progress is measured.

Our Operating Business

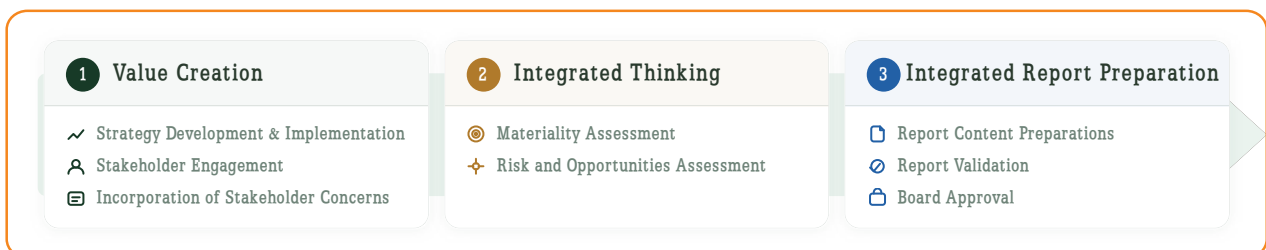
TPS Eastern Africa PLC currently comprises five 100%-owned subsidiaries, one majority-shareholder subsidiary, two associated companies and two managed properties. Unless otherwise stated, the information and data included in the report covers 21 of our 22 properties in Africa that includes our subsidiaries, associated companies and managed properties located in Kenya, Tanzania, Uganda, Rwanda, DR Congo and excludes Polana Serena Hotel in Mozambique.



Reporting Process Overview

Our 2025 Integrated Report was developed after Management, under the guidance of the Board, and with the support of Deloitte as consultants, conducted a gap analysis on TPSEAP reporting practices against the reporting standards and frameworks that include: Global Reporting Initiative (GRI) - in line with the Nairobi Securities Exchange, IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*, IFRS S2 *Climate Related Disclosures* standards and the Integrated Reporting Framework. As part of the process, there were series of engagements and discussions with the Board, Management and staff/employees.

Thus, the preparation of this report is a result of the implementation of the Integrated Thinking Principles which consider the existing and anticipated relationships between Serena Hotels and the Six Capitals in the short, medium, and long term. The integrated approach helps us establish a clear path from our strategy to impact and value creation.



1.0 Our Integrated Report Approach (continued)

Basis of preparation

This report is prepared in accordance with or in reference to the following standards/guidelines that emphasises our commitment to excellence in corporate reporting and corporate governance:

- The International Integrated Reporting Framework by the International Integrated Reporting Council.
- Nairobi Securities Exchange (NSE) Environmental, Social and Governance (ESG) Disclosures Guidance.
- The Global Reporting Initiative (GRI) Standards 2021.
- IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) including IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate Related Disclosures).
- The Kenya Companies Act, 2015.
- Capital Markets Authority (CMA) guidelines.

Materiality and Approach

The identification of material matters included in this report uses a double materiality lens, considering both financial and impact materiality. Financial materiality refers to the effects that sustainability-related matters have on Serena Hotels' performance and prospects while impact materiality considers the effects that our business and operations have on society, the natural environment, and the operating environment.

Our Assurance Process

The TPS Eastern Africa PLC's integrated reporting process uses a mix of internal and external assurance providers which include, KPMG Kenya for the financial statements audit and Scribe Services Kenya for the governance audit. However, non-financial sustainability information and disclosures have not been reviewed or reported upon by the Group's external auditors.

We continue to enhance the accuracy, comparability and consistency of our data, enabling our stakeholders to track our progress and evaluate changes in our performance over time. Looking ahead, we plan to seek independent external assurance for our sustainability information.

During the financial year ended 31st December 2025, the Company maintained qualifying third-party indemnity provisions for the benefit of all Directors, indemnifying them against liabilities incurred in their capacity as Directors to the extent permitted by law. These provisions, which remain in effect, are available for inspection at the Company's registered office in accordance with Section 198 of the Companies Act, 2015.

General information and statement of compliance

TPS Eastern Africa PLC (TPSEAP/the Company/the Group/Serena Hotels) serves as a publicly listed hospitality company on the Nairobi Securities Exchange (NSE), responsible for the development and operation of Serena Hotels across the East African region.

TPSEAP is a public limited company, incorporated and domiciled in Kenya. Its shares are listed on the Nairobi Securities Exchange. The address of its registered office is:

4th Floor, Williamson House,
4th Ngong Avenue,
Upperhill,
PO Box 48690-00100,
Nairobi.

1.0 Our Integrated Report Approach (continued)

The consolidated annual financial statements which comprise the Group have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Kenyan Companies Act, 2015.

For the Kenyan Companies Act, 2015 reporting purposes, the balance sheet is represented by the statement of financial position and profit or loss account by the statement of comprehensive income in these financial statements.

There are no other differences between IFRS® Accounting Standards and the Kenyan Companies Act, 2015.

On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the Group operates) which is the Kenya Shilling.

Approval of the Annual Integrated Report

TPS Eastern Africa PLC Annual Financial Statements for the year ended 31 December 2025, were approved by the TPS Eastern Africa Plc Board of Directors on 28 April 2026 and filed with the Capital Markets Authority and Nairobi Securities Exchange by 30 April 2026. Thereafter, in recognition of its responsibility towards stakeholders, the TPSEAP Board of Directors have reviewed the non-financial information of this Annual Integrated Report for accuracy and approved it on 5 June 2026 and signed on its behalf by:



Francis Okomo Okello MBS, EBS
Chairman



Ashishkumar Sharma
Chief Executive Officer

Contact details

For more information about this report of Serena Hotels, reach out through the provided addresses and contact details.

Williamson House

4th Floor, 4th Ngong Avenue P.O. BOX 48690 – 00100 Nairobi, Kenya

T: +254732123333 / +254709998333

E: marketing.kenya@serenahotels.com



Scan QR code to download
the digital 2025
Integrated Report and Financial Statements

Notice of Annual General Meeting

Notice is hereby given that the Fifty-fourth Annual General Meeting of the Company will be held via electronic communication, on Friday 26th June 2026, at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the Fifty-third Annual General Meeting held on 26th June 2025.
2. To receive, consider and, if thought fit, adopt the accounts for the year ended 31st December 2025, together with the Directors' and Auditors' Reports thereon.
3. To approve payment of a final dividend for 2025 of KShs. 0.35 per share, subject to withholding tax, where applicable, to the Members on the Register at the close of business on 26th June 2026. Payment of the dividend to be made on or about 26th July 2026.
4. To elect Directors:
 - a. Mr. Guedi Ainache retires by rotation in accordance with Articles No. 112, 113 & 114 of the Company's Articles of Association and being eligible, offers himself for re-election.
 - b. Mr. Francis Okomo-Okello retires by rotation in accordance with Articles No. 112, 113 & 114 of the Company's Articles of Association. Special notices have been received by the Company pursuant to section 287 of the Companies Act 2015 and subject to section 131 of the Act that if thought fit, the following resolution be passed:

"That Mr. Francis Okomo-Okello (a Director retiring by rotation) who is over 70 years, be and is hereby re-elected as a Director of the Company".
 - c. Mr. Mahmood Pyarali Manji retires by rotation in accordance with Articles No. 112, 113 & 114 of the Company's Articles of Association. Special notices have been received by the Company pursuant to section 287 of the Companies Act 2015 and subject to section 131 of the Act that if thought fit, the following resolution be passed:

"That Mr. Mahmood Pyarali Manji (a Director retiring by rotation) who is over 70 years, be and is hereby re-elected as a Director of the Company".
5. To approve the Directors' remuneration for 2025.
6. To appoint KPMG Kenya as the Company's Auditors, in accordance with Section 721 (2) of the Companies Act 2015. KPMG Kenya have indicated their willingness to continue in office.
7. To approve the Auditors' remuneration for 2025 and to authorise the Directors to fix the Auditors' remuneration for 2026.
8. To appoint the Board Audit and Risk Committee members which comprises Mr. Mahmood Manji, Mr. Guedi Ainache, Mr. Alkarim Jiwa, Mr. Azizuddin Boolani, and Mr. Jean Guyonnet-Duperat in accordance with section 769 (1) of the Companies Act 2015.
9. To transact any other Ordinary Business of an Annual General Meeting.

By Order of the Board.



Dominic K. Ng'ang'a
COMPANY SECRETARY

Dated at Nairobi this 28th April, 2026

Notice of Annual General Meeting (continued)

NOTE:

1. TPSEAP has convened and is conducting this virtual Annual General Meeting following an amendment of its Articles of Association to allow the holding of the General Meetings through Electronic Communication (Virtual meeting).
2. Shareholders wishing to participate in the AGM should register by dialling *483*809# on their Safaricom, Airtel or Telkom mobile telephone and following the various prompts regarding the registration process. Shareholders will not incur any charges by contacting the helpline number (+254) 709 170 000 from 9.00am to 4.00pm, Monday to Friday. Any shareholder outside Kenya should dial the helpline number to be assisted to register.
3. Registration for the AGM commences on 3rd June, 2026 at 9.00am and will close on Monday 22nd June, 2026 at 12.00pm. Shareholders will not be able to register after Monday 22nd June, 2026 at 12.00pm.
4. In accordance with Section 283 (2) (c) of the Companies Act, 2015, the following documents may be viewed on the Company's website www.serenahotels.com (i) a copy of this notice and the proxy form, (ii) minutes of the last AGM held on 26th June, 2025, and (iii) the Company's audited financial statements and integrated report for the year 2025.
5. Shareholders wishing to raise any questions or clarifications regarding the AGM may do so by:
 - (a) Sending their written questions by email to agmquestions@serenahotels.com; or
 - (b) To the extent possible, physically delivering their written questions with a return postal address number or email address to the registered office of the Company at Williamson House, 4th Floor, 4th Ngong Avenue, or to Image Registrars offices situated at 5th Floor, ABSA Towers (formerly, Barclays Plaza) Loita Street, Nairobi; or
 - (c) Sending their written questions with a return postal address number or email address by registered post to the Company's address using **P.O. Box 48690-00100 Nairobi**.

Shareholders must provide their full details (Full name, ID/Passport Number/CDSC Account Number when submitting their questions and/or clarifications.

All questions and /or clarifications must reach the Company on or before Monday 22nd June, 2026 at 12.00pm.

Following the receipt of the questions and /or clarifications, the directors of the Company shall provide written responses to the questions received to the return postal address number or email address provided by the shareholder not later than 12 hours before the start of the AGM. A full list of all questions received and the answers thereto will be published on the Company's website not later than 12 hours before the start of the AGM.

6. A Shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. A proxy need not be a member of the Company. The appointed proxy will need to have access to a mobile telephone. A proxy form is attached to this Notice and is available on the Company's website www.serenahotels.com. Physical copies of the proxy form are also available at Image Registrars Limited's offices on 5th floor ABSA Towers (formerly, Barclays Plaza), Loita Street, P.O Box 9287-00100 Nairobi. To be valid, a proxy form must be duly signed by the member. If the member is a body corporate, the proxy form shall be given under its common seal or under the hand of an officer or duly authorized attorney of such body corporate. The completed proxy form should be emailed to info@image.co.ke or sent/delivered to Image Registrars Limited, 5th floor ABSA Towers (formerly, Barclays Plaza), Loita Street, Nairobi so as to be received not later than Wednesday, 24th June, 2026 at 11.00am. Any person appointed as a proxy should submit his/her mobile telephone number to the Company not later than Wednesday, 24th June, 2026 at 11.00am. Any rejected proxy registration will be communicated to the shareholder concerned not later than 25th June, 2026 to allow time to address any issues.
7. The AGM will be streamed live via a link which shall be provided to all shareholders who will have registered to participate in the AGM. Duly registered shareholders and proxies will receive a short message (SMS/USSD) prompt on their registered mobile numbers, 24 hours prior to the AGM acting as a reminder of the AGM. A second (SMS/USSD) prompt shall be sent one hour ahead of the AGM, reminding duly registered shareholders and proxies that the AGM will begin in an hours' time and providing a link to the livestream.
8. Duly registered shareholders and proxies may follow the proceedings of the AGM using the live stream platform and may access the Agenda and vote when prompted by the Chairman via the USSD prompts.
9. Results of the AGM shall be published within 24 hours following conclusion of the AGM.

Notisi Kuhusu Mkutano Mkuu wa Pamoja wa Mwaka

Notisi inatolewa kwamba, Mkutano wa Pamoja wa Mwaka wa Kampuni utafanyika kwa mfumo wa kielektroniki Ijumaa Juni 26, 2026 kuanzia saa tano asubuhi ili kuangazia shughuli zifuatazo za kibiashara;

SHUGHULI ZA KAWAIDA

1. Kuthibitisha kumbukumbu za Mkutano wa 53 wa Pamoja wa Mwaka uliofanyika Juni 26, 2025.
2. Kupokea, kuzingatia na endapo itaonekana kuwa sawa, kupitisha taarifa za matumizi ya pesa kwa kipindi cha mwaka uliomalizika Desemba 31, 2025 pamoja na ripoti kutoka kwa wakurugenzi na wahasibu
3. Kupitisha kutolewa kwa malipo ya mwisho ya mgao wa faida wa mwaka 2025 wa Kshs. 0.35 kwa kila hisa kwa kuzingatia ushuru ulioshikiliwa pale inapohitajika kwa wanachama ambao majina yao yatakuwa kwenye sajili ifikiapo kipindi cha mwisho cha shughuli za biashara mnamo Juni 26, 2026. Malipo ya mgao wa faida yatatolewa kabla au ifikiapo Julai 26, 2026.
4. Kuwachagua wakurugenzi :
 - a. Bw. Guedi Ainache atastaafu kwa zamu kwa mujibu wa vifungu nambari 112, 113 na 114 vya sheria za mashirika za makampuni na kwa kuwa hali inamruhusu, anajitokeza ili kuchaguliwa tena.
 - b. Bw. Francis Okomo-Okello anastaafu kwa zamu kwa mujibu wa vifungu nambari 112, 113 na 114 vya sheria za mashirika ya makampuni. Notisi maalumu imepokelewa na kampuni kwa mujibu wa sehemu ya 287 ya sheria za makampuni za mwaka 2025 na kwa kufungamana na sehemu ya 131 ya sheria hizo na endapo itakubalika kupitisha azimio lifuatalo:

“Kwamba Bw. Francis Okomo-Okello (Mkurugenzi ambaye anastaafu kwa zamu) ambaye amefikisha umri wa zaidi ya miaka 70 achaguliwe tena kama mkurugenzi wa Kampuni”
 - c. Bw. Mahmood Pyarali Manji anastaafu kwa zamu kwa mujibu wa vifungu nambari 112, 113 na 114 vya sheria za mashirika za makampuni. Notisi maalumu imepokelewa na kampuni kwa mujibu wa sehemu ya 287 ya sheria za makampuni ya mwaka 2025 na kwa kufungamana na sehemu ya 131 ya sheria hizo na endapo itakubalika kupitisha azimio lifuatalo:

“Kwamba Mr. Mahmood Pyarali Manji (Mkurugenzi ambaye anastaafu kwa zamu) ambaye amefikisha umri wa zaidi ya miaka 70 achaguliwe tena kama mkurugenzi wa Kampuni” .
5. Kupitisha marupurupu ya wakurugenzi kwa kipindi cha mwaka 2025.
6. Kuwateua KPMG Kenya kama wahasibu wa Kampuni kwa mujibu wa sehemu ya 721 (2) ya sheria za makampuni ya mwaka 2015. KPMG Kenya wameonyesha nia yao ya kutaka kuendelea mbele na jukumu hili
7. Kupitisha marupurupu ya wakaguzi wa pesa ya mwaka 2025 na kuwapa uhuru wakurugenzi kuamua kiwango cha malipo ya wahasibu mwaka 2026.
8. Kuteua Halmashauri ya Wakurugenzi wa Kamati ya Uhasibu na Athari inayohusisha Bw. Mahmood Manji, Bw. Guedi Ainache, Bw. Alkarim Jiwa Bw. Azizuddin Boolani, na Bw. Jean Guyonnet-Duperat kwa mujibu wa sehemu ya 769 (1) ya sheria za makampuni ya mwaka 2025.
9. Kutekeleza shughuli nyingine za kawaida za kibiashara zinaohusiana na mkutano wa pamoja wa mwaka

Kwa Amri ya Halmashauri



Dominic K. Ng'ang'a
KATIBU WA KAMPUNI

Imenukuliwa Nairobi Aprili 28, 2026

Notisi ya Mkutano Mkuu Wa Pamoja Wa Mwaka (kuendelea)

NUKUU:

1. TPSEAP imeitisha na inaendesha Mkutano huu wa Pamoja wa Mwaka kufuatia kufanyiwa mabadiliko kwenye sheria za ushirika ili kuruhusu kutekelezwa kwa hilo kupitia njia za mawasiliano ya kielektroniki (kupitia njia ya mtandao)
 2. Wanahisa wanaotaka kushiriki Mkutano wa Pamoja wa Mwaka wajasajili kwa kupiga nambari *483*809# kupitia mtandao wa Safaricom, Airtel au Telkom na kufuata maagizo mbali mbali ya hatua za usajili. Wanahisa hawatatozwa ada yoyote kwa kupiga simu kupitia nambari ya usaidizi (+254) 709 170 000 kuanzia saa tatu asubuhi hadi kumi jioni Jumatatu hadi Ijumaa. Mwanahisa yeyote aliye nje ya Kenya apige simu ya usaidizi ili apate usaidizi wa usajili
 3. Usajili wa Mkutano wa Pamoja wa Mwaka utanza Juni 3, 2026 saa tatu asubuhi na kufungwa Jumatatu Juni 22, 2026 saa sita aduhuri. Wanahisa hawataweza kusajiliwa baada ya Jumatatu Juni 22, 2026 saa sita Aduhuri.
 4. Kwa mujibu wa sehemu 283 (2) (c) ya sheria za makampuni, ya mwaka 2015, stakabadhi zifuatazo zinaweza kukaguliwa kupitia wavuti wa kampuni ambao ni www.serenahotel.com (i) nakala ya notisi hii pamoja na fomu ya uwakala, (ii) kumbukumbu za mkutano uliopita wa pamoja wa mwaka Juni 26, 2025 na (iii) taarifa za kifedha za kampuni zilizofanyiwa ukaguzi pamoja na ripoti ya mwaka 2025
 5. Wanahisa wanaotaka kuuliza maswali yoyote au ufafanuzi kuhusiana na Mkutano wa Pamoja wa Mwaka wanaweza kufanya hivyo kwa:-
 - a) Kutuma maswali yao waliyoandika kupitia barua pepe kwa; agmquestions@serenahotels.com; au
 - b) Pale inapowezekana, kutuma moja kwa moja maswali yao na kuambatanisha na anwani ya kurudisha majibu au anwani ya barua pepe kwa ofisi ya Kampuni iliyosajiliwa katika jumba la Williamson House, Orofa ya nne, barabara ya 4th Ngong Avenue, au kwa ofisi za Image Registrars zilizoko orofa ya tano jumba la ABSA Towers (zamani Barclays Plaza) Loita Street, Nairobi; au;
 - c) Kutuma maswali yao waliyoandika na kuambatanisha na anwani ya kurudisha majibu au barua pepe kupitia Sanduku ya Posta lililosajiliwa, **SLP 48690 0010 Nairobi**.
- Ni lazima kwa wanahisa kutoa maelezo yao kamili (Jina kamili, Kitambulisho/ nambari ya Paspoti/ Nambari ya akaunti ya CDSC wakati wa kutuma maswali au ufafanuzi.
- Maswali yote au ufafanuzi lazima yafike kwa ofisi ya Kampuni kabla au ifikapo Jumatatu Juni 22, 2026 saa sita aduhuri.
- Baada ya kupokea kwa maswali/ ufafanuzi, wakurugenzi wa kampuni watatoa majibu yaliyoandikwa kuhusiana na maswali yaliyopokelewa kupitia anwani ya kutuma majibu au kwa njia ya anwani ya barua pepe iliyotolewa na mwanahisa saa 12 kabla ya kufanyika kwa Mkutano Mkuu wa Pamoja wa Mwaka. Orodha kamili ya maswali yaliyopokelewa na maswali yake zitachapishwa kupitia wavuti wa kampuni saa 12 kabla ya kuanza kwa Mkutano wa Pamoja wa Mwaka.
6. Mwanachama aliye na ruhusa kuhudhuria mkutano na kupiga kura ana uhuru kumteua wakala wake kumwakilisha na kupiga kura kwa niaba yake. Si lazima kwa wakala huyo kuwa mwanachama wa kampuni. Itabidi kwa wakala aliyeteuliwa kuwa na nambari ya simu ya mkononi. Fomu ya wakala imeambatanishwa na notisi hii na inaweza kupatikana kupitia wavuti wa kampuni www.serenahotels.com. Pia, nakala za fomu ya wakala inapatikana kupitia ofisi za Image Registrars Limited's orofa ya 5 jumba ABSA Towers (zamani, Barclays Plaza), barabara ya Loita Street, Slp 9287 00100 Nairobi. Ili kukubaliwa, fomu ya wakala iwe na sahihi kamilifu ya mwanachama. Endapo mwanachama ni shirika, fomu ya wakala iwe imepigwa mhuri wa kawaida au iwe na sahihi ya afisa aliyeidhinishwa na mwanasheria wa shirika kama hilo. Fomu ya wakala itumwe kupitia barua pepe; info@image.co.ke au itumwe / ipokelewe na Image Registrars Limited, orofa ya 5 jumba la ABSA Towers (zamani, Barclays Plaza), barabara ya Loita Street, Nairobi na kupokelewa kabla ya Jumatano Juni 24, 2026 saa tano asubuhi. Mtu yeyote aliyeteuliwa kama wakala awasilishe nambari yake ya simu ya mkononi kwa kampuni kabla ya Jumatano Juni 24, 2026 saa tano asubuhi. Usajili wowote wa wakala uliokataliwa utajulishwa kwa mwanahisa mhusika kabla ya Juni 25, 2026 ili kutoa nafasi ya kushughulikia swala lolote.
 7. Mkutano wa pamoja wa mwaka utaendeshwa moja kwa moja kupitia njia ya kielektroniki (live stream) ambao kiunganishi chake kitatolewa kwa wanahisa ambao watakuwa wamejisajiliwa kuhudhuria. Wanahisa waliosajiliwa kikamilifu na mawakala watapokea ujumbe mfupi wa kuwakumbusha (SMS/USSD) kupitia nambari zao za simu za mkononi saa 24 kabla ya kuanza kwa mkutano. Ujumbe wa pili mfupi (SMS/USSD) utatumwa saa moja kabla ya kuanza kwa mkutano ili kuwakumbusha wanachama waliosajiliwa kikamilifu na mawakala kuwa mkutano wa pamoja wa mwaka utanza chini ya muda wa saa moja na kuwapa kiunganishi cha kuwaruhusu kuufuatilia matukio kwa njia ya kielektroniki.
 8. Wanahisa waliosajiliwa kikamilifu pamoja na mawakala wanaweza kufuatilia matukio ya mkutano moja kwa moja kwa njia ya kielektroniki na kuweza kupata agenda na kupiga kura watakapoepwa ishara na mwenyekiti kupitia jumbe mfupi wa USSD.
 9. Matokeo ya mkutano mkuu wa pamoja wa mwaka yatachapishwa chini ya muda wa saa 24 baada ya kukamilika kwake



Kigali Serena Hotel

2.0. About Serena Hotels

2.1 Overview of Serena Hotels

"A cornerstone of East African hospitality - blending modern comforts with local heritage, architecture, cuisine, art and traditions."

The tourism and hospitality arm of the Aga Khan Development Network (AKDN) through the Aga Khan Fund for Economic Development (AKFED) referred to as Tourism Promotion Services (TPS) operates the brand Serena Hotels. Operating in Africa and Asia, Serena Hotels is one of the region's respected hospitality brands, known for its collection of city hotels, resorts, safari lodges and camps that combine world-class service with authentic cultural experiences and sustainable tourism practices.

TPS Eastern Africa PLC serves as a publicly listed hospitality company on the Nairobi Securities Exchange (NSE) responsible for the development and operation of Serena Hotels across the East African region.

Since its establishment 56 years ago in the 1970s, Serena Hotels has grown into a distinguished brand and a cornerstone of East African hospitality, recognized for seamlessly blending modern comforts and amenities with local heritage, architecture, cuisine, art, and traditions into every guest experience.

Our portfolio of 22 properties, each uniquely inspired by the heritage of its surroundings, spans Kenya, Tanzania, Uganda, Rwanda, Mozambique, and the Democratic Republic of Congo. Strategically located within key business, tourism, and conservation destinations, these properties offer guests an exceptional blend of premium hospitality, authentic cultural immersion, and a deep commitment to environmental stewardship.

These properties cater to international tourists, business travellers, diplomats, conference delegates, and regional leisure markets, supporting both tourism growth and business connectivity across Africa.

A key pillar of the Serena Hotels brand is its strong commitment to responsible tourism and sustainable development. The Group actively promotes environmental conservation, cultural preservation, community empowerment, and local economic development. Serena Hotels properties implement eco-friendly operational practices, renewable energy initiatives, and conservation-based tourism designed to support surrounding communities and protect natural ecosystems.

The Serena Hotels philosophy is centred on delivering personalized hospitality with exceptional attention to detail, reflected in its service ethos. This commitment has positioned Serena Hotels as a trusted hospitality leader in Africa, with a reputation for elegance, professionalism, cultural authenticity, and sustainable hospitality.

Today, through the leadership of TPSEAP and the broader Aga Khan Development Network, Serena Hotels continues to play a significant role in advancing tourism, investment, employment, and socio-economic development across Africa while maintaining internationally recognized standards of hospitality excellence.



2.1 Overview of Serena Hotels (continued)

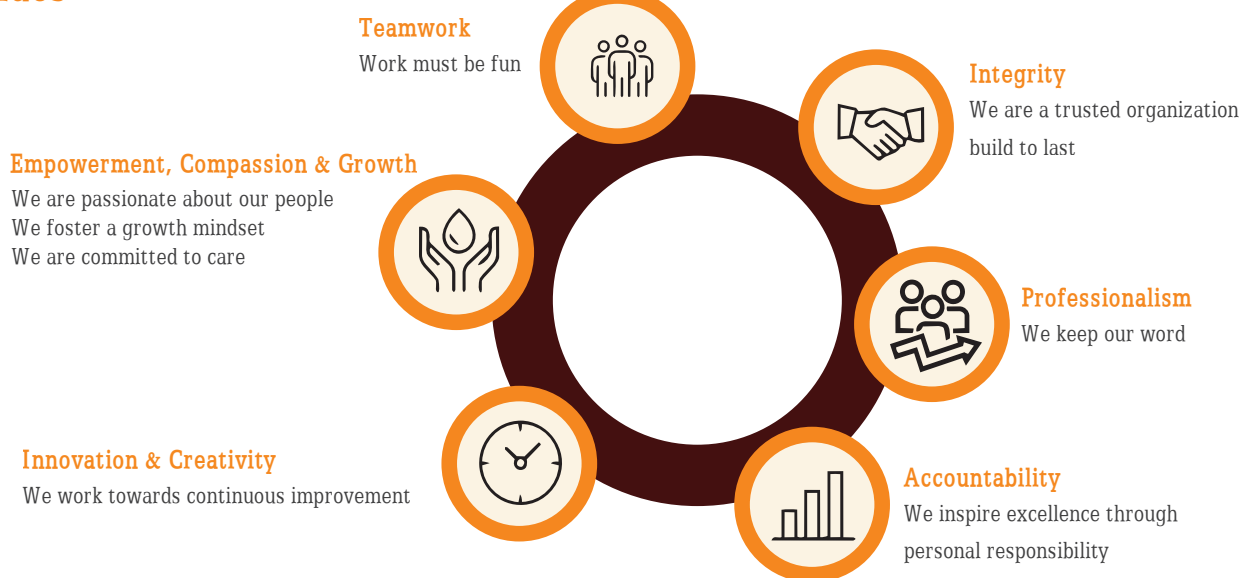
☆ VISION

"To create heartwarming memories."

🕒 MISSION

To deliver unforgettable guest experiences, through a culture of trust, integrity and stewardship. Our properties integrate outstanding ethnic designs, reflecting local cultures, communities and traditions to promote sustainable tourism.

Values



Tagline (Key Differentiators):

"Bespoke | Heritage | Unforgettable"



BESPOKE

"Personalized experiences"



HERITAGE

"Rich history, connecting to the local culture"
56 years of embedding Africa's living traditions into every space



UNFORGETTABLE

"Memorable and extraordinary experiences"

Other Corporate Information

REGISTERED OFFICE

4th Floor, Williamson House
4th Ngong Avenue
P.O. Box 48690-00100
Nairobi, Kenya
Telephone 254 (20) 2842000
E-mail: admin@serenahotels.com
Website: www.serenahotels.com

AUDITORS

KPMG Kenya
ABC Place
Waiyaki Way, Westlands
P.O. Box 40612-00100
Nairobi, Kenya

PRINCIPAL BANKERS

ABSA Bank Kenya PLC
P.O. Box 30120-00100
Nairobi, Kenya

REGISTRAR

Image Registrars Limited
5th Floor, ABSA Towers
Loita Street
P.O. Box 9287-00100
Nairobi, Kenya

2.2 Serena Hotels Africa at a Glance

22 City hotels, resorts, safari lodges & camps	6 Operating countries — Kenya · Tanzania (includes Zanzibar) · Uganda · Rwanda · DR Congo · Mozambique	3,929 Employees across all properties	NSE Publicly listed on Nairobi Securities Exchange
---	---	--	---

TOTAL ROOMS CAPACITY * 2,035 available rooms across 22 properties ▼ 3 rooms vs 2,038 in 2024	BEDS OCCUPIED 538,533 total bed-nights occupied 2025 ▼ 10.9% vs 604,290 in 2024	FOOD & BEVERAGE COVERS 1.89M F&B covers served across all properties ▼ 5.6% vs 1,999,111 in 2024	EMPLOYEES 3,929 total employees across the Group ▼ 110 vs 4,039 in 2024
---	--	---	--

SCOPE 1 & 2 GHG EMISSIONS **

16,667
 tCO₂e · 2025
 2024: 17,060 tCO₂e · ▼ 2.3% year-on-year

** Scope boundary: Excludes DR Congo and Mozambique. Does not exclude emissions avoided from Solar PV installations. GHG emissions avoided from solar in 2025: 1,513 tCO₂e (2024: 1,499 tCO₂e).

GHG EMISSIONS AVOIDED — SOLAR PV

1,513
 tCO₂e avoided · 2025
 2024: 1,499 tCO₂e ▲ 0.9% year-on-year

All 7 Kenya properties now equipped with solar PV installations. Plans underway to solarise Tanzania lodges & camps in 2026/27. Solar energy generated since 2017: 14.2M kWh · 9,539 tCO₂e avoided cumulatively.

SERENA CLINICS — FREE TREATMENTS

2,172
 free medical treatments to community (East Africa) in 2025
 ▲ 258 vs 1,914 in 2024

IN-KIND CHARITABLE DONATIONS

USD 88,578
 in-kind value of charitable donations to communities (East Africa) 2025
 ▲ 183% vs USD 31,235 in 2024

INTERNSHIP OPPORTUNITIES

280
 average per quarter · 2025 (1,119 annual internships)
 ▼ 17 vs 297/quarter in 2024

Full Year-On-Year Comparison

METRIC	2025	2024	CHANGE
• Properties (City Hotels, Resorts, Safari Lodges and Camps)	22	22	Unchanged
• Operating countries (Kenya, Tanzania (includes Zanzibar), Uganda, Rwanda, DR Congo, Mozambique)	6	6	Unchanged
• Employees	3,929	4,039	▼ 110
• Total rooms capacity *	2,035	2,038	▼ 3
• Beds occupied	538,533	604,290	▼ 10.9%
• Food and beverage covers	1,888,194	1,999,111	▼ 5.6%
• Scope 1&2 GHG emissions **	16,667 tCO ₂ e	17,060 tCO ₂ e	▼ 2.3%
• GHG avoided from Solar PV	1,513 tCO ₂ e	1,499 tCO ₂ e	▲ 0.9%
• Charitable donations (in-kind)	USD 88,578	USD 31,235	▲ 183%
• Free medical treatments (community)	2,172	1,914	▲ 13.5%
• Internship opportunities (avg/quarter)	280	297	▼ 5.7%

* Total rooms capacity (2,035): Three garden view rooms at Nairobi Serena Hotel were converted to elegant meeting rooms, reducing the prior year's capacity of 2,038 by 3 rooms.

** Scope 1 & 2 GHG emissions (16,667 tCO₂e): Boundary excludes DR Congo and Mozambique. Figure does not exclude emissions avoided from Solar PV installations — those are reported separately as 1,513 tCO₂e avoided in 2025 (2024: 1,499 tCO₂e).

2.3 Economic impact of Serena Hotels' Presence in East Africa 2025

In-standardizing the recording of Serena Hotels economic footprint to align with internationally recognized protocols, in 2016 we worked with Horwath HTL, the global leader in hotel and leisure consulting whose Economic Development Impact Assessment System has allowed us to measure the total local economic activity [i.e. contribution to Gross Domestic Product (GDP)] generated in East Africa as a result of the presence of Serena Hotels.

\$309M

Total GDP contribution to East Africa
Direct + indirect + induced + spillover

11,423

Total jobs created (FTE)
Full Time Equivalent per annum

49,319

People supported in households
From jobs created across value chain

2.95%

Share of regional tourism GDP
\$309M GDP contribution represents 2.95% of the \$10.49 billion in total East Africa tourism revenue

GDP Breakdown by Value Driver & Impact Type — \$309m Total (excludes DR Congo and Mozambique)

VALUE DRIVER	DIRECT	INDIRECT	INDUCED	SPILLOVER	TOTAL
Value Creation by Guests - \$ Million	\$35	\$52	—	—	\$87
Direct & Indirect Taxes - \$ Million	\$30	\$54	—	—	\$84
Local Procurement - \$ Million	\$55	\$25	—	—	\$80
Payroll & Related - \$ Million	\$21	\$19	\$4	\$5	\$49
Capital Expenditure - \$ Million	\$9	—	—	—	\$9
Total GDP Contribution 2025 - \$ Million	\$150	\$150	\$4	\$5	\$309

Jobs & Livelihoods Supported

EMPLOYMENT IMPACT Total jobs created (FTE) · 2025			
11,423 FTE jobs			
DIRECT 3,511 30.7%	INDIRECT 5,329 46.7%	INDUCED 1,190 10.4%	SPILLOVER 1,393 12.2%

HOUSEHOLD IMPACT People supported in households · 2025			
49,319 People			
DIRECT 14,957 30.3%	INDIRECT 23,157 47.0%	INDUCED 5,163 10.5%	SPILLOVER 6,040 12.2%

The explanation below reveals how the figures in the table above was arrived at:

The impact of Serena Hotels operations in East Africa on the local economy is calculated using the Horwath HTL system with relevant quantitative indicators such as monetary amounts injected from each stakeholder (the Serena Properties, Suppliers, Employees, Guests, neighbouring communities) to the economic system and total number of jobs created. The several levels of impacts that the Economic Development Impact Assessment system considers has been summarized below:

- **Direct Impacts:** Local Economic Impacts generated by the operations of Serena Hotels in East Africa. Measured through key indicators such as procurement; wages through direct employment; taxes; concession fees; park/conservancy fees; donations and capital expenditure.
- **Indirect Impacts:** Related to Serena Hotels value chain in East Africa and is the result of expenses incurred by the Serena Hotels direct stakeholders (based on specific macroeconomic and socio-demographic ratios, and limited to the revenues generated from Serena Hotels value chain) which includes: Wages paid by suppliers; average guest spending in the local economies; consumption by Serena Hotels employees in the local economies and the related impact on employment and taxes.
- **Induced Impacts:** Multiplier effect as a result of expenses incurred and jobs created by the indirect impacts described above related to Serena Hotels.
- **Spillover Effect:** This is the result of the various rounds of re-spending in the local economies. Following usual tourism economic principles, each previous impact generates successive waves of revenues for the local economies. Ultimately, this translates into the tourism expenditure multiplier.



2.4 Serena Hotels Portfolio in Africa

56 years of East African hospitality excellence

UGANDA
KAMPALA SERENA HOTEL
LAKE VICTORIA SERENA GOLF RESORT & SPA

DR CONGO
GOMA SERENA HOTEL

KENYA
NAIROBI SERENA HOTEL
SWEETWATERS SERENA CAMP
LAKE ELMENTEITA SERENA CAMP
MARA SERENA SAFARI LODGE
AMBOSELI SERENA SAFARI LODGE
KILAGUNI SERENA SAFARI LODGE
SERENA BEACH RESORT & SPA

RWANDA
KIGALI SERENA HOTEL
LAKE KIVU SERENA HOTEL

TANZANIA
DAR ES SALAAM SERENA HOTEL
ZANZIBAR SERENA HOTEL
SERENA MIVUMO RIVER LODGE
ARUSHA SERENA HOTEL
LAKE MANYARA SERENA SAFARI LODGE
NGORONGORO SERENA SAFARI LODGE
SERENGETI SERENA SAFARI LODGE
MBUZI MAWE SERENA CAMP
KIRAWIRA SERENA CAMP

MOZAMBIQUE
POLANA SERENA HOTEL

www.serena-hotels.com

SERENA HOTELS
SAFARI LODGES AND CAMPS
HOTELS • RESORTS

★ 2.5 Awards & Recognitions

28

National & international awards received in 2025
Recognitions span sustainability, luxury hospitality, MICE, digital innovation, wildlife conservation and cultural heritage.

WORLD TRAVEL AWARDS AFRICA & INDIAN OCEAN GALA 2025

5 category wins - Serena Hotels

KENYA	Leading Safari Lodge Mara Serena Safari Lodge		UGANDA	Leading Hotel Kampala Serena Hotel		UGANDA	Leading Hotel Suite Presidential Suite, Kampala	
UGANDA	Leading Resort Lake Victoria Serena Golf Resort & Spa		MOZAMBIQUE	Leading Hotel Polana Serena Hotel				

FINANCIAL TIMES UK and STATISTA

Africa's Fastest Growing Companies 2025
Recognised on the prestigious pan-continental growth ranking published by the Financial Times UK in partnership with Statista

Serena Hotels Group Pan-African

LUXURY TRAVEL AWARDS · KENYA

Luxury Hospitality Group of the Year — Kenya
Recognised as the winner under the Luxury Travel Awards category for Kenya's top luxury hospitality group

Serena Hotels Kenya Kenya

TOURISM REGULATORY AUTHORITY · KENYA

TRA Excellence Award 2025
Recognition for consistent excellence in service quality, safety standards and operational leadership within Nairobi's hospitality sector

Nairobi Serena Hotel Kenya

TRA · TOURISM EXCELLENCE AWARDS 2025

Gold Accreditation — Environmental Conservation & Service Excellence
Serena Beach Resort & Spa lauded for environmental conservation; Kilaguni Serena recognised for service excellence and pioneering sustainable.

Serena Beach, Mombasa Kilaguni Serena · Tsavo West

EXPERIENTIAL TOURISM MARKETING

Best Experiential Stand Award 2025
Awarded for innovation and engagement in experiential tourism marketing — demonstrating creative excellence at a major tourism showcase

Serena Hotels Group

KENYA E-COMMERCE AWARDS 2025 · 7TH EDITION

First Runner-Up — Best Hospitality E-Commerce Platform
Recognised for digital innovation and excellence in hospitality e-commerce at the 7th Edition of the Kenya E-Commerce Awards held in Nairobi

Serena Hotels Digital Nairobi

UGANDA · MICE RECOGNITION 2025

Uganda's Best MICE Hotel 2025
Recognised for excellence in Meetings, Incentives, Conferences and Exhibitions — a key strategic segment for Serena Hotels

Kampala Serena Hotel Uganda

INTERNATIONAL EXPLORER MAGAZINE

International Explorer Heritage Award
Awarded for exceptional architectural preservation, cultural integration and contribution to authentic African hospitality in Stone Town

Zanzibar Serena Hotel Stone Town

OCTOBER "BIG DAY" · SOYSAMBU CONSERVANCY

Kenya's No.3 Birding Hotspot · Africa's No.4
Lake Elmenteita Serena Camp recorded the most bird species in a single day worldwide — a global birding milestone at a UNESCO-listed RAMSAR wetland

Lake Elmenteita Serena Camp UNESCO · RAMSAR site

WORLD TRAVEL AWARDS · AFRICA 2025

Best African MICE Destination 2025
Nairobi Serena Hotel recognised as the finest MICE destination across the entire African continent at the World Travel Awards

Nairobi Serena Hotel Kenya Pan-African

Gold Eco-Rated Certification

Eco-Tourism Kenya · 6 properties



Six Serena Kenya properties hold a Gold Eco-rated Certification — recognising environmental conservation, responsible operations and ecological stewardship.

6 CERTIFIED PROPERTIES **Booking.com Sustainability Certification Labels 2025**
Accreditation for pioneering sustainable hospitality operations — guiding eco-conscious travellers to choose responsible accommodation across Kenya

Serena Beach Resort & Spa, Mombasa | Mara Serena Safari Lodge | Kilaguni Serena Safari Lodge | Amboseli Serena Safari Lodge | Lake Elmenteita Serena Camp | Sweetwaters Serena Camp

2.6 Our Operating Environment

Serena Hotels Footprint in East Africa

Serena Hotels operates in a region characterised by strong, albeit complex, growth trajectory, expanding tourism, and improved infrastructure. Each country presented unique opportunities and challenges, from Kenya's tourism boom and digital innovation to Uganda's oil-driven expansion and Tanzania's infrastructure pipeline.

In 2025, East Africa remained on a robust growth trajectory, with most economies outpacing the Sub-Saharan Africa average. However, the region continued to face inflationary pressures, currency volatility, rising public debt, and political uncertainties, which tempered some growth prospects. The tourism and hospitality sector benefited from increased business and leisure travel but had to remain agile in the face of inflation, currency volatility, political uncertainty, and regulatory changes.

The tourism sector across Kenya, Tanzania, Uganda, and Rwanda is projected to have generated approximately USD 10.49 billion in total revenue in 2025. Within this, TPS Serena Hotels contributed USD 309 million to regional GDP, accounting for an estimated 2.95% of the total tourism revenue in East Africa.

Overall, the region demonstrated notable resilience and adaptability; however, prudent risk management and strategic positioning remained essential for businesses navigating this dynamic environment.

Country Deep Dives - Opportunities and Dynamics

Kenya

5.3% GDP 2025

Agricultural recovery, tourism boom & digital transformation driving diversification

+24% arrivals

Marketing

High public debt

Currency pressure

Hospitality upside

24% surge in international arrivals vs 2019; Government marketing + improved air connectivity boosting footfall

Tanzania

6.0% GDP 2025

Services-led - tourism, telecoms & major infrastructure pipelines anchoring growth

Safari circuit

Zanzibar growth

Shilling pressure

Infra investment

Hospitality upside

Peak migration season (Jun - Oct) drove exceptional lodge demand; Zanzibar emerging as premium island destination

Uganda

6.9% GDP 2025

Fastest growing market - commercial oil production and infrastructure FDI accelerating

Oil sector

Best MICE hotel

Best hotel suite

Supply chain

Hospitality upside

Kampala Serena: Uganda's Best MICE Hotel and Leading HotelSuite 2025. Business travel momentum strong

Rwanda

5% GDP 2025

Political stability, regulatory excellence attracting FDI; eco-tourism and MICE thriving

Political stability

Eco-tourism

MICE hub

Safety reputation

Hospitality upside

Rwanda's safety & cleanliness reputation driving MICE & leisure growth; Kigali as regional conference hub

DR Congo

4.5% GDP 2025

Mining & infrastructure driving growth despite complex political and security landscape

Mining growth

Security risks

Weak institutions

Urban emerging

Serena response

Risk management + local partnership model prioritised. Nascent hospitality sector showing urban growth signals

Regional Tailwinds and Headwinds 2025

Tailwinds - growth enablers across the region

- Tourism recovery momentum**
Kenya recorded a 24% increase in international arrivals vs 2019 baseline; migration season drove peak lodge demand
- Oil & infrastructure investment**
Uganda's commercial oil production and infrastructure FDI attracted foreign capital and boosted regional exports
- Regional MICE growth**
Rwanda and Nairobi positioning as premium conference destinations, with Kampala Serena winning Best MICE Hotel
- Infrastructure & connectivity**
Tanzania's energy and transport projects enhanced regional trade; Zanzibar emerging as a premium island circuit
- Digital & loyalty innovation**
Serena Prestige Club App re-launch, DUMA booking platform and MICE upgrades deepening guest engagement

Headwinds - challenges requiring strategic agility

- Geopolitical disruption & travel advisories**
Heightened disruptions and reduction in US donor funding impacted NGO/INGO business segments in H1 2025
- Currency volatility**
Kenya Shilling depreciation early 2025; Tanzanian Shilling under periodic pressure - impacting import costs and margins
- Inflationary pressures**
Rising public debt, cost-of-living pressures and supply chain disruptions across all five operating markets
- Room oversupply**
Increased room supply in key city centres reduced corporate demand and rate premium, especially H1
- Climate & security risks**
DR Congo political instability; climate shocks (flash floods) creating operational and demand volatility at lodge level

Serena's Strategic Response and 2026 Outlook

STRATEGIC RESILIENCE & OUTLOOK 2026

"Fundamentals remain robust - the Group is well-positioned to capitalise on opportunities and deliver sustainable long-term value."

Financial resilience

Disciplined cost management, capital allocation and operational efficiency sustaining portfolio performance despite H1 headwinds

Digital agility

Duma booking platform, Prestige Club App and ERP/AI investment deepening direct engagement and operational intelligence

Regenerative sustainability

Net-zero target by 2030; 7 Kenya properties solar-equipped; Tanzania solarisation planned 2026 - 27; eco-tourism leadership

People & brand strength

3,929 skilled employees; Serena brand equity spanning leisure, corporate & diplomatic segments across 6 African nations

2.7 Chairman's Statement



Francis Okomo Okello MBS, EBS
Chairman

"Our commitment to delivering the distinctive Serena Experience remained unwavering guided by our long-term vision of sustainable growth and service excellence."

"The year under review was one of sustained strategic execution and operational resilience - the Group navigated a complex and evolving landscape with unwavering commitment."

On behalf of the Board of Directors of TPS Eastern Africa PLC (TPSEAP/the Group/Serena Hotels), I am pleased to present to you the Annual Financial Statements of the Group for the year ended 31 December 2025.

The year under review was one of sustained strategic execution and operational resilience. Building on the momentum achieved in 2024, the Group navigated a complex and evolving landscape characterised by regional macroeconomic shifts, currency stabilisation, and changing security dynamics. Notwithstanding these headwinds, our commitment to delivering the distinctive "Serena Experience" remained unwavering, guided by our long-term vision of sustainable growth and service excellence.

The hospitality sector across Eastern Africa experienced a mixed operating environment in 2025. While international and regional travel continued to recover, the pace of growth was moderated by several external factors including: heightened geo-political disruptions, travel advisories and the reduction of U.S. donor funding, which impacted the International

KEY FINANCIAL METRICS 2025 VS 2024

KShs 2.3B



EBITDA pre exchange diff

▼ 7% vs 2024

KShs 0.8B



Profit after tax

▼ 40% vs 2024

KShs 2.0B



Net cash generated-Operating Activities

▲ 13% vs 2024

KShs 39M



Unrealised FX gain vs KShs 655M 2024

▼ 94% vs 2024

Non-Governmental Organisations /Non-Governmental Organisations and booking patterns of business segments' particularly during the first half of the year. Performance across the portfolio was varied; while our city hotels and safari circuits faced early-year headwinds, the Kenya and Tanzania lodges saw exceptional demand during the peak migration season from June to October. The Group's strong Serena brand and diversified portfolio continue to be recognised for its strength across leisure, corporate and diplomatic segments, with a focus on Meetings, Incentives, Conferences and Exhibitions (MICE), with patronage across domestic, regional and international markets.

For the financial year 2025, the Group's performance reflects both the "normalisation" of exchange rates and the impact of varied disruptions. Profit before unrealized exchange differences, interest, depreciation and taxation declined by 7% to stand at KShs 2.3 billion (2024: KShs 2.5 billion), whereas during 2024 the unrealized exchange gain was KShs. 655 million against KShs. 39 million during 2025, impacting profit after tax that declined by 40% compared to the exceptional results achieved in 2024. In addition to the exchange gain last year, the reduction in profit was also attributable to the lease liabilities and several external factors highlighted earlier including the increased provisions on outstanding receivables under IFRS 9. Nevertheless, I am encouraged by the Group's diversified portfolio performance and continued focus on operational efficiencies, disciplined cost management, and targeted marketing initiatives that contributed to sustaining overall resilience. The Group's financial performance for the year ended 31 December 2025 is further outlined in the Chief Executive Officer's Report.



KShs 0.35

Final dividend per share - subject to AGM approval & withholding tax

Dividend timeline • FY2025

Record date: 26 June 2026

Payment date: on or about 30 July 2026

Subject to approval at the Annual General Meeting • Withholding tax deducted where applicable.

Chairman's Statement (continued)

Reaffirming our commitment to delivering shareholder value while maintaining financial prudence, the Directors are pleased to recommend for approval by the shareholders at the forthcoming Annual General Meeting, payment of final dividend of KShs 0.35 per share for the year ended 31 December 2025, subject to deduction of withholding tax where applicable. If approved, the dividend will be payable on or about 30 July 2026 to members on the Register as at the close of business on 26 June 2026.

As a commitment to Eastern Africa's economic and social development, in 2025, the Group contributed the equivalent of KShs 2.7 billion (2024: KShs 2.5 billion) in direct and indirect taxes, and KShs 0.3 billion (2024: KShs 0.2 billion) in royalties and rents to county, local and national authorities.



KShs 2.7B

Direct & indirect taxes paid to county, local & national authorities across East Africa

vs KShs 2.5B in 2024 • ▲ 8% year-on-year



KShs 0.3B

Royalties & rents paid to county, local and national authorities across East Africa

vs KShs 0.2B in 2024 • ▲ 50% year-on-year

A key milestone during the year was the Board Strategy review, which brought together Directors and Senior Management for a comprehensive reassessment of the Group's strategic direction. Through a series of in-depth sessions, the Board revisited its long-term vision considering shifting global travel trends, evolving customers' preferences and expectations, and emerging market opportunities. Key areas of focus included capital allocation priorities, expansion opportunities in high-potential regions, and the continued strengthening of our regenerative sustainability agenda. The Board also deliberated on transmission of the Group's service culture to a new generation of employees, the role of technology and innovation in shaping the future of hospitality, as well as the importance of enhancing organisational agility in an increasingly dynamic environment.



Key areas of focus • 2026- 2028 ROADMAP



Capital allocation

Disciplined, return-driven investment in high-potential regions



Regenerative sustainability

Strengthening ESG and progressing net-zero 2030



Technology & innovation

Digital, AI & ERP to elevate guest experience



Organisational agility

Culture & next-generation service transmission

The outcome of these discussions was the endorsement of a refined strategic roadmap designed to accelerate growth, deepen market relevance, and reinforce the Group's position as a leading hospitality brand in the region, while preserving its heritage and core values.

During the year 2025, the Group continued to execute its strategic priorities, anchored on enhancing product quality, optimising asset performance, and leveraging technology to improve guest experience. We commenced phased refurbishments of key flagship properties, including the Dar es Salaam Serena Hotel, where the newly upgraded North Wing (Phase I) with 130 rooms has been well received in the market. Digital transformation remained a key priority. The launch of the Serena's loyalty program - Prestige Club App, alongside enhancements to our Meetings, Incentives, Conferences, and Exhibitions (MICE) facilities in Nairobi Serena, Kampala Serena and Lake Manyara Serena will further strengthen customer engagement, expand our digital footprint, and improve service delivery. These initiatives are aligned with our broader strategic framework, which emphasises growth, optimisation, authenticity, and transformation across all aspects of the business.

The Group has remained at the forefront of responsible hospitality, anchored by a philosophy that views regenerative sustainability as central to our long-term strategy. Throughout our value chain, we strive to create shared value for our business, our surrounding communities, and the wider ecosystems in which we operate. Our properties actively integrate Environmental, Social, and Governance (ESG) practices into daily operations, guided by the United Nations Sustainable Development Goals (SDGs) and the Aga Khan Development Network's (AKDN) Environmental and Climate Commitment Statement. As the tourism arm of the AKDN, we continue to make meaningful progress toward our target of achieving net-zero carbon emissions of our own operations by 2030. Key milestones included solar energy installations, water conservation initiatives, and targeted energy audits to drive internal efficiencies. Beyond environmental stewardship and our extensive reforestation and bio-diversity programmes, Serena Hotels remains deeply committed to the socio-economic fabric of the regions we call home. We continue to respect and promote local traditions, culture, and heritage, while supporting education through internships and contributing to community health initiatives. Through this "Shared Value" approach our operations contribute positively to both ecological preservation and socio-economic development.

In addition, 2025 marks an important milestone in the Group's reporting journey. We have begun the transition towards the preparation and adoption of an Integrated Annual Report, reflecting our commitment to presenting a more holistic view of value creation across financial, environmental, social, and governance dimensions. This transition will be progressively strengthened in the years ahead as we continue to enhance

Chairman's Statement (continued)

our integrated reporting practices, disclosures and alignment with leading standards and frameworks including the Global Reporting Initiative (GRI), IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information), IFRS S2 (Climate Related Disclosures) and the Integrated Reporting Framework.

Additionally, the Group's commitment to enhancing its Human Resource Management practices and development, as detailed in this Annual Report remains unwavering. Our ongoing investment in training programs ensures that our workforce remains highly skilled and engaged, driving service excellence across our properties.

The Board remains committed to upholding the highest standards of corporate governance. Throughout the year, we continued to strengthen our governance frameworks, risk management processes, and internal controls to ensure transparency, accountability, and sustainable value creation for all stakeholders.

During the year 2025, Serena Hotels were proud recipients of several national and international awards and accolades

Looking ahead to 2026 while the underlying fundamentals of the tourism sector in our core markets remain robust, we are mindful of the complex landscape in which we operate. Geopolitical and macroeconomic uncertainties are expected to persist, with escalating global tensions, and domestic economic instability continuing to shape our operating environment. Additionally, the sector must navigate the physical risks of climate change, evidenced by sporadic flash floods, alongside a competitive oversupply of rooms in key markets. In response, the Group's strategy is rooted in financial resilience and operational agility. We remain well-positioned to capitalize on business opportunities, capture the growing demand for experiential travel, supported by our strong brand equity and a diversified portfolio. Our focus for 2026 and beyond will remain on protecting market share and enhancing service excellence through disciplined capital allocation. By continuing to invest in our people, product and leveraging technology to deliver personalized guest experiences, we are confident in our ability to deliver sustainable long-term value to all our stakeholders.

OUTLOOK - 2026 AND BEYOND

" The Group is well-positioned to capitalise on business opportunities and deliver sustainable long-term value - rooted in financial resilience and operational agility."

Challenges to navigate

- Geopolitical & macroeconomic uncertainties with escalating global tensions
- Physical climate risks - flash floods impacting lodge operations
- Competitive room oversupply in key city-centre markets
- Domestic economic instability across operating markets

Strategic priorities 2026+

- Protecting market share through disciplined capital allocation
- Investing in people, product and technology
- Capturing growing experiential travel demand
- Continuing the regenerative sustainability journey to 2030



Board & management

Sincere appreciation for guidance and stewardship throughout FY2025



Governments

Gratitude for support improving East Africa's business environment



Shareholders

Thank you for continued trust and confidence in TPSEAP



Guests & stakeholders

Your loyalty has been instrumental to the Group's success

I wish to express my sincere appreciation to my fellow Directors for their guidance, stewardship and support that I received in successfully steering the Group's business activities and strategies during the year 2025. I also extend my gratitude to the Management team and employees across the Group for their resilience, professionalism, and unwavering commitment to excellence. On behalf of the Board and Management, I extend my appreciation to the respective governments and regulatory authorities across Eastern Africa for their continued support aimed at improving the business environment for and in the region. Finally, I thank our shareholders, guests, and other stakeholders for their continued trust, support and confidence in TPS Eastern Africa PLC.

Your support has been instrumental in the Group's success, and we look forward to continued collaboration in the years ahead.

Francis Okomo Okello MBS, EBS
Chairman

Date: 28 April 2026

2.7 Taarifa ya Mwenyekiti



Francis Okomo Okello MBS, EBS
Mwenyekiti

"Kujitolea kwetu kufanikisha kauli mbiu ya 'Serena Experience' kulisalia imara na kuongozwa na ndoto yetu ya muda mrefu ya udumishaji wa ukuaji na utoaji wa huduma za hali ya juu."

"Mwaka unaoangaziwa ulikuwa wa utekelezaji wa mkakati uliodumu na ustahimilivu wa biashara - Kundi lilipitia mazingira magumu kwa azma thabiti na bila kujali changamoto."

Kwa niaba ya Halmashauri ya Wakurugenzi wa TPS Eastern Africa PLC (TPSEAP/Kundi/Serena Hotels), nina furaha kuwasilisha kwenu Ripoti ya Pamoja ya Mwaka na Taarifa za Matumizi ya Fedha za Kundi kwa kipindi cha mwaka uliomalizika Desemba 31, 2025.

Mwaka unaoangaziwa ulikuwa wa utekelezaji wa mkakati uliodumu na ustahimilivu wa biashara. Kwa kuegemea kasi iliyopatikana mwaka 2024, Kundi lilipitia mazingira magumu ya mabadiliko ya chumi ndogo za kanda, uthabiti wa sarafu na mabadiliko ya mienendo ya usalama. Bila kujali changamoto kutokana na mawimbi haya, kujitolea kwetu kufanikisha kauli mbiu ya "Serena Experience" kulisalia imara na kuongozwa na ndoto yetu ya muda mrefu ya udumishaji wa ukuaji na utoaji wa huduma za hali ya juu.

Sekta ya Hoteli kote Afrika Mashariki ilipitia mazingira tofauti ya utekelezaji mwaka 2025. Huku usafiri wa kanda na kimataifa ukiendelea kufufuka, kasi ya ukuaji iliendeshwa na maswala mbali mbali yakiwemo; mazingira ya kisiasa, nasaha za safari na kupunguzwa kwa ufadhili wa dola ya marekani ambao uliathiri mashirika ya kimataifa yasiyo ya kiserikali / makundi yasiyo ya kiserikali na mwenendo wa maombi katika kitengo cha biashara hasa wakati wa kipindi cha

VIASHIRIA VIKUU VYA FEDHA 2025 DHIDI YA 2024

Kes 2.3B

Faida kabla ya tofauti za ubadilishaji, riba na ushuru

▼ 7% dhidi ya 2024



Kes 0.8B

Faida baada ya kutozwa ushuru (PAT)

▼ 40% dhidi ya 2024



Kes 2.0B

Mapato halisi ya fedha - shughuli za uendeshaji

▲ 13% dhidi ya 2024



Kes 39M

Faida ya ubadilishaji isiyoafikiwa (dhidi ya Kes. 655M 2024)

▼ 94% dhidi ya 2024



kwanza cha mwaka. Matokeo kutoka maeneo yote yalikuwa ya mseto mbali mbali; huku hoteli zetu za mijini na mikondo ya safari zikikumbwa na mwimbi mapema mwaka huu. Hoteli za kulala Kenya na Tanzania zilishuhudia mahitaji ya juu msimu ya kuongezeka kwa biashara kutokana na kugura kwa wanyama mwezi Juni hadi Oktoba. Bidhaa thabiti za Serena na mseto wa raslimali ziliendelea kutambuliwa kutokana na ukakamavu wake kwenye vitengo vya starehe, mashirika na kidiplomasia kwa kuangazia mikutano, matoleo, na matamasha (MICE) udhamini wa nyumbani, kanda na masoko ya kimataifa.

Wakati wa kipindi cha mwaka 2025, matokeo ya kundi yaliashiria "uwekaji sawa" wa viwango vya ubadilishanaji fedha na athari za misukosuko. Faida kabla ya tofauti za kubalidishana zisizoweza kuafikiwa, riba, kushuka kwa thamani na ushuru ilipungua kwa asimia 7% na kufikia Kes. bilioni 2.3 (2024 ilikuwa Kes. bilioni 2.5) huku mwaka 2024 faida ya ubadilishanaji isiyoafikiwa ikiwa Kes. milioni 655 dhidi ya Kes. milioni 39 mwaka 2025 na kuathiri faida baada ya kutozwa ushuru ambayo ilishuka kwa asilimia 40% ikilinganishwa na matokeo ya kufana yaliyopatikana mwaka 2024. Licha ya ufanisi wa mapato kutokana na ubadilishanaji mwaka jana, kupunguka kwa faida kulitokana na vikwazo vingi kama ilivyofafanuliwa awali ikiwemo kuongezeka kwa masharti ya malipo ambayo hayajalipwa chini ya IFRS 9. Licha ya hayo, nimetiwa moyo na matokeo ya raslimali mseto ya kundi na kuendelea kuangazia ufanisi wa uendeshaji, nidhamu ya usimamizi wa gharama pamoja na mbinu lengwa za uvumishaji kwenye masoko ambazo kwa jumla zilichangia kudumisha matokeo. Matokeo ya fedha ya kundi kipindi cha mwaka uliomalizika Desemba 2025 yameelezwa zaidi kupitia ripoti ya Afisa Mkuu Mtendaji.

Kutoa tena hakikisho letu la kuleta thamani kwa mwanahisa huku tukidumisha busara za kifedha, wakurugenzi wana furaha kutoa pendekezo baada



Senti 0.35

Mgawo wa faida kwa kila hisa - kulingana na idhini ya mkutano wa mwaka

Ratiba ya mgawo wa faida • Mwaka 2025

Tarehe ya usajili: Juni 26, 2026

Tarehe ya malipo: kabla au ifikiapo Juni 30, 2026

Kulingana na idhini ya mkutano wa pamoja wa mwaka • Ushuru ulioshikiliwa utakatwa pale inapohitajika.

Taarifa ya Mwenyekiti (kuendelea)

ya kuungwa mkono na wanahisa wakati wa mkutano wa pamoja wa mwaka unaokuja la malipo ya mgawo wa faida wa senti 0.35 kwa kila hisa kwa kipindi cha mwaka uliomalizika Desemba 31, 2025 kwa kutegemea ushuru ulioshikiliwa pale inapohitajika. Endapo pendekezo hili litapitishwa, mgawo wa faida utalipwa kabla au ifikiapo Juni 30, 2026 kwa wanachama ambao majina yao yatakuwa kwenye sajili ya biashara ifikiapo Juni 26, 2026.

Kama muwajibikaji maendeleo ya kiuchumi na kijamii ukanda wa Afrika Mashariki, mwaka 2025 kundi lilitoa mchango ambao ni sawa na Kes. bilioni 2.7 (2024 Kes. bilioni 2.5) kama malipo ya moja kwa moja au yasiyo ya moja kwa moja na Kes. bilioni 0.3 (2024 Kes, bilioni 0.2) kama malipo ya nia njema na ukodishaji kwa serikali za kaunti na utawala wa mitaa na halmashauri za kitaifa.



Kes 2.7B

Kodi za moja kwa moja na zisizo za moja kwa moja - serikali za kaunti, mitaa na taifa

dhidi ya Kes 2.5B 2024 • ▲ 8% mwaka kwa mwaka



Kes 0.3B

Malipo ya nia njema na ukodishaji - serikali za kaunti, mitaa na taifa

dhidi ya Kes 0.2B 2024 ▲ 50% mwaka kwa mwaka

Ufanisi mkuu wakati wa kipindi hiki cha mwaka ulikuwa tathmini ya mkakati kutoka kwa Halmashauri ambayo ilileta pamoja wakurugenzi na wasimamizi wa juu kupiga msasa kwa kina mwelekeo wa mkakati wa kundi. Kupitia vipindi vya majadiliano ya kina, halmashauri ilianguka tena mtazamo wake wa muda mrefu kwa kuzingatia mabadiliko ya mienendo ya usafiri duniani, matamano ibuka na matarajio ya wateja na pia nafasi za masoko zinazojitokeza. Maeneo muhimu yaliyoangaziwa ni pamoja na sehemu muhimu za kutengewa mtaji, nafasi za upanuzi kwenye maeneo yanayoleta faida kubwa na kuendelea kuimarisha agenda yetu ya udumishaji endelevu. Pia, Halmashauri ilijadili kuhusu uenezaji wa utamaduni wa huduma wa Kundi hadi lile la wafanyakazi wa kizazi kipya, wajibu wa teknolojia na ubunifu ili kuleta sura mpya ya sekta ya hoteli pamoja na umuhimu wa kuimarisha ukuzaji uwezo wa shirika kwenye mazingira yanayobadilika kwa kasi. Matokeo ya majadiliano haya yalikuwa ni kupitishwa kwa ramani ya mkakati iliyoboreshwa na iliyoundwa kuongeza kasi ya ukuaji, kupanua umuhimu kwenye soko na kuimarisha nafasi ya kundi kama chapa inayoongoza kwa utoaji wa huduma za malazi katika kanda huku ikihifadhi nafasi yake ya msingi wa maadili.



NGUZO NNE ZA KIMKAKATI • RAMANI YA 2026 -2028



Ugawaji wa mtaji

Uwekezaji unaoleta faida kwenye maeneo yenye uwezo mkubwa



Uendelevu wa kuzalisha upya

Ajenda ya ESG na malengo ya hewa sifuri 2030



Teknolojia na ubunifu

Dijitali, AI na ERP kuboresha uzoefu wa wageni



Unyumbufu wa shirika

Utamaduni wa huduma - kizazi kipya cha wafanyakazi

Mwaka 2025, Kundi liliendelea kuangazia vipaumbele vyake vya mkakati kuinua ubora wa bidhaa, kutumia kikamilifu faida za raslimali na, matumizi ya teknolojia kuboresha uzoefu wa wageni. Tulianzisha ukarabati wa awamu ya kwanza ya raslimali zetu muhimu ikiwemo Dar es Salaam Serena Hotel ambapo kitengo kipya cha North Wing (Phase 1) kilichoboreshwa kikiwa na vyumba 130 kikipokelewa vizuri kwenye soko. Mabadiliko ya kidijitali yalisalia kuwa eneo muhimu lililopewa kipaumbele. Kuzinduliwa kwa mpango wa uzawadaji wa Serena Loyalty Program Prestige Club App pamoja na uimarishaji wa vifaa vya mikutano, matoleo, kumbi za makongamano na maeneo ya maonyesho (MICE) katika Nairobi Serena, Kampala Serena na Lake Manyara Serena kutazidisha zaidi ushirikiano wa wateja, kupanua mikondo yetu ya kidijitali na, kuboresha utoaji wa huduma. Mikakati hii inaenda sambamba na mfumo wetu mpana wa kimkakati unaosisitiza ukuaji, uboreshaji, uhalisia na mabadiliko katika nyanja zote za biashara.

Kundi limesalia kwenye msitari wa mbele kama mdau wa biashara za hoteli anayejali na kuzingatia falsafa inayozingatia uendelevu kama sehemu muhimu ya mkakati wa muda mrefu. Katika mkondo wetu wote wa thamani, tunajitahidi kuzalisha thamani ya pamoja ya biashara zetu, jamii zinatozunguka na mifumo ya mazingira pana tunayotekeleza kazi ndani yake. Kwa kina, raslimali zetu zilijumuisha pamoja mpango wa mazingira, jamii na utawala (ESG) kwenye shughuli za kila siku kwa kuongozwa na mpango wa Malengo ya Maendeleo Endelevu wa Umoja wa Mataifa (SDGs) na mtandao wa maendeleo wa Aga Khan Development Network's (AKDN) mazingira na taarifa ya uwajibikaji mazingira. Kama sehemu ya AKDN, tunaendelea kutekeleza hatua za maana kufikia lengo letu la kupunguza uchafuzi wa hewa hadi asilimia sufuri katika raslimali zetu ifikiapo mwaka 2030. Ufanisi muhimu ulikuwa ni pamoja na uwekaji wa mitambo inayotumia kawi ya jua, mbinu za uhifadhi wa maji na ukaguzi uliolengwa wa kawi ili kufanikisha utekelezaji wa ndani. Bali na usimamizi wa mazingira, upanzi wa misitu na mipango anwai wa mazingira ya mimea na wanyama, Hoteli za Serena bado zinajitolea kwenye muundo wa kijamii na kiuchumi katika maeneo tunayoyaita nyumbani. Tunaendelea kuheshimu na kuunga mkono utamaduni wa wenyeji, mila na turathi huku tukisadia elimu kupitia mafunzo ya kazi na kuchangia mikakati ya afya ya jamii. Kupitia mpango huu wa 'ushirikiano wa thamani' (shared value) shughuli zetu zilichangia vyema kwenye uhifadhi wa ekolojia na maendeleo ya kiuchumi na kijamii. Maelezo ya kina kuhusu programu hizi endelevu na athari zake zinazoweza kuthibitiwa yanaweza kupatikana kupitia ripoti hii jumuishi ya mwaka.

Taarifa ya Mwenyekiti (kuendelea)

UTAWALA BORA WA SHIRIKA

Zaidi ya hayo, mwaka wa 2025 ulisajili hatua muhimu katika safari ya ripoti ya kundi. Tumeanza mchakato wa mpito kuelekea maandalizi na kupitishwa kwa ripoti ya mwaka ya pamoja huku ikionyesha dhamira yetu ya kuwasilisha mwonekano mpana zaidi wa uundaji wa thamani katika nyanja za kifedha, mazingira, kijamii, na utawala. Mabadiliko haya yataimarishwa kwa awamu miaka ijayo huku tukiendelea kuboresha taratibu za ripoti za pamoja, ufichuzi na kuziweka sambamba na viwango vinavyoongoza na miundombinu ikiwemo Mpango wa Utoaji Taarifa wa Kidunia (GRI), IFRS S1 (mahitaji ya kawaida ya ufichuzi wa taarifa za kifedha zinazohusiana na uendelevu), IFRS S2 (ufichuzi kuhusiana na hali ya hewa) na muundombinu wa pamoja wa utoaji ripoti.

Zaidi ya hayo, uwajibikaji wa kundi kuboresha mbinu zake za usimamizi wa wafanyakazi na maendeleo kama ilivyoielezwa kupitia ripoti hii ya pamoja ya mwaka ungali imara. Uwekezaji unaendelea sasa katika utoaji mafunzo unahakikisha kwamba wafanyakazi wetu wana mafunzo ya hali ya kitaaluma kutekeleza utoaji wa huduma za hali ya juu katika raslimali zetu zote.

Halmashauri inazidi kujitolea kuthibiti viwango vya hali ya juu vya usimamizi wa mashirika. Wakati wa kipindi chote cha mwaka, tuliendelea kuimarisha miundombinu ya usimamizi, taratibu za usimamizi wa hatari, usimamizi wa ndani na kuhakikisha uwazi, uwajibikaji na uzalishaji wa thamani kwa wadau wetu wote.

Wakati wa kipindi cha mwaka 2025, hoteli za Serena zilikuwa na furaha kupokea matuzo kadhaa ya kitaifa na kimataifa kama ilivyofafanuliwa kupitia kwa ripoti hii ya mwaka.

Tukiangalia mwaka 2026 huku misingi ya sekta ya utalii katika masoko yetu ya muhimu ukisalia kuwa imara, tunazingatia kwa makini mazingira tunakotekeleza shughuli zetu. Wasiwasi wa jeografia ya kisiasa na chumi ndogo zinatarajiwa kuendelea kusababisha taharuki za kimataifa huku uchumi wa kimataifa ukikosa uthabiti na kutoa mwelekeo wa mazingira tunayotekeleza shughuli zetu. Zaidi ya hayo, ni lazima kwa sekta kukabiliana na hatari halisi za mabadiliko ya hali ya hewa kama ilivyoshuhudiwa wakati wa mafuriko pamoja na ushindani wa nyumba za wageni kwenye masoko yetu muhimu. Kuhusu hili, kundi limeweka mkakati uliojikita kuimarisha mustakabali wa kifedha na kurahisishisha utekelezaji wa biashara. Tumejiweka sambamba kutumia vyema nafasi za kibiashara, kuteka mahitaji yanayokua ya usafiri kwa kutumia usawa thabiti wa bidhaa zetu na mkusanyiko wa raslimali mbali mbali. Mtazamo wetu mwaka 2026 na hapo mbele utasalia kulinda nafasi yetu kwenye soko na kuimarisha utoaji wa huduma kupitia utengaji bora wa mtaji. Kwa kuendelea kuwekeza kwa watu wetu, bidhaa na kutumia teknolojia kukidhi mahitaji ya wageni, tuna hakika kwenye uwezo wetu kutoa thamani endelevu ya muda mrefu kwa wadau wote.

MWELEKEO WA MBELE - MWAKA 2026 NA ZAIDI

"Kundi liko katika nafasi nzuri kutumia fursa za kibiashara na kutoa thamani endelevu ya muda mrefu imara kwa uimara wa kifedha na unyumbufu wa uendeshaji."

Changamoto za kukabiliana nazo

- Wasiwasi wa jeografia ya kisiasa na chumi ndogo zinatarajiwa kuendelea
- Hatari halisi za mabadiliko ya hali ya hewa - mafuriko kwenye kambi za safari
- Ushindani wa nyumba za wageni kwenye masoko muhimu ya miji
- Kutokuwa imara kwa uchumi wa ndani katika masoko ya utekelezaji

Vipaumbele vya kimkakati 2026+

- Kulinda nafasi yetu kwenye soko kupitia ugawaji bora wa mtaji
- Kuwekeza kwa watu wetu, bidhaa na teknolojia
- Kuteka mahitaji yanayokua ya usafiri wa kujionea
- Kuendelea safari ya uendelevu wa kuzalisha upya hadi 2030



Wakurugenzi na usimamizi

Shukrani za dhati kwa mwelekeo, mwongozo na msaada wao



Serikali na wadhibiti

Shukrani kwa msaada wa kuimarisha mazingira ya biashara Afrika Mashariki



Wanahisa

Asanteni kwa imani, msaada na uaminifu wenu kwa TPS Eastern Africa PLC



Wageni na wadau

Uaminifu wenu umekuwa muhimu kwa ufanisi wa kundi

Ningependa kutoa shukrani zangu za dhati kwa wakurugenzi wenzangu kwa mwelekeo wao, mwongozo na msaada ambao nilipokea kuendesha kikamilifu shughuli za biashara za kundi na mkakati mwaka 2025. Pia, natoa shukrani zangu kwa timu ya usimamizi katika kundi kwa uvumilivu wao, utaalamu na kujitolea kwa ufanisi. Kwa niaba ya Halmashauri na Usimamizi, natoa shukrani zangu kwa serikali na halmashauri za utawala Afrika Mashariki kwa kuendeleza msaada wao ambao unanuiwa kuimarisha mazingira ya biashara eneo hili. Mwisho, nawashukuru wanahisa wetu, wageni na wadau wengine kwa kuendeleza imani, msaada na uaminifu kwa TPS Eastern Africa PLC.

Msaada wako umekuwa muhimu kwa ufanisi wa kundi na tunatarajia kuendeleza ushirikiano huu miaka iliyoyafuata.

Francis Okomo Okello MBS, EBS
Mwenyekiti

Tarehe: Aprili 28, 2026

2.8 The Chief Executive Officer's Report



Ashishkumar Sharma
Chief Executive Officer

"The future of hospitality in East Africa must be Regenerative, not just Sustainable - restoring ecosystems, empowering communities and creating lasting value for future generations."

"Despite the unpredictable and evolving operating landscape, the Group has remained agile and responsive - leveraging guest feedback to implement timely improvements."

I am pleased to present TPS Eastern Africa PLC (TPSEAP/the Group/Serena Hotels), Chief Executive Officer's Report for the year ended 2025.

During the year, the group continued to operate within a challenging environment marked by political and economic uncertainty. Serena Hotels maintains a strong presence across six (6) African countries, with 3,929 employees, and a distinguished portfolio of 22 Hotels, Resorts, Safari Lodges, and Camps across Eastern Africa. Despite prevailing macroeconomic headwinds, the Group demonstrated resilience and delivered satisfactory performance, reinforcing its position as a leading Pan-African hospitality brand.

Operating Environment and Market Dynamics

The first half of 2025 was characterised by slow economic progress. Increased room supply in key city centres and reduced demand from corporate travellers impacted performance during the first half of the year. Penetration and growth of short-term residence market have influenced long stay demand, as well as family and group travel patterns. Despite the

unpredictable and evolving operating landscape, the Group has remained agile and responsive, leveraging guest feedback to implement timely improvements.

In the second half of the year, gradual recovery in international leisure and corporate travel, alongside growth in regional tourism, provided positive momentum. The Meetings, Incentives, Conferences, and Events (MICE) segment remains a key area for further expansion, with our city hotels well-positioned for corporate and diplomatic functions. Enhancements across our leisure portfolio, including refurbishments and new facilities such as new swimming pools and recreation areas at Sweetwaters Serena Camp and Kilaguni Serena Safari Lodge, further elevating guest experience.

Financial and Market Performance

In the 2025 fiscal year, the Company recorded a marginal decline in turnover of 0.7%, reaching KShs 10.1 billion (2024: KShs 10.2 billion). All subsidiaries recorded a Profit before unrealised exchange differences, interest, depreciation and taxation with TPSEAP consolidated result standing at KShs 2.3 billion, a decrease from KShs 2.5 billion. The stabilisation of the Kenya Shilling against the US Dollar resulted in a significantly lower unrealised exchange gain of KShs 39 million (2024: KShs 655 million). Consequently, Profit After Tax (PAT) declined by 40% to KShs 0.8 billion, largely due to unrealised foreign exchange gains recognized in 2024 that did not recur. Encouragingly, Net Cash Generated from Operating Activities increased by 13% to KShs 2.0 billion. TPSEAP US Dollar-denominated revenues remain sufficient to meet upcoming loan obligations.

Our associate companies, Tourism Promotion Services (Rwanda) Limited, performed satisfactorily, and Tanruss Investment Limited (Dar-es-Salaam Serena Hotel), underwent phase I room renovations (130 rooms) whilst operating with a 100-room inventory.

Financial & Market Performance • Fy2025

☑ P&L SUMMARY 2025 VS 2024

☒ Turnover	KShs 10.1B	▼0.7%
↗ EBITDA (pre-exchange diff)	KShs 2.3B	▼7%
🕒 Profit after tax (PAT)	KShs 0.8B	▼40%
🕒 Net cash generated-Operating Activities	KShs 2.0B	▲13%
☒ Unrealised FX gain	KShs 39M	vs 655M

🕒 WHAT DROVE PAT DECLINE - CONTEXT

The 40% PAT decline is primarily explained by the non-recurrence of KShs 655M in unrealised FX gains from 2024 - currency stabilisation tailwind that did not repeat in 2025 (only KShs 39M in 2025).

Underlying EBITDA declined only 7% - reflecting genuine operational resilience. The 13% rise in operating cash flow to KShs2.0B confirms the business generated more real cash from operations year-on-year.

Associate company TPS Rwanda performed satisfactorily. Tanruss Investment (Dar es Salaam Serena Hotel) completed Phase I room renovations -130 rooms - whilst operating on a 100 - room inventory.

The Chief Executive Officer's Report (continued)

Strategic Focus on Customer Growth and Experience

Whether corporate or leisure traveller, our focus remains on providing memorable and personalised experiences. Serena Hotels' strong brand reputation, commitment to service excellence, and emphasis on sustainability continue to resonate well with our guests. Guest feedback and changing business landscape remain the cornerstone to our strategic direction, informing how we refine our offerings and shape the future of the brand.

Targeted marketing campaigns across our core markets have sustained visibility while unlocking new opportunities.

We remain committed to strengthening relationships with stakeholders, including shareholders, regulators, and suppliers.

Product Enhancement and Experience

In 2025, we made significant progress in upgrading our product offerings:

- Whilst operating with half room inventory, completed Phase I of the Dar-es-Salaam Serena Hotel rooms refurbishment, covering 130 guest rooms in January 2026, with the remaining 100 rooms (Phase II) scheduled for completion in 2026.
- Completion of 5 high-end garden meeting rooms at Nairobi Serena Hotel.
- Commencement of a new meeting and banquet facility at Lake Manyara Serena Safari Lodge, expected to be completed by mid-2026.
- Development of mock-up rooms for Kigali Serena and Lake Kivu Serena Hotels to be completed in April 2026, paving way for phased refurbishments in 2026 without closing the hotels.
- Kampala Serena Conference Centre and meeting rooms upgrades commenced in 2025 and are expected to be completed in 2026.

COMPLETED MILESTONES - ACTIVE PROPERTY UPGRADES

COMPLETED • JAN 2026

Dar es Salaam Serena Hotel - Phase I room refurbishment

Completed refurbishment of 130 guest rooms (North Wing) whilst operating on a 100-room inventory. Phase II - remaining 100 rooms - scheduled for completion in 2026. The upgrade has been well received in the market.

COMPLETED 2026

Nairobi Serena Hotel - 5 high-end garden meeting rooms

Completion of five premium garden meeting rooms, further strengthening the hotel's MICE and corporate offering in Nairobi's competitive market.

COMMENCED • 2025 • EXPECTED COMPLETION MID - 2026

Lake Manyara Serena Safari Lodge - new meeting & banquet facility

New meeting and banquet facility under development, expected to be completed by mid-2026, expanding the Lodge's MICE and events capacity in Tanzania.

APRIL 2026 TARGET

Kigali Serena & Lake Kivu Serena Hotel - mock-up rooms complete


Development of mock-up rooms at both Rwanda properties, paving the way for phased refurbishments in 2026 without requiring hotel closures - protecting revenue continuity throughout the upgrade cycle.

COMMENCED 2025 • EXPECTED COMPLETION 2026

Kampala Serena Hotel Conference Centre - meeting room upgrades


Conference centre and meeting room upgrades commenced in 2025 to be completed in 2026, reinforcing Kampala Serena position as a leading MICE destination - supporting the hotel's World Travel Awards win.

PIPELINE PROJECTS - SUBJECT TO ROI, FEASIBILITY & CASH FLOWS

 Zanzibar Serena - guest room refurbishment

 Nairobi Serena - Café Maghreb renovation with live cooking kitchen

 Arusha Serena - meeting facility refurbishment, pool, spa & gym

 Mombasa Serena - sea-facing room refurbishments

 Sweetwaters Serena - standard tented camp upgrades

 Safari Lodges - guest room renovation programme

The Chief Executive Officer's Report (continued)

The pipeline projects subject to market feasibilities, Return on Investment, and availability of cash flows include: refurbishment of guest rooms at Zanzibar Serena Hotel; renovation of Café Maghreb restaurant with live cooking kitchen at Nairobi Serena Hotel; refurbishment of meeting and banquet facility at Arusha Serena Hotel and adding swimming pool, spa and gym; refurbishment of sea-facing rooms at Mombasa Serena Beach Resort & Spa; upgrade of the standard tented camps at Sweetwaters Serena; renovation of lodges guest rooms

Technology Upgrade and Launch. The launch of our new Call Centre in May 2024 has substantially improved engagement with the Travel & Tour Operators.

In Q1 2026, we introduced our direct booking platform "Duma" (Swahili for "Cheetah"), symbolizing speed, enabling tour operators to access real-time availability and make direct bookings, process payments, and receive instant confirmations through a streamlined digital interface.

DIGITAL MILESTONE LAUNCHES



Q1 2026 • Swahili: "Cheetah - speed"

DUMA - Direct booking platform

Enables tour operators to access real-time availability, make direct bookings, process payments and receive instant confirmations through a streamlined digital interface - significantly accelerating the booking cycle.



6 August 2025 • Global relaunch

Prestige Club loyalty programme & app

Re-launched with the Prestige Club App for global points integration. New **Prestige Plus Card** introduced with subscription-based benefits including discounts on F&B, accommodation, Maisha Spa & Health Club, laundry and more.

Serena Loyalty Program

On 6 August 2025, Serena Hotels officially re-launched its global loyalty programme, Prestige Club along with the Serena Prestige Club Loyalty Program App, which allowed integration of global points, significantly improving convenience for our members. In addition, the Serena Prestige Plus Card was introduced, allowing members' subscription-based benefits. These initiatives provide exclusive benefits to members including immediate discounts across food and beverage outlets, accommodation, Maisha Spa & Health Club services, laundry and a range of other offerings.

The future of hospitality in East Africa must be Regenerative, not just Sustainable

Guided by this, we integrate Environmental, Social, and Governance (ESG) principles into our operations while aligning with the United Nations Sustainable Development Goals (SDGs). Across Eastern Africa, our initiatives promote eco-tourism, address climate change, conserve water and energy, support biodiversity, and create meaningful social impact through community engagement, education and health programmes. Recognizing the heightened climate risks facing safari lodges and camps in ecologically sensitive areas, we continue to prioritize climate resilience and targeted investments that safeguard both our operations and the natural ecosystems.

The Group continues to lead in solar energy adoption, with all seven (7) Serena properties in Kenya now equipped with solar installations and plans being underway to solarize lodges and camps in Tanzania in 2026/27. Connection to the national grid in 2024 enabled Ngorongoro Serena Safari Lodge to significantly reduce its reliance on diesel generators during 2025, supporting our decarbonisation plan. At the same time, we are strengthening governance through the adoption of integrated reporting and alignment with IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate Related Disclosures) standards.

As demand for responsible travel grows, we remain committed to advancing regenerative hospitality - restoring ecosystems, empowering communities, and creating lasting value for future generations.

Looking Ahead

In response to the geo-political environment in which we currently operate- characterised by elevated fuel prices, international travel constraints, supply chain logistics etc., the Group will use its experience to maintain its market positioning and resilience.

Our strategic priorities for 2026 - 2028 remain unchanged: investing in customer experience, training our employees, enhancing service culture, improving our products, and creating lasting customer experience. Embracing the gradual shift towards future customers' taste and preference, particularly among Millennials and Generation Z. We will continue investing in technology, including Enterprise Resource Planning (ERP) systems and Artificial Intelligence, to improve customer service and experience, further strengthen financial controls and improve reporting. We will continue to focus on regional partnerships while maintaining our commitment to regenerative sustainability.

"investing in customer experience, training our employees, enhancing service culture, improving our products, and creating lasting customer experience".

The Chief Executive Officer's Report (continued)

Acknowledgment

To our esteemed shareholders, thank you for your unwavering trust and support, which empowers us to deliver value to all stakeholders. To our valued guests, your loyalty inspires our ongoing innovations. To our dedicated employees, your commitment to improve our internal processes, adoption of new technologies and automate how we do business, whilst providing exceptional customer service is foundational to our mission. Finally, to the Board of Directors, thank you for your guidance and wisdom throughout the year. As we look to 2026 and beyond, we remain committed to delivering purposeful hospitality that creates impact, drives value, and promotes regenerative sustainability.

STRATEGIC PRIORITIES 2026-2028

"As we look to 2026 and beyond, we remain committed to delivering purposeful hospitality that creates impact, drives value and promotes regenerative sustainability."

Strategic investment priorities

- Investing in customer experience & personalised service delivery
- Training associates and enhancing the Serena service culture
- Improving products across the 22-property portfolio
- ERP systems and AI for smarter operations & financial controls
- Continued regional partnerships across East & Central Africa

Regenerative sustainability commitments

- Advancing toward net-zero carbon across Serena operations by 2030
- Solarizing Tanzania lodges & camps in 2026/27
- Restoring ecosystems & empowering communities across East Africa
- Aligning reporting with IFRS S1, IFRS S2 and GRI 2021 standards
- Targeting Millennials & Gen Z - next generation of travel guests



Shareholders

Unwavering trust & support empowers us to deliver value to all stakeholders



Valued guests

Your loyalty inspires our ongoing innovations & service improvements



Dedicated associates

Your commitment to service excellence is foundational to our mission



Board of Directors

Thank you for your guidance and wisdom throughout the year 2025

Ashishkumar Sharma
Chief Executive Officer

Date: 28 April 2026



Waterhole at Kilaguni Serena Safari Lodge, Kenya

2.8 Taarifa Kutoka Kwa Mkurugenzi Mkuu



Ashishkumar Sharma
Taarifa Kutoka Kwa
Mkurugenzi Mkuu

"Hali ya siku za usoni ya sekta ya hoteli Afrika Mashariki lazima irejeshwe na sio kudumishwa tu - kurejesha mifumo ya ikolojia, kuinua hali ya jamii na kuzalisha thamani ya kudumu kwa vizazi vijavyo."

"Licha ya mazingira ya utekelezaji yasiyotabirika na yanayobadilika, kundi linaendelea kuwa imara na kujitolea huku likitumia maoni ya wageni kuzindua na kujiimarisha kwa wakati."

Nina furaha kuwaletea ripoti ya TPS Eastern Africa PLC (TPSEAP/ Kundi/ Serena Hotels) pamoja na taarifa kutoka kwa Afisa Mkuu Mtendaji kwa kipindi cha mwaka uliomalizika wa 2025.

Wakati wa kipindi hiki cha mwaka, kundi liliendelea kutekeleza kazi chini ya mazingira yenye changamoto kutokana na taharuki za kisiasa na kiuchumi. Serena Hotels inadumisha uwepo wake thabiti katika mataifa sita (6) barani Afrika ikiwa na idadi ya wafanyakazi 3,929 na jumla ya hoteli 22 zinazoheshimiwa, vituo vya mapumziko, hifadhi za safari na kampi kote afrika mashariki. Licha ya uwepo wa mawimbi kutoka chumi ndogo, kundi lilidhihirisha ustahimilivu wake na kusajili matokeo ya kufana hivyo kuthibitisha nafasi yake kama kiongozi wa Afrika kwenye sekta ya hoteli.

Mazingira ya utekelezaji na mabadiliko kwenye Soko

Kipindi cha kwanza ya 2025 kilishuhudia kushuka kwa kasi ya ukuaji wa uchumi. Kuongezeka kwa upatikanaji wa vyumba katika vituo muhimu vya miji na kupungua kwa mahitaji kutoka kwa wateja wa mashirika kuliathiri matokeo kipindi cha kwanza cha mwaka. Kupenya na kuimarika kwa masoko ya makazi ya muda mfupi kumeathiri mahitaji ya makao ya muda

mrefu pamoja na mifumo ya usafiri wa familia na makundi. Licha ya uwepo wa mazingira ya utekelezaji yasiyotabirika na yanayobadilika, kundi linaendelea kuwa imara na kujitolea huku likitumia maoni yanayopokelewa kutoka kwa wageni kuzindua na kujiimarisha kwa wakati.

Wakati wa kipindi cha pili cha mwaka, urejeleaji taratibu wa biashara za usafiri na burudani za kimataifa pamoja na ukuaji wa utalii kikanda zilileta matumaini chanya. Mikutano, matoleo na kitengo cha matukio (MICE) zimesalia kuwa eneo muhimu la upanuzi huku mahoteli yetu ya mjini yakijiweka kwenye nafasi zuri ya kushughulikia makampuni na shughuli za kidiplomasia. Uimarishaji wa kitengo chetu za burudani ikiwemo ukarabati na vifaa vipya kama vile dimbwi jipya la kuogelea na maeneo ya starehe katika Sweetwaters Serena Camp na Kilaguni Serena Safari Lodge ziliongeza matamano ya wateja.

Matokeo ya Fedha na Masoko

Mnamo mwaka wa kibiasara wa 2025, kampuni ilisajili punguko ndogo la mapato ya jumla la asilimia 0.7% kwa kupata Kes. bilioni 10.1 (2024 zilikuwa Kes. bilioni 10.2). Taasisi zote tanzu zilirekodi faida kabla ya tofauti zisizotarajiwa za ubadilishaji fedha, riba, upungufu na ushuru huku matokeo ya jumla ya TPSEAP yakiwa Kes. bilioni 2.3 kwa kupungua kutoka Kes. bilioni 2.5. Uthabiti wa sarafu ya Kenya dhidi ya dola ya marekani ulipelekea upatikanaji mdogo wa mapato ya mabadiliko ya fedha ya Kes. milioni 39 (2024 Kes. milioni 655). Wakati huo, faida baada ya ushuru (PAT) ilishuka kwa asilimia 40% hadi Kes. bilioni 0.8 hasa kutokana na mabadiliko ya fedha za kigeni yasiyotarajiwa yaliyotambuliwa mwaka 2024 ambayo hayakurudiwa. Kutia moyo ni kuwa, pato halisi kutokana na shughuli za uendeshaji liliongezeka kwa asimilia 13% hadi Kes. bilioni 2.0. Mapato ya TPSEAP yaliyotawala kwa dola za kimarekani bado yanatosha kukidhi majukumu ya mkopo ijayo.

MATOKEO YA FEDHA NA MASOKO • MWAKA 2025

☑ JEDWALI LA FAIDA NA HASARA 2025 DHIDI YA 2024

☑ Mapato ya jumla	Kes 10.1B	▼0.7%
✓ EBITDA (kabla ya ubadilishaji)	Kes 2.3B	▼7%
🕒 Faida baada ya ushuru (PAT)	Kes 0.8B	▼40%
🕒 Mapato halisi ya uendeshaji	Kes 2.0B	▲13%
☑ Faida ya ubadilishaji isiyoafikiwa	Kes 39M	vs 655M

🕒 MUKTADHA WA MATOKEO - KWA NINI PAT ILISHUKA

Kupungua kwa asilimia 40% kwa PAT kunaelezwa hasa na kutokurudiwa kwa faida ya Kes. milioni 655 ya ubadilishaji wa fedha kutoka 2024 - mwaka 2025 ni Kes. milioni 39 tu.

EBITDA ya msingi ilipungua asilimia 7 tu - ikionyesha ustahimilivu wa kweli wa uendeshaji. Ongezeko la asilimia 13 la mapato ya uendeshaji hadi Kes. bilioni 2.0 linathibitisha afya imara ya biashara.

Kampuni washirika Tourism Promotion Services (Rwanda) walifanya kazi ya kuridhisha. Tanruss Investment (Serena Dar-es-Salaam) ilikamilisha ukarabati wa Awamu ya Kwanza - vyumba 130 - huku ikiendesha shughuli chini ya hesabu ya vyumba 100.

Taarifa Kutoka Kwa Mkurugenzi Mkuu (kuendelea)

Kampuni zetu washirika ambazo ni Tourism Promotion Services (Rwanda) Limited zilifanya kazi ya kuridhisha na, Tanruss Investment Limited (Hoteli ya Serena Dar-es-Salaam) ilifanyiwa ukarabati wa awamu ya kwanza ya vyumba (vyumba 130) huku ikiendesha shughuli chini ya vyumba 10.

Mkakati wa kuangazia ukuaji wa wateja na uzoefu

Iwe ni msafiri wa mashirika au wa burudani, mtazamo wetu unasalia kwenye uzoefu wa kukumbukwa na wa kibinafsi. Umaarufu wa jina la Serena Hotels, kujitolea kwake katika utoaji wa huduma na sisitizo kwenye uendelevu zinaendelea kufurahiwa vyema na wageni wetu.

Maoni ya wageni na mabadiliko ya mazingira ya kibiashara bado ni nguzo ya msingi wa mwelekeo wa mkakati wetu na kutuelekeza jinsi tunavyoboresha huduma zetu na kuunda mustakabali wa siku za usoni wa chapa yetu.

Kampeni lengwa kwenye masoko yetu makuu zimeendeleza upeo wetu huku zikifungua fursa mpya.

Tunaendelea kujitolea kuimarisha uhusiano na wadau ikiwa ni pamoja na wanahisa, wadhibiti na wasambazaji.

Uimarishaji wa bidhaa na uzoefu

Mwaka 2025, tulitimiza hatua muhimu kuimarisha matoleo ya bidhaa zetu.

- Huku tukitekeleza shughuli chini ya nusu ya hesabu ya vyumba, kumalizika kwa awamu ya kwanza ya ukarabati wa vyumba vya Hoteli ya Serena - Dar-es-Salaam na kuhusisha vyumba 130 vya wageni mwezi Januari 2026 huku vyumba vingine 100 vilivyobaki (Awamu ya II) vikitatarajiwa kukamilika mwaka 2026.
- Kukamilika kwa vyumba 5 vya mikutano katika bustani ya kisasa ya Hoteli ya Serena Nairobi.
- Kuanzishwa kwa ujenzi wa kituo kipya cha mkutano na sherehe katika Lake Manyara Serena Safari Lodge kinachotarajiwa kukamilika ifikapo katikati ya mwaka 2026.
- Ujenzi ya vyumba vya muda katika Hoteli za Kigali Serena na Lake Kivu Serena utakamilika mwezi Aprili 2026 na kufungua njia ya ukarabati kwa awamu bila kufunga hoteli mwaka 2026.



HATUA ZILIZOKAMILIKA • UKARABATI WA MALI

IMEKAMILIKA • JANUARI 2026



Hoteli ya Serena Dar-es-Salaam - ukarabati wa Awamu ya Kwanza

Kukamilika kwa ukarabati wa vyumba 130 vya wageni (Jengo la Kaskazini) huku ikiendesha shughuli chini ya hesabu ya vyumba 100. Awamu ya II - vyumba 100 vilivyobaki - inatarajiwa kukamilika mwaka 2026. Ukarabati huu umepokelewa vizuri sokoni.

IMEKAMILIKA • 2025



Hoteli ya Serena Nairobi - vyumba 5 vya mikutano vya kisasa katika bustani

Kukamilika kwa vyumba vitano vya mikutano vya kiwango cha juu vinavyotazama bustani, na kuimarisha zaidi matoleo ya MICE na ya biashara ya hoteli katika soko la ushindani la Nairobi.

IMEANZISHWA 2025 • INATARAJIWA KATIKATI YA 2026



Lake Manyara Serena Safari vyumba vya wageni - kituo kipya cha mkutano na sherehe

Ujenzi wa kituo kipya cha mkutano na sherehe unaendelea, unatarajiwa kukamilika ifikapo katikati ya mwaka 2026, na kupanua uwezo wa MICE na matukio ya Lodge nchini Tanzania.

LENGO - APRILI 2026



Kigali Serena na Lake Kivu Serena Hoteli - vyumba vya muda vitakamilika

Ujenzi wa vyumba vya muda katika mali zote mbili za Rwanda, ukifungua njia ya ukarabati kwa awamu mwaka 2026 bila kuhitaji kufunga hoteli - kulinda mapato ya mfululizo wa ukarabati wote.

IMEANZA 2025 A • INATARAJIWA KUKAMILIKA 2026



Kampala Serena Hoteli kituo cha mikutano - uimarishaji wa vyumba vya mikutano

Uimarishaji wa kituo cha mikutano na vyumba ulianza 2025 unatarajiwa kukamilika 2026 - ukiimarisha nafasi ya Kampala kama kiongozi wa MICE na kuunga mkono ushindi wa World Travel Awards.



MIRADI YA BAADAYE - KULINGANA NA UCHUNGUZI WA SOKO, FAIDA NA MTAJI



Zanzibar Serena - ukarabati wa vyumba vya wageni



Nairobi Serena - ukarabati wa Café Maghreb na chumba cha karamu



Arusha Serena - ukarabati + dimbwi, spa na eneo la mazeozi



Mombasa Serena - ukarabati wa vyumba vinavyotazama bahari



Sweetwaters Serena - uimarishaji wa mahema ya kawaida



Lodge network - ukarabati wa vyumba vya wageni

Taarifa Kutoka Kwa Mkurugenzi Mkuu (kuendelea)

Uimarishaji wa kituo cha mikutano na vyumba katika Kampala Serena ulianza 2025 na unatarajiwa kukamilika mwaka 2026.

Miradi ya kwanza kwa kutegemea uchunguzi wa masoko, kurejea kwenye uwekezaji na upatikanaji wa mtaji utahusu; ukarabati wa vyumba vya wageni katika Zanzibar Serena Hotel; ukarabati wa ukumbi wa maankuli wa Café Maghreb na chumba cha karamu katika Arusha Serena Hotel na kuongeza dimbwi la kuogelea, spa na eneo la mazeozi ya mwili; kurabatiwa kwa vyumba vinayotazama bahari Mombasa Serena Beach Resort & Spa; kuimarisha kiwango cha mahema ya kawaida huko Sweetwaters Serena na, ukarabati wa vyumba vya wageni na malazi.

Uboreshaji wa Teknolojia na Uzinduzi

Uzinduzi wa kituo chetu kipya cha mawasiliano hapo Mei 2024 umeboresha ushirikiano wa wakala wa usafiri na utalii.

Wakati wa kipindi cha awamu ya kwanza mwaka 2026 (Q1 2026), tulizindua mfumo wa moja kwa moja wa kutuma maombi kwa jina "Duma" (ambalo ni jina la mnyama mwenye mwendo wa kasi) ili kuwapa nafasi waendeshaji biashara ya utalii kufikia huduma za moja kwa moja kwa muda unaofaa na kupokea majibu ya haraka kupitia mfumo wa kidijitali.

UZINDUZI WA MIFUMO YA KIDIJITALI



Q1 2026 • Kiswahili: "Duma -" mnyama mwenye mwendo wa kasi"

Duma - mfumo wa moja kwa moja wa kutuma maombi

Unawawezesha waendeshaji biashara ya utalii kufikia huduma za moja kwa moja kwa muda unaofaa, kufanya mikataba ya moja kwa moja, kulipa na kupokea majibu ya haraka kupitia mfumo wa kidijitali ulioboreshwa.



6 Agosti 2025 • Uzinduzi upya wa kimataifa

Mpango uzawadaji Prestige Club na Programu ya Simu

Ulizinduliwa upya na Prestige Club App kwa ajili ya kuweka pamoja alama za kimataifa. Prestige Plus Card ilizinduliwa ikiruhusu wanachama kupata punguzo la bei - vyakula, malazi, Maisha Spa & Health Club, ufuaji nguo na zaidi.

Mpango uzawadaji wa Serena

Mnamo Agosti 6 2025, Serena ilizindua tena rasmi mpango wake wa uzawadaji kwa jina Prestige Club pamoja na Serena Prestige Club Loyalty Program App ambao ulitoa nafasi ya kuweka pamoja alama za kimataifa na kwa kiwango kikubwa kuimarisha urahisishaji kwa wateja wetu. Zaidi ya hayo, tulizindua mpango wa Serena Prestige Plus Card na kuwaruhusu wanachama kufaidi na manufaa yao. Mikakati hii inatoa nafasi kamili kwa wanachama ikiwemo kupata punguzo la bei ya vyakula na vinwaji, malazi, huduma za Maisha Spa & Health Club, ufuaji nguo na matoleo mengine. Hali ya siku za usoni ya sekta ya hoteli Afrika Mashariki lazima irejeshwe na sio kudumishwa tu

Kupitia mwongozo huu, tuliweka pamoja kanuni za mazingira, kijamii na utawala (ESG) kwenye shughuli zetu huku tukiiwanisha sambamba na malengo ya maendeleo endelevu ya Umoja wa Mataifa (SDGs). Kote Afrika Mashariki, juhudi zetu zinakuza utalii wa mazingira, kushughulikia mabadiliko ya tabianchi, kuhifadhi maji na nishati, kuunga mkono tofauti za kiasili na kuleta athari za maana za kijamii kupitia ushirikiano wa jamii, elimu na programu za afya.

Kutambua hatari zinazoozongezeka za hali ya hewa zinazokabili nyumba za wageni, safari na kampi maeneo kiikolojia, tunaendelea kuupa kipaumbele ustahimilivu wa hali ya hewa na uwekezaji unaolinda shughuli zetu na mifumo ya ikolojia asilia.

Kundi linaendelea kuongoza kwenye matumizi ya nishati ya jua huku raslimali zake zote saba (7) za Serena nchini Kenya sasa zikiwa na mifumo ya nishati ya jua. Mipango inaendelea ya kutumia jua katika malazi na kambi nchini Tanzania mnamo 2026/27. Uunganishaji kwenye mradi wa umeme wa kitaifa mwaka 2024 uliwezesha Ngongoro Serena Safari Lodge kupunguzwa kwa kiwango utegemeaji kwenye mitambo inayotumia jenereta mwaka 2025 na kusaidia kwenye mpango wetu wa kupunguza uchafuzi wa hewa. Wakati huo huo, tunaimarisha utawala kupitia utekelezaji wa utoaji taarifa zilizounganishwa na ulinganifu wa IFRS S1 (mahitaji ya kawaida kwenye ufichuzi wa taarifa za kifedha zinazohusiana na uendelevu) na IFRS S2 (ufichuzi wa taarifa za mabadiliko ya hali ya hewa)

Huku mahitaji ya uwajibikaji wa safari yakiongezeka, tunaendelea kuimarisha huduma za hoteli, kurejesha mifumo ya ikolojia, kuinua hali ya jamii na, kuzalisha thamani ya kudumu kwa vizazi vijavyo.

Mtazamo wa siku za usoni

Kwa kuzingatia hali ya kijiografia na kisiasa tunakotekeleza kazi ndani na kwa kufuatia bei za juu za mafuta, vizuizi vya usafiri wa kimataifa, na changamoto za usambazaji wa bidhaa miongoni mwa mambo mengine, kundi litatumia uzoefu wake kudumisha nafasi yake sokoni na kujiimarisha. Vipaumbele vya mkakati wetu wa mwaka 2026 - 2028 havijabadilika ambavyo ni; kuwekeza kwenye uzoefu wa wateja, utoaji wa mafunzo kwa wafanyakazi wetu, uboreshaji wa utamaduni wa huduma, uboreshaji wa bidhaa zetu na, kuunda uzoefu wa kudumu kwa wateja. Kukumbatia mabadiliko ya taratibu kuwashawishi wateja wa baadaye hasa miongoni mwa vizazi vya Millennials na Generation Z. Tutaendelea kuwekeza kwenye teknolojia ikiwemo mpango wa Enterprise Resource Planning (ERP) na akili unde ili kuimarisha huduma za wateja na uzoefu hivyo kuthibiti kikamilifu uthibiti wa fedha na kuboresha utoaji ripoti. Tutaendelea kuangazia uhusiano wa kikanda huku tukidumisha uwajibikaji wetu kwenye udumishaji.

Taarifa Kutoka Kwa Mkurugenzi Mkuu (kuendelea)

Shukrani

Kwa wanahisa wetu wapendwa, natoa shukrani kwa msaada wenu usio na kifani ambao umetupa uwezo kuzalisha thamani kwa wadau wote. Kwa wageni wetu, uaminifu wenu unatuhamasisha kwenye ubunifu wetu unaoendelea. Kwa wafanyakazi wetu, uwajibikaji wenu kuimarisha utendaji wetu wa hatua za ndani, uzinduzi wa matumizi mapya ya teknolojia kuendesha shughuli zetu kibiashara huku tukitoa huduma bora kwa wateja ni msingi wa dhamira yetu. Mwisho, kwa Halmashauri ya Wakurugenzi, natoa shukrani zangu kwenu kwa mwongozo na hekima kipindi chote cha mwaka. Huku tunapoangazia mwaka 2026 na mbele, tutaendelea kuwajibikia utoaji wa huduma bora za hoteli ambazo zitaleta athari zuri, kuzalisha thamani na kuhamasisha urejeleaji wa kudumu.

VIPAUMBELE VYA KIMKAKATI 2026-2028

"Huku tunapoangazia mwaka 2026 na mbele, tutaendelea kuwajibikia utoaji wa huduma bora za hoteli ambazo zitaleta athari zuri, kuzalisha thamani na kuhamasisha urejeleaji wa kudumu."

Vipaumbele vya uwekezaji wa kimkakati

- Kuwekeza kwenye uzoefu wa wateja na utoaji wa huduma za kibinafsi
- Utoaji wa mafunzo na uboreshaji wa utamaduni wa huduma wa Serena
- Uboreshaji wa bidhaa kote kwenye mali 22 za kundi
- Mifumo ya ERP na akili unde kwa uendeshaji bora na udhibiti wa fedha
- Kuendelea kulenga uhusiano wa kikanda kote Afrika Mashariki

Ahadi za uendeleu wa kuzalisha upya

- Kuendelea kuelekea hewa sifuri kwenye mali zote za Serena ifikapo 2030
- Kutumia nishati ya jua kwenye malazi ya Tanzania 2026/27
- Kurejesha mifumo ya ikolojia na kuinua hali ya jamii Afrika Mashariki
- Kulingana na utoaji ripoti wa IFRS S1, IFRS S2 na GRI 2021
- Kukusudia Millennials na Gen Z - kizazi kipya cha wasafiri



Wanahisa

Msaada wenu usio na kifani umetupa uwezo kuzalisha thamani kwa wadau wote



Wageni wetu

Uaminifu wenu unatuhamasisha kwenye ubunifu wetu unaoendelea



Wafanyakazi wetu

Uwajibikaji wenu katika utoaji wa huduma bora ni msingi wa dhamira yetu



Halmashauri ya Wakurugenzi

Asanteni kwa mwongozo na hekima kipindi chote cha mwaka 2025

Ashishkumar Sharma
Afisa Mkuu Mtendaji

Tarehe : Aprili 28, 2026



Lake Victoria Serena Golf Resort & Spa - Golf Course




SERENA HOTELS

JOIN PRESTIGE PLUS & EARN REWARDS

Become a Plus member and enjoy instant cash benefits.



Uganda | Tanzania | Tajikistan | Rwanda | Pakistan | Mozambique | Kenya | DR Congo

Prestige Club | earn redeem experience

- Dining Discounts**
 - One Person 15%
 - Two Persons 50%
 - Three Persons 33%
 - Four Persons 25%
 - Five to Ten 20%
 - Eleven to Twenty 15%
 - Takeaway - (Bakery) 20%
- Maisha Spa & Health Club**
 - Membership 15%
 - Day Use 15%
 - Treatments 15%
- Laundry**
 - All Services 15%

Scan to download the Serena Prestige Club App






Goma Serena Hotel, DR Congo

3.0 Our Strategy

3.1 Serena Hotel's Strategic Renewal

In response to an increasingly competitive hospitality landscape, shifting global travel trends, evolving guest expectations and emerging market opportunities, Serena Hotels undertook a comprehensive strategic renewal in FY2025. Guided by the Board and supported by external consultants Sunwords, this process involved a detailed situational assessment, stakeholder engagement, and a series of management and departmental workshops - culminating in a refreshed strategy for the 2026-2028 period, approved by the Board in August 2025.

Key areas of focus included capital allocation priorities, expansion opportunities in high-potential regions and the continued strengthening of our regenerative sustainability agenda. The Board also deliberated on the transmission of the Group's service culture to a new generation of employees, the role of technology and innovation in shaping the future of hospitality, as well as the importance of enhancing organisational agility in an increasingly dynamic environment.

STRATEGY PERIOD

2026-2028

Three-year strategic roadmap approved by the Board in August 2025.

STRATEGIC PILLARS

8 pillars

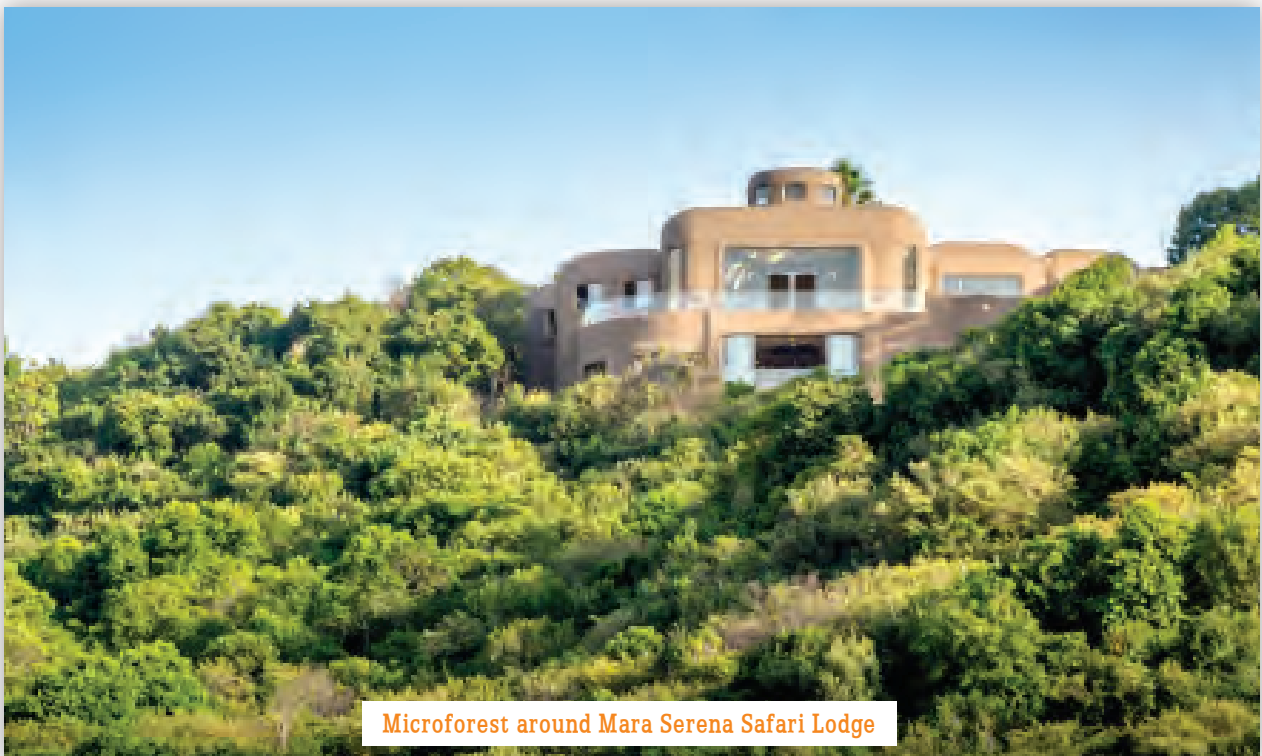
People, Technology, Product, Business Model, Partnerships, Brand, ESG and Financial Performance - each with KPIs and multi-year targets

APPROACH

Disciplined

Underpinned by a disciplined framework for execution and transparent reporting - foundational initiatives already underway with early wins

Strategic Renewal Process • Fy2025



Microforest around Mara Serena Safari Lodge

3.1 Serena Hotel's Strategic Renewal (continued)

The Eight Transformative Pillars • 2026 - 2028

2026 - 2028 STRATEGIC FRAMEWORK

Each pillar is supported by defined objectives, KPIs and multi - year targets to ensure measurable success

PILLAR 01

People & Culture Evolution

Building local talent, fostering high-performance culture and robust succession planning

Strategic Commitments

- Harmonisation of people and culture policies across 6 countries
- Targeted talent development programmes
- Mental health & well-being initiatives

PILLAR 02

Technology Injection

Modernising operations, enhancing guest experience and enabling data-driven decision-making

Strategic Commitments

- Digitising guest journey and interaction tools
- Fully Operational regional call centre
- Enhancing information technology function and security

PILLAR 03

Turbo-charged Product Upgrades

Refreshing and upgrading all properties to meet modern guest expectations and remain competitive

Strategic Commitments

- Phased refurbishment of most properties
- Revamp Food & Beverage outlets and improve customer experience
- Upgrade spa and gymnasium facilities
- Upgrade employees accommodation in the lodges and camps

PILLAR 04

Reworked Business Model

Optimising asset utilisation, pursuing asset-light approach and decentralising decision-making for agility

Strategic Commitments

- Become asset light and offer management contracts
- Decentralisation and cost optimisation

PILLAR 05

Partnerships & Alliances

Strengthening and diversifying partnerships to drive market access, guest value and operational resilience

Strategic Commitments

- Increase strategic alliances and partnerships

PILLAR 06

Shout the Story

Amplifying Serena's brand, heritage and sustainability leadership through intentional, data-driven marketing

Strategic Commitments

- International brand awareness
- Communicate brand promises

PILLAR 07

Lead the ESG

Consolidating Serena Hotels' position as a sustainability pioneer, by enhancing ESG excellence across our operational DNA and upholding the highest standards of integrated reporting.

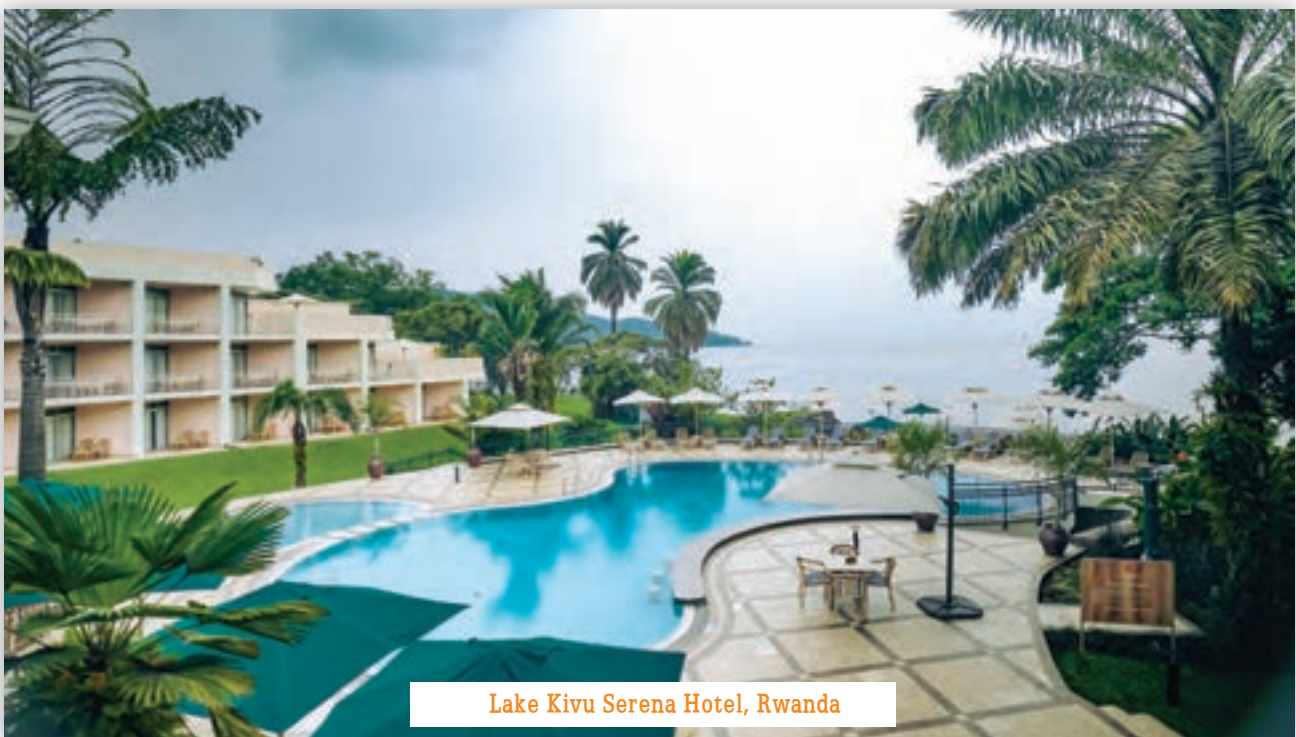
PILLAR 08

Smart Margins

Driving revenue growth, cost discipline and margin improvement through data-driven management

Strategic Commitments

- Total revenue growth
- Cost optimisation
- DUMA - Enhance technology and ease of doing business



Lake Kivu Serena Hotel, Rwanda

3.2 Lead the ESG: Serena Hotels' Sustainability Strategy

"Serena Hotels stands as a leader - championing a pioneering model of responsible hospitality that acts as a 'Living Bridge' connecting cultures, generations and geographies."

Serena Hotels' operations are guided by numerous frameworks, including our Sustainability Commitment Statement (<https://www.serenahotels.com/sustainability>), Environmental Mission Statement, and a suite of policies aligned with Environmental, Social, and Governance (ESG) best practices. Our approach is further guided by the United Nations Sustainable Development Goals (SDGs) and the Aga Khan Development Network (AKDN) Environmental & Social Policy and Climate Commitment Statement. These guiding principles ensure that sustainability is integrated across all aspects of our operations, from environmental stewardship to social responsibility.

At the Forefront of Responsible Hospitality

Serena Hotels stands as a leader and has championed a pioneering model of responsible hospitality, that actively integrates ESG and Economic practices, embedding sustainability at the heart of its operations and strategic direction. Our commitment is not only to deliver exceptional guest experiences but also to ensure that our portfolio acts as a "Living Bridge" that connects cultures, generations, and geographies. By fostering enduring connections and shared experiences, Serena Hotels serves as a catalyst for economic prosperity, tourism development, promotion of cultural diversity and environmental stewardship.

Our sustainability strategy focuses on:

Sustainability Commitment:

Creating catalytic economic and social impact through the promotion of eco-tourism, enriching the communities and environments in which we operate. This is through a strong commitment to ethical and environmental stewardship, heritage preservation and community empowerment. These are advanced through water and energy conservation, reforestation and other climate action initiatives. Serena Hotels also respects local traditions, culture, heritage, while supporting education through collaboration with learning institutions and contributing to public health initiatives within communities around our operations.

Environmental Mission Statement:

"We are committed to developing projects which pay the highest regard to environmental concerns in design, planning, construction and operation. We will be sensitive towards the monitoring of the interests of the local population including their traditions, culture and future development. We will practice a responsible attitude towards energy conservation; reducing and recycling waste; control of sewage disposal, air - emissions and pollutants; reduce use of unfriendly products such as CFC' s, pesticides, and other toxic substances; reduce noise and visual pollution. We will be sensitive to the conservation of environmentally protected or threatened areas, species, and scenic aesthetics and to achieving landscape enhancement where possible, with indigenous plant material reinforcement. We must conserve rather than exploit nature."

3.2 Lead the ESG: Serena Hotels' Sustainability Strategy (continued)

Our sustainability strategy focuses on: (continued)

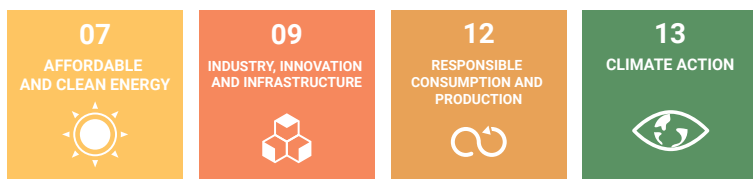
Socio-economic growth SDGs 2, 8, 9, 12, 17

Driving regional prosperity through responsible tourism that empowers local entrepreneurship and strengthens economic resilience across East Africa.



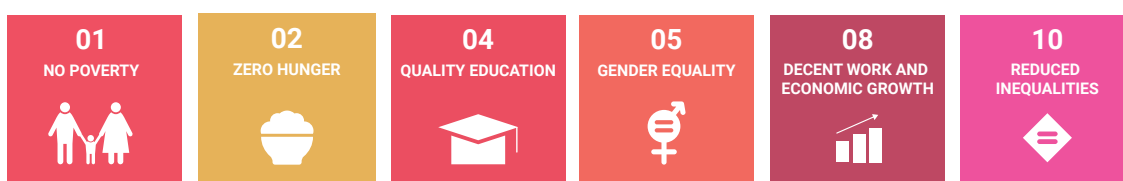
Sustainable development SDGs 7, 9, 12, 13

Investing in climate-resilient infrastructure and resource efficiency to decouple growth from our environmental footprint across the portfolio.



Jobs & training SDGs 1, 2, 4, 5, 8, 10

Empowering local communities by creating employment opportunities and providing ongoing training, fostering professional growth and improving regional livelihoods.



3.2 Lead the ESG: Serena Hotels' Sustainability Strategy (continued)

Our sustainability strategy focuses on: (continued)



Cultural preservation SDGs 4, 11, 16

Safeguarding the diverse heritage of our destinations by integrating local traditions and ancestral knowledge into the guest experience across generations.



Environment protection SDGs 6, 13, 14, 15

Implementing comprehensive environmental management systems to optimise water use, reduce energy intensity, manage waste responsibly and safeguard biodiversity.



Quality of life SDGs 3, 11, 16, 17

Prioritising the holistic well-being of guests, employees, neighbouring communities and stakeholders - health, cyber-resilience, physical security and a value-driven ecosystem.



3.2 Lead the ESG: Serena Hotels' Sustainability Strategy (continued)

Strategic Commitments

Between 2026 and 2028, Serena Hotels will continue embedding sustainability at the core of its business strategy by strengthening ESG governance, capacity building, accelerating decarbonisation, enhancing resource efficiency, deepening stakeholder partnerships and advancing community impact. These commitments support Serena Hotels' ambition to transparently report and deliver responsible hospitality experiences while contributing meaningfully to climate resilience, biodiversity conservation and inclusive socio-economic development across its areas of operation.

1. ESG GOVERNANCE, LEADERSHIP AND CAPACITY BUILDING

- Conduct ESG Gap Analysis and assessment including capacity building for Management and the Board
- Embed ESG principles into onboarding, training and leadership development programmes
- Ensure senior management completes certified ESG training
- Engage suppliers in capacity building to reduce Scope 3 emissions

2. RESOURCE EFFICIENCY

- Reduce paper use through digital-enabled interactions
- Launch "Green Stay" digital guest carbon-offset platform
- Achieve IFC EDGE certifications across the portfolio
- Reduce and eliminate single-use plastics where feasible
- Strengthen waste segregation and recycling across all 22 properties

3. CLIMATE ACTION AND DECARBONISATION

- Reduce Scope 1 & 2 GHG emissions by 4.2% annually across operations
- Install solar panels and expand renewable energy capacity
- Continue tree-growing initiatives - implement tree mapping and carbon sequestration tracking for 6.7M trees planted in Africa
- Calculate and report Scope 3 GHG emissions
- Require suppliers to commit to science-based net-zero targets

4. COMMUNITY IMPACT, PARTNERSHIPS AND SUSTAINABLE TOURISM

- Enhance partnerships to co-create signature guest experiences
- Continue strengthening community healthcare, education and conservation initiatives across destinations
- Continue menu re-engineering across all properties

3.3 Our Sustainability Commitments in Action

Serena Hotels’ sustainability commitment is more than a pledge, it is a series of impactful actions that shape a greener, more inclusive future for hospitality, the communities and eco-system it operates within. Through certification, innovation, and community engagement, Serena Hotels continues to lead the way in responsible tourism, inspiring guests and partners alike to join the journey towards sustainability.

3.3.1. Responsible Hospitality

Serena Hotels is not only committed to sustainability in principle but actively transforms this commitment into tangible action across its portfolio. Responsible hospitality and the broad spectrum of our eco-practices exist in our activities along the value chain to create shared value between our business and the communities/eco-system in which we operate. These help to stimulate local economic activity, development and growth around the area of our existence.

To ensure our commitment to responsible hospitality, we are advancing sustainable practices across key areas including operations, food systems, safety and well-being, immersive guest experiences, energy efficiency, waste management, and water conservation.

Pioneering Sustainable Operations

Serena Hotels is on a clear path to excellence, targeting IFC EDGE (Excellence in Design for Greater Efficiencies) green buildings standards and certification for its existing properties in Amboseli, Kilaguni and Mara by 2026. This globally recognised certification signals Serena’s dedication to savings in energy, water, and embodied carbon in materials compared to a local baseline. Looking ahead, Serena Hotels aims to achieve “Level 3 Zero Carbon” IFC EDGE Certifications across most of its portfolio by 2030, setting a new standard for sustainable hospitality in the region.

For new developments, Serena Hotels is introducing “Green Lease Agreements” featuring carbon reduction and ethical sourcing clauses for managed properties. These agreements ensure that sustainability is embedded from the ground up, influencing supply chains and operational practices for years to come.

Our efforts to pioneer more sustainable operations have been acknowledged by Booking.com, with the accreditation of sustainability certification labels for our Kenyan properties. This recognition not only affirms Serena’s commitment but also guides eco-conscious travellers to choose responsible accommodation.



Sustainable Food Systems

Within our Safari Lodges and Camps, our sustainability commitment extends to our kitchens. Our chefs cultivate organic on-site gardens, growing fresh produce that enrich our menus and reduce the carbon footprint associated with food deliveries. These gardens employ sustainable irrigation methods that conserve water while promoting ecological vibrancy. By sourcing ingredients locally and managing food waste responsibly, Serena Hotels delivers a dining experience that is both environmentally conscious and uniquely flavourful.



3.3 Our Sustainability Commitments in Action *(continued)*

Our Commitment to Safety, Well-being and Digital Trust

At Serena Hotels, we believe true hospitality is found in the peace of mind that comes from knowing every aspect of your stay, physical and digital, is held to the highest standard of integrity and care. We are committed to upholding the highest standards of health, safety and holistic wellbeing for all our guests, employees and stakeholders, viewing "safety" not merely as a physical requirement, but as a fundamental promise of care that extends from our kitchens to our digital infrastructure.

Our commitment includes comprehensive food safety, hygiene, and sanitation protocols, which undergo regular external audits and comply with stringent regulatory requirements. We have strengthened our environment and workplace by improving our occupational health and safety (OHS) policies, establishing rigorous risk management practices, and investing in guest/employees' well-being programs. Our safety-first culture is built on early hazard identification, regular safety training, and ongoing engagement with our employees to promote best practices.

In an increasingly connected world, we recognize that protecting our guests' data is as critical as ensuring their physical safety. Serena Hotels has implemented a robust Cyber Resilience Framework designed to safeguard privacy and maintain operational continuity:

- **Data Stewardship:** We utilize advanced encryption and secure processing standards to ensure that guest information and financial transactions remain confidential and protected against unauthorized access.
- **Infrastructure Defence:** Our systems are fortified with multi-layered security protocols, including real-time threat monitoring and regular vulnerability assessments to stay ahead of evolving digital risks.
- **Resilience and Recovery:** Beyond prevention, we maintain comprehensive incident response plans. This ensures that our core services remain resilient and reliable, even in the face of technical disruptions.
- **Employee Vigilance:** Just as we train for physical safety, our teams undergo continuous cyber-awareness training to foster a culture of digital responsibility and data privacy.

Immersive Guest Expeditions Celebrating Nature and Culture



3.3 Our Sustainability Commitments in Action *(continued)*

At Serena Hotels, every stay is an invitation to embark on a journey that goes beyond mere accommodation. Our immersive guest activities offer a profound connection to East Africa's heritage through a blend of immersive nature experiences and the architectural - cultural storytelling of some of our properties offering guests a deeper connection to their destination.

Serena Hotels has recently introduced complimentary Architectural and Cultural Tours at select properties inviting guests to explore the unique stories woven into the fabric of each property, from architectural marvels to cultural treasures:

- **Nairobi Serena Hotel:** In the last two years, 47 guests have participated in the Architectural and Cultural Tour, discovering Pan-African sophistication. The hotel's design is a harmonious fusion of East, North, and Moroccan cultural influences. The "kaleidoscope" of heritage is further integrated with Kenya's natural beauty, featuring lush gardens and floral-themed interiors that overlook the city skyline.
- **Serena Beach Resort & Spa, Mombasa:** With 914 guests joining the tour over the last two years, they immersed into a replica of a 13th-century Swahili town with the resort's architecture featuring narrow winding lanes and shaded marketplaces. Inspired by the pre-colonial heritage of Lamu, the property serves as a living monument to coastal history and traditional artisanal carvings.
- **Zanzibar Serena Hotel:** 33 guests over the last two years enjoyed a tour which immersed them in the rich history and architectural beauty of Zanzibar. A cornerstone of Stone Town's UNESCO World Heritage status, the hotel comprises the meticulously restored 18th-century Chinese Doctor's Residence and the 19th-century Ex-Telcoms House. By blending historic restoration with modern comfort and amenities, it offers guests an immersive journey into the Sultanate's legacy and Swahili craftsmanship.
- **Kampala Serena Hotel:** 159 guests over the last two years took the tour. Inspired by Uganda's natural landscapes and waterways, the property features a continuous water theme from reception cascades to meandering lakes. The interior narrative is enriched by a curated collection of North African hand-woven rugs and Congolese wood-carved art, celebrating the continent's diverse artistic identity.

Beyond traditional hospitality, the guest experience integrates sustainability into every stay. One can engage in guided nature treks, guided birding safaris, bush dining or a meaningful visit to the community villages for an authentic cultural exchange. Guests are also invited to participate through the "Plant a Tree for Tomorrow" initiative or educational tours of the on-site Solar Power Plants and Wastewater Treatment facilities, showcasing cutting-edge environmental practices in action. For those seeking refined recreation, our resorts offer marine activities, padel tennis and golf while our safari portfolio offers specialized activities such as target archery, board games and watercolour painting for semi-professionals.

To ensure these wonders resonate with the next generation, the Serena Little Explorers program engages younger guests aged 4-12 years with tailored activities connecting to the natural world that is genuinely hard to replicate anywhere else - tracking birds and insects; the traditional benefits of plants/trees; about the night sky when it comes 'alive'; bush survival techniques; making Maasai jewellery; tour our solar power plants and plant a tree.

These experiences are rooted in a commitment to the land; notably, the entrance fees paid to the National Parks and Conservancies during these visits go towards vital conservation efforts, ensuring the protection of these habitats for years to come.

Guests are also invited to participate through the "Plant a Tree for Tomorrow" initiative or educational tours of the on-site Solar Power Plants and Wastewater Treatment facilities, showcasing cutting-edge environmental practices in action.

3.3 Our Sustainability Commitments in Action (continued)

Serena Hotels enriches every guest experience by showcasing the rich diversity of local cultures and ethnic groups through art, dance, music and theatrical performances - while simultaneously supporting the economic empowerment of local communities.

The figures below highlight local community entertainers engaged per month across all TPS Kenya and TPS Tanzania properties, as at 31 December 2025. These performers - musicians, dancers, storytellers and artisans - are central to Serena's identity as a cultural bridge between guests and destination.

CULTURAL EMPOWERMENT IMPACT • FY2025

Through these immersive activities, Serena Hotels reaffirms its commitment to responsible tourism, cultural preservation and guest enrichment - ensuring every visit leaves a lasting, positive impression.



TOTAL PERFORMERS • KENYA + TANZANIA

216
Local community entertainers per month across 12 properties

KENYA • TPS KENYA

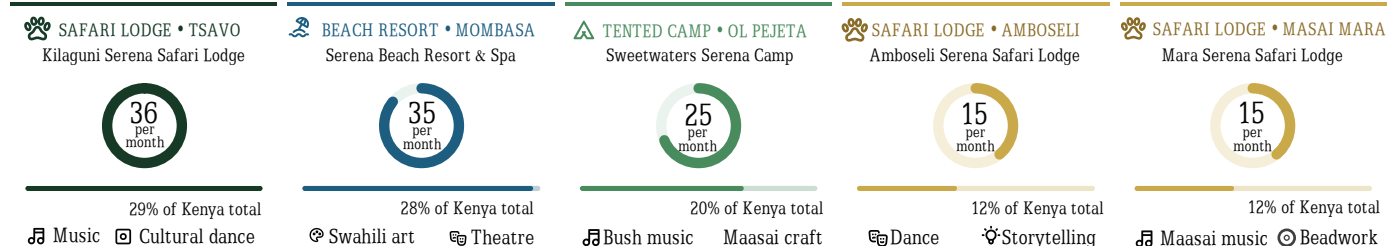
126
Across 5 properties - per month

TANZANIA • TPS TANZANIA

90
Across 7 properties - per month

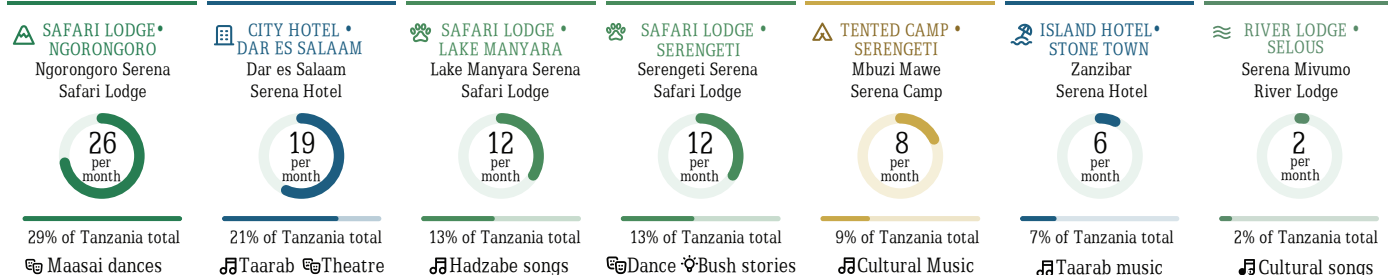
TPS Kenya 5 properties

126 / month



TPS Tanzania 7 properties

90 / month



3.3 Our Sustainability Commitments in Action *(continued)*

Energy Efficiency

In alignment with our greenhouse gas (GHG) emissions reduction strategy, Serena Hotels has partnered with a service provider to introduce eight electric vehicles at the Kigali Serena Hotel. These vehicles have been enthusiastically received by guests and staff, marking a significant step towards lowering our carbon footprint. The adoption of electric transport not only demonstrates our commitment to innovative energy solutions but also supports cleaner air and a more sustainable future for the communities we serve.

Waste Management: Reducing, Reusing, and Recycling

We promote responsible waste management through a comprehensive approach that begins at the source.

- **Solid Waste**

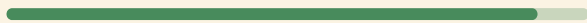
Our properties have clearly labelled and color-coded bins making it easy for employees to facilitate waste separation at the source. We have established programmes to recycle or reuse glass, plastics, metals, and organic waste wherever possible. We support local companies that recycle waste into saleable souvenir items sold in our gift shops, creating a circular economy and supporting local enterprise. Additionally, Serena Hotels regularly organizes clean-up programmes at the beach, national parks, town centres and within conservancies.

Litter collected — monthly beach & national park clean-ups

2025

≈ **8,863_{kg}**

Litter collected from monthly clean-ups at beaches, national parks, town centres and conservancies



▼ **590 kg less than 2024 — fewer clean-ups needed**

2024 (prior year)

≈ **9,453_{kg}**

Reference figure — prior year litter collected from the same monthly beach and national park clean-up programme



— **Baseline for year-on-year comparison**



Litter collection by Serena Hotels employees



Sensitization for those strolling the beach

3.3 Our Sustainability Commitments in Action *(continued)*

- 
Single-use plastics eliminated — per annum (since 2016)
 Recognising the severe impact of plastic pollution on the climate, oceans, and human health, Serena Hotels has been proactively minimising single-use plastics across its operations since 2016. Our ongoing efforts have yielded impressive results. These figures reflect Serena Hotels’ unwavering commitment to environmental stewardship and the health of our planet. By reducing reliance on single-use plastics, we are safeguarding natural ecosystems and supporting global efforts to address plastic pollution.

Serena Hotels has been proactively minimising single-use plastics since 2016. The figures below reflect our **unwavering commitment to environmental stewardship** — safeguarding natural ecosystems and supporting global efforts to address plastic pollution.

558,848



Single-use plastic bathroom bottles eliminated— transitioned to refillable large-format guest amenities

1,164,111



Single-use plastic mineral water bottles removed from the supply chain

193,780

Plastic straws removed from the supply chain across all properties

Total single-use plastic items eliminated per annum

1,916,739 items / year

Programme active since 2016 · 9 years of continuous reduction

Water Management

Serena Hotels is committed to sustainable water management as part of its environmental responsibility. Recognising the ecological importance of reducing water consumption and recycling wastewater, the Group has implemented a comprehensive water stewardship strategy across all its properties in East Africa.

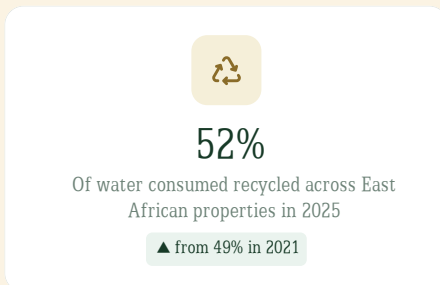
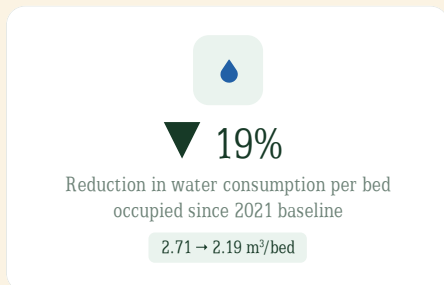
- Guest and Community Engagement**
 Serena Hotels actively involves guests in water conservation efforts, encouraging the reuse of towels and bed linens. The Group also extends its stewardship to local communities through educational programmes highlighting the importance of clean drinking water. Notably, Serena Hotels has installed communal water pumps in several villages, providing safe drinking water and supporting public health.
- Technological Innovation and Operational Efficiency**
 Over the years, Serena Hotels has invested in technologically advanced laundry systems, stringent hygiene protocols, and bio-efficient waste disposal methods to minimise water usage. These measures are complemented by the installation of wastewater treatment plants in 17 of its 22 properties, ensuring that approximately 80% of water consumed at these properties is treated and either reused for irrigation or responsibly returned to the environment. In 2025, Serena Hotels recycled 52% of the water consumed across its East African properties, an increase from 49% in 2021(baseline), demonstrating continuous improvement in water recycling practices.
- Data-Driven Impact**
 Between 2021 (baseline) and 2025, total water consumption across Serena Hotels (Kenya, Tanzania – includes Zanzibar, Uganda, Rwanda) increased from 733,181 to 1,099,204 cubic metres, reflecting both operational growth and increased occupancy. However, the ratio of water consumption per bed occupied decreased from 2.71 to 2.19 cubic metres, indicating improved efficiency. Net water stewardship, measured as water consumed minus water recycled, improved, with a net ratio of 1.06 cubic metres per bed occupied in 2025 compared to our baseline 2021 net ratio at 1.37 cubic meters per bed occupied, underscoring the Group’s commitment to balancing growth with responsible resource management.

3.3 Our Sustainability Commitments in Action (continued)

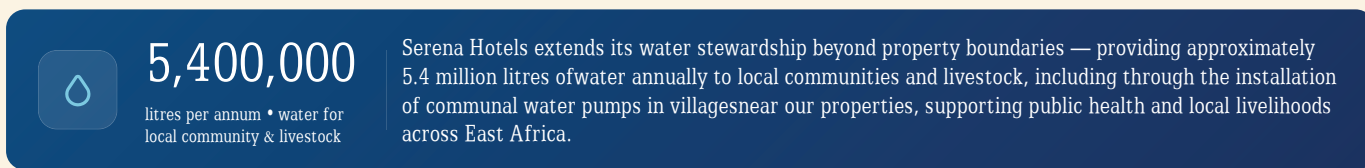
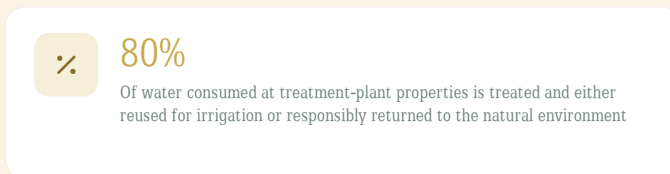
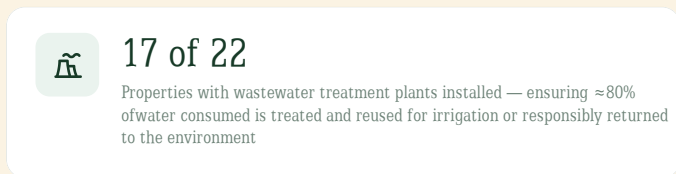
52% water recycled 2025 across EA properties

17 of 22 properties with wastewater treatment plants

Net water Stewardship per bed:
▼ 23% vs 2021 (baseline)



METRIC	2025	2021 BASELINE
Water consumed cubic metres • total across East Africa	1,099,204 ▲ +50% vs 2021	733,181
Water consumption per bed occupied cubic metres / bed	2.19 ▾ ▼ 19% efficiency gain	2.71
Water recycled per bed occupied cubic metres / bed	1.13 ▾ ▼ from 1.34	1.34
Net water stewardship per bed occupied consumed minus recycled • cubic metres / bed	1.06 ▾ ▼ 23% improvement	1.37
Water for local community & livestock litres • approximate annual contribution	5.4M ♥ Community impact	



3.3 Our Sustainability Commitments in Action (continued)

3.3.2 Our Natural Environment

Serena Hotels’ sustainability commitment to our natural environment is both ambitious and inclusive, combining carbon inset initiatives with reforestation and ecological stewardship. By engaging guests, employees, and local communities, we are creating a legacy of environmental restoration and resilience.

To protect our natural environment, we are deepening our focus across core environmental initiatives such as decarbonisation and GHG management, solar energy adoption, tree stewardship, and biodiversity and endangered species conservation.



Decarbonisation & GHG Management

- 16,667 tCO₂e total emissions 2025
- ▼6.7% vs 2019 baseline
- 4.2% annual reduction target
- Net-zero by 2030 goal
- Scope 3 reporting in progress

Solar Energy Adoption

- 7 Kenya properties solarised ✓
- 14.2M kWh clean energy 2017–2025
- 1,513 tCO₂e avoided 2025
- 9,539 tCO₂e eliminated since 2017
- Tanzania solarisation — 2026/27

Tree Stewardship

- 6.7M trees grown across Africa
- Seedling nurseries at every property
- Agroforestry & food security
- Carbon sequestration tracking started
- Plant a tree for tomorrow — guest programme

Biodiversity & Endangered Species

- 68,378 turtle hatchlings released since 1993
- 626 turtle nests protected
- 419,945 butterflies hatched (since 2002)
- Mountain gorilla habitat access
- IUCN Green Turtle milestone 2025

3.3 Our Sustainability Commitments in Action (continued)

3.3.2 Our Natural Environment (continued)

Decarbonisation and GHG Emissions Management

Serena Hotels has established a comprehensive decarbonisation action plan, aligned with the latest climate science to limit global warming to 1.5°C above pre-industrial levels. The Group aims to achieve net-zero Scope 1 (direct emissions from owned and controlled sources) and Scope 2 (indirect emissions from purchased electricity) carbon emissions in its own operations by 2030, requiring an annual reduction in GHG emissions of at least 4.2% from the 2019 baseline.

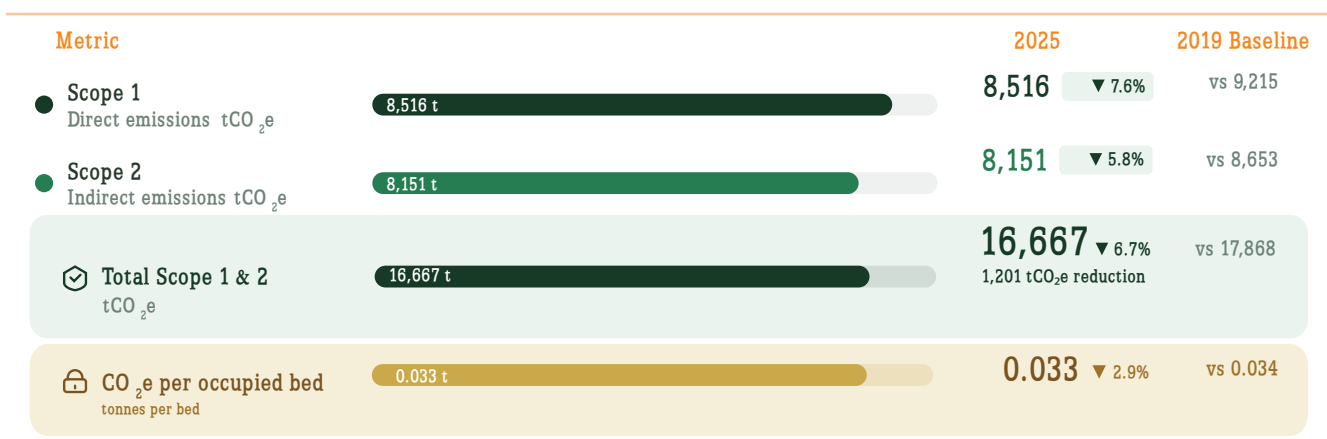
Previously, Serena Hotels used a proxy-based approach for calculating grid electricity emissions in countries where reliable, country-specific emission factors were unavailable. In these cases, Kenya’s grid emission factors were applied as a substitute for Uganda, Rwanda, Mozambique, and Congo. This method was necessary to ensure continuity in reporting, but it did not fully reflect the unique energy profiles and carbon intensities of each country’s electricity grid.

With the recent availability of accurate, country-specific emission factors, sourced from the International Energy Agency (IEA), Serena Hotels has recalculated its base year (2019) and historical emissions (2020–2024). This transition provides a more precise representation of actual emissions, aligning our reporting with best practice and international standards.

The impact of this transition is two fold:

- Improved Accuracy: Emissions data now more accurately reflects the real carbon footprint of each property, based on the local energy mix.
- Enhanced Trend Analysis: While the recalculation may result in adjustments to previously reported figures, it enables more meaningful year-on-year comparisons and trend analysis. Stakeholders can now track Serena Hotels’ progress in reducing GHG emissions with greater confidence, knowing the data is consistent and comparable across all reporting periods

Impact for Serena Hotels East Africa (excludes DR Congo and Moazambique)



Annual Reduction Target Vs 2030 Net-Zero Commitment



3.3 Our Sustainability Commitments in Action (continued)

3.3.2 Our Natural Environment (continued)

Solar Energy Adoption

Since 2017, Serena Hotels has embarked on a journey to transition its properties to solar power, setting a benchmark for the region. Kilaguni Serena Safari Lodge became fully solar powered in July 2017, followed by Amboseli Serena Safari Lodge in July 2018 and Mara Serena Safari Lodge in November 2019.

Lake Elmenteita Serena Camp (since 2018), Sweetwaters Serena Camp (since 2018) and Serena Beach Resort and Spa (since February 2024) operate on grid-tied Solar PV systems.

With the thermal solar installation at Nairobi Serena Hotel operational from July 2025, this marked a significant milestone as all 7 (seven) Serena properties in Kenya now have solar installations.

In addition, 10 of our 21 properties across the East African region, including Kirawira Serena Camp, Mbuzi Mawe Serena Camp, Lake Elmenteita Serena Camp, Sweetwaters Serena Camp, Serena Beach Resort & Spa, Kigali Serena Hotel, Lake Kivu Serena Hotel, Kampala Serena Hotel and Goma Serena Hotel, utilise thermal solar heating systems.

The transition to solar power has yielded substantial environmental benefits. From 2017 to 2025, Serena Hotels' solar power plants have generated 14.2 million kWh of clean energy, eliminating approximately 9,539 tonnes of CO₂e emissions across Kenya alone. Emissions avoided from the solar installations is not netted off to arrive at the earlier reported Scope 1 and Scope 2 emissions in line with the GHG protocol.

Tree Stewardship: Reforestation and Community Engagement

Serena Hotels has long been a pioneer in ecological sustainability across East Africa. Our tree stewardship programme engages guests, employees, and local school children in reforestation activities, fostering a sense of shared responsibility for the environment. Guests are invited to "plant a tree for tomorrow," making their stay a lasting contribution to nature.

- **6,700,000 trees grown:** Serena Hotels has grown an impressive 6.7 million trees to date, with each property maintaining its own seedling nursery. These nurseries supply seedlings to local schools and community groups, supporting widespread reforestation and environmental education.
- **Agroforestry and Food Security:** Over the past six years, Serena Hotels has expanded its efforts to include agroforestry and the planting of fruit and herb trees. This not only enhances food security but also provides a sustainable source of income for local communities, reinforcing our commitment to socio-economic development.

To further strengthen our reforestation efforts, Serena Hotels has initiated a process of tree mapping and carbon tracking for the 6.7 million trees planted since . This innovative approach will enable us to monitor the impact of our reforestation activities, quantify carbon sequestration, and ensure transparency in our environmental reporting.



Tree growing initiative by Serena Beach Resort & Spa, Mombasa



Seedling Nursery at Amboseli Serena Safari Lodge

3.3 Our Sustainability Commitments in Action (continued)

3.3.2 Our Natural Environment (continued)

Biodiversity and Endangered Species Conservation

Wildlife are faced with significant threats ranging from hunting, poaching, climate change, environmental degradation, and human encroachment. At Serena Hotels we have the unique opportunity of positively contributing towards biodiversity and endangered species conservation since most of our properties are in ecologically sensitive sites.

Nestled within Tsavo West National Park, Kilaguni Serena Safari Lodge exemplifies the harmonious integration of responsible hospitality with the protection of wildlife and natural habitats. At our Kilaguni Serena Safari Lodge, we provide water for the wildlife animals through a pump installed at Chyulu dedicated for the water hole. This is an initiative aimed at reducing the impact of drought on the wild animals such as elephants, zebras, giraffes, among others. During the year, the lodge conducted a desiltation exercise at the wildlife water hole aimed at removing accumulated silt and sediment from the animal water hole to restore its intended capacity.

Together with Kenya Wildlife Service and the Soysambu Conservancy, Lake Elmenteita Serena Camp conducted a de-snaring operation on World Wildlife Day and participated in the bi-annual census of wildlife within Soysambu Conservancy. In 2025, there was a total of 9,531 wildlife counted, with the census indicating a significant decline in thompson gazelles, buffalos and zebras; and a significant increase in impalas, baboons and guinea fowls.

At Serena Mivumo River Lodge in Tanzania's Julius Nyerere National Park, guests have the unique opportunity to observe the critically endangered African wild dog, supporting awareness and conservation of this rare species.

In Rwanda, Uganda, and the Democratic Republic of Congo, Serena properties provide access to some of the world's most important habitats for endangered mountain gorillas. Through partnerships with Volcanoes, Virunga, and Bwindi National Parks, Serena Hotels enables its visitors to experience these remarkable primates in their natural environments, contributing to the ongoing protection and research efforts for gorilla populations. Beyond immersive guest experiences with the gorillas, Serena Hotels actively promote chimpanzee conservation by promoting to its guests the Ngamba Island Chimpanzee Sanctuary and the Jane Goodall Chimpanzee Sanctuary. These initiatives have played a significant role in advancing global efforts to protect and rehabilitate chimpanzees.

Protecting globally important wetlands (RAMSAR sites) in Kenya, such as Lake Elmenteita (recognised as a wetland of global importance under UNESCO World Heritage Listing), East Africa's only breeding ground for the great white pelican and Lake Nakuru benefit from tourism promoted by Lake Elmenteita Serena Camp. The guests, children and local community members alike are educated on the importance of the wetlands.

Collectively, Serena Hotels' conservation initiatives underscore its commitment to safeguarding East Africa's biodiversity, supporting endangered species, and promoting sustainable tourism that benefits both wildlife and local communities.

Butterfly Conservation

Home to one of Kenya's butterfly sanctuaries, Mombasa Serena Beach Resort & Spa has become an inspiring hub, nurturing 67 diverse species that are bred and later released into their natural habitat - 419,945 butterflies have been released since 2002. Programmes such as the Serena Little Explorers engage children both guests and from local community schools in hands-on learning about butterfly lifecycles and the significance of pollinators in maintaining ecological balance. By integrating butterfly conservation into its broader sustainability strategy, Serena Hotels fosters a deeper appreciation for biodiversity and encourages active understanding in conservation efforts.

	2025	2024
Cumulative number of Butterflies released into the environment since 2002	419, 945	413,804

3.3 Our Sustainability Commitments in Action (continued)

3.3.2 Our Natural Environment (continued)

Sea Turtle Conservation

As part of its commitment to environmental stewardship, Mombasa Serena Beach Resort & Spa (SBRS) actively supports sea turtle conservation initiatives. Since 1993, our sea turtle conservation program protects the Hawksbill (Critically Endangered), Green (previously Endangered), and Olive Ridley (Vulnerable) turtles. In October 2025, the IUCN (International Union for Conservation of Nature) reclassified the Green Turtle from Endangered to Least Concern, a milestone marking over four decades of global conservation success, to which SBRS contributed by releasing 51,370 Green Turtle hatchlings.

These turtles maintain healthy oceans by grazing seagrass, controlling jellyfish, and recycling nutrients vital for climate balance. Recognising the critical role sea turtles play in marine ecosystems and their status as endangered species, Serena Hotels collaborates with local communities and conservationists to protect nesting sites along the coastline. From 1993 to 2025, Serena Beach Resort protected 626 turtle nests and released 68,378 hatchlings into the Indian Ocean, while providing approximately \$23,801 in incentives to fishermen, once poachers, now protectors of marine life. These efforts include safeguarding turtle nests, monitoring hatchlings, and raising awareness among guests and local residents about the importance of preserving these ancient mariners. Through educational programmes and community engagement, Serena Hotels ensures that both employees and visitors contribute to the long-term survival of sea turtles, reinforcing the company's dedication to marine biodiversity.



	2025	2024
Cumulative turtle nests protected since 1993	626	604
Cumulative number of turtle hatchlings released into the Indian ocean since 1993	68,378	66,139
Cumulative monetary incentives to fishermen since 1993	\$23,801	\$21,766

3.3 Our Sustainability Commitments in Action (continued)

3.3.2 Our Natural Environment (continued)



Exposure under Serena Hotels
"Adopt a School Program"

Solar Power Plant at
Kilaguni Serena Safari Lodge, Kenya



Microforest around
Amboseli Serena Safari Lodge, Kenya

3.3.3 Responsible Supply Chain Management

Serena Hotels is dedicated to advancing sustainability across its operations, with a particular focus on responsible supply chain management and sustainable sourcing.

Sustainable Sourcing

Serena Hotels actively seeks to source goods and services from local suppliers wherever possible. This approach not only reduces the carbon footprint associated with transportation but also fosters economic empowerment within host communities. By partnering with local producers, farmers, and artisans, we ensure that our supply chain supports sustainable livelihoods and strengthens regional value chains. Serena Hotels in Rwanda have made notable progress in providing a breakdown by gender, youth, and persons with disabilities (PWD) of its suppliers. This demonstrates our ongoing commitment to improving transparency and promoting supplier diversity and inclusion across our operations.

As a Group, we are working towards enhancing our data collection and reporting practices, with the aim of better understanding and supporting diverse supplier groups across our value chain and increasing the proportion of goods and services sourced locally and from diverse suppliers.

3.3 Our Sustainability Commitments in Action (continued)

3.3.4 Community Involvement & Empowerment

Serena Hotels actively engages with the local communities within our operating environments, empowering them through targeted initiatives and partnerships. We not only support local economies but also strengthen the company’s commitment to creating lasting social and environmental value.

Serena Hotels continues to foster community involvement and empowerment, across principal community initiatives such as the Serena Beach Shoreline Protection Project, architectural and cultural conservation, education and work training opportunities, and Serena medical clinics and outreach.



Shoreline Protection

- Footbridge completed April 2025
- Project cost: \$18,484
- Community & beach operator access
- Enables work during high tides
- Mombasa Serena Beach Resort & Spa

Education & Work Training

- 1,119 internship opportunities in 2025
- 280 average internships per quarter
- 6 countries covered
- Adopt a School programme (10 years)
- Eco-clubs · libraries · climate education

Serena Medical Clinics & Outreach

- 2,172 free treatments to the community in 2025
- USD 9,612 community savings
- 22 Serena clinics
- Cancer · diabetes · mental health
- Financial wellness & retirement planning

Architectural & Cultural Conservation

- 216 local entertainers/month
- Artisan markets — Mara & Mombasa
- 7 daily artisan sellers at Ngorongoro
- Local crafts · artefacts · traditions
- Cultural exchange for hotel guests

3.3 Our Sustainability Commitments in Action (continued)

3.3.4 Community Involvement & Empowerment (continued)

Serena Beach Shoreline Protection Project

Serena Beach Resort & Spa in Mombasa, Kenya stands as a beacon of community impact. In April 2025, the Resorts shoreline protection project was successfully completed. As part of the project, Management decided to construct a footbridge that now allows both the local community and beach operators to access the walkway even during high tides, when the shoreline is completely submerged. This improvement enables beach operators to continue their activities without disruption, strengthening livelihoods and fostering community resilience. The cost of this addition was \$ 18,484.

Architectural and Cultural Conservation

Serena Hotels East Africa is committed to the preservation and celebration of local architecture and culture. Through a series of targeted initiatives, Serena actively supports community involvement and empowerment, ensuring that the region's rich heritage is not only sustained but also thrives for future generations.

A cornerstone of Serena's approach is the creation of platforms for local artisans to showcase and sell their crafts. At Mara Serena and Mombasa Serena, artisan markets are held regularly—twice a week at Mara Serena and once a week at Mombasa Serena. These markets provide local craftsmen and women with direct access to hotel guests, enabling them to present traditional arts, crafts, and cultural artefacts. This initiative not only preserves indigenous skills and techniques but also offers artisans a reliable source of income, contributing to the economic resilience of the local community.

Similarly, Ngorongoro Serena Safari Lodge has established a daily opportunity for seven community members to sell their items within the lodge premises. By facilitating these daily interactions, Serena fosters a sustainable micro-economy, encourages cultural exchange, and strengthens community ties. Guests can engage directly with the creators, gaining insight into the stories and traditions behind each item, which enhances cultural appreciation and respect.

These programmes exemplify Serena Hotels' holistic approach to architectural and cultural conservation. By integrating local communities into the tourism value chain, Serena not only safeguards cultural heritage but also empowers individuals, promotes inclusive growth, and supports the development of vibrant, self-sustaining communities. The result is a mutually beneficial relationship where both the Serena portfolio and the communities flourish, ensuring that the legacy of East Africa's unique culture and architecture remains alive and accessible.

Education and Working Training Opportunities

We believe it is our responsibility to ensure that our children are well-prepared for the future they will inherit. The provision of schools in wilderness areas can, however, prove a challenge. For this reason, we launched our 'Adopt a School' program a decade ago, enabling all Serena properties to establish relationships with their neighbouring schools.

Our interactions include access to children's libraries, eco-clubs focused on climate change education, tree growing, environmental clean-up, renewable energy, and wastewater recycling. We also address human-wildlife conflict, health outreach programs, infrastructure development, and the provision of learning aids. To promote global understanding, we invite our guests to engage with school children, especially during festive seasons. Additionally, we empower youth and women by educating them on alternative livelihoods and informing them about children's rights concerning early marriage and forced labour, as well as women's rights.

Through work-training and internship opportunities at Serena Hotels, we equip youth with marketable skills and first-hand on the job experiences that leads to meaningful employment - essential for empowering young people and fostering economic growth and social stability.



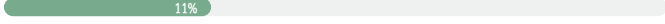
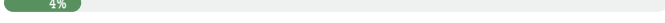
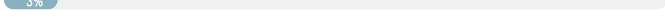
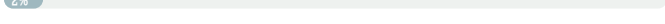
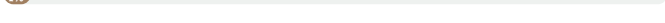


Donation made by Serena Hotels

3.3 Our Sustainability Commitments in Action (continued)

3.3.4 Community Involvement & Empowerment (continued)

The table below indicates data with respect to the internship opportunities provided for the twelve months to December 2025.

TPS ENTITY	SHARE OF TOTAL ANNUAL	AVG / QTR	ANNUAL 2025
● TPS Kenya	 35%	98	393 35% of total
● TPS Tanzania	 26%	73	294 26% of total
● TPS Uganda	 18%	49	196 18% of total
● TPS Rwanda	 11%	31	123 11% of total
● TPS Dar es Salaam	 4%	12	46 4% of total
● TPS Mozambique	 3%	8	32 3% of total
● TPS Zanzibar	 2%	6	23 2% of total
● TPS DR Congo	 1%	3	12 1% of total
● Total — TPS Africa • 6 countries		280 Average interns per quarter	1,119 Total opportunities in 2025

Serena Medical Clinics and Community Wellness

We have also prioritized the health of our guests, employees and local communities by ensuring each Serena property features a 'Serena Clinic' that provides a complete range of medical services free of charge. Moreover, through our wellness programs our employees and the local community members receive ongoing checkups and education on various lifestyle-induced illnesses, with a particular focus on cancer, diabetes, hypertension, addiction, and mental health. Normally, this initiative is carried out in partnership with various medical institutions around areas where we operate our properties. The program also features speakers who cover a wide range of topics, including health issues, financial management and planning, goal setting, stress management, family life skills, and retirement planning.

Management remains committed to upholding and advancing human rights throughout every facet of our operations. We recognize the inherent dignity of every individual and are dedicated to fostering a workplace that respects the rights, well-being, and diversity and inclusion for all. Our policies are designed to ensure fair treatment, equal opportunity, safe working conditions, and freedom from discrimination, forced labour, and child labour.

The Serena Clinics continue to provide medical services free of charge to the local community and tabulated below is the data as of 31 December 2025:

	2025	2024
Number of Treatments to the Community	2,172	1,914
Total Savings for the Community (consultation and transport to close medical facility)	USD 9,612	USD 10,535



Serena Clinic






Communal Water Pump



Exposure Program - Wastewater Settlement Ponds at Amboseli Serena Safari Lodge

3.4 Our Business Model

How Serena Hotels creates, preserves and delivers value — resources, activities, outputs and impact across six capitals

OUR RESOURCES	INPUTS	OUTPUTS / SERVICES DELIVERED	MATERIAL MATTERS	KEY RISKS	IMPACT CREATED
 <p>Financial capital</p>	<ul style="list-style-type: none"> + Operational costs: KES 3,74B + Shareholder equity: KES 13.37B + Total assets: KES 22.24B 	<ul style="list-style-type: none"> ↗ Revenue: KES 10.12B ↗ RevPAR: KES 24,015 (\$186) ↗ Occupancy: 55% - Guest value chain: \$86M 	<ul style="list-style-type: none"> • Business Landscape • Sustainable Operations • Customer Experience 	<ul style="list-style-type: none"> • Geopolitical • Reputational • Competition 	<ul style="list-style-type: none"> ○ Taxes paid – value chain: \$84M direct & indirect ○ ROE: 6% · ROA: 4% ○ GDP contribution: \$309M East Africa
	<ul style="list-style-type: none"> + 22 properties — 6 countries + Renovation investment (20 of 22 Properties) \$9M + Solar thermal: 96m³/day → 110m³/day 	<ul style="list-style-type: none"> ↗ TPS Africa: 538,533 beds occupied ↗ TPS Africa: 1.89M F&B covers served ↗ 22 hotels, resorts, lodges & camps 	<ul style="list-style-type: none"> • Sustainable Operations 	<ul style="list-style-type: none"> • Operational 	<ul style="list-style-type: none"> ○ 22 properties ESG audit compliant ○ Eco-friendly transitions progressing ○ Solar thermal capacity increased 14.5%
 <p>Intellectual capital</p>	<ul style="list-style-type: none"> + Training spend: \$153,149 + IT systems investment: \$2.2M + Brand heritage · 56 years 	<ul style="list-style-type: none"> ↗ 28 awards & accolades received ↗ 161 ESG champions trained ↗ 32 ESG policies/frameworks 	<ul style="list-style-type: none"> • Business Landscape 	<ul style="list-style-type: none"> • Cyber 	<ul style="list-style-type: none"> ○ FT Africa's fastest growing 2025 ○ World Travel Awards — 6 categories ○ DUMA & Prestige Club launched
 <p>Human capital</p>	<ul style="list-style-type: none"> + 3,929 employees Female: 1,251 (32%) Male: 2,688 (68%) across 6 nations + Skills, expertise, service culture + Well-being programmes 	<ul style="list-style-type: none"> ↗ 98,868 training hours delivered ↗ 25.2 average training hrs/employee ↗ 1:137 employee/bed occupied ↗ 280 internships/quarter 	<ul style="list-style-type: none"> • Our Employees 	<ul style="list-style-type: none"> • Health & Safety • Information Security • Reputational 	<ul style="list-style-type: none"> ○ 235 new direct employees hired ○ 7,912 indirect jobs value chain ○ Job multiplier: 1:3.3 ○ 49,319 household members supported value chain
 <p>Social & relationship capital</p>	<ul style="list-style-type: none"> + Marketing spend: \$3M + Local procurement: \$55M direct + Charitable donations: \$88,578 	<ul style="list-style-type: none"> ↗ 4,380 local suppliers engaged ↗ 2,172 community - free medical treatments ↗ 216 local enter tainers/month 	<ul style="list-style-type: none"> • Responsible Supply Chain • Sustainable Operations 	<ul style="list-style-type: none"> • ESG/Sustainability • Reputational 	<ul style="list-style-type: none"> ○ 90.6% Global Review Index ○ \$25M indirect local procurement ○ 5.4M litres water to communities
 <p>Natural capital</p>	<ul style="list-style-type: none"> + Water Consumed: 1,099,204m³ + Scope 1 and 2 consumption: Grid: 24.7M kWh; Solar PV: 2.35M kWh; Diesel: 2.2M ltr; LPG: 0.7M Kilos; CNG: 10K Giga joules + Trees: 6,467 indigenous + 2,688 fruit 	<ul style="list-style-type: none"> ↗ 16,667 tCO₂e Scope 1&2 emissions ↗ 1,513 tCO₂e avoided via solar PV ↗ 6,141 butterflies · 2,239 turtle hatchlings 	<ul style="list-style-type: none"> • Biodiversity • Responsible Supply Chain • Sustainable Operations 	<ul style="list-style-type: none"> • ESG/Sustainability • Operational • Reputational 	<ul style="list-style-type: none"> ○ 0.033 tCO₂e per bed occupied ▼ 6.7% vs2019 (baseline) ○ 52% water recycled ○ Net water stewardship: 1.06 m³/bed occupied ○ 1.9M single-use plastics eliminated/yr



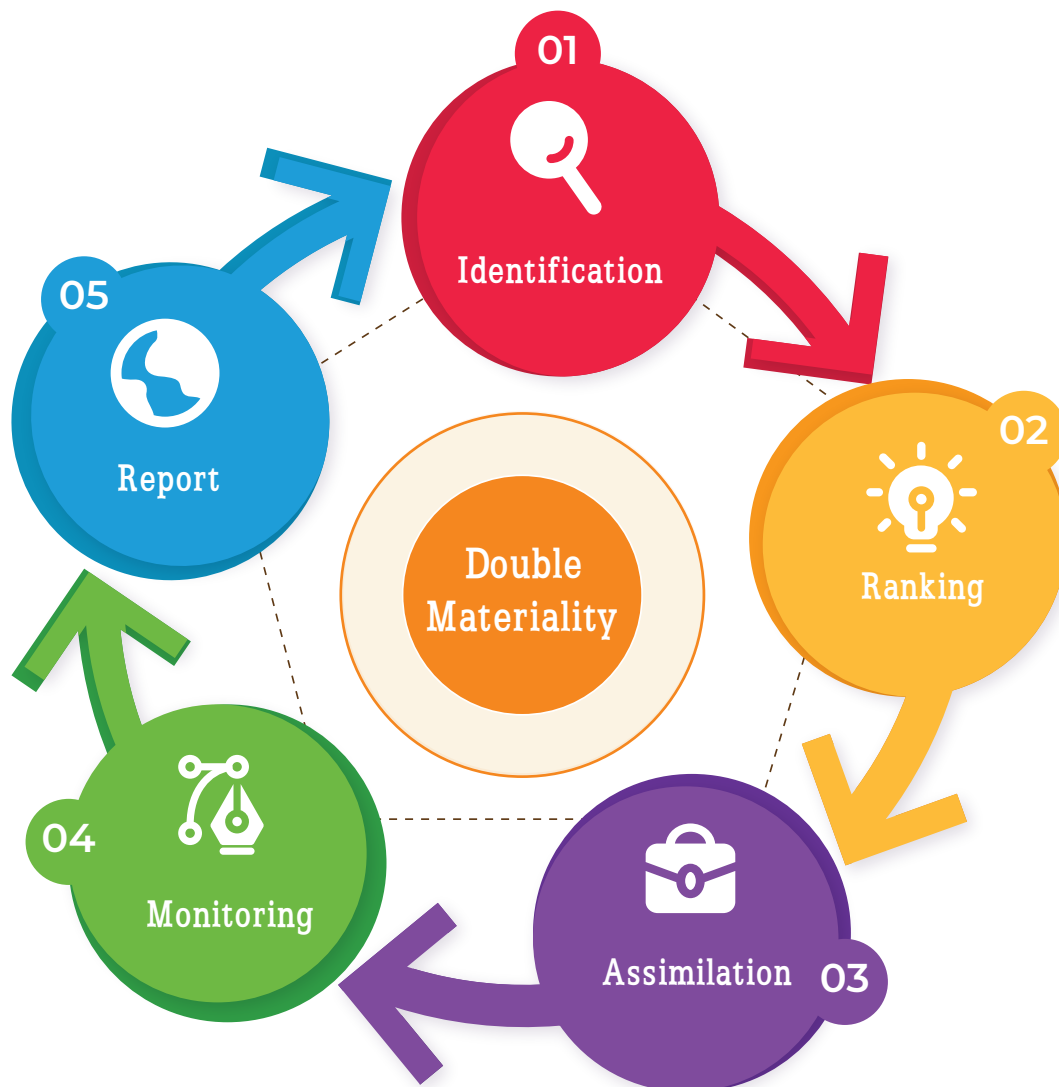
Presidential Suite, Nairobi Serena Hotel

4.0 Our Value Creation Process

4.1 Material matters determination process

Owing to the breadth of business operations and stakeholders interested in the hospitality sector, it is important for us to determine the issues that are most important to Serena Hotels. The determination of material issues involved a rigorous process including stakeholder engagement, peer benchmarking, a gap analysis and internal validation by TPSEAP board and management. The process, which considered both impact and financial materiality, revealed eight material topics which we monitor and report against.

A rigorous five-stage cycle — anchored in double materiality — to identify, rank, integrate, monitor and report the issues most important to Serena Hotels and its stakeholders



4.0 Our Value Creation Process (continued)

01
IDENTIFY

Identification



A broad universe of potential material topics was assembled through **stakeholder engagement**, **peer benchmarking**, a **Deloitte gap analysis** on existing reporting practices, and a thorough review of the external environment - including ESG trends, regulatory changes and emerging risks specific to East African hospitality markets.

Stakeholder engagement Peer benchmarking Deloitte gap analysis Environmental scanning

02
RANK

Ranking



Topics were prioritised using a **double materiality lens** — weighing **financial materiality** (how sustainability matters affect Serena's performance and prospects) against **impact materiality** (how our operations affect society, communities and the natural environment). Rankings were validated by the **TPSEAP Board and senior management**

Financial materiality Impact materiality Board & management validation Double materiality lens

03
ASSIMILATE

Assimilation



The **eight prioritised material topics** were embedded into Serena Hotels' strategy, risk management framework, business model and reporting architecture. Each topic was aligned with the Group's **2026–2028 strategic pillars**, the six capitals model and ESG commitments — ensuring material issues drive real operational decisions across all 22 properties.

8 material topics confirmed Strategy integration Six capitals alignment Risk framework linkage

04
MONITOR

Monitoring



All eight material matters are tracked continuously via **quantitative and qualitative KPIs** — Financial and operational including GHG emissions, bed occupancy, guest satisfaction (90.6% GRI score), training hours, local procurement, biodiversity and supply chain metrics. The **Board Audit and Risk Committee (BARC)** and management receive regular, data-driven risk and performance reports to enable timely action.

Quantitative KPIs BARC oversight Early warning indicators Quarterly risk reports

05
REPORT

Report



Performance against all eight material matters is transparently disclosed in this **2025 Integrated Annual Report & Financial Statements** — prepared in reference with GRI Standards 2021, IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) including IFRS S1, IFRS S2, the International Integrated Reporting Framework and NSE ESG Guidance. The cycle is **continuous and annual**: the report feeds back into the next year's identification phase, keeping material topics current and responsive to a changing environment.

GRI Standards 2021 IFRS S1 & S2 Int. Integrated Reporting Framework NSE ESG guidance Annual cycle

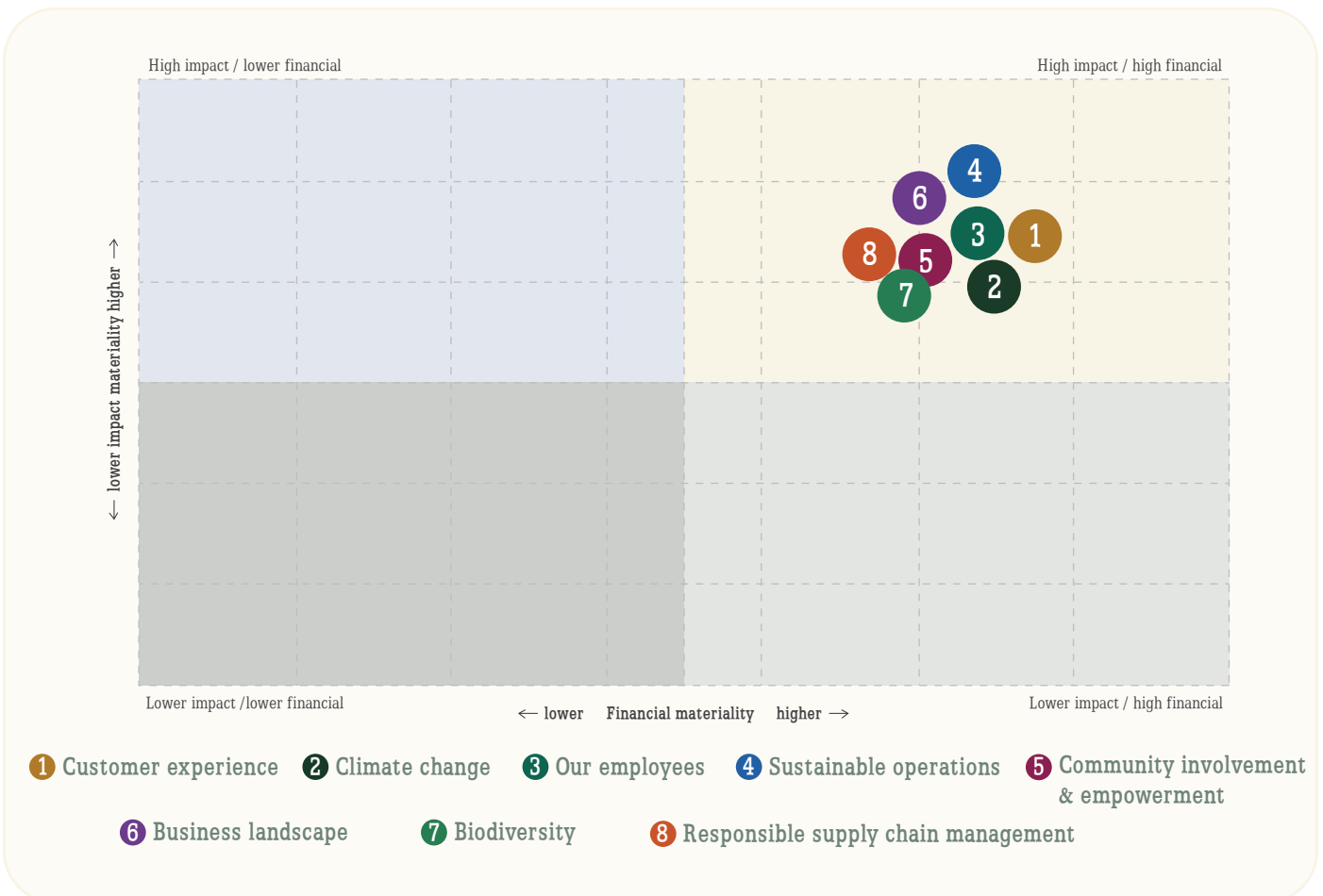
4.0 Our Value Creation Process (continued)

4.2 Serena Hotels Top Material Matters

In line with the concept of double materiality, Serena Hotels has identified a set of topics that are most material to our long-term value creation, stakeholder interests, and impact on society and the environment. These material topics encompass both financial and non-financial aspects, reflecting not only how external factors affect our business (financial materiality), but also how our operations influence the broader environment and communities (impact materiality). Serena Hotels measures success against these material topics using a range of quantitative and qualitative metrics, aligned with international best practices and stakeholder expectations. This approach enables us to monitor progress, adapt our strategies, and transparently communicate our performance and impact.

The following section outlines our material topics, the risks and opportunities they present, and the metrics we use to track our achievements and progress.

Double Materiality Matrix — 8 Topics By Financial & Impact Significance

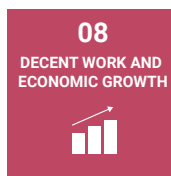


4.2 Serena Hotels Top Material Matters (continued)

Material Matter Detail — Risks, Opportunities & Success Indicators

1 Customer experience SDG 8, 12

Capitals:
Financial capital, Social & Relationship



Exceptional customer experience drives guest loyalty, positive reviews and repeat business in a highly competitive hospitality sector.

RISKS

- Loss of clients and potential litigation from negative experiences
- Customer dissatisfaction increases marketing costs and causes reputational damage

OPPORTUNITIES

- Bespoke guest activities and portfolio diversification
- Prestige Club loyalty programme relaunched August 2025

Success Indicators

Customer feedback score

Bed occupancy

Annual turnover

Loyalty subscriptions

2 Climate change SDG 7, 12, 13

Capitals:
Natural capital, Manufactured capital



As a leading hospitality group in ecologically sensitive regions, Serena Hotels addresses climate impacts to ensure operational resilience and regulatory compliance.

RISKS

- Natural disasters disrupt supply chains and increase operating costs
- Resource consumption and emissions create regulatory exposure

OPPORTUNITIES

- Solar energy — all 7 Kenya properties solarised
- Net-zero 2030 target driving long-term cost resilience

Success Indicators

GHG reductions

Water usage

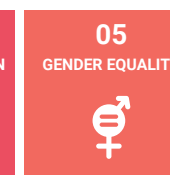
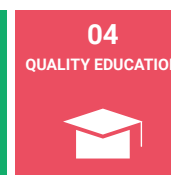
Solar production

Waste reduction

Biodiversity impact

3 Our employees SDG 3, 4, 5, 8

Capitals:
Human, Financial, Intellectual, Social & Relationship



Skilled, motivated employees are vital for delivering high service standards. Investment in training and welfare supports both business performance and sector-wide talent development.

RISKS

- High turnover causes loss of institutional knowledge and increased recruitment costs
- Poor welfare leads to absenteeism and potential legal action

OPPORTUNITIES

- Upskilling employees for continuous guest experience improvement
- Well-being, health & safety prioritised in employee value proposition

Success Indicators

Retention rate

Average training hours

Satisfaction ratings

H&S incidents

4 Sustainable operations SDG 6, 7, 12, 13, 16

Capitals:
Natural, Financial, Manufactured capital



Sustainable operations reduce costs, minimise environmental footprint and enhance SerenaHotels' reputation as a responsible operator.

RISKS

- Facilities not adapting to client needs erodes competitive edge
- Non-compliance results in fines and loss of competitive advantage

OPPORTUNITIES

- Portfolio diversification to meet evolving client needs
- ESG compliance as a differentiation and brand driver

Success Indicators

Revenue growth

ESG compliance

Guest activity uptake

Awards received

4.2 Serena Hotels Top Material Matters (continued)

5 Community involvement & empowerment

SDG 1, 2, 8, 10, 11

Capitals:

Social & Relationship, Natural, Financial capital



Strong community relationships underpin Serena's social licence to operate and contribute to local economic development and social stability.

RISKS

- Lack of engagement can lead to operational disruptions and reputational risk
- Shortcomings in value chain drive financial inputs upward

OPPORTUNITIES

- Artefact sales, guest entertainment and cultural experience partnerships
- Free clinics, 280 internships/month and local sourcing initiatives

Success Indicators

Community feedback

Local procurement

Empowerment opportunities

6 Business landscape

SDG 8, 9

Capitals:

Financial, Social & Relationship, Intellectual capital



Understanding and adapting to the evolving business landscape ensures Serena Hotels remains competitive and resilient in a dynamic sector.

RISKS

- Market dynamics and regulation cause lost market share
- Absent IT innovation hurts guest journey and client experience

OPPORTUNITIES

- DUMA proprietary booking platform launched Q1 2026
- Active social media marketing and full digital transformation roadmap

Success Indicators

Online bookings

Social media following

Client conversion

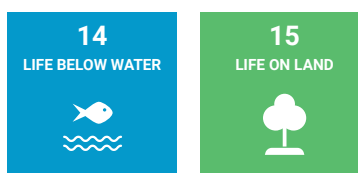
Regulatory compliance

7 Biodiversity

SDG 14, 15

Capitals:

Natural capital



Several Serena properties are located in or near protected areas. Biodiversity conservation maintains natural attractions that draw guests and fulfils our environmental stewardship commitments.

RISKS

- Biodiversity loss leads to regulatory penalties and reduced appeal for eco-conscious guests
- Safari lodges depend entirely on pristine ecosystems and wildlife

OPPORTUNITIES

- Butterfly and turtle conservation at Serena Beach Resort & Spa
- Tree planting (6.7M in Africa) and wildlife corridor protection

Success Indicators

Turtles released

Butterflies hatched

Trees grown

Wetland conservation

Endangered species

8 Responsible supply chain management

SDG 2, 8, 12, 16, 17

Capitals:

Social & Relationship, Natural capital



Responsible supply chain practices safeguard Serena against reputational, legal and operational risks while supporting sustainable development and stakeholder trust.

RISKS

- Supplier ethical failures expose Serena to reputational damage and legal liabilities
- Insufficient visibility into supplier practices risks inadvertent harm

OPPORTUNITIES

- Local ethical sourcing promotes positive social and environmental outcomes
- Sustainable procurement drives cost efficiencies and strengthens stakeholder trust

Success Indicators

Local supplier %

Supplier diversity

Scope 3 GHG reduction

Waste generated

Supplier screening - ESG

4.3 Stakeholder Engagement

At Serena Hotels, meaningful stakeholder engagement is fundamental to our long-term success. We recognise that our stakeholder universe plays a critical role in shaping our strategy and operations. Through regular, transparent, and inclusive dialogue, we seek to understand their expectations, address their concerns, and identify opportunities for shared value creation. Our approach to stakeholder engagement ensures that we remain responsive to evolving needs, strengthen relationships, and integrate stakeholder insights into our decision-making processes, ultimately enhancing our ability to deliver positive social, environmental, and economic outcomes.

Guests		90.6% GRI score	Bed occupancy	Guest feedback	
Capitals Impact		Social & Relationship	Financial	Manufactured	Natural
PRIMARY ENGAGEMENT CHANNELS	KEY CONCERNS, INTERESTS & EXPECTATIONS	SERENA'S STRATEGIC RESPONSE AND VALUE CREATED			
<ul style="list-style-type: none"> Direct interactions during stay and feedback at checkout Post-stay surveys, online ratings and review platforms Reservations Call Centre for improved access and customer experience 	<ul style="list-style-type: none"> Efficient service delivery and responsiveness to needs Safety, well-being and value for money during their stay Alignment of Serena's values with their own practices 	<ul style="list-style-type: none"> 90.6% Global Review Index — consistent quality and service standards Immersive experiences: game drives, conservation, cultural performances, local cuisine Digitalisation — Prestige Club App and DUMA booking platform launched 			

Employees		3,929 employees	98,868 training hrs	25.2 hrs/employee	
Capitals Impact		Human	Financial	Intellectual	Manufactured
PRIMARY ENGAGEMENT CHANNELS	KEY CONCERNS, INTERESTS & EXPECTATIONS	SERENA'S STRATEGIC RESPONSE AND VALUE CREATED			
<ul style="list-style-type: none"> Monthly People & Culture meetings with P&C Managers Town halls, annual operations meetings and team building forums Wellness briefings and e-learning platforms 	<ul style="list-style-type: none"> Professional development and recognition of efforts and success Diversity, equity and inclusion in the workplace Safe, inclusive environment with opportunities for growth 	<ul style="list-style-type: none"> Leadership and technical training — 98,868 hours delivered in 2025 Succession planning, mentorship and career progression pathways Competitive remuneration, medical cover, pension and wellness programmes 			

Board of Directors & Executive Management		5/5 board meetings	10 directors	3 committees
Capitals Impact		Financial	Human	
PRIMARY ENGAGEMENT CHANNELS	KEY CONCERNS, INTERESTS & EXPECTATIONS	SERENA'S STRATEGIC RESPONSE AND VALUE CREATED		
<ul style="list-style-type: none"> Board meetings — at least 4 per year; 5 held in FY2025 Committee sessions — BARC, NRC and BSC (created 2025) Operational meetings and data-driven performance updates 	<ul style="list-style-type: none"> Execution of corporate and sustainability strategy Sustainable returns, governance and risk management Aligning business operations with all stakeholder expectations 	<ul style="list-style-type: none"> Board actively involved in strategy formulation, review and approval Transparent, integrated reporting — GRI 2021, IFRS S1/S2, IIRF, NSE ESG Regular data-driven updates on strategy execution, risk and emerging opportunities 		

Shareholders		8,229 Shareholders registered	282.6M shares	NSE listed
Capitals Impact		Financial	Social & Relationship	
PRIMARY ENGAGEMENT CHANNELS	KEY CONCERNS, INTERESTS & EXPECTATIONS	SERENA'S STRATEGIC RESPONSE AND VALUE CREATED		
<ul style="list-style-type: none"> Board meetings and Annual General Meeting (last held 27 June 2025) Property review and inspection visits Monthly shareholding disclosures to NSE and CMA 	<ul style="list-style-type: none"> Sustainable returns and long-term asset growth Transparent governance and financial performance reporting Brand loyalty, capital preservation and long-term value creation 	<ul style="list-style-type: none"> Sustainable financial performance — brand equity growth Enhanced transparency through integrated reporting and regular shareholder engagement Strengthened governance and compliance with international standards 		

4.3 Stakeholder Engagement (continued)

Government & Regulatory Authorities			TPSEAP: KES 2.7B direct/indirect taxes paid	NSE · CMA compliant	
Capitals Impact	Financial	Social & Relationship			
PRIMARY ENGAGEMENT CHANNELS	KEY CONCERNS, INTERESTS & EXPECTATIONS		SERENA'S STRATEGIC RESPONSE AND VALUE CREATED		
<ul style="list-style-type: none"> › Regulatory audits and quarterly, monthly and annual statutory reporting › Regulatory forums, networking engagements and training courses › Workplace safety and health inspections across all properties 	<ul style="list-style-type: none"> › Full regulatory compliance across 6 African jurisdictions › Obtaining and renewing necessary certifications and operating licences 		<ul style="list-style-type: none"> › Active participation in regulatory forums — thought leadership on guest experience processes › KES 2.7B · KES 0.3B tourism royalties/rent paid direct/indirect taxes to East African governments › Continuous compliance monitoring — POLDs, NSE 		
Travel Agents & Booking Platforms			DUMA platform live Q1 2026	Direct bookings ↑	
Capitals Impact	Financial	Social & Relationship			
PRIMARY ENGAGEMENT CHANNELS	KEY CONCERNS, INTERESTS & EXPECTATIONS		SERENA'S STRATEGIC RESPONSE AND VALUE CREATED		
<ul style="list-style-type: none"> › Booking and reservation facilitation for guests globally › Property showcasing and marketing events across key source markets 	<ul style="list-style-type: none"> › Seamless coordination of reservations and bookings › Fair rate negotiations, contracting and timely commission payments 		<ul style="list-style-type: none"> › Revamping websites and social media for global product showcase and improved discoverability › DUMA Reservation Platform — end-to-end booking, real-time availability, online payment gateway › Streamlined contracting process for higher direct booking conversion rates 		
Suppliers & Service Providers			4,380 Local suppliers	Local procurement: *direct: \$55M *indirect (value chain): \$25M	
Capitals Impact	Social & Relationship	Financial			
PRIMARY ENGAGEMENT CHANNELS	KEY CONCERNS, INTERESTS & EXPECTATIONS		SERENA'S STRATEGIC RESPONSE AND VALUE CREATED		
<ul style="list-style-type: none"> › Regularly held supplier engagement forums across all markets › Annual performance reviews and contract renewal discussions 	<ul style="list-style-type: none"> › Long-term partnerships and fair procurement practices › Reliability, integrity and shared values with Serena Hotels › Timely payments and transparent, consistent contracting 		<ul style="list-style-type: none"> › Long-term partnerships built on trust, transparency and shared impact › \$55M direct + \$25M indirect local procurement — supporting 4,380 local businesses › Ethical sourcing championed — supplier ESG criteria screening and diversity tracking 		
Local Communities			49,319 households supported (value chain)	2,172 free medical consultation	280 internship opportunities/quarter
Capitals Impact	Social & Relationship	Natural	Manufactured		
PRIMARY ENGAGEMENT CHANNELS	KEY CONCERNS, INTERESTS & EXPECTATIONS		SERENA'S STRATEGIC RESPONSE AND VALUE CREATED		
<ul style="list-style-type: none"> › Community outreach programmes and CSR initiatives at each property › Serena Clinics — free medical consultations and first aid at properties › Internship, employment and cultural partnership programmes 	<ul style="list-style-type: none"> › Support towards sustainable, community-focused initiatives › Meaningful opportunities for collaboration and mutual growth › Mitigation of Serena's impact on local environment and livelihoods 		<ul style="list-style-type: none"> › 235 new and 280 internship opportunities per hires quarter (1,119 in 2025) › 2,172 free medical treatments — USD 9,612 in community health savings per annum › Artefact sales, entertainment partnerships and cultural experience programmes › 6.7M grown in Africa · turtle and butterfly trees conservation at Mombasa 		
Business Partners			New market segments accessed	Market share protected	
Capitals Impact	Social & Relationship	Financial			
PRIMARY ENGAGEMENT CHANNELS	KEY CONCERNS, INTERESTS & EXPECTATIONS		SERENA'S STRATEGIC RESPONSE AND VALUE CREATED		
<ul style="list-style-type: none"> › Networking and social events hosted at Serena Hotels properties › Planning and co-hosting of events, forums and MICE activities 	<ul style="list-style-type: none"> › Reliability, integrity and alignment of shared values › Quality service delivery and responsiveness to needs › Corporate business development and opportunities for mutual growth 		<ul style="list-style-type: none"> › Executed several strategic partnerships to attract new market segments › Partnerships designed to protect market share and strengthen Serena's brand positioning › Collaborative MICE events, corporate packages and joint business development activities 		



Mr. Aziz Boolani, Global Head of Serena Hotels at the Serena Prestige Card Launch



Partnerships – Serena Hotels Marketing Director Maureen Okore (left) and The SBM Bank's Director of consumer banking Beth Muthui (right) shake hands hosted by Nairobi Serena Hotel GM Anthony Chege (center)



Board Corporate Governance Training by Strathmore University



Serena Prestige Club Launch - Celebratory cake cutting moment



Rethinking Sustainable Tourism workshop during FrenchWeek 2025
 Shenin Virji (centre), Director, Office of the Global Head - Serena Hotels, Stéphanie Spelle (Right), Commercial Director, East and South Africa, Nigeria and Ghana - Air France KLM, Mira Bid (Left), Managing Director - Muthaiga Travel



Serena Prestige Club Promotion



5.0 How We Are Led

5.1 Serena Hotels Governance Framework and Structure

As at 31 December 2025, the board consisted of ten substantive directors; a majority of the directors being Non-Executive and Independent and three Executive Directors, i.e. Global Head of Serena Hotels, The Chief Executive Officer and Group Finance Director.

Board of Directors Composition and Structure



Francis Okomo Okello

Chairman · Non-Executive Independent Director

NID Chairman

Lawyer · MBS, EBS

40y

Tenure

76

Age

M

Gender

Mr. Okello (aged 76yrs) is a qualified lawyer. He holds a Second Upper Class Honors LLB degree from the University of Dar-es-Salaam. He is an Albert Parvin Fellow of the Princeton University, Princeton School of Public and International Affairs (formerly Woodrow Wilson School of Public and International Affairs) (USA) and a Fellow of The Kenya Institute of Bankers (FKIB). He previously served as an independent Non-Executive Director of ABSA Group Limited (formerly Barclays Africa Group Limited), ABSA Bank Limited (South Africa) and former Chairman of ABSA Bank Kenya PLC (formerly Barclays Bank of Kenya PLC). He is also a former Non-Executive Director of the Nation Media Group Limited, among other Companies. He also previously served as a member of the Advisory Board of the Strathmore University Business School (formerly Strathmore Business School) and as a member of the Advisory Committee of the Aga Khan University, Faculty of Arts and Sciences – East Africa. He is currently a Board Advisor at the Industrial Promotion Services Group (East Africa).



Aziz Boolani

Global Head of Serena Hotels · Director

ED NRC BARC BSC

Cost & Management Accountant · Hotelier

3y

Tenure

68

Age

M

Gender

Mr. Azizuddin Boolani (aged 68 years) has been a hospitality industry leader for 39 years, holding key executive roles at Marriott Hotels, Pearl Continental Hotels, and Serena Hotels in Pakistan. Currently, he is the Global Head of Tourism (t/a Serena Hotels) for the Aga Khan Fund for Economic Development (AKFED). Over his 25-year tenure with Serena Hotels, he has played a vital role in operations, financial management, project development and the brand's strategic expansion. He has been instrumental in Serena Hotels' community support initiatives under the banner of Sports, Culture, Public and Adventure Diplomacy initiatives and leads the 'Karighar' women's empowerment program, which provides vocational training to marginalized communities. In recognition of his contributions to community engagement, he was honoured with the civilian award 'Sitara-e-Imtiaz' by the President of Pakistan in 2016. Mr. Boolani is a Fellow of the Institute of Cost and Management Accountants of Pakistan and a graduate of the General Manager and Marketing Program from the Holiday Inn University, Memphis, USA. He has also held leadership positions as Chairman of the Pakistan Hotel Association, Chairman of the Aga Khan Rural Support Programme, Honorary Secretary of the Aga Khan Economic Planning Board, and Director of the Pakistan Tourism Development Corporation.



Ashish Sharma

Chief Executive Officer

ED All Committees (Invite)

Chartered Accountant · Hotelier

3y

Tenure

59

Age

M

Gender

Mr. Ashish Sharma (aged 59 years) has experience spanning over 35 years in diverse business portfolios including Tourism & Hospitality in the developing world covering strategic growth and development. He is an Associate of the Institute of Chartered Accountants of England and Wales, and Certified Public Accountant in Canada. He holds a Master of Business Administration in General Management from IESE Business School in Barcelona and is a graduate of the Stanford Executive Leadership Program. He has also worked with the Aga Khan Fund for Economic Development SA (AKFED) for past 20 years, where he held the position of Head of Finance and Strategy for the AKFED tourism & hospitality sector in Asia and Africa, operating as Serena Hotels.

5.0 How We Are Led (continued)

Board of Directors Composition and Structure (continued)



Mohamed Bagha

Group Finance Director

ED All Committees (Invite)

Chartered Accountant

2y **51** **M**
Tenure Age Gender

Mr. Bagha (Aged 51 years) has experience of over 30 years in finance and accounting including 23 years within Tourism & Hospitality covering strategic growth and development, financial, operational as well as compliance expertise. Mr. Bagha is a Fellow of the Association of Chartered Certified Accountants in United Kingdom (ACCA UK) and a member of Institute of Certified Public Accountants of Kenya (ICPAK). He holds a Post Graduate Certificate in Business Administration with Merit from University of Leicester and several other technical certifications in finance and information technology. Until this appointment, he held the position of Group Chief Financial Officer for Neptune Hotels and Resorts and, previously at The Latitude Hotels Group, in similar capacity. Prior to that he was at Serena Hotels for 17 years having held senior management positions within the finance function with his last designation being Group Financial Controller.



Mahmood Manji

Director · BARC Chairperson

NID NRC BARC BSC

Chartered Accountant

12y **72** **M**
Tenure Age Gender

Mr Manji (aged 72 yrs) is a Fellow of the Institute of Chartered Accountants in England and Wales and the Kenyan Institute of Bankers. He is the Chairman of the Aga Khan Schools in Kenya. He is the former Chairman of The Diamond Trust Banks in East Africa and a Director of the Capital Markets Authority in Kenya. In December 2012, Mr Manji was awarded the Order of the Grand Warrior of Kenya (OGW) by His Excellency the President of the Republic of Kenya, in recognition of distinguished services rendered to the nation.



Guedi Ainache

Director

NID NRC BARC BSC

Economist · Audit & Risk

14y **50** **M**
Tenure Age Gender

Mr. Guédi Aïnaché (aged 50 yrs) holds a Masters Degree in Audit and Risk Management from the University of Angers, France and he is also a graduate of Economic Science, from the University of Le Mans, France. Currently he is the Corporate Finance Director at MMD Investments Limited. He has previously worked with Trade and Development Bank as Head of Syndication, based in Nairobi, PROPARCO in Nairobi as Regional Head for East Africa and in Paris as Senior Investment Officer within the Corporate Division handling various large corporate financing transactions across various regions in Africa, Latin America & Asia and as an Associate Director with Crédit Agricole Corporate and Investment Bank in France. He is also a Non-Executive director of Dimaond Trust Bank Kenya Limited.

Board of Directors Composition and Structure (continued)



Alkarim Jiwa

Director

NID BARC BSC

Chartered Accountant

4y

Tenure

56

Age

M

Gender

Mr. Alkarim Jiwa (aged 56 yrs) is a Fellow of the United Kingdom based Association of Chartered Certified Accountants (ACCA), a member of the Institute of Certified Public Accountants of Kenya (ICPAK), holds a certificate in Management Audits, London School of Economics (2008) and is a member of the Institute of Directors –Kenya. Currently, Mr. Jiwa is the Finance and Strategy Director of Diamond Trust Bank Kenya Limited, as well as a Non-Executive Director of Diamond Trust Bank Burundi S.A., Diamond Trust Bancassurance Intermediary Limited (Kenya), Diamond Jubilee Investment Trust (Uganda) Limited, Network Insurance Agency Limited (Uganda).



Rachel Dumba

Director · NRC & BSC Chairperson

ID NRC BSC

HR Consultant

3y

Tenure

49

Age

F

Gender

Mrs. Rachel Dumba (aged 49 yrs) holds a Masters Degree in Strategic Human Resources Management from Manchester Metropolitan University and is a member of the UK Chartered Institute of Personnel and Development. She is currently the Chief Executive Officer and Partner in charge of Strategy and Human Capital Management at Steadman Global. Mrs. Dumba has worked at senior Management levels at Kenol Kobil, DFCU Bank and Citibank. She is also a Board member of MTN MoMo Uganda, Uganda Breweries Limited, Sanlam Allianz General Insurance Uganda, and TPS Eastern Africa PLC, as well as several private investment Boards.



Jean Guyonnet-Duperat

Director

NID BARC BSC

Banker & Financial Advisor

1y

Tenure

45

Age

M

Gender

Mr. Jean Guyonnet Duperat (aged 45 yrs) holds a Masters' in Public Affairs from Sciences Po Paris, and a Masters' in Law from of Montesquieu University (France) and Humboldt University (Germany). He is currently the Regional Head of PROPARCO in East Africa where he deploys USD 300M annually in private sector investments across infrastructure, tech, financial services, health care, and industry. Previously, He was the Country Director of PROPARCO in Nigeria, served as an Inspector with the Inspection Generale of the French Agency for Development (AFD), a Business Relationship Manager at Dexia in France, and a credit analyst at BNP Paribas in France.



Donald Mhaiki

Director

NID NRC BSC

ICT specialist

3y

Tenure

46

Age

M

Gender

Mr. Donald Mhaiki (aged 46 yrs) holds Masters Graduate in Information Systems Management from Washington International University. He also holds a Bachelor of Science Degree in Computing and Information Systems from London Metropolitan University and a Diploma in Computer Studies from Institute for Information Technology-Tanzania. Mr. Mhaiki is currently the Director of Information Technology at the National Social Security Fund – Tanzania, a position that he has held since 2021.



MR. DOMINIC K. NG'ANG'A - Company Secretary

Mr. Ng'ang'a (aged 51 yrs) holds a Bachelor of Commerce (Accounting) Degree from KCA University. He is a CPA finalist and a Certified Public Secretary CPS (K). He is also a practising member of The Institute of Certified Public Secretaries of Kenya (ICPSK).

ED Executive Director — 3

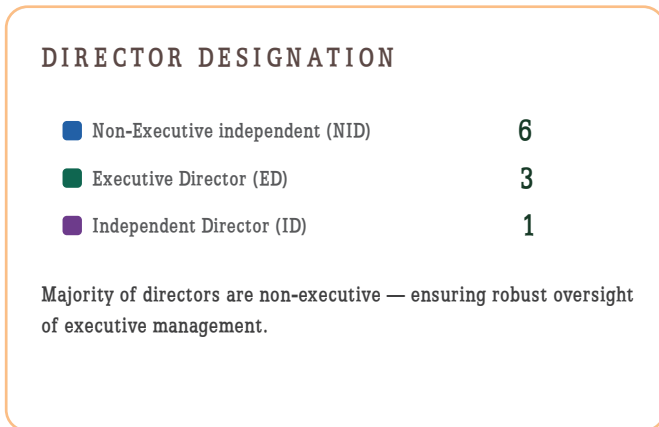
ID Independent Director — 1

NID Non-Executive Independent Director — 6

BSC Board Strategy Committee

NRC Nomination & Remuneration Committee

BARC Board Audit & Risk Committee



5.2 Roles and Responsibilities of the Board

TPSEAP and its subsidiaries ('TPS Group') is founded on strong corporate governance principles underpinned by consistent application of ethical standards in its relationships with its stakeholders, to conduct business in accordance with best business practices, compliance with relevant laws and regulations, appropriate checks and balances and delivery on its commitments to all stakeholders.

The Company has complied with the Nairobi Securities Exchange (NSE) requirements under the Continuing Listing Obligations and applicable provisions of the revised Code of Corporate Governance Practices for Issuers of Securities to the Public 2015, as issued by the (CMA) in 2017 and The Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023 (POLDs). In this respect, the Directors of the Company have committed to ensuring that the integrity of internal systems remains sufficiently robust in enhancing the Group's financial performance and sustainability.

Board Responsibilities and Functioning

The Board of Directors of TPSEAP are responsible for the formulation, implementation and oversight of the Company's policies, overall management of the Company's operations, strategic direction and governance of the Company and its subsidiaries. The Board is thus accountable to the Group's shareholders for ensuring that the Company complies with the relevant laws and regulations.

Board Meetings

The Board of Directors meet at least four (4) times a year in accordance with the Board's Charter. In addition, the Board holds special meetings to deliberate on issues of strategic importance, or as required by statute, or in compliance with the requirements of regulatory authorities.

In 2025, the Board held five (5) scheduled meetings attended by directors. Management provides the directors with adequate notice of Board meetings and timely information so that the directors are duly informed and able to contribute constructively at Board meetings. This also enables the directors to maintain effective oversight and control over strategic, financial, operational, and compliance matters.

Board Nomination and Training

Re-election and appointment of directors is subject to the provisions of the Company's Articles of Association and the CMA Guidelines. The Company's shareholders re-elected Mr. Jean Guyonnet-Duperat, Mr. Francis Okomo Okello, and Mr. Mahmood Manji, as directors of TPSEAP Board during the last Annual General Meeting, held on 27th June 2025.

The directors have a wide breadth and depth of professional skills and industry experience, each contributing independently and collectively to the Board's deliberations. In addition, all directors participate in regular Board training. In 2025, the Board completed training in Board Dynamics Governance, Digital Transformation, Strategy enhancement, Financial Oversight, and Integrated Reporting.

Annual Performance Evaluation

The Board Nomination and Remuneration Committee liaises with an external team of experts from the Directors Forum comprised of Mr. Meshack Joram and Dr. Fred Ochieng who are trained experts in Board Evaluations by International Finance Corporation (IFC). The evaluation exercise is undertaken every two years; the 2025 board evaluation is under process and will be finalised in 2026. The aim of the evaluation is to independently assess the performance of the Board and its Committees and assess the board's effectiveness in fulfilling its responsibilities and functions, identifying areas of strength and opportunities for growth. The evaluation is based on the IFC Corporate Governance Methodology and the five elements of good Corporate Governance practice which include:

- Strong commitment
- Structure and functioning of the Board – composition, skills, diversity, meeting practices, committees, engagement with management
- Appropriate control environment and processes e.g. audit, risk, oversight
- Strong regime of disclosure and transparency – what and to whom?
- Protection of minority shareholders/other stakeholder rights

The exercise is important as it enables board of directors to function effectively, promote accountability and align the board's decisions and actions with the company's goals, in order to achieve organizational excellence.

Board Remuneration and Directors' Interest

The aggregate emoluments paid to non-executive directors during the 2025 financial year amounted to Kshs 11.45 million refer to Note 31 (iv) to the Financial Statements). Neither at the end of the financial year 2025, nor at any time during the year, did there exist any arrangement under which the TPS Group was a party whereby directors might have acquired benefits to facilitate the acquisition of the Company's shares by such directors.

There were no material contracts involving directors' interests during the year ended 31st December 2025 nor indeed in the previous financial year (2024). However, as highlighted in the table below, two directors remain longstanding minority shareholders of the Company as at 31st December 2025

Name of Director	No of Shares	% Shareholding
Francis Okomo Okello	1,456	0.00080
Mahmood Manji	1,456	0.00080

Board Independence

The separation of the Board's non-executive and independent role, from that of the Group's management, prevents the possibility of conflict between the respective roles of the Board of Directors and those of the executive management team. This segregation strengthens the Board's independence and further ensures in-built checks and balances. Consequently, the Board continued to maximize shareholders' value whilst maintaining the long-term sustainability of the TPS Group through active leadership.

Serena Hotel's Company Secretary

The Company has a fully qualified and registered Company Secretary, Mr. Dominic K. Ng'ang'a, whose office is situated at the Company's registered office at Williamson House, 4th Floor, 4th Ngong Avenue, Nairobi, Kenya.

5.3 Board Committees

The Board consists of three Committees (the Committees) and has delegated specific mandates to each respectively. The Committees, namely, Board Audit and Risk Committee (BARC), Board Nomination and Remuneration Committee (NRC) and the Board Strategy Committee (BSC), function under specific written Terms of Reference (ToR). The Board reviews the number of Committees and their respective ToR's to plan and proactively respond to the Group's dynamic business environment and comply with the ever-changing relevant regulations. In exercise of its authority, the Board created a Strategy Committee in 2025 to oversee the implementation of the Group's Strategy. The Committees meet at least quarterly each calendar year as stipulated in their respective ToR.



Chairperson:
Mr. Mahmood Manji

BARC

5 members

Board Audit and Risk Committee

M. Manji

G. Ainache

A. Jiwa

A. Boolani

J. Guyonnet Duperrat

ROLE OF THE COMMITTEE

The Committee plays a critical role in reviewing financial information and ensuring that the system of internal controls is sound, effectively administered and reviewed from time to time as necessary. The Committee also meets with the external auditors independently of the Management Team in assessing key audit and risk management matters.

External auditors and the Management Team are frequently invited to attend the BARC meetings as required, to discuss, assess and /or respond to specific matters under review.

2025 KEY AREAS OF FOCUS

During the year under review, the Committee evaluated significant audit findings identified by both internal and external auditors, and progressed implementation of necessary remedial, and continuous improvement measures.



Chairperson:
Mrs. Rachel Dumba

NRC

5 members

Nomination and Remuneration Committee

R. Dumba

G. Ainache

M. Manji

A. Boolani

D. Mhaiki

ROLE OF THE COMMITTEE

The committee is responsible for evaluating the Company's organizational structure, staff establishment, staff development and succession plans and recommend to the Board appropriate Human Resources policies, senior employee's remuneration scales and general talent capacity enhancement. The Board has mandated the Committee to consult independent experts, where necessary.

The NRC is also responsible for assessing the effectiveness of the Board of directors and make necessary recommendations to the Board to enhance the overall effectiveness of the Board's governance. This is effectively undertaken in liaison with an external consultant.

2025 KEY AREAS OF FOCUS

The Committee engaged an external Consultant to undertake a Legal and Compliance Audit as per the CMA requirement to assess TPSEAP's compliance with the revised Code of Corporate Governance Practices for Issuers of Securities to the Public 2015.

5.3 Board Committees (continued)



Chairperson:
Mrs. Rachel Dumba

BSC
7 members

Board Strategy Committee

Created 2025

R. Dumba

G. Ainache

M. Manji

A. Boolani

D. Mhaiki

A. Jiwa

J. Guyonnet Duperat

ROLE OF THE COMMITTEE

Created in 2025, the Board Strategy Committee was tasked with reviewing the strategic direction of the Company and overseeing implementation of the Group's 2026–2028 strategic roadmap across all eight strategic pillars.

2025 KEY AREAS OF FOCUS

Oversight of the implementation of the Group's Strategy 2026–2028 — approved by the Board in August 2025 — ensuring strategic alignment across all six countries.



Board and Executive Management Strategy Meeting supported by Sunwords Consultants

Meetings Attendance

DIRECTOR	BOARD (5)	BARC (5)	NRC (3)	BSC (4)
Francis Okomo-Okello Chairman	5/5	—	—	—
Ashish Sharma Chief Executive Officer	5/5	<i>By invite</i>	<i>By invite</i>	<i>By invite</i>
Mahmood Manji Director · BARC Chairperson	5/5	5/5	3/3	1/1
Mohamed Bagha Group Finance Director	5/5	<i>By invite</i>	<i>By invite</i>	<i>By invite</i>
Guedi Ainache Director	5/5	5/5	3/3	-
Alkarim Jiwa Director	4/5	5/5	—	1/1
Jean Guyonnet Duperat Director	4/5	5/5	—	-
Aziz Boolani Director · Global Head Serena Hotels	5/5	5/5	3/3	1/1
Rachel Dumba Director · NRC and BSC Chairperson	5/5	—	3/3	1/1
Donald Mhaiki Director	3/5	—	1/3	1/1



Sundowner Guest Experience

5.4 Executive Leadership Across 6 Countries

Regional Support Office



Serena Hotels' executive leadership team spans six African countries. The depth of tenure is a defining competitive strength — several general managers have served for over 20 years, embodying the Serena culture and sustaining service excellence across the portfolio.

Ashish Sharma
Chief Executive Officer (CEO)

3y
Tenure



Peter Martin
Chief Operating Officer

3 months



Mohamed Bagha
Group Finance Director

2y 4m



Shenin Virji
Director, Office of the
Global Head Serena Hotels

22 years



Mbithe Wambua
People & Culture Director

5 months



Joyce Wangui
Sales Director

2y 3m



Maureen Okore
Marketing Director

2 years



Hassanain Jagani
Group IT Manager

30 years



Khilan Shah
Head of Procurement

25 years



Wilfred Githinji
Internal Audit Manager

17 years



Nephig Mulongo
Head of Risk & Compliance

3y 1m



Sarah Teko
Head of Legal

3y 3m



Dominic Nganga
Company Secretary

27 years

■ 20+ years — deep institutional knowledge

■ 5–19 years — established expertise

■ Under 5 years — new leadership energy

5.4 Executive Leadership Across 6 Countries (continued)

TPS KENYA		TPS TANZANIA	
Anthony Chege General Manager, Nairobi Serena Hotel	28y	Daniel Sambai General Manager, TPS Tanzania	23y
Alphaxad Chege General Manager, Serena Beach Resort & Spa	15y	Vincent Matei Lodge Manager, Ngorongoro Serena Safari Lodge	29y
Junia O'kubasu Lodge Manager, Kilaguni Serena Safari Lodge	28y	Nickson Kanyika Lodge Manager, Serengeti Serena Safari Lodge	22y
Kathurima Mburugu Lodge Manager, Mara Serena Safari Lodge	21y	Simon Magaigwa Camp Manager, Kirawira Serena Camp	29y
Henrietta Mwangola Lodge Manager, Amboseli Serena Safari Lodge	20y	Dismas Simba Lodge Manager, Lake Manyara Serena Safari Lodge	20y
Lameck Kimaru Camp Manager, Lake Elmenteita Serena Camp	18y	Alex Mollel Babu Acting Lodge Manager, Serena Mivumo River Lodge	29y
Dan Chahenza Camp Manager, Sweetwaters Serena Camp	16y	Satish Sharma Acting General Manager, Arusha Serena Hotel	8y
TPS UGANDA		TPS ZANZIBAR · TPS DAR ES SALAAM	
Khaled Helmy General Manager, Kampala Serena Hotel	1y	Wilfred Shirima General Manager, Zanzibar Serena Hotel	27y
Duncan Lewa General Manager, Lake Victoria Serena Gold Resort & Spa (Managed Property)	22y	Charles Mbuya Acting General Manager, Dar es Salaam Serena Hotel	9y
TPS RWANDA		TPS CONGO	
Frankline Nyakundi General Manager, Kigali Serena Hotel	19y	James Nzavwala General Manager, Goma Serena Hotel (Managed Property)	20y
Alex Maboko General Manager, Lake Kivu Serena Hotel	29y	TPS MOZAMBIQUE	
		Nelson Rodrigues General Manager, Polana Serena Hotel	1y 7m



Ngorongoro Serena Safari Lodge, Tanzania

Green Champions: Managing sustainability-related risks and opportunities

To embed ESG principles across the Group, Serena has established the 'Green Champions' initiative; a structured programme designed to drive accountability, foster innovation, and ensure the effective management of sustainability initiatives at every property. This ensures comprehensive coverage and localised action on sustainability matters.

Each of the 161 ESG Champions are responsible for driving initiatives within their area, monitoring progress, and reporting outcomes. Clear allocation of responsibilities encourages ownership and accountability at every level, with champions collaborating to implement best practices, engage staff, and communicate progress, both internally and externally.

The Green Champions programme is regularly reviewed to fill gaps and adapt to emerging ESG challenges. By empowering staff and fostering a culture of sustainability, Serena Hotels not only mitigates risks but also enhances its reputation, operational resilience, and positive impact on communities and the environment.

161

ESG green champions
across all 22 properties

Driving sustainability from the ground up — one champion per function at every property

- › Each of the **161 champions** drives ESG initiatives within their area, monitors progress and reports outcomes
- › **Clear accountability**— champions collaborate to implement best practices and communicate progress internally and externally
- › Programme regularly reviewed to fill gaps and adapt to **emerging ESG challenges** across the East African portfolio
- › Empowering staff fosters a culture of sustainability —**mitigating risks while enhancing reputation** and community impact



Twin Room at Ngorongoro Serena Safari Lodge, Tanzania

5.5 Policies and Procedures

The Company has an organizational structure with appropriate segregation of duties and responsibilities. The structure is complemented by detailed policies, frameworks and procedures manuals, which provide the Management team with an effective and robust operational framework

Policies, Frameworks and Procedures

The Company has the following policies; frameworks and procedures in place:

- Board Charter
- Financial Policies and Procedures
- Standard Operating Procedures
- Sustainability Commitment Statement
- Environmental Mission Statement
- Whistle Blowing Policy and Fraud Prevention Policy
- Insider Trading Policy
- HR Policy & Procedures Manual
- Code of Conduct and Ethics
- Enterprise Risk and Compliance Management Framework
- Occupational Health and Safety Policy
- Data Protection Policy
- Data Security Breach Management Policy
- Data Retention Policy
- Information Technology Policy and Procedures
- Procurement Policy is currently under review to ensure best practice corporate governance in procurement risk management, and supply chain operations.

Internal Controls

The Company periodically updates its policies and procedures manuals to incorporate relevant changes for continuous improvement and to ensure that they remain relevant to the Group's operational requirements.

The internal control function is largely complemented by the Internal Audit function, which undertakes an independent appraisal and review of operations. Key findings and recommendations are discussed at various levels across the Group and actions are adopted for continuous improvement as necessary.

The Company's ongoing investment is in its long-established audit software application – 'TeamMate Audit Management System' underpins the Company's existing internal audit competencies, thereby harmonizing and strengthening the risk management function, and enhancing the effectiveness of internal control processes across the Group through automation.

Grievance Mechanisms

Serena Hotels is committed to fostering a fair, respectful, and safe work environment, where employees and stakeholders can raise concerns without fear of retaliation. Our grievance mechanism covers a wide range of issues, including customer experience, environmental, social, safety, hygiene, commercial, and legal/regulatory matters.

Process Overview:

- Concerns may be raised by employees and are escalated through a structured flow: Employee>Line Manager>Unit Manager>TPS Executive, depending on the nature of the grievance.
- Employees can report incidents directly to their supervisor or the Director People and Culture or utilise the Whistle Blower Portal for confidential reporting.

Grievance Handling and Appeals Policy:

- The policy, managed by the People & Culture department, ensures grievances are addressed promptly, objectively, and confidentially.
- Employees are encouraged to first seek informal resolution with their immediate manager. All discussions are documented.
- If unresolved, grievances can be formally submitted in writing, with meetings scheduled within five working days and the option to be accompanied by a colleague or union representative.
- The People & Culture team reviews, investigates, and documents all cases, ensuring objectivity and confidentiality.
- Written outcomes are provided, detailing findings and corrective actions. Employees have the right to appeal within five working days, with appeals reviewed by a senior, independent manager.
- Strict confidentiality and protection from retaliation are maintained throughout the process. All records are securely kept by People & Culture.
- Grievances related to performance are reviewed within the performance management framework before escalation.

Serena Hotels' grievance mechanism reflects its commitment to fairness, transparency, and accountability, ensuring all employees are treated with dignity and respect.

5.6 Relationship with Shareholders

The Company is committed to ensuring that shareholders, securities & bond markets, and other stakeholders are provided with accurate and timely information as regards the Company's performance. This is achieved by electronic e-mail communication of the TPSEAP Annual Integrated Report & Financial Statements at least 21 days before the Annual General Meeting, half-year and year-end financial results through print media and regulatory bodies, and issuing of monthly disclosures of shareholding statistics to the NSE and the CMA.

During the year under review, the Company complied with its obligations under the NSE Continuing Listing Rules and the CMA Act. The Company ensures that enquiries from shareholders and other stakeholders are addressed expeditiously through its long-standing open-door' communication policy both at Board and Management levels.

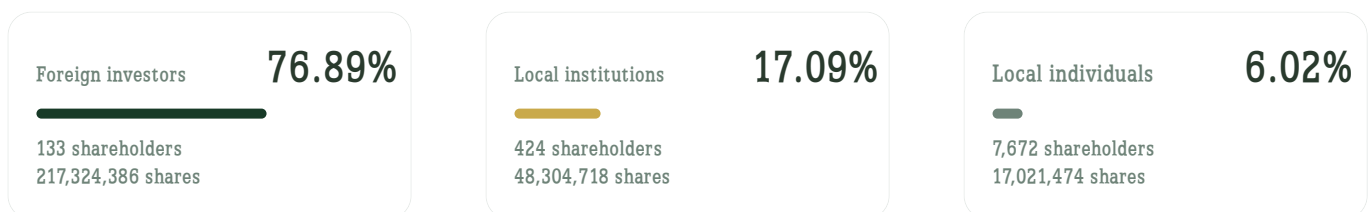
Shareholding Structure



The distribution of TPS Eastern Africa Plc issued share capital as at 31 December 2025:

BAND	SHAREHOLDERS	SHARES	%
Over 1,000,000	13	261,550,864	92.54%
100,001 – 1,000,000	29	8,775,797	3.10%
10,001 – 100,000	180	4,901,814	1.73%
5,001 – 10,000	164	1,185,142	0.42%
500 – 5,000	4,380	5,793,690	2.05%
Less than 500	3,463	443,272	0.16%
Total	8,229	282,650,579	100%

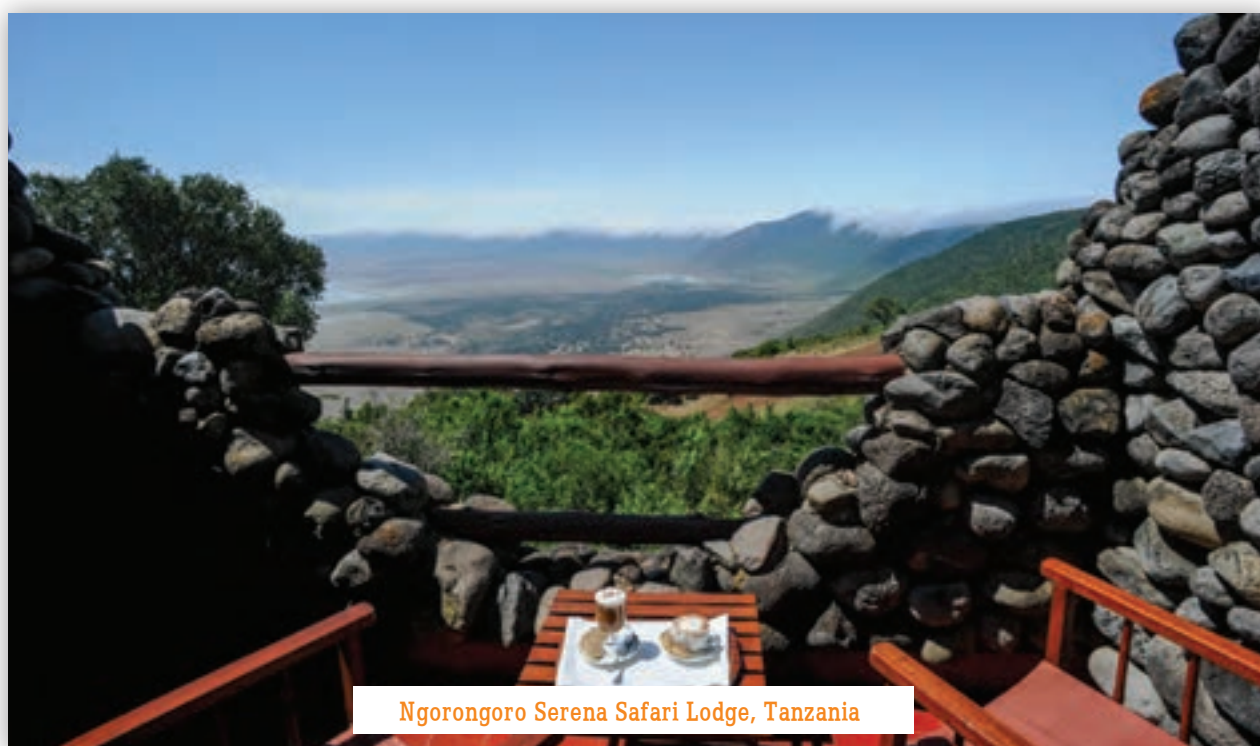
Shareholder Profile



5.6 Relationship with Shareholders (continued)

Top 10 Shareholders as at 31 December 2025

No.	SHAREHOLDER	NO OF SHARES	%
1	Aga Khan Fund for Economic Development (AKFED)	189,376,097	67.00%
2	Craysell Investments Limited	13,032,400	4.61%
3	Pyrus Investments Limited	12,509,300	4.43%
4	PROPARCO Société de Promotion et de Participation pour la Coopération Économique	10,892,900	3.85%
5	The Jubilee Insurance Company of Kenya Limited	7,722,106	2.73%
6	Industrial Promotion Services (Kenya) Limited	7,697,088	2.72%
7	PDM (Holdings) Limited	6,607,440	2.34%
8	Executive Healthcare Solutions Limited	3,294,700	1.17%
9	Jamal Farzeen Zaherali Moledina Nureen	2,936,477	1.04%
10	Others	28,582,071	10.11%
		282,650,579	100.00%



Ngorongoro Serena Safari Lodge, Tanzania

5.6 Relationship with Shareholders (continued)

Shareholders and other stakeholders have direct access to the Company's information through the internet and Management responds to all such enquiries in a thoughtful and timely manner. Management also regularly updates the Company's website so as to provide current information regarding the Company's affairs. During the year under review, the Company complied with its obligations under the NSE Continuing Listing Rules and the CMA Act.

Directors' Emoluments and Loans

The aggregate emoluments paid to Non-Executive directors during the 2025 financial year amounted to KShs 11.45 Million (refer to Note 31 (iv) to the Financial Statements). Neither at the end of the financial year 2025, nor at any time during the year, did there exist any arrangement under which the TPS Group was a party whereby directors might have acquired benefits to facilitate the acquisition of the Company's shares by such directors. There were no Non-Executive directors' loans during the year.

Conflict of Interest

In line with the established corporate governance best practice within the Company, the Directors were required at every Board meeting to disclose any areas of conflict(s) of interest during the year 2025. The Directors are also required to refrain from contributing to discussions and voting on matters in which they have, or could have any such conflict. In addition, the directors are required, on an ongoing basis, to notify the Company Secretary of and declare in advance, any potential conflicts of interest whether from other directorships, shareholdings, associations, and/ or conflicts arising from any specific transactions. The Company Secretary maintains and updates a register of such interests as part of the Company's corporate records. Management staff and employees involved in Group's procurement of goods and services are duly required to formally review and sign their annual conflict of interest declaration form.

Insider Trading

As for insider trading dealings, the Board is not aware of any known or reported dealings pertaining to the Group during the year under review.

Areas of Non-Compliance with the New Code of Corporate Governance

The Company has complied with most of the provisions under the new code of corporate governance to maintain governance structures and processes that are fit for purpose and support good decision making by the Board, save for the attainment of independent director's ratio on the Board. However, this is under progress for compliance in 2026.



Serengeti Serena Safari Lodge, Tanzania

5.7. Governance Auditor's Report

5.7.1. Statement of the Responsibility of Directors

The Board is responsible for putting in place governance structures and systems that support the practice of good governance in the organization. The responsibility includes planning, designing, and maintaining governance structures through policy formulation, which is necessary for efficient and effective governance of the organization. The Board is also responsible for ethical leadership, risk governance and internal control, transparency and disclosure, equitable protection and exercising of members' rights and obligations, compliance with laws and regulations, sustainability, performance management, and strategy formulation and oversight.

The TPS Eastern Africa Plc ("the Company") is committed to the highest standards of Corporate Governance and strives for continuous improvement by identifying any loopholes and gaps in the Company's governance structures and processes. It is on this premise that the Board commissioned a governance audit, with the aim of ensuring that all processes necessary for directing and controlling the Company are in place.

The Directors have therefore ensured that the Company has undergone a governance audit for the year ended 31 December 2025, and obtained a report, which discloses the state of governance within the Company.

5.7.2. Governance Auditor's Responsibility

Our responsibility is to express an opinion on the existence and effectiveness of governance instruments, policies, structures, systems, and practices in the organization, in accordance with the best governance practices as envisaged within the legal and regulatory framework. We conducted our audit in accordance with ICPSK Governance Audit Standards and Guidelines, which conform to global standards. These standards require that we plan and perform the governance audit to obtain reasonable assurance on the adequacy and effectiveness of the organization's policies, systems, practices, and processes. The audit involved obtaining audit evidence on a sample basis. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Being part of a continuous audit process, the auditor has assessed the continual application of recommendations from previous audits and has ensured that the current recommendations are in line with the Group's vision and mission in order to ensure that the Board's goals, structure, and operations are consistent with the latest developments in Corporate Governance. The structure of the report, findings, and recommendations will therefore focus on providing a progressive approach following the seven steps of governance auditing.

5.7.3. Opinion

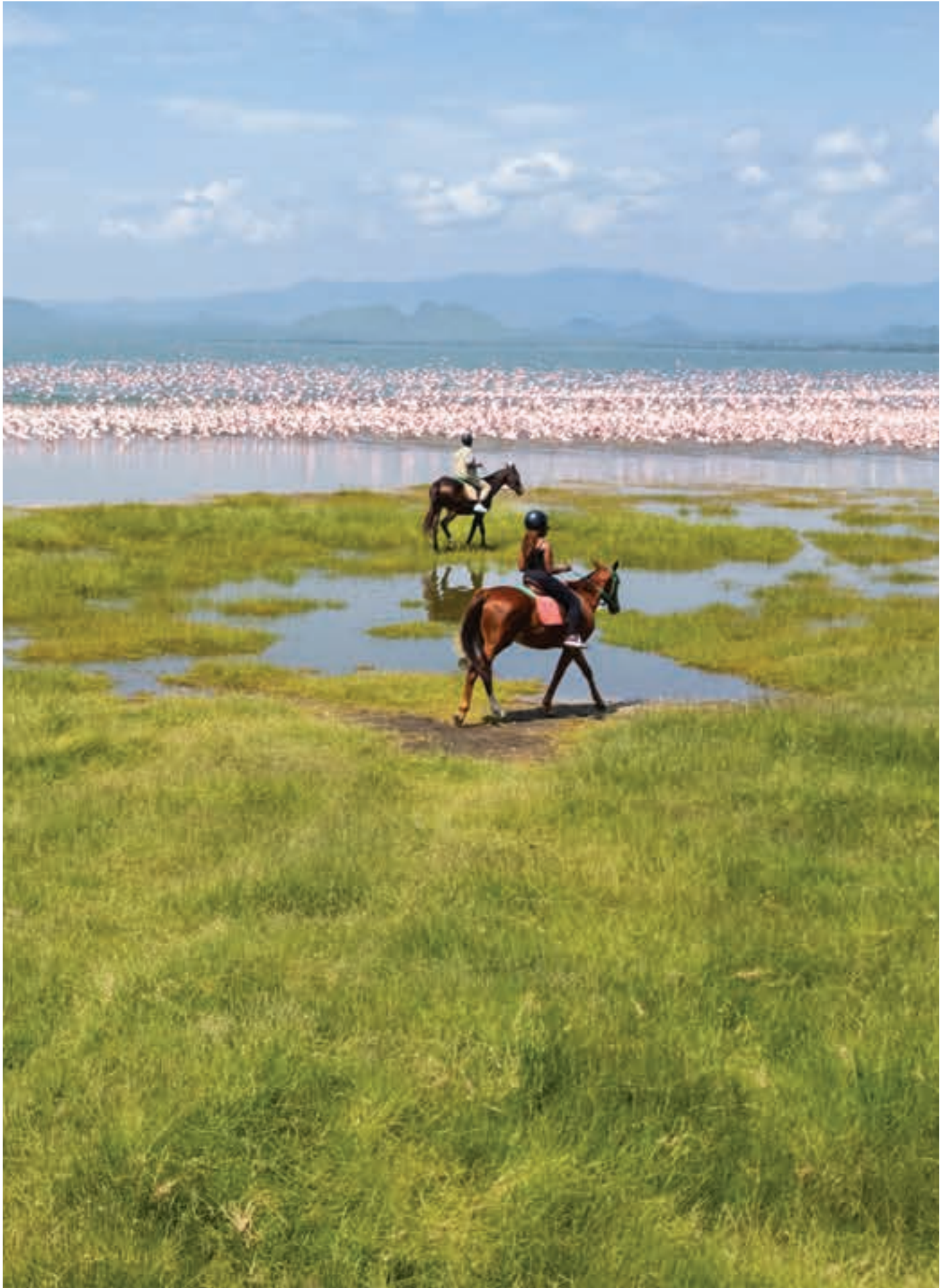
In our opinion, the Board has put in place a sound governance framework, which is in compliance with the legal and regulatory framework and in line with global best governance practices for the interest of stakeholders. In this regard, we issue an unqualified opinion.

CS. Bernard Kiragu, ICPSK GA. No 159

For: Scribe Services



Date: 29th May 2026



6.0 Our Employees

Serena Hotels People and Culture

2025 milestones and highlights for 22 properties in Africa.

2025 MILESTONES AT A GLANCE

Total employees

3,929

2024: 4,039

↓ 110 vs 2024

New hires in 2025

243

2024: 278

↓ 35 vs 2024

Average training hours per employee

25.16

98,868 total training hours

Wellness sessions held

142

Physical · social · financial

Gender balance · 2025 & 2024 (unchanged)

32%

68%

Female

Male

Learning & development

98,868 total hours

Average hours per employee **25.16**

E-learning platforms **All**

Employee-to-bed occupied ratio **1:137**

Workplace injuries

7

2024: 11 ↓ 36%

F&B covers per employee

1:481

Efficiency ratio 2025

Benefits provided to all employees

Medical cover

Life insurance

Pension scheme

Disability cover

Meals & accommodation

Parental leave

YEAR-ON-YEAR COMPARISON

Employees

2025 **3,929**

2024 **4,039**

New hires

2025 **243**

2024 **278**

Workplace injuries

2025 **7**

2024 **11**

Gender balance

2025 **32% / 68%**

2024 **32% / 68%**

Consistent year on year

Serena Hotels recognises that its people are central to delivering exceptional guest experiences and sustaining its reputation for excellence and therefore our people and culture strategy is anchored in retaining and developing top talent, building robust internal talent pipelines, and fostering an engaging, inclusive culture. This holistic approach ensures the organisation remains competitive, agile, and well-positioned to deliver exceptional hospitality experiences across the region.

Serena Hotels places strong emphasis on employees engagement, recognising that a motivated workforce is fundamental to achieving strategic objectives. The organisation promotes a culture of collaboration, respect, and continuous improvement, encouraging employees to contribute ideas and participate in decision-making processes. Regular feedback mechanisms, and recognition programmes are utilised to gauge employee satisfaction and address concerns proactively. Serena Hotels also champions diversity and inclusion, ensuring that all employees feel valued and empowered. By nurturing a positive workplace culture, the company strengthens its employer brand and drives sustained performance.



Well-being and wellness

At TPS Group we recognise that a healthy, motivated workforce is essential for delivering exceptional guest experiences and achieving our objectives. We have implemented comprehensive wellness programmes across all properties and regional offices, focusing on both physical and mental health. Our initiatives encompass preventive health measures, nutritional guidance, and access to fitness facilities, encouraging employees to adopt healthy lifestyles.

All Serena Hotels have dedicated Wellness Champions, including hotel nurses and trained first aiders, who ensure that staff have access to regular health checks, first aid support, and wellness education. Additionally, we offer confidential counselling services and peer support networks and through our dedicated Social Champions, team-building activities, cultural events, and community engagement programmes, are organised to promote a sense of belonging and camaraderie among staff.

Employees Award



6.0 Our Employees (continued)

Continuous Learning and Development

Our leadership development programmes are tailored to identify and nurture high-potential individuals, equipping them with the skills and competencies required to lead effectively in a dynamic hospitality sector. By creating clear pathways for career progression and recognising outstanding performance, Serena Hotels continues to build a resilient leadership team that can drive business growth and innovation.

The company provides technical and service training programmes to ensure our associates possess the specialised skills and operational excellence required to meet the highest standards of guest satisfaction. Complementing these, are our structured leadership development initiatives which cultivate critical management capabilities, strategic thinking, and emotional intelligence, preparing emerging leaders to navigate the complexities of the hospitality sector.

We have e-learning platforms at all regional support centres, which provide accessible, flexible training opportunities for Associates across East Africa. These platforms offer a wide range of modules, from foundational hospitality skills to advanced leadership courses, allowing employees to learn at their own pace and tailor their development to individual career aspirations. This digital approach enhances knowledge sharing and ensures consistent standards across the organisation.

Growth Opportunities

To ensure a steady supply of skilled professionals, Serena Hotels is committed to strengthening its internal talent pipelines. This involves proactive succession planning, targeted training initiatives, and mentorship schemes that enable employees to develop expertise and prepare for future roles within the organisation. The company leverages robust performance management systems to identify skill gaps and align development opportunities with business needs. By cultivating talent from within, Serena Hotels not only enhances organisational agility but also reinforces its commitment to employee growth and loyalty.

This highlights our commitment to optimising talent, ensuring that leadership pipelines are filled with individuals who are adaptable, skilled, and ready to drive business growth and innovation. By establishing clear pathways for career progression and recognising outstanding performance, Serena Hotels continues to build a resilient leadership team capable of sustaining long-term success in a dynamic hospitality landscape.

Remuneration and Benefits

Serena Hotel's prioritises talent retention by fostering a supportive and inclusive work environment, offering competitive compensation, benefits packages and ensure the wellbeing of our associates and employees. Part of the compensations and benefits includes:

- Life insurance
- Medical/healthcare cover
- Disability coverage
- Parental leave
- Pension/retirement schemes
- Additional benefits (meals, accommodation for some roles, wellness programs)

Freedom of Association

Serena Hotels fully respects employees' rights to freedom of association, including the right to unionise. The company actively engages with unions where applicable, fostering constructive dialogue and collaboration to address employee concerns. Serena Hotels remains committed to full compliance with all labour regulations, ensuring that workplace practices uphold the highest standards of fairness and respect for employee rights.

Our people remain the driving force behind our growth, resilience and long-term value creation. By fostering an inclusive, safe and empowering workplace, we continue to build a culture where talent can thrive, innovate and lead with purpose. As we move forward, we remain committed to strengthening human capital practices that support the wellbeing, development and aspirations of our workforce while advancing sustainable business success.



7.0 Risk Management

7.1. Risk Governance and Oversight

Risk management is central to TPSEAP's strategic management. Intelligent risk management is critical for the business to be more resilient when faced with adversity and be more agile in pursuing new opportunities and cushion the business against strategic, financial, legal, regulatory and reputational exposures. TPSEAP has a structured risk governance framework which is the cornerstone to its risk management practices.

Board of Directors

Establishes the governance structures, risk management framework and sets the risk appetite for the group.

Board Audit and Risk Committee

Drives the implementation of the risk management by giving oversight of management actions to ensure compliance to the set risk appetite.

Management Executive Committee

Ensure risk management is integrated in business processes, set the risk tolerance to support the risk appetite, and ensure alignment of risk management strategy to company strategy.

TPSEAP has a robust operationalized Enterprise Risk and Compliance Management (ERCM) framework that governs how risks are managed across its operations in East Africa. TPSEAP risk governance is strengthened at all the three lines of defence:



1ST LINE

Business units & departments

Act as primary risk owner, identifies risks, designs mitigate and monitors the unit so as to ensure they are within set tolerance limits.



2ND LINE

Risk & compliance unit

Co-ordinates risk function within the group, aggregating cross-cutting risks, assists risk owners in designing befitting mitigates and reporting both to management and board.



3RD LINE

Internal & external audit

Internal

Provides assurance that the internal risk management processes are adequate and that the controls set to mitigate identified risks are working properly

External

Checks the soundness of financial records and accounting controls and the systems and procedures used to generate the financial statements.
Ensure compliance with ESG related regulations and help to evaluate the financial implications of ESG risks

7.2 Risk culture

TPSEAP recognises risk culture as one of its risk governance building blocks. These reflects how risks are perceived, communicated and managed across the Serena properties, and how employees' behaviours align with the Group's Enterprise Risk Management Framework.

TPSEAP has an entrenched risk culture anchored on; the tone from the top, clear policies and procedures, training and awareness, risk identification and assessment, risk ownership, monitoring and reporting, open communication and embedding risk in business processes and decisions.

Risk appetite and tolerance

TPSEAP recognises the dynamic internal and external environment it operates, in its approach to risk management and pursuit of strategic objectives. The level and the maximum amount of risks that the business is willing to take will be guided by the risk appetite and tolerance statements mentioned within the ERCM framework. The risk appetite and tolerance policy statements are reviewed and updated as needed, in response to significant changes in strategy, the operating environment, or regulatory requirements, with all amendments subject to Board approval.

7.3 Risk Management Approach

The ERCM establishes a structured and disciplined approach to Risk and Compliance Management including operating internal and external environment, risk governance, risk event identification, analysis and response, control activities, communication and monitoring, aimed at informing both operational and strategic business decisions.

This approach further ensures that TPSEAP responds proactively to uncertainties and maintain operational resilience across its diverse hospitality portfolio. The framework outlines key hospitality risks that the business is currently managing which are monitored through; constant environment scanning, defined early warning signs and key risk indicators and risk reports presented to management, the Board Audit Risk Committee and the Board.

The Board has recently adopted an Enterprise Risk Management Policy which is aimed at addressing inherent business risks given the Company's fast paced operating environment across Eastern Africa. The Board and Management have rolled out a framework for the operationalization and implementation of the Policy and ensure its adherence across the business. This initiative is being spearheaded by the Board Audit and Risk Committee through the Risk and Compliance Officer.

Managing our Principal Risks Areas During the Year



01 · GEOPOLITICAL RISK Risk Driver

Political instability, policy changes, and rising geopolitical tensions continue to disrupt operations, supply chains, bookings and market access.

MITIGATION STRATEGIES

- Monitor geopolitical developments and conduct regular risk assessments
- Develop **business continuity and contingency plans** for each operating country
- Build relationships with local authorities for intelligence and security support



02 · COMPETITION RISK Risk Driver

Increased competition from both existing and new market entrants continues to be a major risk.

MITIGATION STRATEGIES

- **Continuous innovation** and upgrade of product and service delivery
- Conduct regular market and competitor analysis across all key source markets
- Strengthen customer relationships, loyalty programmes and strategic partnerships



03 · REGULATORY RISK Risk Driver

The regulatory landscape remains unpredictable where changes in existing laws and regulation continues to increase the cost of operations.

MITIGATION STRATEGIES

- Implement **robust internal controls** and stay abreast of new regulatory developments and trends.
- Conduct compliance reviews and systematic tracking of regulatory changes
- Regular training on compliance importance and the impact of non-compliance



04 · OPERATIONAL RISK Operational processes & systems

Failures in internal business processes, non-compliance with and lack of policies, outdated technology, systems inefficiencies and equipment failure, remain a threat to business operations and impacting service delivery.

MITIGATION STRATEGIES

- Standardise and document key operational processes and policies across all properties
- Monitor compliance with established policies and procedures
- Adhere to **repair and maintenance schedules**; fast-track CAPEX approvals



05 · HEALTH & SAFETY RISK Risk Driver

Employees and guest health and safety remain a top priority for the business.

MITIGATION STRATEGIES

- Monitor compliance with **OSHA requirements** across all properties
- Regular internal quality assurance checks.
- Conducting OSHA and food and safety trainings.
- Implementing recommendations from Health and safety audits.



06 · REPUTATIONAL RISK Risk Driver

Negative customer reviews across board are a potential threat to brand erosion if left unchecked.

MITIGATION STRATEGIES

- Striving to achieve 100% management response on ReviewPro system (centralized hub to monitor online guest feedback).
- Monitoring guest feedback and addressing guest concerns.
- Maintaining online presence on social media platforms to strengthen the brand.
- Addressing in the best suited manner, any negative reporting across media platforms.

7.3 Risk Management Approach (continued)

Managing our Principal Risks Areas During the Year (continued)



07 · CYBER RISK Risk Driver

The hospitality industry continues to experience increasing exposure to advanced cyber threats, including AI-enabled phishing, automated exploitation, ransomware, data breaches, and multi-stage extortion attacks. This often results in service outages, financial loss, regulatory penalties, loss of sensitive data, and reputational damage. This underscores the need for the business to strengthen its technology infrastructure.

MITIGATION STRATEGIES

- Maintain **regular, tested and secure backups** across all systems
- Ensuring **endpoint protection** and **timely patching** across all systems.
- Proactive infrastructure monitoring and continual cybersecurity awareness training
- Applying network segmentation to protect critical systems
- Proactive monitoring of network and infrastructure.
- Continual cybersecurity awareness and training to employees.



08 · INFORMATION SECURITY RISK Risk Driver

The business is on journey to migrating system hosting from premise to cloud platforms that comes with potential threats of, identity and access management weaknesses, privilege escalation, and authentication-based attacks.

MITIGATION STRATEGIES

- Applying secure configuration baselines for cloud and on-premise systems.
- Performing regular access reviews for privileged accounts.
- Enabling and reviewing security logging and alerts for authentication and privilege changes.



09 · ESG / SUSTAINABILITY RISK Risk Driver

Sustainability remains a critical risk focus area for our business, with the growing emphasis on environmental, social and governance considerations. As we navigate an increasingly complex and dynamic operating environment with stringent compliance requirements, we recognize the importance of integrating sustainability in our Risk Management Framework to mitigate potential impact on our operations, reputation and stakeholders.

MITIGATION STRATEGIES

- Conduct an ESG gap assessment by external consultants.
- Continue to integrate ESG considerations as a pillar into the business strategy and decision making.
- Reducing environmental footprint through investing in renewable energy sources.

FURTHER ACTIONS

- Enhancing social responsibility initiatives.
- Strengthening governance structures including board oversight, risk management processes and ethical business practises.

7.4 · Looking Ahead

The global and regional hospitality sector continues to operate in a dynamic and increasingly complex risk landscape shaped by economic volatility, geopolitical uncertainty, evolving regulatory requirements, technological disruption, climate-related pressures, and changing customer expectations. These developments present both risks and opportunities that have the potential to significantly impact the Group's strategic objectives, operational performance, financial stability, reputation, and long-term sustainability.

The risk function and management remain committed to strengthening risk management practices, maintaining robust internal controls, and ensuring that risks are adequately managed. The function will closely monitor these priority risks and the adequacy of the mitigations in place and proposed ones and advise management and BARC accordingly.

Management continues to strengthen the enterprise risk management framework to ensure early identification, effective mitigation, and ongoing monitoring of key risks. This includes enhancing internal controls, improving risk reporting and accountability, and aligning risk management practices with the Group's strategic priorities.

BARC's oversight and guidance remain critical in ensuring that key risks are appropriately managed, while supporting the Group's resilience, operational excellence, and sustained growth in 2026 and beyond.



Walkway pillar art, Serengeti Serena Safari Lodge, Tanzania

8.0 Financial Statements

Directors' Report

The Directors submit their report together with the audited consolidated and separate financial statements of TPS Eastern Africa PLC (the "Company") and its subsidiaries (together the "Group") for the year ended 31 December 2025 which disclose the state of affairs of the Group and Company.

Principal activities

The principal activity of the Company and its subsidiaries continue to be owning and operating hotel and lodge facilities in East Africa, serving the business and tourist markets.

Business review

The Group's profit before income tax for the year of KShs 1,212,119,000 (2024 – KShs 2,004,550,000) declined by 40%. A material exchange gain was recorded in the prior year, primarily attributable to the revaluation of foreign currency-denominated borrowings and lease liabilities. During the current year, the relevant currencies exhibited relative stability, and consequently, exchange differences were not significant. The table below highlights some of the key performance indicators:

	2025 Shs 000	2024 Shs 000
Revenue	10,116,746	10,185,868
EBITDA*	2,274,532	2,446,308
EBITDA to revenue ratio (%)	22%	24%
Profit before income tax	1,212,119	2,004,550
Earnings per share (Shs)	2.77	4.54
Net current liabilities	924,933	1,006,300
Return on Capital Employed (ROCE)	11.82%	14.05%

*Earnings Before Interest, Taxes, Depreciation, and Amortization

EBITDA is calculated by adjusting profit from continuing operations to exclude the impact of: taxation, net finance costs, depreciation, amortisation, impairment losses; and reversals related to intangible assets and property, plant and equipment and share of associates' results.

Dividends

The profit for the year attributable to equity shareholders of the company of KShs 781,957,000 (2024 – KShs 1,281,840,000) has been added to retained earnings. The Directors recommend a final dividend for the year of KShs 0.35 per share (2024 – KShs 0.35 per share). During the current financial year, the Company paid a final 2024 dividend amounting to KShs 98 million.

Directors

The directors who held office during the year and to the date of this report were:

Francis Okomo-Okello Chairman
Mahmood Pyarali Manji
Guedi Ainache*

Alkarim Jiwa
Audrey Maignan* (Mrs) Resigned 28 April 2025

Mohamed Bagha
Aziz Boolani***
Ashishkumar Sharma**

Rachel Dumba****
Donald Mhaiki*****

Jean Guyonnet-Duperat* Appointed 28 April 2025

*French **British ***Canadian ****Ugandan *****Tanzanian

Relevant audit information

The directors in the office at the date of this report confirm that:

- There is, as far as the director is aware, no relevant audit information of which the Company's auditor is unaware; and
- Each director has taken all steps that ought to have been 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.

Auditor

KPMG Kenya continues in office in accordance with the Company's Articles of Association and Section 721 of the Kenyan Companies Act, 2015.

The Directors monitor the effectiveness, objectivity and independence of the auditor. This responsibility includes the approval of the audit engagement contract and the associated fees on behalf of the shareholders.

IFRS S1 General Requirements for Disclosure of Sustainability related Financial Information and IFRS S2 Climate-related Disclosures

IFRS S1, titled 'General Requirements for Disclosure of Sustainability Related Financial Information', provides a framework for disclosing material information about sustainability-related risks and opportunities across an entity's value chain. IFRS 2, 'Climate-related Disclosures', focuses specifically on climate-related risks and opportunities. The effective date of these standards is 1 January 2027.

The board is currently evaluating the impact of these standards in line with the current framework adopted by the Group.

Approval of financial statements

The financial statements on pages 101 to 170 we approved and authorised for issue at a meeting of the Board of Directors held on 28 April 2026.

By order of the Board



DOMINIC NG'ANG'A
COMPANY SECRETARY
28th April, 2026

Directors' Remuneration Report

Information not subject to audit

The Company's remuneration policy and strategy for executive and non-executive Directors are set by the Board Nomination and Remuneration Committee. This Report has been prepared in accordance with the relevant provisions of both the CMA Code of Corporate Governance guidelines on Directors' remuneration and the Kenyan Companies Act, 2015.

- The Company's overall policy and strategy for remuneration of Directors aims to fairly and objectively reward performance in the medium- and longer-term interests of shareholders. The remuneration structure is designed to recognise the requisite skills, expertise and experience of Directors given market competitive forces and demand.
- Executive Directors remuneration primarily comprises fixed elements including salary and benefits. Benefits are largely fixed in nature comprising housing, travel, and pension. There is no variable element such as performance-based incentive or bonus scheme.
- Terms of service for the directors include fixed term contracts ranging up to four years, with varying notice periods subject to requisite employment law requirements.
- There are no share option arrangements or long-term incentive scheme methods used in assessing the performance conditions.
- During the year 2025, there were no significant amendments to the terms and conditions of any entitlement of a director to share options or under a long-term incentive scheme.

Non-Executive Directors receive fees and sitting allowances as shown in the table on the next page.

Significant changes to directors during the year

Changes to directors are reported in the Directors' report on page 93.

Statement of voting on the Directors' remuneration report at the previous Annual General Meeting

- In respect of a resolution to approve the Directors' remuneration, shareholders voted with an overwhelming majority through the use of mobile phones having received written notice of their right to vote before the AGM.
- A resolution to approve the directors' remuneration will be put to a resolution of shareholders for approval at the forthcoming AGM.

Information subject to audit

The following table shows a single figure remuneration for the Executive Directors, Non-Executive Chairman and Non-Executive Directors in respect of qualifying services for the year ended 31 December 2025 together with the comparative figures for 2024. Directors' remuneration was paid. The Directors fee for the year ended 31 December 2025 amounted to KShs 11,450,000 (2024: KShs 8,500,000). Included in this amount are fees totalling KShs 1,250,000 (2024: KShs 400,000) which were accrued but remained unpaid as at 31 December 2025. The outstanding balance has been recognised within accruals in the statement of financial position and is expected to be settled in the next financial period.

The aggregate Directors emoluments are shown at Note 31 (iv).

For the year ended 31 December 2025	Salary Shs 000	Fees Shs 000	Bonus Shs 000	Expense allow- ances Shs 000	Loss of office/ Termina- tion Shs 000	Pension Shs 000	Esti- mated value for non-cash benefits Shs 000	Total Shs 000
F.Okomo-Okello, Non-Executive Chairman	-	3,300	-	-	-	-	-	3,300
A.Sharma, Chief Executive Officer	67,046	-	-	-	-	2,981	896	70,923
M.Bagha, Group Finance Director	32,503	-	-	-	-	1,795	122	34,420
A.Boolani, Non-Executive Director	-	-	-	-	-	-	-	-
A.Jiwa, Non-Executive Director	-	1,250	-	-	-	-	-	1,250
M.Manji, Non-Executive Director	-	1,800	-	-	-	-	-	1,800
G.Ainache, Non-Executive Director	-	1,400	-	-	-	-	-	1,400
A.Maignan, Non-Executive Director	-	350	-	-	-	-	-	350
J.Guyonnet, Non-Executive Director	-	750	-	-	-	-	-	750
R.Dumba, Non-Executive Director	-	1,500	-	-	-	-	-	1,500
D.Mhaiki, Non-Executive Director	-	1,100	-	-	-	-	-	1,100
	99,549	11,450	-	-	-	4,776	1,018	116,793

Directors' Remuneration Report (continued)

Information subject to audit (continued)

For the year ended 31 December 2024	Salary	Fees	Bonus	Expense	Loss of	Pension	Esti-	Total
	Shs 000	Shs 000	Shs 000	allow-	office/	Shs 000	mated	Shs 000
				ances	Termina-		value for	Shs 000
				Shs 000	tion		non-cash	
					Shs 000		benefits	
							Shs 000	
F.Okomo-Okello, Non-Executive Chairman	-	2,250	-	-	-	-	-	2,250
A.Sharma, Chief Executive Officer	66,758	-	-	-	-	2,715	1,231	70,704
N.Hirjani, Chief Financial Officer	23,846	-	-	-	-	1,017	112	24,975
M.Bagha, Group Finance Director	27,047	-	-	-	-	1,006	614	28,667
A.Bootani, Non-Executive Director	-	-	-	-	-	-	-	-
A.Jiwa, Non-Executive Director	-	1,050	-	-	-	-	-	1,050
M.Manji, Non-Executive Director	-	1,450	-	-	-	-	-	1,450
G.Ainache, Non-Executive Director	-	1,350	-	-	-	-	-	1,350
A.Maignan, Non-Executive Director	-	800	-	-	-	-	-	800
R.Dumba, Non-Executive Director	-	900	-	-	-	-	-	900
D.Mhaiki, Non-Executive Director	-	700	-	-	-	-	-	700
	117,651	8,500	-	-	-	4,738	1,957	132,846

There were no other sums paid to the third parties in respect of Director's services.

Approval of the Director's remuneration report

The Directors confirm that this report has been prepared in accordance with the Kenya Companies Act, 2015, Capital Markets Authority (CMA) Code and listing rules and reflects the disclosure requirements under the IFRS® Accounting Standards.

On behalf of the Board



Mohamed Bagha

DIRECTOR

28th April, 2026

Statement of Directors' Responsibilities

The Directors are responsible for the preparation and presentation of the consolidated and separate financial statements of TPS Eastern Africa Plc (the "Group" and the "Company") set out on pages 101 to 170 which comprise the consolidated and company statements of financial position as at 31 December 2025, 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 separate financial statements, including material accounting policies and the information identified as subject to audit in the Directors' Remuneration Report.

The Directors' responsibilities include: determining that the basis of accounting described in Note 2 is an acceptable basis for preparing and presenting the financial statements in the circumstances, preparation and presentation of financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Kenyan Companies Act, 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.

Under the Kenyan Companies Act, 2015, the Directors are required to prepare financial statements for each financial year which give a true and fair view of the financial position of the Group and Company as at the end of the financial year and of the profit or loss of the Company and its subsidiaries for that year respectively. It also requires the Directors to ensure the Company, and its subsidiaries keep proper accounting records which disclose with reasonable accuracy, the financial position and profit or loss of the Group and Company.

The Directors accept responsibility for the annual consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with IFRS Accounting Standards and in the manner required by the Kenyan Companies Act, 2015. The Directors are of the opinion that the financial statements give a true and fair view of the financial position of the Group and the Company and of the Group and Company profit or loss. The Directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

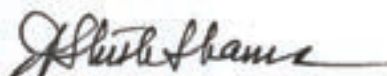
The Directors have made an assessment of the Company and Group's ability to continue as a going concern and as disclosed in Note 2(a) have no reason to believe that the Company and Group will not be a going concern in the period of at least twelve months from the date of approval of these financial statements.

Approval of the Consolidated and separate financial statements

The consolidated and separate financial statements, as indicated above, were approved and authorised for issue by the Board of Directors on 28th April 2026.



Francis Okomo-Okello
DIRECTOR



Ashish Sharma
DIRECTOR

Date: 28th April 2026



Independent Auditor's Report to the Shareholders of TPS Eastern Africa PLC

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of TPS Eastern Africa PLC (the Group and Company), which comprise the consolidated and company statements of financial position as at 31 December 2025, 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 separate financial statements, including material accounting policies, as set out on pages 101 to 170.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of TPS Eastern Africa PLC as at 31 December 2025, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by 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 consolidated and separate financial statements section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the consolidated and separate financial statements of public interest entities in Kenya. We have also fulfilled our other 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 matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to report in respect of the separate financial statements.



Report on the audit of the consolidated and separate financial statements (continued)

Key audit matters (continued)

Impairment of goodwill in the consolidated financial statements	
Key audit matter	How the matter was addressed
<p>The disclosure of goodwill is set out in the consolidated financial statements in the following notes:</p> <ul style="list-style-type: none"> • Note 2 (i) - Material accounting policies- Intangible assets • Note 3 (a) (i) - Critical accounting estimates and assumptions, impairment of goodwill • Note 21 - Intangible assets – Goodwill 	
<p>Goodwill amounting KShs 1.27bn is recognised in the consolidated financial statements as at 31 December 2025.</p> <p>Impairment of goodwill is considered a key audit matter because:</p> <ul style="list-style-type: none"> • The Group operates in a competitive hospitality sector, which is subject to economic volatility and uncertainty, resulting in judgement being required in forecasting future cash flows used in the impairment assessment. • In determining the Value in Use (VIU), the Group used the Discounted Cashflow Model (DCF). • A significant level of judgment is applied by management in determining the key assumptions used in the VIU calculations which include expected capital expenditure expressed as a percentage of revenue, budgeted average Earnings Before Interest, Tax Depreciation and Amortization (EBITDA), post-tax discount rates (Weighted Average Cost of Capital), and long-term growth rates when considering management's assessment of impairment. • Due to the judgement required in determining key inputs in the impairment assessment of goodwill and the significance of the balance at year end, the impairment of goodwill was determined to be a key audit matter in our audit of the consolidated financial statements. 	<p>Our audit procedures in these areas included:</p> <ul style="list-style-type: none"> • Obtaining an understanding of management's impairment assessment process for goodwill and testing the mathematical accuracy of the VIU models prepared for the relevant cash-generating units (CGUs) as well as assessing the reasonableness of the VIU methodology applied by management consistency with the requirements of IAS 36 Impairment of Assets (IAS 36). • Evaluating the reasonableness of forecast cash flows by: • Comparing forecast revenues, operating costs and capital expenditure included in prior year forecasts to actual outcomes; and • Comparing forecast cash flows used in the VIU calculations to Board approved budgets to assess consistency. • Involving our valuation specialists to assist in evaluating the appropriateness of the discount rates applied by management, including benchmarking the weighted average cost of capital against observable market and sector data for the relevant geographies in which the CGUs operate. • Assessing the reasonableness of key assumptions, including long term growth rates, and expected capital expenditure expressed as a percentage of revenue, with reference to historical performance, external market data and the Group's strategic plans. • Performing sensitivity analyses to assess the impact of reasonably possible changes in key assumptions on the estimated headroom of the CGUs. • Assessing the adequacy and completeness of the related disclosures in the consolidated financial statements, including the disclosure of key assumptions and sensitivities, in compliance with IAS 36.



Report on the audit of the consolidated and separate financial statements (continued)

Other information

The directors are responsible for the other information. The other information comprises the Directors' report, Chairman's statement, Chief Executive officer's statement, Directors' Remuneration report, Statement of directors' responsibilities and Principal shareholders and share distribution report, but does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of audit opinion or any form of assurance conclusion thereon other than that prescribed by the Kenyan Companies Act, 2015 as set out below.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have, 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.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Kenyan Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and 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 and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 ISAs 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 consolidated and separate financial statements. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Group and 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 consolidated and separate 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 our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Independent Auditor's Report to the Shareholders of TPS Eastern Africa PLC (continued)
Report on the audit of the consolidated and separate financial statements (continued)
Auditor's responsibilities for the audit of the consolidated and separate financial statements (continued)

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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. We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Kenyan Companies Act, 2015 we report to you, solely based on our audit of the consolidated and separate financial statements, that in our opinion:

- The information given in the report of the Directors on page 93 is consistent with the consolidated and separate financial statements; and
- The auditable part of the Directors' Remuneration Report on pages 94 and 95 has been prepared in accordance with the requirements of Kenyan Companies Act, 2015.

The engagement partner responsible for the audit resulting in this independent auditor's report is FCPA Dr. Alexander Mbai, Practicing Certificate No. 2172.

For and on behalf of;

KPMG Kenya
Certified Public Accountants
PO Box 40612 – 00100
Nairobi
28th April, 2026



UNIQUE CODE: 57892260428

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended

	Note	2025 Shs'000	2024 Shs'000
Revenue from contracts with customers	5	10,116,746	10,185,868
Other income	6	320,099	259,820
Inventory expensed	25	(1,412,282)	(1,471,564)
Employee benefits expense	8	(2,950,149)	(2,921,753)
Other operating expenses	9(a)	(3,736,017)	(3,641,899)
Impairment (expense)/credit – financial assets	9(b)	(63,865)	35,836
Profit before depreciation, finance income/(costs), results of associates and income tax expense		2,274,532	2,446,308
Depreciation on right of use asset	22	(85,920)	(86,878)
Depreciation on property and equipment	20	(627,836)	(582,845)
Finance income	10	113,326	879,217
Finance costs	10	(425,329)	(670,917)
Share of (loss)/profit of associates accounted for using the equity accounting method	24	(36,654)	19,665
Profit before income tax	7	1,212,119	2,004,550
Income tax expense	11	(424,965)	(687,257)
Profit for the year		787,154	1,317,293
Other comprehensive income (OCI)			
Items that may be subsequently reclassified to profit or loss			
Remeasurement of post-employment benefits	19	-	(10,705)
Deferred tax on remeasurement of post-employment benefits	18	-	3,212
Revaluation on land and buildings	20	1,549,189	-
Deferred tax on land and buildings	18	(464,757)	-
		1,084,432	(7,493)
Items that are or may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations	15(b)	82,589	(549,366)
Total other comprehensive income for the year		1,167,021	(556,859)
Total comprehensive income for the year		1,954,175	760,434

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended (continued)

	Note	2025 Shs'000	2023 Restated Shs'000
Profit Attributable to:			
Equity holders of the Company		781,957	1,281,840
Non-controlling interest (NCI)	30	5,197	35,453
		787,154	1,317,293
Total comprehensive income attributable to:			
Equity holders of the Company		1,983,678	889,315
Non-controlling interest (NCI)		(29,503)	(128,881)
Total comprehensive income for the year		1,954,175	760,434
Earnings per share			
Basic and diluted (Shs per share)	12	2.77	4.54

The notes set out on pages 112 to 170 form an integral part of the consolidated and company financial statements.

Company Statement of Profit or Loss and Other Comprehensive Income for the year ended

	Note	2025 Shs'000	2024 Shs'000
Dividend income	31(viii)	35,810	-
Other operating expense	9(a)	(45,245)	(34,603)
Impairment credit – financial assets	9(b)	-	9,965
Net finance income/(cost)	10	10,345	(14,183)
Profit/(loss) before income tax	7	910	(38,821)
Income tax expense	11	(3,278)	(2,841)
Loss for the year		(2,368)	(41,662)
Other comprehensive income		-	-
Total comprehensive income for the year		(2,368)	(41,662)

The notes set out on pages 112 to 170 form an integral part of the consolidated and company financial statements.

Consolidated Statement of Financial Position

	Note	2025 Shs'000	2024 Shs'000
Non-current assets			
Property and equipment	20	15,200,838	13,196,885
Intangible assets	21	1,271,952	1,271,952
Right of use assets	22	1,008,127	1,056,998
Investment in associates	24	825,294	861,948
Deferred income tax asset	18	11,868	12,295
Total non-current assets		18,318,079	16,400,078
Current assets			
Inventories	25	583,369	560,289
Trade and other receivables	26	1,238,011	1,454,269
Current income tax	11(c)	167,387	168,373
Financial asset – fixed deposits	27(b)	1,152,052	911,570
Cash and cash equivalents	27(a)	778,621	695,867
Total current assets		3,919,440	3,790,368
Total assets		22,237,519	20,190,446
Equity and Liabilities			
Share capital	14	282,651	282,651
Share premium	14	6,001,741	6,001,741
Revaluation reserve	15(a)	3,288,120	2,211,352
Translation reserve	15(b)	(659,031)	(729,353)
Proposed dividends	13	98,928	98,928
Retained earnings		3,434,234	2,696,574
Total equity		12,446,643	10,561,893
Non-controlling interest	30	922,389	974,093
Total equity		13,369,032	11,535,986
Non-current liabilities			
Borrowings	16	1,843,307	2,501,485
Deferred income tax liability	18	2,650,020	2,070,413
Lease liabilities	17	1,247,257	1,181,205
Retirement benefit obligations	19	133,396	117,289
Total non-current liabilities		5,873,980	5,870,392
Current liabilities			
Trade and other payables	28 (a)	2,128,015	2,111,916
Borrowings	16	678,603	487,913
Lease liabilities	17	187,889	184,239
Total current liabilities		2,994,507	2,784,068
Total equity and liabilities		22,237,519	20,190,446

The consolidated and company financial statements set out on pages 101 to 170 were approved and authorised for issue by the board of Directors on 28 April 2026 and were signed on its behalf by:



Francis Okomo-Okello
DIRECTOR



Ashishkumar Sharma
DIRECTOR

Company Statement of Financial Position

Assets	Note	2025 Shs'000	2024 Shs'000
Non-current assets			
Investment in subsidiaries	23	5,749,856	5,749,856
Investment in associates	24	840,330	840,330
		6,590,186	6,590,186
Current assets			
Receivables and prepayments	26	26,676	19,617
Current income tax	11(c)	4,697	2,417
Financial assets – fixed deposits	27(b)	163,817	293,709
Cash and cash equivalents	27(a)	20,332	4,312
		215,522	320,055
Total assets		6,805,708	6,910,241
Equity and Liabilities			
Share capital	14	282,651	282,651
Share premium	14	6,001,741	6,001,741
Proposed dividends		98,928	98,928
Retained earnings		412,799	514,095
Total equity		6,796,119	6,897,415
Current liabilities			
Trade and other payables	28(a)	9,589	12,826
		9,589	12,826
Total equity and liabilities		6,805,708	6,910,241

The financial statements on pages 101 to 170 we approved and authorised for issue at a meeting of the Board of Directors held on 28 April 2026 and signed on its behalf by:



Francis Okomo-Okello
DIRECTOR



Ashishkumar Sharma
DIRECTOR

Consolidated Statement of Changes in Equity

Year ended 31 December 2025	Share capital Shs'000	Share premium Shs'000	Revaluation reserves Shs'000	Trans-lation reserves Shs'000	Retained earnings Shs'000	Proposed dividends Shs'000	Non-controlling interest Shs'000	Total Shs'000
At start of year	282,651	6,001,741	2,211,352	(729,353)	2,696,574	98,928	974,093	11,535,986
Comprehensive income for the year	-	-	-	-	781,957	-	5,197	787,154
Profit for the year	-	-	-	-	781,957	-	5,197	787,154
Other comprehensive income:	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	70,322	-	-	12,267	82,589
Revaluation of land and buildings	-	-	1,616,285	-	-	-	(67,096)	1,549,189
Deferred income tax on revaluation of land and building	-	-	(484,886)	-	-	-	20,129	(464,757)
Total other comprehensive income	-	-	1,131,399	70,322	-	-	(34,700)	1,167,021
Total comprehensive income for the year	-	-	1,131,399	70,322	781,957	-	(29,503)	1,954,175
Transfer of excess depreciation to retained earnings	-	-	(78,044)	-	78,044	-	-	-
Deferred income tax on excess depreciation	-	-	23,413	-	(23,413)	-	-	-
Net transfer of excess depreciation	-	-	(54,631)	-	54,631	-	-	-
Transactions with owners	-	-	-	-	-	-	-	-
Dividends:	-	-	-	-	-	-	-	-
- Final for 2024 paid	-	-	-	-	-	(98,928)	-	(98,928)
- 2025 interim dividend declared and paid	-	-	-	-	-	-	(22,201)	(22,201)
- Proposed for 2025	-	-	-	-	(98,928)	98,928	-	-
At end of year	282,651	6,001,741	3,288,120	(659,031)	3,434,234	98,928	922,389	13,369,032

Consolidated Statement of Changes in Equity (continued)

	Share capital Shs'000	Share premium Shs'000	Revaluation reserves Shs'000	Trans- lation reserves Shs'000	Retained earnings Shs'000	Proposed dividends Shs'000	Non- controlling interest Shs'000	Total Shs'000
Year ended 31 December 2024								
At start of year as previously reported	282,651	6,001,741	2,266,195	(344,321)	1,466,312	-	1,102,974	10,775,552
Comprehensive income for the year								
Profit for the year	-	-	-	-	1,281,840	-	35,453	1,317,293
Other comprehensive income:								
Currency translation differences	-	-	-	(385,032)	-	-	(164,334)	(549,366)
Remeasurement of postemployment Benefits	-	-	(10,705)	-	-	-	-	(10,705)
Deferred tax on remeasurement of post-employment benefits	-	-	3,212	-	-	-	-	3,212
Total other comprehensive income	-	-	(7,493)	(385,032)	-	-	(164,334)	(556,859)
Total comprehensive income for the year	-	-	(7,493)	(385,032)	1,281,840	-	(128,881)	760,434
Transfer of excess depreciation to retained earnings	-	-	(67,643)	-	67,643	-	-	-
Deferred income tax on transfer of excess depreciation to retained earnings	-	-	20,293	-	(20,293)	-	-	-
Net transfer of excess depreciation	-	-	(47,350)	-	47,350	-	-	-
Transactions with owners								
Dividends:	-	-	-	-	(98,928)	98,928	-	-
- Proposed for 2024	-	-	-	-	(98,928)	98,928	-	-
At end of year	282,651	6,001,741	2,211,352	(729,353)	2,696,574	98,928	974,093	11,535,986

Company Statement of Changes in Equity

	Share capital Shs'000	Share premium Shs'000	Retained earnings Shs'000	Proposed dividends Shs'000	Total Shs'000
Year ended 31 December 2025					
At start of year	282,651	6,001,741	514,095	98,928	6,897,415
Total Comprehensive income for the year					
Loss for the year	-	-	(2,368)	-	(2,368)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	(2,368)	-	(2,368)
Transactions with owners of the company					
Dividends:					
- final for 2024 paid	-	-	-	(98,928)	(98,928)
- proposed for 2025	-	-	(98,928)	98,928	-
Total transactions with owners of the company	-	-	(98,928)	-	(98,928)
At end of year	282,651	6,001,741	412,799	98,928	6,796,119

The notes set out on pages 112 to 170 form an integral part of the financial statements.

Company Statement of Changes in Equity (continued)

Year ended 31 December 2024	Share capital Shs'000	Share premium Shs'000	Retained earnings Shs'000	Proposed dividends Shs'000	Total Shs'000
At start of year	282,651	6,001,741	654,685	-	6,939,077
Total comprehensive income for the year:					
Loss for the year	-	-	(41,662)	-	(41,662)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	(41,662)	-	(41,662)
Transactions with owners of the company					
Dividends:					
- proposed for 2024	-	-	(98,928)	98,928	-
Total transactions with owners of the company	-	-	(98,928)	98,928	-
At end of year	282,651	6,001,741	514,095	98,928	6,897,415

The notes set out on pages 112 to 170 form an integral part of the financial statements.

Consolidated Statement of Cash Flows For the Year Ended

	Notes	2025 Shs'000	2024 Shs'000
Operating activities			
Cash generated from operations	29	2,638,684	2,406,682
Interest received	10	42,975	47,704
Interest paid	10	(222,308)	(338,491)
Lease interest paid	17	(157,311)	(153,485)
Income tax paid	11(c)	(313,731)	(207,406)
Net cash generated from operating activities		1,988,309	1,755,004
Investing activities			
Purchase of property and equipment	20	(1,060,763)	(771,067)
Investment in associates	24	-	(211)
Proceeds from maturity of fixed deposits	27(b)	2,375,015	8,264,148
Purchase of financial assets	27(b)	(2,588,960)	(8,705,330)
Proceeds from disposal of property and equipment		8,931	5,338
Net cash utilised in investing activities		(1,265,777)	(1,207,122)
Financing activities			
Proceeds from long term borrowings	16	-	113,062
Payments of long-term borrowings	16	(481,465)	(687,999)
Dividends paid to members	28(b)	(98,928)	(36,103)
Dividends paid to non-controlling interest		(22,201)	-
Principal lease payments	17	(41,379)	(40,996)
Net cash used in financing activities		(643,973)	(652,036)
Net increase/(decrease) in cash and cash equivalents		78,559	(104,154)
Movement in cash and cash equivalents			
At start of year		695,867	792,524
Increase/(decrease) during the year		78,559	(104,154)
Effect of currency translation differences		4,195	7,497
At end of year	27(a)	778,621	695,867

Company Statement of Cash Flows For the Year Ended

	Notes	2025 Shs' 000	2024 Shs' 000
Operating activities			
Cash (used in) /generated from operations	29	(56,123)	323,798
Interest received	10	10,927	9,471
Income tax paid	11(c)	(5,558)	(1,083)
Net cash generated from operating activities		(50,754)	332,186
Investing activities			
Investment in subsidiary	23	-	(30)
Proceeds from financial assets-fixed deposits	27(b)	579,244	14,183
Purchase of financial assets	27(b)	(449,352)	(307,892)
Dividends received from subsidiary	31 (viii)	35,810	-
Net cash generated from/(utilised in) investing activities		165,702	(293,739)
Financing activities			
Dividends paid to Company's shareholders		(98,928)	(36,103)
Net cash used in financing activities		(98,928)	(36,103)
Net increase in cash and cash equivalents		16,020	2,344
Movement in cash and cash equivalents			
At start of year		4,312	1,968
Increase during the year		16,020	2,344
At end of year	27(a)	20,332	4,312

Notes to the Financial Statements

1. General information

TPS Eastern Africa PLC is incorporated in Kenya under the Kenyan Companies Act as a public limited liability company and is domiciled in Kenya. The address of its registered office and principal place of business is:

Williamson House,
4th Ngong Avenue,
PO Box 48690 - 00100 Nairobi,
Kenya

The shares of the Company are listed on the Nairobi Securities Exchange (NSE). For the Kenyan Companies Act, 2015 reporting purposes, the balance sheet is represented by the statement of financial position and profit and loss account by the statement of profit or loss in these financial statements.

2. Material Accounting Policies

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

(a) Going concern

Management of the Group and the Company has assessed the Group's and the Company's ability to continue as a going concern. The Company incurred a net loss of Shs 2,368,000 for the year ended 31 December 2025 (2024: net loss of Shs 41,662,000). As at 31 December 2025, the Company was in a net asset position of Shs 6,796,119,000 and had net current assets of KShs 205,933,000 with significant liquidity and accumulated reserves. The Group recorded a consolidated profit after tax of Shs 787,154,000 for the year ended 31 December 2025 (2024: profit of Shs 1,317,293,000), and management expects the Group to remain profitable in the foreseeable future.

Based on this assessment, management is satisfied that the Group and the Company have adequate resources to continue operating for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis.

(b) Basis of preparation

The financial statements are prepared in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Kenyan Companies Act, 2015. The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in Kenya Shillings (Shs), rounded to the nearest thousands, except where otherwise indicated.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

(c) New standards, amendments and interpretations

(i) New standards, amendments and interpretations effective and adopted during the year

The Group and Company have adopted the following new standards and amendments during the year ended 31 December 2025, including consequential amendments to other standards with the date of initial application by the Group and Company being 1 January 2025.

New standard or amendments	Effective date
- Lack of Exchangeability (Amendments to IAS 21)	1 January 2025

The above amendments did not have a material impact on the Group's and Company's financial statement.

Notes to the Financial Statements (continued)

2. Material Accounting Policies (continued)

(c) New standards, amendments and interpretations (continued)

(ii) New standards, amendments and interpretations in issue but not effective for the year ended 31 December 2025

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2025 and have not been early adopted by the Group and Company. The Group and Company are in the process of assessing the impact of these standards on the Group's and Company's financial statements.

New standard or amendments	Effective for annual periods beginning on or after
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	1 January 2026
Annual improvements to IFRS Accounting Standards – Amendments to: - IFRS 1 First-time Adoption of IFRS Accounting Standards; IFRS 7 Financial Instruments; - Disclosure and its accompanying Guidance on implementing IFRS 7; - IFRS 9 Financial Instruments; - IFRS 10 Consolidated Financial statements; and - IAS 7 Statement of Cashflows	1 January 2026
Contracts Referencing Nature – dependent Electricity - Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Company (Amendments to IFRS 10 and IAS 28).	Optional

All Standards will be adopted at their effective date (except for the standards and interpretations that are not applicable to the entity).

The only standard that is expected to have an impact on the financial statements is IFRS 18 Presentation and disclosure in financial statements.

IFRS 18 will replace IAS 1 Presentation of Financial Statements.

IFRS 18 introduces the following key new requirements;

- Entities are required to clarify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statements of the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Group's statement of profit or loss, statement of cash flows and the additional disclosures required for MPMs.

The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

Notes to the Financial Statements (continued)

2. Material Accounting Policies (continued)

(d) Consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control.

The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners.

The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss.

The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(iv) Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

The group's investment in associates includes goodwill identified. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment.

When the Group's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of associates in the income statement. Profits and losses resulting from upstream and downstream transactions between the Group and its associates are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the income statement.

(v) Separate financial statements

In the separate financial statements, investments in subsidiaries and associates are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment. Dividend income is recognised when the right to receive payment is established.

Notes to the Financial Statements (continued)

2. Material Accounting Policies (continued)

(e) Functional currency and translation of foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the Functional Currency'). The consolidated financial statements are presented in Kenya Shillings (Shs), which is the Company's Functional and Group's Presentation currency..

(ii) Transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of Group Companies at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction.

All foreign exchange gains and losses related to the above monetary and non-monetary assets and liabilities are presented in the income statement within 'finance income or cost'.

(iii) Group companies (Foreign Operations)

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition are translated at the exchange rates at the reporting date.
- income and expenses for each income statement amount are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that are recorded in equity are recognised in the income statement as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(f) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM who makes strategic decisions and who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Managing Director.

(g) Revenue recognition

The Group recognises revenue for direct sales of goods and rendering of services. Revenue is recognised as and when the Group satisfies a performance obligation by transferring control of a product or service to a customer.

Customers access services upon check into the hotel or on consumption of any other hotel services. Invoices are generated after consumption of services and revenue is recognised at that point in time upon check out. A settlement period of 30 days is applicable for credit customers. The amount of revenue recognised is the amount the Group expects to receive in accordance with the terms of the contract, and excludes amounts collected on behalf of third parties, such as Value Added Tax (VAT).

Room revenue is recognised over time based on occupancy. Food and beverage revenue is recognized on billing, following consumption, whereas gift shop sales are recognized on transfer of goods. Revenue from other sources such as gym, bird walks, archery etc. is recognised based on the performance of the service.

For each of the revenue streams, the Group recognises revenue over time or at a point in time specifically after the performance obligation of transfer of goods or service to the customer has been fulfilled.

Notes to the Financial Statements (continued)

2. Material Accounting Policies (continued)

(g) Revenue recognition (continued)

Upfront fees received from customers do not represent a distinct performance obligation. Accordingly, such fees are deferred and recognised as revenue over the period in which the related services are provided.

The Group policy is to allocate the total transaction price to the performance obligations in the product offer / contract by reference to their relative stand-alone selling prices, e.g. for food & beverage at standard cost price grossed up for industry margins. Where such a stand-alone selling price is not directly observable, e.g. bird walks, archery etc., the Group undertakes reasoned standard estimates based on cost plus a margin. Contracts with tour operators stipulate the transaction price of the product offer which are recorded at gross as there is no agency relationship.

Interest income is recognised using the effective interest method.

Dividends for the Group and the Company are recognised as income in the period the right to receive payment is established.

(h) Property and equipment

All categories of property and equipment are initially recorded at cost. Land and buildings are subsequently shown at fair value, based on periodic, (at least once every 3 to 5 years), valuations by external independent valuers, less subsequent depreciation for freehold land and buildings. All other property and equipment is stated at historical cost or revalued amounts less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation are credited to a revaluation surplus reserve in equity. Decreases that offset previous increases of the same asset are charged against the revaluation surplus; all other decreases are charged to profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to profit or loss) and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Depreciation on assets is calculated using the straight-line method to write down their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

<u>Category</u>	<u>Useful life</u>
Leasehold land and buildings	Over the period of the lease
Computers	3 - 4 years
Motor vehicles	4 years
Furniture and fittings	10 years
Lift installations	10 years
Laundry equipment	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

On opening of a new unit, initial purchases of operating equipment, such as crockery and beddings are capitalised at cost and subsequent replacements to maintain operating equipment at par stock level are expensed in the year of purchase. Carrying values are validated every three years.

An asset's carrying amount is written down immediately to its estimated 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 reference to their carrying amount and are included in profit or loss. On disposal of revalued assets, amounts in the revaluation surplus relating to that asset are transferred to retained earnings

Notes to the Financial Statements (continued)

2. Material Accounting Policies (continued)

(i) Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over the Company's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Cash-Generating Units (CGUs), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell.

Any impairment is recognised immediately as an expense and is not subsequently reversed.

(j) Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use- are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(k) Financial instruments

(i) Initial recognition

Financial instruments are recognised when, and only when, the Group 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 Group commits itself to the purchase or sale.

(ii) Classification

The Group classifies its financial instruments into the following categories:

- 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 on the principal amount outstanding, are classified and measured at amortised cost.
- Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, 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 on the principal amount outstanding, are classified and measured at fair value through other comprehensive income.
- All other financial assets are classified and measured at fair value through profit or loss.
- Financial liabilities that are held for trading, 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 Group 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

Notes to the Financial Statements (continued)

2. Material Accounting Policies (continued)

(k) Financial instruments (continued)

(ii) Classification (continued)

Financial instruments held during the year were classified as follows:

- Trade and other receivables were classified at amortised cost
- Trade and other liabilities were classified at amortised cost
- Borrowings and lease liability are classified at amortised cost
- Cash and cash equivalents are classified at amortised cost.

(iii) Initial measurement

On initial recognition:

- Financial assets or financial liabilities classified at fair value through profit or loss are measured at fair value.
- Trade receivables are measured at their transaction price.
- All other categories of financial assets and financial liabilities are measured at the fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the instrument.

(iv) Subsequent measurement

Financial assets and financial liabilities after initial recognition are measured either at amortised cost, at fair value through other comprehensive income, or at fair value through profit or loss according to their classification. Interest income, dividend income, and exchange gains and losses are recognised in profit or loss. Fair value is determined as set out in *Note 4 (e) fair value estimation*. Amortised cost is the amount at which the financial asset or liability is measured on initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

(v) Impairment

The Group recognises loss allowances for Expected Credit Losses (ECLs) on:-

- financial assets measured at amortised cost ('cash and cash equivalents' and 'trade and other receivables');
- contract assets. The Group also recognises loss allowances for ECLs on related party receivables.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following which are measured at 12 months ECL.

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade and other receivables and contract assets are always measured at an amount equal to lifetime ECLs.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following which are measured at 12 months ECL.

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade and other receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort.

This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Notes to the Financial Statements (continued)

2. Material Accounting Policies (continued)

(k) Financial instruments (continued)

(v) Impairment (continued)

The Group considers a debt security to have a low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12 Month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

The Group recognises a loss allowance for expected credit losses on debt instruments that are measured at amortised cost or at fair value through other comprehensive income. The loss allowance is measured at an amount equal to the lifetime expected credit losses for trade receivables and for financial instruments for which: (a) the credit risk has increased significantly since initial recognition; or (b) there is observable evidence of impairment (a credit-impaired financial asset).

For cash and cash equivalents, the Group banks with reputable banking institutions and the assessed probability of default is low and the expected credit loss, if any, would be immaterial. 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.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact of the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; and the disappearance of an active market for a security because of financial difficulties.

(vi) Presentation

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 reporting 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.

(vii) De-recognition

Financial assets are derecognised when the rights to receive cash flows from the financial asset have expired, when the Group has transferred substantially all risks and rewards of ownership, or when the Group has no reasonable expectations of recovering the asset. Financial liabilities are derecognised only when the obligation specified in the contract is discharged or cancelled or expires.

When a financial asset measured at fair value through other comprehensive income, other than an equity instrument, is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. For equity investments for which an irrevocable election has been made to present changes in fair value in other comprehensive income, such changes are not subsequently transferred to profit or loss.

(viii) Offsetting

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position only when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(l) Leases

The Group's leases majorly comprise of property leases used in its administrative and hospitality operations. These include office buildings and premises used for hotels, parks, land occupied by hotels and camps. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Notes to the Financial Statements (continued)

2. Material Accounting Policies (continued)

(l) Leases (continued)

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

A lease modification is accounted for as a separate lease where it increases the scope of the lease by adding the right to use on one or more underlying assets and the consideration increases by an amount commensurate with the stand alone price. For modifications that are not accounted for as separate leases, the lease liability is remeasured using a revised discount rate as at the effective date of the modification, with a corresponding adjustment made to the right of use asset. Where a lease modification reduces the scope of the lease, the lease liability is remeasured to reflect the reduced scope of the lease, the carrying amount of the right of use asset is reduced proportionately, and any resulting gain or loss is recognised in profit or loss.

Leases are recognised as a right-of-use asset and a corresponding liability recognised at the date at which the leased asset is available for use by the Group.

(i) Initial recognition

Liabilities arising from a lease are initially measured on a present value basis.

(ii) Lease liabilities

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(iii) Right of use asset

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group re-values its land and buildings that are presented within property, plant and equipment, the Group does not do so for the right-of-use buildings held by the Group.

Notes to the Financial Statements (continued)

2. Material Accounting Policies (continued)

(l) Leases (continued)

(iii) Right of use asset (continued)

Payments associated with short-term leases of equipment, variable payment solar leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

(iv) Other variable lease payments

Other variable lease payments that are not linked to an index or market rate, including revenue-based or performance-based payments are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

(v) Extension and termination options

Extension and termination options are included in several property and equipment leases. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. Most of the extension and termination options held are exercisable only by the Company and not by the respective lessor. The Company takes into consideration the extension and termination options in determining the right of use asset and lease liability.

(m) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and computed as the cost of purchase plus any incidental costs incurred in bringing inventory items to their present location. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Inventories mainly comprise hotel consumables, food and beverage items.

(n) Share capital

Ordinary shares are classified as 'share capital' in equity. Any premium received over and above the par value of the shares is classified as 'share premium' in equity.

(o) Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

(p) Employee benefits

(i) Retirement benefit obligations

For unionised employees in two Subsidiaries, the Group has an unfunded obligation to pay terminal gratuities under its Collective Bargaining Agreement with the union. Employees who resign after serving for periods of between five years and ten years, receive eighteen days' salary and house allowance for each completed year of service at the rate of pay applicable at the date of resigning. Those who resign after serving for more than ten years receive twenty-four days' salary and house allowance for each completed year of service. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The Group operates a defined contribution benefit scheme for all its permanent employees after their first year of employment. The assets of the scheme are held in a separate trustee administered fund, which is funded by contributions from both the Group and the employees. The Group and all its permanent employees also contribute to the statutory National Social Security Funds, which are defined contribution schemes. The Group's contributions to both these defined contribution schemes are charged to the income statement in the year in which they fall due. The Group has no further obligation once the contributions have been paid.

(ii) Leave

The estimated monetary liability for employees' accrued annual leave entitlement at the reporting date is recognised as an expense accrual.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination; when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(q) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method; any differences between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Notes to the Financial Statements (continued)

2. Material Accounting Policies (continued)

(r) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which they are declared. Dividends are declared upon approval at the annual general meeting. Proposed dividends are disclosed separately within equity until declared.

(s) Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively. The current income tax charge is calculated on the basis of the tax enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets against deferred tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(t) Comparatives

Where necessary, comparative numbers have been adjusted to conform to changes in presentation in the current year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

3. Critical accounting estimates and judgements

(a) Critical accounting estimates and assumptions

The Group and Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2(i). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions which are disclosed in detail under Note 21.

(ii) Trade receivables

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

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

- Determining criteria for the definition of default; and
- Choosing appropriate models and assumptions for the measurement of ECL.

Significant debtors, mainly relating to related party balance are assessed for impairment on an individual basis.

Notes to the Financial Statements (continued)

3. Critical accounting estimates and judgements (continued)

(a) Critical accounting estimates and judgements (continued)

(ii) Trade receivables (continued)

As at 31 December 2025, certain key judgements and estimations were made regarding the above items, as they relate to the determination of expected credit losses on financial assets.

(iii) Fair value of land and buildings, property and equipment

The determination of the carrying value and the related depreciation of land and buildings, property and equipment requires use of judgements and assumptions. These are further disclosed in Note 20.

(iv) Income taxes

The Group is subject to income taxes in various jurisdictions. Judgement is required in determining the Group's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(v) Incremental borrowing rate on leases

Critical estimates are made on the determination of the incremental borrowing rate as described under Note 2(k). Sensitivity on the discount rate by 1% higher/lower with all other variables held constant, interest on lease liability for the year would have been Shs 2,825,000 (2024 – Shs 2,676,000) higher or lower.

(b) Critical accounting judgements

In the process of applying the Group's and Company's accounting policies, Directors make certain judgements in determining:

- whether the Group has control over an entity, which requires the consideration of several factors, as set out in note 2(c); and
- the measurement basis for financial assets under IFRS 9 depends on an assessment of the Group's and Company's business model for managing the financial assets and whether the cash flows represent solely payments of principal and interest. For financial liabilities, the measurement basis is amortised cost unless the liability is designated at Fair Value Through Profit and Loss (FVTPL). Further detail is given in note 2(k).
- Allowance for impairment of financial assets: the Group and Company uses an Expected Credit Loss (ECL) model to assess any need for impairment of financial assets. Under the ECL model, the Group and Company calculates the allowance for credit losses using a provision matrix by considering on a discounted basis, the cash shortfalls it would incur in various default scenarios for prescribed future periods and multiplying the shortfalls by the probability of each scenario occurring. The allowance is the sum of these probability weighted outcomes.
- For other assets other than financial assets, if any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group and Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Details of the allowance for impairment are disclosed in Note 26.

4. Financial Risk Management

The Group's and the Company's activities expose it to a variety of financial risks comprising market risk (including foreign exchange risks, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects on its financial performance within the options available in East Africa to hedge against such risks.

Financial risk management is carried out by Management under the guidance of the Board of Directors. Board of directors identifies, evaluates and hedges financial risks. The Board of Directors provides guidance on principles for overall risk management covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investment of excess liquidity.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price and comprises four types of risks: foreign exchange risk, price risk, interest rate risk and fair value risk. The objective of market risk management is to manage and control market risk exposure within acceptable levels while optimising on the return on the risk.

(i) Foreign exchange risk

The Group and Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

Notes to the Financial Statements (continued)

4. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

The Group aims to minimise volatility arising from fluctuations in exchange rates by adopting natural hedges such as holding cash balances in foreign currencies to hedge against any foreign currency denominated amounts payable.

The Group manages foreign exchange risk by converting its foreign currency collections into local currency on an ongoing basis to cater for its operational requirements. As a result, the Group does not hold large amounts of foreign currency deposits. In addition, the Group receives its collections in foreign currency and therefore any future foreign currency commercial transactions are settled in the same currency to avoid the effect of swinging currency exchange rates. Currency exposure arising from the net assets of foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies. The following are the exchange rates that existed at the financial year end for the following significant currencies:

	Average rates		Closing rates	
	2025 KShs	2024 KShs	2025 KShs	2024 KShs
US Dollar (USD)	129.01	129.29	129.26	134.70
Euro	151.43	134.29	146.06	145.83
Sterling Pound (GBP)	173.65	162.27	170.41	172.18

The Group's and Company's exposure to foreign currency risk was as follows:

All figures are in thousands of Kenya Shillings (Shs'000)

Group:

2025	USD	GBP	EUR	Total
Assets				
Trade and other receivable	319,434	7,149	6,224	332,807
Fixed deposit	1,152,052	-	-	1,152,052
Cash and cash equivalents	533,801	1,556	20,745	556,102
At 31 December	2,005,287	8,705	26,969	2,040,961
Liabilities				
Trade and other payables	(229,723)	-	(3,418)	(233,141)
Borrowings	(2,403,557)	-	-	(2,403,557)
At 31 December	(2,633,280)	-	(3,418)	(2,636,698)
Net position	(627,993)	8,705	23,551	(595,737)

Notes to the Financial Statements (continued)

4. Financial risk management (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

Group:

2024	USD	GBP	EUR	Total
Assets				
Trade and other receivables	334,401	5,009	2,685	342,095
Fixed deposit	911,570	-	-	911,570
Cash and cash equivalents	343,604	2,520	6,868	352,992
At 31 December	1,589,575	7,529	9,553	1,606,657
Liabilities				
Trade and other payables	(53,887)	-	(12,603)	(66,490)
Borrowings	(2,698,339)	-	-	(2,698,339)
At 31 December	(2,752,226)	-	(12,603)	(2,764,829)
Net position	(1,162,651)	7,529	(3,050)	(1,158,172)

Company

All figures are in thousands of Kenya Shillings (Shs'000)

2024	2025	2025
	USD	USD
Assets		
Fixed deposit	163,817	293,709
Cash and cash equivalents	20,832	1,659
At 31 December		
Net position	184,649	295,368

(ii) Currency risk

The Group and Company did not have any assets subject to price risk as at 31 December 2025 (2024 - Nil).

The following table demonstrates the effect on the Group and Company's statement of profit or loss and other comprehensive income of applying a sensitivity for a reasonable possible change in the exchange rate of the main transaction currencies, with all other variables held constant.

Notes to the Financial Statements (continued)

4. Financial risk management (continued)

(a) Market risk (continued)

(ii) Currency risk (continued)

At 31 December 2025, management considers that a 5% change in the Kenya Shilling against the US Dollar, GBP and EUR is reasonably possible.

	Change in currency rate	Group		Company	
		Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity
		KShs' 000	KShs' 000	KShs' 000	KShs' 000
USD					
2025	5%	31,400	21,980	9,232	6,462
	(5%)	(31,400)	(21,980)	(9,232)	(6,462)
2024	5%	58,133	40,693	14,768	10,338
	(5%)	(58,133)	(40,693)	(14,768)	(10,338)
GBP					
2025	5%	435	305	-	-
	(5%)	(435)	(305)	-	-
2024	5%	376	263	-	-
	(5%)	(376)	(263)	-	-
EUR					
2025	5%	1,178	825	-	-
	(5%)	(1,178)	(825)	-	-
2024	5%	153	107	-	-
	(5%)	(153)	(107)	-	-

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will vary as market rates of interest vary. The Group is exposed to cash flow interest rate risk on its variable rate borrowings, lease liability and short term deposit resulting from changes in market interest rates. The Group manages this exposure by maintaining lower gearing to minimise on interest costs. Management considers that a change in interest rates of 1% in the year ended 31 December 2025 is reasonably possible.

The net interest income/(expense) relating to short term deposit and borrowings for the year was as follows:

	Group		Company	
	2025	2024	2025	2024
	KShs' 000	KShs' 000	KShs' 000	KShs' 000
Interest income	42,975	47,704	10,927	9,471
Interest expense	(379,619)	(491,976)	-	-
Net interest (expense)/income	(336,644)	(444,272)	10,927	9,471

Notes to the Financial Statements (continued)

4. Financial risk management (continued)

(a) Market risk (continued)

(iii) Interest rate risk (continued)

The interest rate profile of the Group's and Company's floating interest-bearing financial instruments as reported to management of the Group is as follows:

	Group		Company	
	2025 Shs '000	2024 Shs '000	2025 Shs '000	2024 Shs '000
Floating rate instruments				
Short term deposit (Note 27(b))	1,152,052	911,570	163,817	293,709
Lease liabilities (Note 17)	(1,435,146)	(1,365,444)	-	-
Borrowings (Note 16)	(2,521,910)	(2,989,398)	-	-
Net exposure	(2,805,004)	(3,443,272)	163,817	293,709

The following table demonstrates the effect on the group and company's statement of comprehensive income of applying a sensitivity of 1% to the interest rate prevalent during the year, with all other variables held constant.

	Change in currency rate	Group		Company	
		Effect on profit before Shs' 000	Effect on equity Shs' 000	Effect on profit before tax Shs' 000	Effect on equity Shs' 000
2025	1.00%	(3,366)	(2,357)	109	76
	(1.00%)	3,366	2,357	(109)	(76)
2024	1.00%	(4,443)	(3,110)	95	66
	(1.00%)	4,443	3,110	(95)	(66)

Notes to the Financial Statements (continued)

4. Financial risk management (continued)

(b) Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from cash at bank and short term deposits with banks, as well as trade and other receivables. The Group does not have any significant concentrations of credit risk.

The credit controller is responsible for managing and analysing credit risk for each new customer before standard payment and delivery terms are offered. The credit controller assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The utilisation of credit limits is regularly monitored.

For banks and financial institutions, only reputable well established financial institutions are accepted. The amounts that represent the Group's maximum exposure to credit risk is equal to the carrying amount of financial assets in the statement of financial position.

The Group has adopted the Expected Credit Losses (ECL) model to determine the impairment of trade receivables. The Group opted to adopt the simplified approach of determining the impairment provision.

This model includes some operational simplifications for trade receivables, related party receivable, and contract assets to assess when a significant increase in credit risk has occurred. Debts that are considered to be non-performing are impaired at 100%.

An expected credit loss is computed for the performing balances based on a loss rate computed as the average loss rate on credit sales over the preceding 5 years. Related party receivable balances are generally settled promptly within the Group.

An impairment assessment is only considered when the balance is not expected to be settled within a period of 12 months from the end of financial year.

The Company's policy is to transact with reputable banks, the credit risk associated with these assets is low, and the expected credit losses are considered to be immaterial.

For cash at bank, management assesses the expected credit loss based on probability of default attached to the various banks by external rating agencies.

The age analysis of the trade receivables and loss allowance as at 31 December was as follow:

	At 31 December	Not past due	31 to 91 days	90 to 150 days	Over 150 days	Total
2025	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Gross trade debtors	327,068	126,904	35,420	67,712	557,104	
Loss allowance	(6,696)	(7,522)	(4,208)	(64,844)	(83,270)	
Net trade debtors	320,372	119,382	31,212	2,868	473,834	
Loss rate	8%	9%	5%	78%	15%	

	At 31 December	Not past due	31 to 91 days	90 to 150 days	Over 150 days	Total
2024	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Gross trade debtors	435,187	197,475	31,781	142,724	807,167	
Loss allowance	(72)	(437)	(3,132)	(17,879)	(21,520)	
Net trade debtors	435,115	197,038	28,649	124,845	785,647	
Loss rate	0.3%	2%	14.6%	83.1%	2.7%	

Notes to the Financial Statements (continued)

4. Financial risk management (continued)

(b) Credit risk (continued)

A further analysis of debtors by category and their related loss allowance is as follows:

	Group		
	Gross carrying amount	Expected credit loss	Net carrying amount
At 31 December 2025	Shs'000	Shs'000	Shs'000
Corporate debtors	227,257	(33,968)	193,289
Government	124,011	(18,536)	105,475
Tour operators	187,977	(28,097)	159,880
Other debtors	17,859	(2,669)	15,190
Total trade receivables	557,104	(83,270)	473,834
At 31 December 2024			
Corporate debtors	375,720	(10,017)	365,703
Government	238,975	(6,371)	232,604
Tour operators	179,544	(4,787)	174,757
Other debtors	12,928	(345)	12,583
Total trade receivables	807,167	(21,520)	785,647

The amount that best represents the Group's and Company's maximum exposure to credit risk at 31 December is made up as follows:

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
Trade receivables (Note 26)	557,104	807,167	-	-
Loss allowance (Note 26)	(83,270)	(22,100)	-	-
Trade receivables	473,834	785,067	-	-
Other receivables				
Advances to related parties	710,304	705,548	25,147	19,617
Loss allowance	(263,869)	(261,174)	-	-
Other receivables	171,990	98,867	1,508	-
Other receivables	618,425	543,241	26,655	19,617
Cash at bank	769,984	683,287	20,332	4,312
Fixed deposits	1,152,052	911,570	163,817	293,709
Total	1,922,036	1,594,857	184,149	298,021
Total	3,014,295	2,923,165	210,804	317,638

Notes to the Financial Statements (continued)

4. Financial risk management (continued)

(b) Credit risk (continued)

Advances to related parties

For the advances to related parties, the calculated ECL which represents the loss rate of 36.9% (2024 – 36.8%) considers historical experience over the last 12 months, current conditions, exchange rates and country risk. The Group and Company do not hold any collateral against the past due or impaired receivables. The management continues to actively follow up past due receivables.

Cash and cash equivalents

The Group and Company held cash and bank balances of Shs 779 million and Shs 20 million respectively (2024 – Group – Shs 696 million and KShs 4.3 million). The cash and bank balances are held with banks and financial institution counterparties, which are rated between A1 to Ba1, based on GCR, S&P and Moody's ratings.

Impairment on cash and cash equivalents has been measured on a 12-month expected credit loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have immaterial credit risk due to the short-term nature of the balances. As at 31 December 2025 the expected credit loss arising from the exposure was immaterial to the financial statements.

Short-term deposits

The Group and Company held short-term deposit of Shs 1.2 billion and Shs 164 million respectively (2024 – Group – Shs 912 million and Company 294 million). The short-term deposits are held with banks and financial institution counterparties, which are rated between A1 to Ba1, based on GCR, S&P and Moody's ratings.

Impairment on short term equivalents has been measured on a 12-months expected credit loss basis and reflects the short maturities of the exposures. The Group considers that its short-term deposits have immaterial credit risk based on the short maturity period. As at 31 December 2025 and the prior period the expected credit loss arising from the exposure was immaterial to the financial statements.

Other receivables

The Group and company held other receivables of Shs 172 million and Shs 1.5 million respectively (2024 -Group – Shs 99 million and company Nil balance). Other receivable relates to staff loans, salary advance and advances to suppliers. Impairment on other receivables has been measured on a 12-months expected credit loss basis and reflects the short maturities of the exposures. The Group considers that its other receivables have immaterial credit risk based on the short maturity period. As at 31 December 2025 and the prior period the expected credit loss arising from the exposure was immaterial to the financial statements.

(c) Liquidity risk

Liquidity risk is the risk that the Group and Company will encounter difficulty in meeting obligations associated with financial liabilities. Management has a framework for the management of the company's short, medium and long-term liquidity requirements thereby ensuring that all financial liabilities are settled as they fall due.

The Company manages liquidity risk by continuously reviewing forecasts and actual cash flows and maintaining banking facilities to cover any shortfalls, active working capital management, ongoing operational cashflows and cost-optimisation measures.

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows.

Notes to the Financial Statements (continued)

4. Financial risk management (continued)

(c) Liquidity risk (continued)

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows.

Group	Less than 1 year Shs'000	Between 1 and 2 years Shs'000	Between 2 and 5 years Shs'000	Over 5 years Shs'000	Total contrac- tual cash flows Shs'000	Total carrying amount Shs'000
At 31 December 2025:	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Borrowings and interest	709,329	271,254	1,364,795	385,084	2,730,462	2,521,910
Lease liability	191,174	775,058	611,764	1,625,655	3,203,651	1,435,146
Trade and other payables	2,128,015	-	-	-	2,128,015	2,128,015
	3,028,518	1,046,312	1,976,559	2,010,739	8,062,128	6,085,071
Trade and other receivable	1,238,011	-	-	-	1,238,011	1,238,011
Fixed deposit	1,152,052	-	-	-	1,152,052	1,152,052
Cash	778,621	-	-	-	778,621	778,621
	3,168,684	-	-	-	3,168,684	3,168,684
Net position	140,166	(1,046,312)	(1,976,559)	(2,010,739)	(4,893,444)	(2,916,387)
At 31 December 2024:	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Borrowings and interest	527,784	152,846	871,673	1,666,000	3,218,303	2,989,398
Lease liabilities	184,678	723,779	854,217	1,416,133	3,178,807	1,365,444
Trade and other payables	2,111,916	-	-	-	2,111,916	2,111,916
	2,824,378	876,625	1,725,890	3,082,133	8,509,026	6,466,758
Trade and other receivable	1,454,269	-	-	-	1,454,269	1,454,269
Fixed deposit	911,570	-	-	-	911,570	911,570
Cash	695,867	-	-	-	695,867	695,867
	3,061,706	-	-	-	3,061,706	3,061,706
Net position	237,328	(876,625)	(1,725,890)	(3,082,133)	(5,447,320)	(3,405,052)

Notes to the Financial Statements (continued)

4. Financial risk management (continued)

(c) Liquidity risk (continued)

Company	Less than 1 year Shs'000	Between 1 and 2 years Shs'000	Between 2 and 5 years Shs'000	Over 5 years Shs'000	Total carrying amount Shs'000
At 31 December 2025					
Borrowings and interest	-	-	-	-	-
Trade and other payables	9,589	-	-	-	9,589
	9,589	-	-	-	9,589
Receivable and prepayment	26,676	-	-	-	26,676
Fixed deposit	163,817	-	-	-	163,817
Cash	20,322	-	-	-	20,322
	210,815	-	-	-	210,815
Net Position	201,226	-	-	-	201,226
At 31 December 2024:					
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Borrowings and interest	-	-	-	-	-
Trade and other payables	12,826	-	-	-	12,826
	12,826	-	-	-	12,826
Receivable and prepayment	19,617	-	-	-	19,617
Fixed deposit	293,709	-	-	-	293,709
Cash	4,312	-	-	-	4,312
	317,638	-	-	-	317,638
Net position	304,812	-	-	-	304,812

Further disclosures in relation to borrowings are shown in Note 16.

Notes to the Financial Statements (continued)

4. Financial risk management (continued)

(d) Capital management

The Group's and Company's objectives when managing capital are to safeguard the Group's and Company's abilities to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group and Company may adjust the amount of dividends paid to shareholders, issue new capital or sell assets to reduce debt. The Group and Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity, as shown in the statement of financial position, plus net debt.

During 2025 the Group's and Company's strategy, which was unchanged from 2024, was to maintain a medium-term gearing ratio below 40%. The gearing ratios at 31 December 2025 and 31 December 2024 are as follows

	2025	2024
	Shs'000	Shs'000
Total borrowings (Note 16)	2,521,910	2,989,398
Add: Lease liabilities (Note 17)	1,435,146	1,365,444
Less: Cash and bank balances (Note 27)	(778,621)	(695,867)
Net debt	3,178,435	3,658,975
Total equity	13,369,032	11,535,986
Total capital	16,547,467	15,194,961
Gearing ratio	19%	24%

Notes to the Financial Statements (continued)

4. Financial risk management (continued)

(e) Fair value estimation

The different level of fair value measurement hierarchy is described as follows:

- Quoted prices (unadjusted) in active markets for identical assets (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); All assets and liabilities except for land and buildings disclosed in the below schedule are measured under level 2
- Inputs for the asset that are not based on observable market data (that is, unobservable data) (level 3). The valuation techniques and significant unobservable inputs applied in determining the fair value of the Group's land and building are disclosed in Note 20.

The fair value of financial instruments traded in active markets is based on quoted market prices at the year-end date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques such as discounted cash flow analysis. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Financial instruments not measured at fair value.

The table below presents the carrying amounts and fair values for and all financial assets and liabilities and for assets and liabilities measured at fair value. The carrying amounts of financial assets and liabilities approximate their fair values.

Notes to the Financial Statements (continued)

4. Financial risk management (continued)

(e) Fair value estimation (continued)

Group	Carrying Value		Fair Value	
	2025 Shs 000	2024 Shs 000	2025 Shs 000	2024 Shs 000
Financial assets				
Land and buildings	12,958,962	11,500,550	12,958,962	11,500,550
Trade and other receivables	1,238,011	1,454,269	1,238,011	1,454,269
Fixed deposits	1,152,052	911,570	1,152,052	911,570
Cash and cash equivalents	778,621	695,867	778,621	695,867
Total financial assets	16,127,646	14,562,256	16,127,646	14,562,256
Financial liabilities				
Borrowings	2,521,910	2,989,398	2,731,462	3,218,303
Trade and other payables	2,128,015	2,111,916	2,128,015	2,111,916
Retirement benefit	133,396	117,289	133,396	117,289
Total financial liabilities	4,783,321	5,218,603	4,992,873	5,447,508
Company				
Financial assets				
Trade and other receivables	26,676	19,617	26,676	19,617
Fixed deposits	163,817	293,709	163,817	293,709
Cash and cash equivalents	20,332	4,312	20,332	4,312
Total financial assets	210,825	317,638	210,825	317,638
Financial liabilities				
Trade and other payables	9,589	12,826	9,589	12,826
Total financial liabilities	9,589	12,826	9,589	12,826

Notes to the Financial Statements (continued)

5. Segment information

The Group has determined the operating segments based on the reports reviewed by the Managing Director that are used to make strategic decisions. Geographically, management considers the performance in Kenya, Uganda and Tanzania as the key operating segments. The reportable operating segments derive their revenue primarily from accommodation, food and beverage sales.

The Managing Director assesses the performance of the operating segments based on profits before depreciation and amortisation, interest and tax, which is a measure of adjusted earnings before interest, tax, depreciation and amortisation (EBITDA). The measure also excludes the effects of unrealised gains/losses on financial instruments. Finance costs and income are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group. The revenue from external parties reported to the Directors is measured in a manner consistent with that in the income statement.

Segment assets are apportioned on a contractual basis. The measurement basis applied is consistent with Group accounting policies. Intersegmental sales relate to management fees charged by Tourism Promotion Services (Management) Limited and are eliminated on consolidation. The Group derives revenue from the transfer of goods and services in the following categories:

	2025 Shs'000	2024 Shs'000
Room revenue	5,424,609	5,278,265
Food	3,184,904	3,361,448
Beverage	598,516	631,396
Others**	908,717	914,759
	10,116,746	10,185,868
Timing of revenue recognition		
- Over time		
Room revenue	5,424,609	5,278,265
- At a point in time		
Food	3,184,904	3,361,448
Beverage	598,516	631,396
Others**	908,717	914,759
	4,692,137	4,907,603
	10,116,746	10,185,868

**Other revenues includes revenue from weddings, conferences, laundry services, spa, balloon, safari, health club and transport services.

Dividend income from subsidiaries has been recognised by the Company and is disclosed in Note 31(viii).

Notes to the Financial Statements (continued)

5. Segment information - (continued)

The segment information for the reportable segments for the year ended 31 December 2025 is as follows:

	Kenya Hotels and Lodges Shs '000	Tanzania Lodges Shs '000	Uganda Hotel Shs '000	All other segments*** Shs '000	Total Shs '000
Segment profit before tax	437,700	780,227	27,866	(33,674)	1,212,119
External revenues	4,941,450	3,181,952	1,870,607	122,737	10,116,746
Intersegment revenue	-	-	-	489,040	489,040
Segment revenue	4,941,450	3,181,952	1,870,607	611,777	10,605,786
***The revenue from all other segments relates to management fee recharge from Goma Serena Hotel, Tourism Promotion Services (Rwanda) Limited and Hoteis Polana, S.A.					
EBITDA	1,066,456	1,046,533	168,349	(6,806)	2,274,532
Inventory expensed	(716,535)	(344,295)	(351,452)	-	(1,412,282)
Employee benefits expense	(1,264,596)	(840,454)	(423,821)	(421,278)	(2,950,149)
Depreciation on property and equipment	(325,988)	(153,499)	(145,756)	(2,593)	(627,836)
Depreciation on right of use assets	(73,007)	(10,826)	(1,490)	(597)	(85,920)
Income tax expense	(151,696)	(239,178)	(12,936)	(21,155)	(424,965)
Interest income	14,921	4,376	11,443	12,235	42,975
Interest expense	(327,872)	(65,900)	-	(47)	(393,819)
Share of loss from associate	-	-	-	(36,654)	(36,654)
Investment in associate	-	-	-	825,084	825,084
Additions to property and equipment	400,141	344,095	301,779	14,748	1,060,763
Other assets	11,356,390	3,777,798	3,249,831	2,581,548	20,965,567
Goodwill	324,643	681,016	266,293	-	1,271,952
Total assets	11,681,033	4,458,814	3,516,124	2,581,548	22,237,519
Total liabilities	(5,813,221)	(2,094,038)	(889,657)	(71,571)	(8,868,487)

The segment information for the year ended 31 December 2024 is as follows:

	Kenya Hotels and Lodges Shs '000	Tanzania Lodges Shs '000	Uganda Hotel Shs '000	All other segments Shs '000	Total Shs '000
Segment profit before tax	1,317,684	484,115	149,881	52,870	2,004,550
External revenue	5,089,606	3,100,874	1,897,319	98,069	10,185,868
Intersegment revenue	-	-	-	584,079	584,079
Segment revenue	5,089,606	3,100,874	1,897,319	682,148	10,769,947
EBITDA	1,402,118	719,790	274,615	49,785	2,446,308
Inventory expensed*	(754,299)	(369,923)	(347,342)	-	(1,471,564)
Employee benefits expense*	(1,151,239)	(899,598)	(410,534)	(460,382)	(2,921,753)

Notes to the Financial Statements (continued)

5. Segment information - (continued)

	Kenya Hotels and Lodges Shs '000	Tanzania Lodges Shs '000	Uganda Hotel Shs '000	All other segments Shs '000	Total Shs '000
Depreciation on right of use asset	(287,037)	(148,970)	(144,759)	(2,080)	(582,846)
Depreciation on property and equipment	(69,860)	(14,728)	(1,482)	(808)	(86,878)
Income tax expense	(475,238)	(167,169)	(48,033)	(32,822)	(723,262)
Interest income	27,918	2,511	7,088	10,186	47,703
Interest expense	(428,666)	(63,595)	(1,489)	(181)	(493,931)
Share of profit from associates	-	-	-	19,665	19,665
Investment in associates	-	-	-	861,948	861,948
Additions to property and equipment	415,464	329,124	12,440	14,039	771,067
Other assets	10,000,254	2,885,891	3,461,346	2,571,003	18,918,494
Goodwill	324,643	681,016	266,293	-	1,271,952
Total assets	10,324,897	3,566,907	3,727,639	2,571,003	20,190,446
Total liabilities	(5,589,720)	(2,054,895)	(952,336)	(57,509)	(8,654,460)

The Company has disclosed EBITDA because management believes that this measure is relevant to a better understanding of the financial performance. EBITDA is not a defined performance measure in IFRS Accounting Standards. The Company's definition of EBITDA may not be comparable with similarly titled performance measures and disclosures by other entities. This disclosure is provided for illustrative purposes only.

*Inventory expensed and employee benefits expense has been included to comply with International Financial Reporting Interpretations Committee (IFRIC) requirement. EBITDA is calculated by adjusting profit from the continuing operations to exclude share of associate results, the impact of taxation, net finance costs, depreciation, amortisation, impairment losses and reversals related to goodwill, intangible assets and property, plant and equipment. A reconciliation of adjusted EBITDA to profit before tax is provided as follows:

	2025 Shs'000	2024 Shs'000
EBITDA	2,274,532	2,446,308
Depreciation on property and equipment	(627,836)	(582,845)
Depreciation on right of use asset	(85,920)	(86,878)
Finance costs – net	(312,003)	208,300
Share of (loss)/profit of associates accounted for using the equity method	(36,654)	19,665
Profit before income tax	1,212,119	2,004,550

There are no significant revenues derived from a single external customer.

6. Other income

Other income relates to income earned from services offered through third-parties which include village tours around the parks and other miscellaneous income.

	Group	
	2025 Shs'000	2024 Shs'000
Other income	320,099	259,820
	320,099	259,820

Notes to the Financial Statements (continued)

7. Profit before tax

The following items have been charged in arriving at profit before income tax:

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Employee benefit expense (Note 8)	2,950,149	2,921,753	-	-
Advertising and promotion expenses (Note 9)	619,900	516,271	-	-
Repairs and maintenance of property and equipment (Note 9)	498,561	648,081	-	-
Receivables – provision for impairment losses (Note 26)	63,865	(35,836)	-	-
Auditors' remuneration	20,340	19,768	3,360	3,200
Depreciation expense on property, plant and equipment (Note 20)	627,836	582,845	-	-
Depreciation on right of use assets (Note 22)	85,920	86,878	-	-
Inventories expensed (Note 25)	1,412,282	1,471,564	-	-
Loss/(profit) on disposal of property, plant and equipment	436	(1,814)	-	-

8. Employee benefits expense

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Salaries, wages and other staff costs	2,734,664	2,717,019	-	-
Retirement benefits costs:				
- Defined Benefit Scheme	7,994	16,899	-	-
- Defined Contribution Scheme	74,706	57,420	-	-
- National Social Security Funds	132,785	130,415	-	-
	2,950,149	2,921,753	-	-
Other staff	2,321	2,376	-	-
Management	117	114	-	-
Number of employees*	2,438	2,490	-	-

* The number of employees disclosed relates solely to subsidiaries.

Notes to the Financial Statements (continued)

9. (a) Other operating expenses

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Advertising and promotions	619,900	516,271	-	4,470
Heat, light, power and water	656,944	828,629	-	-
Insurance premiums	290,184	239,467	-	-
Operating supplies	360,566	299,327	-	-
Variable lease	395,608	350,528	-	-
Security	94,511	97,123	-	-
Repairs and maintenance	498,561	648,081	-	-
Auditor's remuneration*	20,340	19,768	3,360	3,200
Bank charges	46,997	48,170	-	-
Other expenses	752,406	594,535	41,885	26,933
	3,736,017	3,641,899	45,245	34,603

Other expenses comprise

Group

Protective service and security	94,511	46,207
Lease modification**	76,599	-
Administration & General expenses	554,539	522,365
Other expenses	26,757	25,963
	752,406	594,535

Company

Other expenses	19,581	8,815
Directors' fees	11,450	8,500
Trade publications	6,432	4,470
Registry expenses	4,422	5,148
	41,885	26,933

*Auditors' remuneration represents the fees that have been charged for the financial statements audit for the current and previous financial year. There are no other non-audit fees paid to the external auditor in both current and prior year.

**In 2025, the Group remeasured its lease liabilities following changes in lease payment terms. The cumulative impact of lease payment changes was recognised in the current year's profit or loss, this expense relates to accelerated depreciation and interest expense.

(b) Impairment Credit – Financial Assets

	Group		Company	
	2025	2024	2025	2024
Receivables – expense/(release) for impairment losses (Note 26)	63,865	(35,836)	-	(9,965)

Notes to the Financial Statements (continued)

10. Finance income /(costs)

Group	2025 Shs'000	2024 Shs'000
Finance income:		
Interest income from fixed deposits (Note 27(b))	42,975	47,704
Net foreign currency exchange gain on lease liability (Note 17)	2,088	258,993
Other net foreign currency exchange gains**	68,263	-
Net foreign currency exchange gain on borrowings (Note 16)	-	572,520
Total finance income	113,326	879,217
Finance costs:		
Interest expense on borrowings (Note 16)	(222,308)	(338,491)
Interest expense on actuarial valuation (Note 19)	(14,200)	(1,955)
Interest on lease liability (Note 17)	(157,311)	(153,485)
Net foreign currency exchange loss on borrowings (Note 16)	(15,072)	-
Net foreign currency exchange loss on fixed deposits (Note 27(b))	(16,438)	(173,609)
Other net foreign currency exchange loss**	-	(3,377)
Total finance costs	(425,329)	(670,917)
Net finance (costs)/income	(312,003)	208,300
Company		
Interest income from fixed deposits	10,927	9,471
Net foreign currency exchange loss on fixed deposits	(582)	(23,654)
Net finance income/(costs)	10,345	(14,183)

**Other net foreign currency exchange gains/ (loss) relate to foreign exchange revaluation on working capital and cash and cash equivalents.

Notes to the Financial Statements (continued)

11. Taxation

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Current income tax	315,349	187,446	3,278	2,841
Prior year under provision of current tax	-	3,945	-	-
Deferred income tax (Note 18)	117,810	495,337	-	-
(Over)/under provision of deferred tax expense (Note 18)	(8,194)	529	-	-
Income tax expense	424,965	687,257	3,278	2,841

(b) Reconciliation of tax based on accounting profit to tax charge

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Profit/ (Loss) before income tax	1,212,119	2,004,550	910	(38,821)
Tax calculated at domestic rates applicable to profits in the respective countries at 30% (2024 – 30%)	363,636	601,365	273	(11,646)
Tax effect of:				
Share of profit of associate	10,996	(5,899)	-	-
Expenses not deductible for tax purposes	65,449	80,221	9,927	7,391
Deferred tax asset not recognised (Note 18)	(6,922)	7,096	(6,922)	7,096
Prior year under provision of current tax	-	3,945	-	-
(Over)/under provision of deferred tax	(8,194)	529	-	-
Income tax expense	424,965	687,257	3,278	2,841

The Company's income tax for the year is from interest income on fixed deposits which is subject to Corporate Income Tax.

*The expenses not deductible for tax purposes include education benefits, shareholder-related costs and other generally disallowable expenses.

Notes to the Financial Statements (continued)

11. Taxation (continued)

(c) Current tax recoverable

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
At start of the year	168,373	173,391	2,417	4,175
Current year income tax expense	(315,349)	(187,446)	(3,278)	(2,841)
Instalment tax paid current year	313,731	207,406	5,558	1,083
Prior year under provision of current tax	-	(3,945)	-	-
Foreign exchange differences	632	(21,033)	-	-
	167,387	168,373	4,697	2,417

12. Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Group	
	2025	2024
Profit attributable to equity holders of the Company (Shs 000s)	781,957	1,281,840
Weighted average number of ordinary shares in issue (thousands)	282,651	282,651
Basic and Diluted earnings per share (Shs)	2.77	4.54

There were no potentially dilutive shares outstanding at 31 December 2025.

13. Dividends per share

Proposed dividends are accounted for as a separate component of equity until they have been ratified at the Annual General Meeting. Qualifying shares for 2025 were 282,650,579 shares (2024 – 282,650,579 shares). Final dividend of KShs 0.35 per share for the year ended 31 December 2025 is to be proposed at the forthcoming Annual General Meeting (2024 – KShs 0.35 per share).

Payment of dividends is subject to withholding tax at a rate of 5% for shareholders who are citizens of East Africa Partner States. No withholding tax is applicable, 0% for resident companies holding at least 12.5% shareholding and, 0% for shareholders who are insurance companies or whose dividend income is exempt from tax and 15% withholding tax applies to all other shareholders.

14. Share capital

(a) Share capital

	Group		Company	
	2025	2024	2025	2024
Authorised:				
At 1 January and 31 December: 290,650,579 ordinary shares of KShs 1 per share.	290,651	290,651	290,651	290,651
Issued and fully paid:				
At 1 January 2025/2024 and 31 December: 282,650,579 ordinary shares of KShs 1 per share.	282,651	282,651	282,651	282,651

All shares rank equally with regard to the company's residual assets. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the company.

Notes to the Financial Statements (continued)

14. Share capital (continued)

(b) Share premium

	Group		Company	
Authorised:	2025	2024	2025	2024
At 1 January and 31 December	6,001,741	6,001,741	6,001,741	6,001,741

The share premium arose in prior years from issuance of ordinary shares at a premium.

15. Reserves

(a) Revaluation reserve

The revaluation reserve represents the surplus on the revaluation of buildings and actuarial gains/(losses) on post-retirement benefits net of deferred income tax and is non-distributable.

	2025 Shs'000	2024 Shs'000
At 1 January	2,211,352	2,266,195
Actuarial losses	-	(10,705)
Deferred tax impact	-	3,212
Revaluation on land and building	1,616,285	-
Deferred tax impact	(484,886)	-
Transfer of excess depreciation	(78,044)	(67,643)
Deferred tax impact	23,413	20,293
At 31 December	3,288,120	2,211,352

Comprising

Revaluation surplus	3,365,640	2,288,872
Actuarial losses on defined benefit plans	(77,520)	(77,520)
At 31 December	3,288,120	2,211,352

(b) Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations to Kenya Shillings. Its movement in the year is as follows:

	2025 Shs'000	2024 Shs'000
At 1 January	(729,353)	(344,321)
Movement in the year:		
Property and equipment – (Note 20)	22,662	(690,346)
Borrowings (Note 16)	1,095	(60,004)
Deferred tax (assets)/liabilities (Note 18)	(5,661)	113,413
Current income tax (Note 11)	632	(21,033)
Cash and cash equivalents	9,960	7,497
Equity - Foreign currency translation differences	53,422	61,066
Right of use assets (Note 22)	(45)	50,116

Notes to the Financial Statements (continued)

15. Reserves (continued)

(b) Translation reserve (continued)

	2025 Shs'000	2024 Shs'000
Lease liabilities (Note 17)	524	(10,075)
	82,589	(549,366)
Non-controlling interest (Note 30)	(12,267)	164,334
At 31 December	(659,031)	(729,353)

16. Borrowings

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
The borrowings are made up as follows:				
Non-current				
Term loans	1,843,307	2,501,485	-	-
Current				
Term loans	678,603	487,913	-	-
Total borrowings	2,521,910	2,989,398	-	-

Reconciliation of liabilities arising from financing activities (Term loan)

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Year ended 31 December				
At start of year	2,989,398	4,076,851	-	-
Interest expense	222,308	338,491	-	-
Foreign exchange loss/(gain)	15,072	(572,520)	-	-
Cash flows:				
Interest paid	(222,308)	(338,491)	-	-
Proceeds from borrowings	-	113,062	-	-
Repayments of borrowings	(481,465)	(687,999)	-	-
Translation differences	(1,095)	60,004	-	-
At end of year	2,521,910	2,989,398	-	-

Notes to the Financial Statements (continued)

16. Borrowings (continued)

Group Lender	Currency	Facility	Effective Interest Rate %	Effective date	Maturity Date	2025 Shs'000	2024 Shs'000
Tanzania							
ABSA Bank Tanzania Limited-Overdraft	US\$	2,000,000	9.83%	21/09/2024	20/09/2025	-	-
Aga Khan Fund for Economic Development SA (AKFED)	US\$	6,261,074	4.25%	01/01/2024	31/12/2030	805,242	789,561
Zanzibar							
AKFED	US\$	740,000	4.25%	01/01/2024	31/12/2030	90,077	88,323
Kenya							
ABSA Bank Kenya PLC - Bank overdraft	Shs	150,000,000	10.46%	26/01/2024	25/01/2025	-	-
Equity Kenya Ltd - Bank overdraft	Shs	100,000,000	12.00%	09/09/2024	08/09/2025	-	-
PROPARCO - Term loan	US\$	20,000,000	8.76%	24/08/2015	15/12/2030	1,508,215	1,857,850
ABSA Bank Kenya PLC - Term loans	Shs	970,000,000	11.08%	13/02/2015	29/12/2026	118,376	253,664
Uganda							
Equity Kenya Ltd - Bank overdraft	US\$	1,500,000	5.50%	03/12/2024	02/12/2025	-	-
Total borrowings						2,521,910	2,989,398

Fair values of the borrowings are disclosed at Note 4.

Bank loans are secured by legal charges over certain land, buildings and other assets of the Group and a guarantee by TPS Eastern Africa PLC for Tourism Promotion Services (Kenya) Limited, in addition to a floating debenture over all assets of Tourism Promotion Services (Kenya) Limited, Tourism Promotion Services (Tanzania) Limited; and Tourism Promotion Services (Zanzibar) Limited. The PROPARCO loans are guaranteed by TPS Eastern Africa PLC, the Parent Company. At 31 December 2025, properties with a carrying amount of KShs 5,203,000,000 forms security for PROPARCO loan.

Notes to the above table of borrowings:

- (i) As at 31 December 2025, the Group was in compliance with all ABSA Bank and PROPARCO loan covenants.

Borrowings in respective currencies were as follows:

Currency	Group	
	2025 Shs'000	2024 Shs'000
US Dollars	2,403,534	2,698,339
Kenya Shillings	118,376	291,059
Total borrowings	2,521,910	2,989,398

Notes to the Financial Statements (continued)

17. Lease liability

	Group	
	2025 Shs'000	2024 Shs'000
Opening balance	1,365,444	1,651,190
Interest charge	157,311	153,485
Principal lease payments during the year	(41,379)	(40,996)
interest lease paid	(157,311)	(153,485)
Lease modification	92,836	4,168
Foreign exchange impact on lease modification	20,857	-
Foreign exchange (gain)/loss	(2,088)	(258,993)
Translation differences	(524)	10,075
	1,435,146	1,365,444
The lease liability is classified as follows:		
Non-current	1,247,257	1,181,205
Current	187,889	184,239
	1,435,146	1,365,444

Undiscounted lease liability is classified as follows:

	Group	
	2025 Shs'000	2024 Shs'000
Within one year	191,174	184,678
Later than one year and not later than five years	1,386,822	1,577,996
Later than five years	1,625,655	1,416,133
	3,203,651	3,178,807

Some leases contain extension options exercisable by the Group up to one term after the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liability of Shs 578,947,000.

Notes to the Financial Statements (continued)

18. Deferred income tax

Deferred income tax is calculated using the enacted income tax rate of 30% (2024 - 30%). The movement on the deferred income tax account is as follows:

	Group	
	2025 Shs'000	2024 Shs'000
Deferred income tax asset		
At start of year	12,295	7,393
(Charge)/Credit to profit or loss	(439)	4,929
Effect of change in exchange rates	12	(27)
At end of year	11,868	12,295
Deferred income tax liability		
At start of year	2,070,413	1,686,270
Charge to profit or loss	117,371	500,266
(Over)/under provision for deferred tax (Note 11)	(8,194)	529
Charge/(Credit) to other comprehensive income	464,757	(3,212)
Effect of change in exchange rates	5,673	(113,440)
At end of year	2,650,020	2,070,413
Net impact to profit or loss (Note 11)	117,810	495,337

	Group				
	1.1.2025 Shs'000	Charge/(credit) to OCI Shs'000	Charge to P/L Shs'000	Effect of change in exchange rates Shs'000	31.12.2025 Shs'000
Deferred income tax asset					
Deferred tax liabilities					
Property, plant & equipment					
- on historical cost	107,440	-	203	-	107,643
	107,440	-	203	-	107,643
Deferred tax assets					
Provision	(119,735)	-	236	(12)	(119,511)
	(119,735)	-	236	(12)	(119,511)
Net deferred tax asset	(12,295)	-	439	(12)	(11,868)

Notes to the Financial Statements (continued)

18. Deferred income tax (continued)

Deferred income tax asset (continued)		Group			
	1.1.2024 Shs'000	Charge(credit) to P/L Shs'000	Charge to OCI Shs'000	Effect of change in exchange rates Shs'000	31.12.2024 Shs'000
Deferred tax liabilities					
Property, plant & equipment					
- on historical cost	107,399	-	41	-	107,440
	107,399	-	41	-	107,440
Deferred tax assets					
Provision	(114,792)	-	(4,970)	27	(119,735)
	(114,792)	-	(4,970)	27	(119,735)
Net deferred tax asset	(7,393)	-	(4,929)	27	(12,295)

Deferred income tax liabilities		Group				
	1.1.2025 Shs'000	Under provision for deferred tax Shs'000	Charge/(credit) to profit or loss Shs'000	Charged/ (credit) to OCI Shs'000	Effect of change in exchange rates Shs'000	31.12.2025 Shs'000
Deferred tax liabilities						
Property, plant & equipment						
- on historical cost	(45,776)	9,507	(17,122)	-	(7,735)	(61,126)
- on revaluation surpluses	2,903,552	(2,178)	(12,167)	464,757	13,250	3,367,214
Right of use asset	230,217	-	(10,774)	-	58,926	278,369
Lease liability	(388,486)	-	(23,548)	-	-	(412,034)
	2,699,507	7,329	(63,611)	464,757	64,441	3,172,423
Deferred tax assets						
Provisions	(54,827)	(29,070)	12,241	-	(58,878)	(130,534)
Tax losses carried forward	(358,448)	10,817	167,725	-	-	(179,906)
Unrealised foreign exchange (gains)/losses	(215,819)	2,730	1,016	-	110	(211,963)
	(629,094)	(15,523)	180,982	-	(58,768)	(522,403)
Net deferred tax liability	2,070,413	(8,194)	117,371	464,757	5,673	2,650,020

Notes to the Financial Statements (continued)

18. Deferred income tax (continued)

Deferred income tax liabilities (continued)

	Group					
	1.1.2024 Shs'000	Under provision for deferred tax Shs'000	Charge/(credit) to profit or loss Shs'000	Charged/ (credit) to OCI Shs'000	Effect of change in exchange rates Shs'000	31.12.2024 Shs'000
Deferred income tax liabilities						
Property, plant & equipment						
- on historical cost	1,120,736	(1,033)	(5,388)	-	(1,160,091)	(45,776)
- on revaluation surpluses	731,964	(1,938)	(20,726)	(3,212)	2,197,464	2,903,552
Right of use	353,269	3,500	4,645	-	(131,197)	230,217
Lease liability	(475,267)	-	86,781	-	-	(388,486)
	1,730,702	529	65,312	(3,212)	906,176	2,699,507
Deferred tax assets						
Provisions	35,927	-	9,133	-	(99,887)	(54,827)
Tax losses carried forward	(73,978)	-	348,841	-	(633,311)	(358,448)
Unrealised foreign exchange (gains)/losses	(6,381)	-	76,980	-	(286,418)	(215,819)
	(44,432)	-	434,954	-	(1,019,616)	(629,094)
Net deferred tax liability	1,686,270	529	500,266	(3,212)	(113,440)	2,070,413

Aging of tax losses for which deferred tax is recognized

Year of Origin	Tourism Promotion Services (Kenya) Limited Shs '000	Tourism Promotion Services (Tanzania) Limited Shs '000	Total Shs'000
2018	2,942,924	-	2,942,924
2019	820,230	-	820,230
2020	431,155	335,601	766,756
2021	(76,327)	278,143	201,816
2022	(559,036)	(288,090)	(847,126)
2023	(1,367,301)	(272,210)	(1,639,511)
2024	(1,032,872)	(53,444)	(1,086,316)
2025	(559,085)	-	(559,085)
Total	599,688	-	599,688

Based on the Finance Act 2025 in Kenya, tax losses incurred on or after 1st July 2025 are capped to a maximum carry-forward period of five years.

Notes to the Financial Statements (continued)

18. Deferred tax liabilities (continued)

Unrecognised deferred tax asset arising from temporary differences:

Deferred tax asset of Shs 174,000 (2024 – Shs 7,096,000) have not been recognised in respect of deductible temporary difference for the Company because it is not probable that future taxable profit will be available against which the company can use the benefits.

2025	1.1.2025 Shs '000	Movement through P&L Shs '000	Movement through OCI Shs '000	31.12.2025 Shs '000
Other temporary differences	7,096	(6,922)	-	174

	1.1.2024 KShs '000	Movement through P&L Shs '000	Movement through OCI Shs '000	31.12.2024 Shs '000
Other temporary differences	-	7,096	-	7,096

19. Retirement benefit obligations

For unionised employees in two subsidiaries, the Group has an unfunded obligation to pay terminal gratuities under its Collective Bargaining Agreement with the union.

Employees who resign after serving for periods of between five years and ten years, receive eighteen days' salary and house allowance or each completed year of service at the rate of pay applicable at the date of resigning.

Employees who resign after serving for more than ten years receive twenty-four days' salary and house allowance for each completed year of service. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method

Provision for employees' entitlement to gratuity is based on the number of years worked by individual employees up to the reporting date. The movement during the year is as follows:

	Group	
	2025 Shs'000	2024 Shs'000
At start of year	117,289	98,116
Additional provision	8,383	18,855
Interest expense	14,200	1,955
Actuarial loss	-	8,750
Benefits paid transferred to pension scheme	(6,476)	(10,387)
At end of year	133,396	117,289

Notes to the Financial Statements (continued)

19. Retirement benefit obligations (continued)

The scheme was last valued by an independent actuary as at 31 December 2025. The significant actuarial assumptions were as follows:

	2025 Shs'000	2024 Shs'000
- discount rate	14.0%	14.0%
- future salary increases	7.0%	7.0%
- withdrawal rate	4.0%	4.0%
- retirement age	60 years	60 years

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is not significant for 2025 (2024 – not significant).

Under IAS 19 revised, actuarial gains and losses are recognised in the other comprehensive income consistent with prior year. The charge to profit or loss is made up of interest charge and current service cost.

Assumptions regarding future mortality experience are set based on actuarial advice, published statistics and experience in the industry. The Directors do not anticipate variation of the assumptions to impact the obligations significantly.

In the opinion of the Directors, the provision for gratuity entitlement for employees fairly reflects the Group's future obligation under the terms of the Collective Bargaining Agreement. The scheme has no dedicated assets.

A marginal increase or reduction in the actuarial assumptions does not result in a material change in the liability and the Group adopted the most conservative resultant liability

20. Property and equipment - Group

	Land Shs'000	Land & buildings Shs'000	Furniture, Fittings & equipment Shs'000	Vehicles Shs'000	Operating equipment Shs'000	Capital work in progress Shs'000	Total Shs'000
At 1 January 2025							
At cost /valuation	647,000	16,163,530	5,097,215	445,307	140,964	305,538	22,799,554
Accumulated depreciation	-	(4,785,814)	(3,946,485)	(318,988)	-	-	(9,051,287)
Translation differences	-	(524,166)	123,505	(31,973)	22,545	(141,293)	(551,382)
Net book amount	647,000	10,853,550	1,274,235	94,346	163,509	164,245	13,196,885
Year ended 31 December 2025							
Opening net book amount	647,000	10,853,550	1,274,235	94,346	163,509	164,245	13,196,885
Additions	-	87,421	343,436	140,235	-	489,671	1,060,763
Disposals	-	-	(415,330)	(8,955)	-	-	(424,285)
Transfers	-	92,920	124,708	-	-	(217,628)	-
Depreciation charge	-	(299,665)	(277,312)	(50,859)	-	-	(627,836)
Depreciation on disposal	-	3,684	402,279	8,955	-	-	414,918
Revaluation on operating equipment	-	-	-	-	8,542	-	8,542
Revaluation on land and buildings	22,500	1,526,689	-	-	-	-	1,549,189
Translation differences	-	24,863	(1,044)	(1,374)	(79)	296	22,662
Net book amount	669,500	12,289,462	1,450,972	182,348	171,972	436,584	15,200,838

Notes to the Financial Statements (continued)

20. Property and equipment – Group (continued)

	Land Shs'000	Land & buildings Shs'000	Furniture, Fittings & equipment Shs'000	Vehicles Shs'000	Operating	Capital work in progress Shs'000	Total Shs'000
<i>At 31 December 2025</i>							
At cost	669,500	17,870,560	5,150,029	576,587	149,506	577,581	24,993,763
Accumulated depreciation	-	(5,081,795)	(3,821,523)	(360,892)	-	-	(9,264,210)
Translation differences	-	(499,303)	122,466	(33,347)	22,466	(140,997)	(528,715)
Net book amount	669,500	12,289,462	1,450,972	182,348	171,972	436,584	15,200,838

*Land and buildings have been presented separately into 2 separate classes of land and land & buildings in accordance with IAS 16.58.

	Land Shs'000	Land & buildings Shs'000	Furniture, Fittings & equipment Shs'000	Vehicles Shs'000	Operating equipment Shs'000	Capital work in progress Shs'000	Total Shs'000
<i>At 1 January 2024</i>							
At cost/valuation	647,000	16,059,419	4,694,966	378,636	140,928	184,144	22,105,093
Accumulated depreciation	-	(4,493,601)	(3,727,780)	(320,148)	-	-	(8,541,529)
Translation differences	-	96,860	(42,169)	109,654	30,757	(56,133)	138,969
Net book amount	647,000	11,662,678	925,017	168,142	171,685	128,011	13,702,533

Year ended 31 December 2024

Opening net book amount	647,000	11,662,678	925,017	168,142	171,685	128,011	13,702,533
Additions	-	81,165	421,259	84,255	36	184,352	771,067
Disposals	-	-	(58,908)	(17,698)	-	-	(76,606)
Transfers	-	22,946	39,898	114	-	(62,958)	-
Depreciation charge	-	(292,213)	(274,094)	(16,538)	-	-	(582,845)
Depreciation on disposal	-	-	55,384	17,698	-	-	73,082
Translation differences	-	(621,026)	165,679	(141,627)	(8,212)	(85,160)	(690,346)
Net book amount at cost/valuation	647,000	10,853,550	1,274,235	94,346	163,509	164,245	13,196,885

At 31 December 2024

At cost	647,000	16,163,530	5,097,215	445,307	140,964	305,538	22,799,554
Accumulated depreciation	-	(4,785,814)	(3,946,485)	(318,988)	-	-	(9,051,287)
Translation differences	-	(524,166)	123,505	(31,973)	22,545	(141,293)	(551,382)
Net book amount	647,000	10,853,550	1,274,235	94,346	163,509	164,245	13,196,885

The capital work in progress include ongoing IT system implementations, software and hardware acquisitions that are not yet commissioned as well as equipment and other items purchased but not yet received or installed. It also includes ongoing building works and other construction projects that are still in progress and have not yet been commissioned for use.

Notes to the Financial Statements (continued)

20. Property and equipment – Group (continued)

The Group's buildings and land for Tourism Promotion Services (Kenya) Limited were revalued on 31 December 2025 by CP Robertson Dunn Property Valuers Ltd, a firm of registered independent valuers while Tourism Promotion Services (Tanzania) Limited and Tourism Promotion Services (Zanzibar) Limited were revalued by H & R Consultancy Limited in Tanzania and TPS(Uganda) Limited were revalued by Reitis Valuer. Revaluations of properties were made on the basis of earnings for existing use. The assumptions applied were as follows;

2025

Entity	Discount rate	Growth rate	EBITDA Margin
Tourism Promotion Services (Kenya) Limited	16% to 17.5%	4%	20%- 35%
TPS (Uganda) Limited	9%	6%	6%
Tourism Promotion Services (Tanzania) Limited	12%	10%	35%
Tourism Promotion Services (Zanzibar) Limited	12%	10%	29%

2024

Entity	Discount rate	Growth rate	EBITDA Margin
Tourism Promotion Services (Kenya) Limited	14%	6%	21%
TPS (Uganda) Limited	15%	6%	22%
Tourism Promotion Services (Tanzania) Limited	15%	6%	10%
Tourism Promotion Services (Zanzibar) Limited	15%	6%	16%

- The resultant revaluation gain net of deferred income tax of KShs 1,084 million (2024; KShs 47 million) was recognised in the revaluation reserve through other comprehensive income.
- As at 31 December 2025, if the discount rate had increased by 1% with all other variables held constant, the valuation would have been lower by KShs 450 million (2024; KShs 759 million).
- As at 31 December 2025, if the discount rate had decreased 1% with all other variables held constant, the valuation would have been higher by KShs 504 million (2024; KShs 1.2 billion).
- As at 31 December 2025, if the gross margin rate had decreased / increased by 1% with all other variables held constant, the valuation would have been higher / lower by KShs 141 million (2024; KShs 61 million).
- As at 31 December 2025, if the growth rate had decreased / increased by 1% with all other variables held constant, the valuation would have been higher / lower by KShs 410 million (2024; KShs 294 million).

Management has assessed the recoverable amount by calculating the value in use using a discounted cashflow model (DCF).

Carrying amount under historical cost

The carrying amount of property, plant and equipment measured under revaluation would have been as stated below if property, plant and equipment had been carried under the cost model.

	Group	
	2025 Shs'000	2024 Shs'000
Cost	11,865,161	11,788,931
Accumulated depreciation	(3,472,384)	(3,468,616)
Net book amount	8,392,777	8,320,315

Notes to the Financial Statements (continued)

21. Intangible assets - Goodwill

Intangible assets comprise of goodwill arising from acquisitions over the years. The allocation of goodwill by cash generating unit is as follows:

Entity	Goodwill	
	2025 Shs'000	2024 Shs'000
Tourism Promotion Services (Kenya) Limited	324,643	324,643
TPS (Uganda) Limited	266,293	266,293
Tourism Promotion Services (Tanzania) Limited	576,345	576,345
Tourism Promotion Services (Zanzibar) Limited	104,671	104,671
	1,271,952	1,271,952

The directors monitor goodwill impairment at the segment level, being the cash generating unit (CGU). The group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of the cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial projections approved by the management covering a five-year period. The Managing Director considers the business from a geographic perspective. Geographically, management considers the performance in Kenya, Uganda and Tanzania. Zanzibar unit is disclosed separately but operates within Tanzania.

Management has made the following assumptions in assessing for goodwill impairment:

2025	Tanzania	Zanzibar	Uganda	Kenya
Budgeted average EBITDA margin (%)	35%	29%	24%	28%
Long term growth rate (%)	6%	6%	6%	5%
Pre-tax discount rate (%)	15%	15%	18%	14%
Annual capital expenditure as a % of revenue	4%	4%	4%	5%
2024				
Budgeted average EBITDA margin (%)	29%	29%	24%	28%
Long term growth rate (%)	6%	6%	6%	5%
Pre-tax discount rate (%)	15%	15%	15%	18%
Annual capital expenditure as a % of revenue	4%	4%	4%	4%

Notes to the Financial Statements (continued)

21. Intangible assets - Goodwill (continued)

These assumptions have been used for the analysis of each operating unit within the business segment. Management determined budgeted EBITDA margin based on past performance and its expectations for the market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

Management has determined the values assigned to each of the key assumptions used as follows:

Assumption	Approach used to determine values:
1. EBITDA growth as determined by: i) Room occupancy rates	Average room occupancy rate over the five-year forecast period; based on past performance and management expectations of market development.
ii) Room rates	Average annual growth rate over the five-year forecast period; based on current industry trends and including long term country inflation forecast.
iii) Projected average gross margins	Based on past performance and management expectations of the future.
2. Annual capital expenditure as a % of revenue	Expected cash costs in the CGUs. This is based on the historical experience of management, the planned refurbishment, or sustaining expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.
3. Long term growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the forecast period. The rate is based on long term growth rate forecasts for the industry and country.
4. Pre-tax discount rate	Based on specific risks relating to the industry and country. Factors considered for the industry include regulatory environment, market competition, and barriers to entry.

The Directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the CGU's to exceed its recoverable amount.

Tourism Promotion Services (Kenya) Limited goodwill

Based on the above assumptions, the recoverable value exceeded the carrying net asset amount (including the goodwill) of the CGU at 31 December 2025 by Shs 5.6 billion

Significant estimate: Impact of possible changes in key assumptions

If the budgeted EBITDA margin used in the value-in-use calculation had been 1% higher/ lower than the management estimates at 31 December 2025 with all other assumptions in the table above unchanged, the head room would have increased/ decreased by Shs 195 million. The 1% change in forecast EBITDA margins represents a reasonably possible reduction in sales prices and/or increase in production and other costs over the 5-year forecast period.

If the pre-tax discount rate applied to the cash flow projection of the CGU had been 1% higher than management estimates and all other assumptions in the table above unchanged, the headroom would have decreased by Shs 1.2 billion. If the pre-tax discount rate applied to the cash flow projection of the CGU had been 1% lower than management estimates and all other assumptions unchanged, the headroom would have increased by Shs 1.6 billion.

TPS (Uganda) Limited goodwill

Based on the above assumptions, the recoverable value exceeded the carrying net asset amount (including the goodwill) of the CGU at 31 December 2025 by Shs 214 million,

Significant estimate: Impact of possible changes in key assumptions

If the budgeted EBITDA margin used in the value-in-use calculation had been 1% higher/ lower than the management estimates at 31 December 2025 with all other assumptions in the table above unchanged, the head room would have increased/ decreased by Shs 42 million. The 1% change in forecast EBITDA margins represents a reasonably possible reduction in sales prices and/or increase in production and other costs over the 5-year forecast period.

If the post-tax discount rate applied to the cash flow projection of the CGU had been 1% higher than management estimates and all other assumptions in the table above unchanged, the headroom would have decreased by Shs 207 million.

If the post-tax discount rate applied to the cash flow projection of the CGU had been 1% lower than management estimates and all other assumptions unchanged, the headroom would have increased by Shs 244 million.

Notes to the Financial Statements (continued)

21. Intangible assets - Goodwill (continued)

Tourism Promotion Services (Tanzania) Limited goodwill

Based on the above assumptions, the recoverable value exceeded the carrying net asset amount (including the goodwill) of the CGU at 31 December 2025 by KShs 10.6 billion.

Significant estimate: Impact of possible changes in key assumptions

If the budgeted EBITDA margin used in the value-in-use calculation had been 1% higher/ lower than the management estimates at 31 December 2025 with all other assumptions in the table above unchanged, the head room would have increased/ decreased by KShs 212 million.

The 1% change in forecast EBITDA margins represents a reasonably possible reduction in sales prices and/or increase in production and other costs over the 5-year forecast period.

If the post-tax discount rate applied to the cash flow projection of the CGU had been 1% higher than management estimates and all other assumptions in the table above unchanged, the headroom would have decreased by Shs 1.4 billion.

If the post-tax discount rate applied to the cash flow projection of the CGU had been 1% lower than management estimates and all other assumptions unchanged, the headroom would have increased by Shs 1.7 billion.

Tourism Promotion Services (Zanzibar) Limited goodwill

Based on the above assumptions, the recoverable value exceeded the carrying net asset amount (including the goodwill) of the CGU at 31 December 2025 by KShs 670 million.

If the budgeted EBITDA margin used in the value-in-use calculation had been 1% higher/lower than the management estimates at 31 December 2025 with all other assumptions in the table above unchanged, the headroom would have increased/decreased by KShs 17 million.

The 1% change in forecast EBITDA margins represents a reasonably possible reduction in sales prices and/or increase in production and other costs over the 5 year forecast period.

If the post-tax discount rate applied to the cash flow projection of the CGU had been 1% higher than management estimates and all other assumptions in the table above unchanged, the headroom would have decreased by KShs 126 million.

If the post-tax discount rate applied to the cash flow projection of the CGU had been 1% lower than management estimates and all other assumptions unchanged, the headroom would have increased by Shs 157 million.

22. Right of use assets

The Group's leasing activities primarily relate to property leases used in its administrative and hospitality operations. These include office buildings and premises used for hotels, parks, and camps. Where leases cover both land and buildings, the lease components have not been separated as the land does not transfer ownership and has no alternative economic use without the related buildings.

	Group	
	2025 Shs'000	2024 Shs'000
Opening balance	1,056,998	1,090,562
Lease modification	37,094	3,198
Depreciation	(85,920)	(86,878)
Translation differences	(45)	50,116
	1,008,127	1,056,998

Notes to the Financial Statements (continued)

23. Investment in subsidiaries (at cost)

The Company's interest in its subsidiaries (Tourism Promotion Services (Kenya) Limited – TPS(K), Tourism Promotion Services (Tanzania) Limited – TPS(T), Tourism Promotion Services (Zanzibar) Limited – TPS(Z), Tourism Promotion Services (Mangapwani) Limited – TPS(Mgp), Tourism Promotion Services (South Africa)(Pty) Limited – TPS(SA), Tourism Promotion Services (Management) Limited – TPS(M) and TPS (Uganda) Limited – TPS(U)), none of which is listed on a stock exchange and all of which have the same year end as the Company, were as follows:

	TPS(K) Shs'000	TPS(T) Shs'000	TPS(Z) Shs'000	TPS(Mgp) Shs'000	TPS(SA) Shs'000	TPS(M) Shs'000	TPS(U) Shs'000	Total Shs'000
At 1 January 2025,	2,392,445	1,487,783	437,423	-	1	30	1,432,174	5,749,856
Investment during the year	-	-	-	-	-	-	-	-
At 31 December 2025	2,392,445	1,487,783	437,423	-	1	30	1,432,174	5,749,856
Country of Incorporation	Kenya	Tanzania	Tanzania	Tanzania	South Africa	Kenya	Uganda	
% interest held 2024 and 2025	100.0%	100.0%	100.0%	100.0%	100.0%	99.8%	65.2%	
	TPS(K) Shs'000	TPS(T) Shs'000	TPS(Z) Shs'000	TPS(Mgp) Shs'000	TPS(SA) Shs'000	TPS(M) Shs'000	TPS(U) Shs'000	Total Shs'000
At 1 January 2024,	2,392,445	1,487,783	437,423	-	1	-	1,432,174	5,749,826
Investment during the year	-	-	-	-	-	30	-	30
At 31 December 2024	2,392,445	1,487,783	437,423	-	1	30	1,432,174	5,749,856
Country of Incorporation	Kenya	Tanzania	Tanzania	Tanzania	South Africa	Kenya	Uganda	
% interest held 2024 and 2025	100.0%	100.0%	100.0%	100.0%	100.0%	99.8%	65.2%	

Interests in subsidiaries are tested for impairment when there is an indicator of impairment by comparing the carrying value of the cash generating unit to the recoverable value of that cash generating unit. Recoverable amount for investment in subsidiaries is calculated on a consistent basis with that used for impairment testing of goodwill, as set out in Note 21.

Other indirect subsidiaries include Jaja Limited, which owns the concession for Lake Elmenteita Serena Camp, and TPS (OP) Limited which owns the concession for Sweetwaters Serena Camp, both of which are 100% subsidiaries of TPS(K); and Upekee Lodges Limited (100% subsidiary of TPS(T)) which is dormant.

In the opinion of the directors, there has been no impairment of any of the investments during the year under review.

Notes to the Financial Statements (continued)

23. Investment in subsidiaries (at cost) (continued)

Subsidiaries with significant non-controlling interest

The following table summarises the information relating to TPS (Uganda) Limited which has a material Non- Controlling interest (NCI) before inter – group eliminations;

31 December	2025 Shs'000	2024 Shs'000
NCI percentage	34.81%	34.81%
Non-current assets	2,693,776	2,698,648
Current assets	845,662	1,052,002
Non-current liabilities	(484,658)	(553,976)
Current liabilities	(404,999)	(398,359)
Net assets underlying NCI	2,649,781	2,798,315
Underlying NCI	922,389	974,093
Revenue	1,870,607	1,897,319
Profit	14,930	101,849
Other Comprehensive Income (CIO)	(134,923)	-
Total comprehensive income	(119,993)	101,849
Profit allocated to NCI	5,197	35,453
OCI allocated to NCI	(46,967)	-
Cash flows from operating activities	200,865	302,944
Cash flows from investing activities	(302,283)	(52,038)
Cash flows from financing activities	(63,776)	(47,115)
Net (decrease)/increase in cash and cash equivalents	(165,194)	203,791

24. Investment in associates

	Group	
	2025 Shs'000	2024 Shs'000
At start of the year	861,948	842,073
Investment during the year	-	210
Share of associate results before tax	(16,507)	31,107
Share of tax	(20,147)	(11,442)
Net share of results after tax	(36,654)	19,665
At end of year	825,294	861,948

Notes to the Financial Statements (continued)

24. Investment in associates (continued)

	Company	
	2025 Shs'000	2024 Shs'000
At start and end of year	840,330	840,330

The Company holds 25.1% interest in TPS (D) Limited, a Kenyan domiciled entity which was established as the holding company to acquire the Movenpick Hotel (subsequently Dar es Salaam Serena Hotel) in Dar es Salaam, Tanzania. TPS (D) Limited owns 100% of an off-shore company, TPS (Cayman) Limited (previously Kingdom 5-KR-90 Limited), which owns the Tanzanian operating company, Tanruss Investment Limited the owner of Dar es Salaam Serena Hotel. Other shareholders in TPS (D) Limited include: The Aga Khan Fund for Economic Development, S.A and PDM Holdings Limited.

Other associates of the Company are Mountain Lodges Limited and Tourism Promotion Services (Rwanda) Limited. The year end for all the associates have the same year end as the Company..

The key financial data as at year end of Mountain Lodges Limited (incorporated in Kenya), Tourism Promotion Services (Rwanda) Limited (incorporated in Rwanda) and TPS (D) Limited (incorporated in Kenya) is as follows:

	% interest held	Current Assets Shs'000	Non-current Assets Shs'000	Current Liabilities Shs'000	Non-current Liabilities Shs'000	Revenues Shs'000	Profit/(loss) Shs'000	Other comprehensive income Shs'000
2025								
TPS (Rwanda) Limited	20.15	388,548	984,701	263,424	167,502	1,553,681	62,091	-
TPS (D) Limited	25.10	163,611	4,062,082	780,414	806,780	1,020,319	(195,878)	-
Mountain Lodges Limited*	29.90	5,195	101,272	165,502	42,464	-	-	-
		557,354	5,148,055	1,209,340	1,016,746	2,574,000	(133,787)	-
2024								
TPS (Rwanda) Limited	20.15	530,616	940,176	353,711	184,869	1,407,182	85,301	-
TPS (D) Limited	25.10	216,031	3,733,090	656,539	485,309	1,315,843	9,867	-
Mountain Lodges Limited*	29.90	5,195	101,272	165,502	42,464	-	-	-
		751,842	4,774,538	1,175,752	712,642	2,723,025	95,168	-

*Mountain Lodges Limited has not traded since 2020.

25. Inventories

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Food, beverage and consumables	330,128	361,975	-	-
Other stock	253,241	198,314	-	-
	583,369	560,289	-	-

Inventory is stated at cost. The cost of inventories recognised as an expense and included in 'inventory expensed' amounted to Shs 1,412,282,000 (2024 – Shs 1,471,564,000).

Notes to the Financial Statements (continued)

26. Trade and Other Receivables

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Trade receivables – third parties	551,987	800,950	-	-
Less: Loss allowance	(83,270)	(22,100)	-	-
Trade receivables – other related companies (Note 31 (v))	5,117	6,217	-	-
Net trade receivables	473,834	785,067	-	-
Prepayments	145,752	125,961	-	-
Advances to related companies (Note 31(v))	710,304	705,548	25,147	19,617
Less: Loss allowance on related party debts	(263,869)	(261,174)	-	-
Other receivables*	171,990	98,867	1,529	-
	1,238,011	1,454,269	26,676	19,617

*Other receivable relates to staff loans, salary advance and advances to suppliers. Movements on the Loss allowance on trade receivables and advances to related companies are as follows:

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Trade receivables				
At start of year	22,100	22,100	-	-
Additional provision	61,170	-	-	-
Receivables recovered during the year	-	-	-	-
At end of year	83,270	22,100	-	-
Advances to related companies				
At start of year	261,174	297,010	-	9,965
Additional provision	2,695	-	-	-
Receivables recovered during the year	-	(35,836)	-	(9,965)
At end of year	263,869	261,174	-	-

In the opinion of the Directors, the carrying amounts of the receivables approximate to their fair value.

Notes to the Financial Statements (continued)

26. Trade and Other Receivables (continued)

The carrying amounts of the Group's receivables and prepayments are denominated in the following currencies:

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
US Dollar	319,434	233,655	-	-
Euro	6,224	-	-	-
Sterling Pound	7,149	4,453	-	-
Kenya Shillings	362,474	627,023	26,676	19,617
Tanzania Shillings	281,221	320,937	-	-
Uganda Shillings	261,509	268,201	-	-
	1,238,011	1,454,269	26,676	19,617

27(a). Cash and cash equivalents

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Cash at bank and in hand	778,621	695,867	20,332	4,312

For the purposes of the cash flow statement, cash and cash equivalents comprise the following:

Cash and bank balances as above	778,621	695,867	20,332	4,312
	778,621	695,867	20,332	4,312

27(b). Financial Assets - Fixed deposits

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
At start of year	911,570	596,293	293,709	-
Purchases	2,588,960	8,705,330	449,352	307,892
Proceeds from maturity	(2,375,015)	(8,264,148)	(589,739)	-
Interest on fixed deposits	42,975	47,704	10,927	9,471
Foreign exchange (loss)/gain	(16,438)	(173,609)	(432)	(23,654)
At end of year	1,152,052	911,570	163,817	293,709

The above fixed deposits had maturity a six-month roll-over period and have therefore not been presented as cash and cash equivalents in the statement of financial position.

Notes to the Financial Statements (continued)

28. (a) Trade and Other Payable

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Trade payables	758,524	891,049	-	-
Trade payables – related companies (Note 31)	22,223	10,050	-	-
Advances from related companies (Note 31)	19,180	42,149	-	-
Accrued expenses and other payables*	1,328,088	1,168,668	9,589	12,826
	2,128,015	2,111,916	9,589	12,826

* Accrued expenses and other payable relates to advance receipts, unclaimed balances and payroll related liabilities.

The carrying amounts of the above payables and accrued expenses approximate to their fair values.

(b) Dividend Payables

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Opening balance – 1 January	-	36,103	-	36,103
Declared during the year	98,928	-	98,928	-
Paid during the period	(98,928)	(36,103)	(98,928)	(36,103)
Closing balance – 31 December	-	-	-	-

In 2024, the Company paid a dividend amounting to Shs 36 million to Aga Khan Fund for Economic Development (AKFED) in respect of an unclaimed dividend originally declared for the financial year ended 31 December 2018.

Notes to the Financial Statements (continued)

29. Cash generated from operations

Reconciliation of profit before income tax to cash generated from operations:

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Profit/(loss) before income tax	1,212,119	2,004,550	910	(38,821)
Adjustments for:				
Interest expense on borrowings (Note 10)	222,308	338,491	-	-
Interest expense on employee benefits (Note 10)	14,200	1,955	-	-
Interest income from fixed deposits (Note 10)	(42,975)	(47,704)	(10,927)	(9,471)
Interest expense on lease liability (Note 10)	157,311	153,485	-	-
Depreciation expense on property, plant and equipment (Note 20)	627,836	582,845	-	-
Depreciation on right of use asset (Note 22)	85,920	86,878	-	-
(Loss)/gain on sale of property, plant and equipment	(436)	1,814	-	-
Dividend income (Note 31(viii))	-	-	(35,810)	-
Lease modification (Note 9(a))	76,599	-	-	-
Net foreign exchange (gain)/loss on borrowings (Note 10)	15,072	(572,520)	-	-
Net foreign exchange gain on lease liabilities (Note 10)	(2,088)	(258,993)	-	-
Unrealised foreign exchange gain on deposits (Note 27(b))	16,438	173,609	-	-
Operating equipment valuation gain (Note 20)	8,542	-	-	-
Share of loss/(profit) from associates (Note 24)	36,654	(19,665)	-	-
Retirement benefit obligation provision (Note 19)	8,383	18,855	-	-
Retirement benefit obligation actuarial loss (Note 19)	-	8,750	-	-
Retirement benefit obligation payments/release (Note 19)	(6,476)	(10,387)	-	-
Changes in working capital				
- receivables and prepayments	216,258	(48,647)	(7,059)	362,058
- inventories	(23,080)	14,615	-	-
- payables and accrued expenses	16,099	(21,249)	(3,237)	10,032
Cash generated from operations	2,638,684	2,406,682	(56,123)	323,798

Notes to the Financial Statements (continued)

30. Non-controlling interest

	2025 Shs'000	2024 Shs'000
At start of the year	974,093	1,102,974
Share of profit for the year	5,197	35,453
Share of OCI for the year	(46,967)	-
Dividends paid	(22,201)	-
Currency translation differences (Note 15(b))	12,267	(164,334)
At end of year	922,389	974,093

TPS (Uganda) Limited's 34.8% shareholding is held by NSSF Uganda (13.99%) and the Aga Khan Fund for Economic Development, SA (20.81%).

Notes to the Financial Statements (continued)

31. Related party transactions

The Group's immediate parent company is Aga Khan Fund for Economic Development SA, incorporated in Switzerland. There are various other companies which are related to the Group through common shareholding and management contracts.

Identity of related parties	Relationship
Aga Khan Fund for Economic Development SA	Ultimate holding company
Diamond Trust Bank Kenya Limited	Affiliate
Diamond Trust Bank Uganda Limited	Affiliate
The Jubilee Insurance Company of Kenya Limited	Affiliate
African Broadcasting (Uganda) Limited	Affiliate
Monitor Publication Limited	Affiliate
Farmer's Choice Limited	Affiliate
Diamond Trust Bank Tanzania Limited	Affiliate
The Jubilee Insurance Company (Tanzania) Limited	Affiliate
Aga Khan Education Services (Kenya & Uganda)	Affiliate
Aga Khan Foundation	Affiliate
Aga Khan University Hospital (Kenya, Tanzania & Uganda)	Affiliate
Aga Khan Council	Affiliate
Industrial Promotion Services (Kenya) Limited	Affiliate
Nation Media Group	Affiliate
The Jubilee Insurance Company of Uganda Limited	Affiliate
Monitor Publications	Affiliate
African Broadcasting Services	Affiliate
Hoteis Polana, S.A.	Affiliate
Mountain Lodges Limited	Associate
Pearl Development Group Limited	Affiliate
Tourism Promotion Services (Rwanda) Limited	Associate
TPS (Cayman) Limited	Associate
TPS (D) Limited	Associate
Tanruss Investment Limited	Associate
Goma Serena Hotel	Affiliate

Notes to the Financial Statements (continued)

31. Related party transactions (continued)

The following transactions were carried out with related parties:

	Group	
	2025 Shs'000	2024 Shs'000
i) Sale of goods and services to:		
Diamond Trust Bank Uganda Limited	4,562	210
The Jubilee Insurance Company of Uganda Limited	2,930	2,510
Tourism Promotion Services (Rwanda) Limited	81,317	75,678
Hoteis Polana, S.A.	42,158	52,369
Industrial Promotion Services (Kenya) Limited	3,723	2,005
African Broadcasting (Uganda) Limited	9,792	29,025
Monitor Publication Limited	1,550	639
Diamond Trust Bank Kenya Limited	16,703	8,451
Nation Media Group	6,352	5,021
The Jubilee Insurance Company of Kenya Limited	5,919	9,646
Aga Khan Development Network Kenya	58,274	26,035
Aga Khan Hospital (Kenya) Limited	95,948	26,035
Goma Serena Hotel	-	46,971
	329,228	284,595
ii) Purchase of goods and services from:		
Farmer's Choice Limited	114,019	207,098
Aga Khan Fund for Economic Development SA	32,769	-
Aga Khan Hospital (Kenya) Limited	723	-
Diamond Trust Bank Tanzania Limited	1,747	1,460
Nation Media Group	3,579	1,200
The Jubilee Insurance Company of Kenya Limited	1,109	-
The Jubilee Insurance Company of Uganda Limited	63,974	10,381
The Jubilee Insurance Company (Tanzania) Limited	5,352	5,160
Monitor Publication Limited	190	122
	223,462	225,421
iii) Key management compensation (excluding directors' emoluments)		
Post-employment benefits	14,096	12,990
Salaries and other short term employment benefits	397,956	308,333
iv) Directors' remuneration		
Fees for services as a non-executive director	11,450	8,500
Emoluments to executive directors (included in key management compensation above)	105,343	124,346
Total remuneration of directors of the Company and Group	116,793	132,846

Notes to the Financial Statements (continued)

31. Related party transactions (continued)

The following transactions were carried out with related parties

v) Outstanding balances arising from sale and purchase of goods/services from related parties

The trade receivables arise mainly from arm's length trading, are unsecured and bear no interest. Other receivables relate to management fees payable to the Group Companies. Other receivables are unsecured and bear no interest. The amounts are payable on demand with no fixed repayment terms.

	Group	
	2025 Shs'000	2024 Shs'000
<i>Trade receivables from related parties</i>		
The Jubilee Insurance Company of Kenya Limited	-	1,223
Diamond Trust Properties Uganda	61	-
Aga Khan University Hospital (Kenya & Uganda)	2,208	2,595
African Broadcasting Services	226	674
Industrial Promotion Services (Kenya) Limited	28	274
Nation Media Group	1,347	1,451
Monitor Publications	285	-
Aga Khan Education Service, Kenya	962	-
	5,117	6,217
<i>Other receivables from related parties</i>		
Hoteis Polana, S.A.	254,880	200,401
Mountain Lodges Limited	98,248	98,248
Pearl Development Group Limited	15,388	12,616
Tanruss Investment Limited	315,922	351,046
Tourism Promotion Services (Rwanda) Limited	8,482	15,630
TPS (Cayman) Limited	3,437	3,101
Lake Victoria Serena Resort	6	-
Goma Serena Hotel	13,940	24,506
	710,303	705,548
Trade and other receivables from related parties	715,420	711,765
Less: Loss allowance of related party debts	(263,869)	(261,754)
Net trade and other receivables from related parties	451,551	450,011

Notes to the Financial Statements (continued)

31. Related party transactions (continued)

v) Outstanding balances arising from sale and purchase of goods/services from related parties (continued)

Expected credit losses on trade and other receivables from related parties 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.

	Company	
	2025 Shs'000	2024 Shs'000
<i>Other receivables from related parties (continued)</i>		
Tourism Promotion Services (Kenya) Limited	-	13
Tourism Promotion Services (Tanzania) Limited	37	37
Tanruss Investment Limited	25,110	19,567
Advances to related parties	25,147	19,617

	Group	
	2025 Shs'000	2024 Shs'000
<i>Trade payables to related parties</i>		
Farmer's Choice Limited	21,561	9,676
Nation Media Group	70	374
Diamond Trust Bank Kenya Limited	32	-
Monitor Publication Limited	197	-
The Jubilee Insurance Company of Kenya Limited	152	-
Aga Khan University Hospital	211	-
	22,223	10,050

<i>Other payables to related parties</i>		
Hoteis Polana, S.A.	699	21,735
Goma Serena Hotel	870	7,462
Pearl Development Group Limited	7,269	5,278
Tanruss Investment Limited	7,878	263
Tourism Promotion Services (Rwanda) Limited	300	3,902
TPS (D) Limited	2,164	3,509
	19,180	42,149
	41,403	52,199

Notes to the Financial Statements (continued)

31. Related party transactions (continued)

vi) Guarantees

TPS Eastern Africa PLC has provided corporate guarantees to the lenders of Tanruss Investment Limited (TIL) and Tourism Promotion Services (Kenya) Limited (TPS K). The table below summarises the corporate guarantees as at 31 December 2025:

Company	Facility	Initial Recognition Shs '000	Carrying Value Shs '000
TPS K	ABSA Term loan	970,000	118,376
TPS K	EQUITY Bank Overdraft	100,000	-
TPS K	PROPARCO Term loan	2,493,514	1,508,215

The table below shows the undiscounted contractual cash flows relating to the guaranteed borrowings:

	Less than 1 year Shs'000	Between 1 and 2 years Shs'000	Between 2 and 5 years Shs'000	Over 5 years Shs'000	Total contractual cash flows Shs'000
Corporate guarantees	461,701	663,994	656,537	-	1,782,232
	461,701	663,994	656,537	-	1,782,232

vii) Loans from related party

The Group has long-term borrowing from the following related parties:

- (i) (i) Societe De Promotion Et De Participation Pour La Cooperation Economique (PROPARCO) of KShs 1,508,215,000 (2024 – KShs 1,857,850,000) as disclosed at Note 16.
- (ii) (ii) Aga Khan Fund for Economic Development, SA (AKFED) of KShs 895,319,000 (2024 – KShs 877,884,000) as disclosed at Note 16.

viii) Dividend income

	Company	
	2025 Shs'000	2024 Shs'000
TPS (Uganda) Limited	35,810	-
Total	35,810	-

32. Contingent liabilities

The subsidiaries in Kenya, Uganda and Tanzania are in various legal actions and claims made by third parties. In the opinion of the directors, after taking appropriate legal and other advice, no material liabilities are expected to crystallise from these claims.

Consequently, no provision has been set against such claims in the books of accounts. There are some open tax issues with tax authorities and local authorities in respect of some subsidiaries and an associate. In the view of directors there are no additional liabilities likely to arise from these matters. Consequently, no provision has been set against such matters in the books of accounts.

33. Subsequent Events

Subsequent to 31 December 2025, geopolitical conflict escalated in the Middle East resulting in widespread airspace closures, flight suspensions and major disruptions across key regional aviation hubs including United Arab Emirates and Qatar. The disruption has also produced global ripple effects, including rerouted international flights, delayed travel itineraries, reduced forward bookings and reduction on the hotel demand in markets reliant on Middle Eastern transit routes.

The Group has determined that these events are non-adjusting subsequent events.

9.0 Administration

9.1. Acronyms and Definitions

AKDN	Aga Khan Development Network
AKFED	Aga Khan Fund for Economic Development
BARC	Board Audit and Risk Committee
BSC	Board Strategy Committee
CMA	Capital Markets Authority
CNG	Compressed Natural Gas
CSR	Corporate Social Responsibility
DUMA	Digital Unified Marketplace for Agents
ED	Executive Director
EDGE	Excellence in Design for Greater Efficiencies
ERCM	Enterprise Risk and Compliance Management
ERP	Enterprise Resource Planning
ESG	Environmental, Social, and Governance
GDP	Gross Domestic Product
GHG	Green House Gas
GRI	Global Reporting Initiative
HR	Human Resources
IASB	International Accounting Standards Board
IFC	International Finance Corporation
IFRS S1	International Financial Reporting Standards General Requirements for Disclosure of Sustainability-related Financial Information
IFRS S2	International Financial Reporting Standards General Requirements for Disclosure of Climate-related Financial Information
IUCN	International Union for Conservation of Nature
KPI	Key Performance Indicators
LPG	Liquefied Petroleum Gas
NID	Non-independent Director
NRC	Board Nomination and Remuneration Committee
NSE	Nairobi Securities Exchange
OHS	Operational, Health and Safety
OHSA	Occupational Safety and Health Administration

9.0 Administration (continued)

9.1. Acronyms and Definitions (continued)

PWD	Persons with Disabilities
SBRS	Serena Beach Resort & Spa
SDG	Sustainable Development Goals
TPS	Tourism Promotion Services
TPS (D)	TPS (D) Limited
HPSA	Hoteis Polana SA
JAJA	JAJA Limited
TPS (K)	Tourism Promotion Services (Kenya) Limited
TPS (M)	Tourism Promotion Services (Management) Limited
TPS (OP)	TPS (OP) Limited
TPS (RW)	Tourism Promotion Services (Rwanda) Limited
TPS (SA)	Tourism Promotion Services (South Africa) Limited
TPS (T)	Tourism Promotion Services (Tanzania) Limited
TIL	Tanruss Investment Limited
TPS (U)	TPS (Uganda) Limited
TPS (Z)	Tourism Promotion Services (Zanzibar) Limited
TPSEA	TPS Eastern Africa PLC
TRA	Tourism Regulatory Authority
UNESCO	The United Nations Educational, Scientific and Cultural Organization

9.2 GRI Content Index

GRI content index			
Statement of use	TPS has reported the information cited in this GRI content index for the period 1 January to 31 December 2025 with reference to the GRI Standards.		
GRI 1 used	GRI 1: Foundation 2021		
GRI STANDARD	DISCLOSURE	LOCATION	PAGE
GRI 2: General Disclosures 2021	2-1 Organizational details	Our Operating Business General information and statement of compliance	Page 4 Page 5
	2-2 Entities included in the organization's sustainability reporting	Our Operating Business	Page 4
	2-3 Reporting period, frequency and contact point	Scope and Boundary Contact Details	Page 4 Page 6
	2-5 External assurance	Our Assurance Process	Page 5
	2-6 Activities, value chain and other business relationships	About Serena Hotels Serena Hotels at a Glance Our Business Model Stakeholder Engagement	Page 12 Page 14 Page 57 Page 64 - 65
	2-7 Employees	Our Employees	Page 85
	2-8 Workers who are not employees	Our Employees	Page 85
	2-9 Governance structure and composition	Board of Directors Composition and Structure	Page 68 - 71
	2-10 Nomination and selection of the highest governance body	Roles and Responsibilities of the Board (Board Nomination and Training)	Page 72
	2-11 Chair of the highest governance body	Board of Directors Composition and Structure	Page 68
	2-12 Role of the highest governance body in overseeing the management of impacts	Roles and Responsibilities of the Board Board Committees	Page 72 Page 73 - 74
	2-13 Delegation of responsibility for managing impacts	Roles and Responsibilities of the Board Board Committees	Page 72 Page 73 - 74
	2-14 Role of the highest governance body in sustainability reporting	Reporting Process Overview	Page 04
	2-15 Conflicts of interest	Conflict of Interest	Page 82
	2-17 Collective knowledge of the highest governance body	Board of Directors Composition and Structure	Page 68 - 71
	2-18 Evaluation of the performance of the highest governance body	Annual Performance Evaluation	Page 72

9.2 GRI Content Index (continued)

	2-19 Remuneration policies	Board Remuneration and Directors' Interest	Page 72
	2-20 Process to determine remuneration	Board Remuneration and Directors' Interest	Page 72
	2-22 Statement on sustainable development strategy	Lead the ESG: Serena Hotel's Sustainability Strategy	Page 36
	2-23 Policy commitments	Policies and Processes	Page 79
	2-24 Embedding policy commitments	Policies and Processes	Page 79
	2-25 Processes to remediate negative impacts	Policies and Processes (Grievance Mechanisms)	Page 79
	2-26 Mechanisms for seeking advice and raising concerns	Policies and Processes (Grievance Mechanisms)	Page 79
	2-27 Compliance with laws and regulations	Basis of Preparation How we are Led Risk Governance and Oversight	Page 5
	2-28 Membership associations	Stakeholder Engagement	Page 64 - 65
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	Page 64 - 65
	2-30 Collective bargaining agreements	Our Employees (Freedom of Association)	Page 87
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Matters Determination Process	Page 59 – 60
	3-2 List of material topics	Serena Hotels Top Material Matters	Page 61
	3-3 Management of material topics	Serena Hotels Top Material Matters	Page 62 - 63
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Impact of Serena Hotels' Presence in East Africa 2025	Page 15
	201-2 Financial implications and other risks and opportunities due to climate change	Our Sustainability Commitments in Action Our Business Model Serena Hotels Top Material Matters	Page 40 – 46 Page 57 Page 62 - 63
	201-3 Defined benefit plan obligations and other retirement plans	Our Employees (Remuneration and Benefits)	Page 87
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Our Sustainability Commitments in Action Our Business Model	Page 40 – 46
	203-2 Significant indirect economic impacts	Economic Impact of Serena Hotels' Presence in East Africa 2025 Our Sustainability Commitments in Action Our Business Model	Page 15 Page 40 – 46 Page 57
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Our Sustainability Commitments in Action Our Business Model	Page 40 – 46 Page 57

9.2 GRI Content Index (continued)

GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Not disclosed	
	205-2 Communication and training about anti-corruption policies and procedures	Not disclosed	
GRI 207: Tax 2019	207-1 Approach to tax	Director's Report Financial Statements	Page 93 – 95 Page 122 - 123
	207-2 Tax governance, control, and risk management	Our Business Model Stakeholder Engagement	Page 57 Page 65
	207-3 Stakeholder engagement and management of concerns related to tax	Our Business Model Stakeholder Engagement	Page 57 Page 65
	207-4 Country-by-country reporting	Not disclosed	
	301-2 Recycled input materials used	Our Sustainability Commitments in Action	Page 45
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Our Sustainability Commitments in Action Our Business Model	Page 49 Page 57
	302-2 Energy consumption outside of the organization	Not disclosed.	
	302-3 Energy intensity	Our Sustainability Commitments in Action (Decarbonisation and GHG Emissions Management)	Page 48
	302-4 Reduction of energy consumption	Not disclosed.	
GRI 302: Energy 2016	302-5 Reductions in energy requirements of products and services	Our Sustainability Commitments in Action	Page 44
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Our Sustainability Commitments in Action (Water Management)	Page 45
	303-2 Management of water discharge-related impacts	Our Sustainability Commitments in Action (Water Management)	Page 46
	303-3 Water withdrawal	Our Sustainability Commitments in Action (Water Management)	Page 46
	303-4 Water discharge	Our Sustainability Commitments in Action (Water Management)	Page 46
	303-5 Water consumption	Our Sustainability Commitments in Action (Water Management)	Page 46
	Disclosure 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Our Sustainability Commitments in Action (Biodiversity and Endangered Species Conservation)	Page 50 – 51

9.2 GRI Content Index (continued)

	Disclosure 304-2 Significant impacts of activities, products and services on biodiversity	Our Sustainability Commitments in Action (Biodiversity and Endangered Species Conservation)	Page 50 – 51
	Disclosure 304-3 Habitats protected or restored	Our Sustainability Commitments in Action (Biodiversity and Endangered Species Conservation)	Page 50 - 51
	304-2 Significant impacts of activities, products and services on biodiversity	Our Sustainability Commitments in Action (Biodiversity and Endangered Species Conservation)	Page 50 – 51)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Our Sustainability Commitments in Action (Decarbonisation and GHG Emissions Management)	Page 48
	305-2 Energy indirect (Scope 2) GHG emissions	Our Sustainability Commitments in Action (Decarbonisation and GHG Emissions Management)	Page 48
	305-3 Other indirect (Scope 3) GHG emissions	Our Sustainability Commitments in Action (Decarbonisation and GHG Emissions Management)	Page 48
	305-4 GHG emissions intensity	Our Sustainability Commitments in Action (Decarbonisation and GHG Emissions Management) Our Business Model	Page 48 Page 57
	305-5 Reduction of GHG emissions	Our Sustainability Commitments in Action (Decarbonisation and GHG Emissions Management)	Page 48
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Our Sustainability Commitments in Action (Waste Management: Reducing, Reusing, and Recycling)	Page 44 – 45
	306-2 Management of significant waste-related impacts	Our Sustainability Commitments in Action (Waste Management: Reducing, Reusing, and Recycling)	Page 44 – 45
	306-3 Waste generated	Our Sustainability Commitments in Action (Waste Management: Reducing, Reusing, and Recycling)	Page 44 – 45
	306-4 Waste diverted from disposal	Our Sustainability Commitments in Action (Waste Management: Reducing, Reusing, and Recycling)	Page 44 – 45
	306-5 Waste directed to disposal	Our Sustainability Commitments in Action (Waste Management: Reducing, Reusing, and Recycling)	Page 44 – 45
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Not disclosed	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Employees	Page 85

9.2 GRI Content Index (continued)

	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our Employees (Remuneration and Benefits)	Page 87
	401-3 Parental leave	Our Employees (Remuneration and Benefits)	Page 85 - 87
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Our Sustainability Commitments in Action	Page 41
		Managing our Principal Risks Areas During the Year	Page 90
	403-2 Hazard identification, risk assessment, and incident investigation	Our Sustainability Commitments in Action	Page 41
	403-3 Occupational health services	Our Employees (Remuneration and Benefits)	Page 85 - 87
	403-4 Worker participation, consultation, and communication on occupational health and safety	Our Sustainability Commitments in Action	Page 41
	403-5 Worker training on occupational health and safety	Our Sustainability Commitments in Action	Page 41
	403-6 Promotion of worker health	Our Sustainability Commitments in Action	Page 55
		Our Employees	Page 46
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our Sustainability Commitments in Action (Community Involvement & Empowerment)	Page 53 - 56
	403-8 Workers covered by an occupational health and safety management system	Our Employees	Page 85
Our Employees (Remuneration and Benefits)		Page 85 - 87	
403-9 Work-related injuries	Our Employees	Page 85	
403-10 Work-related ill health	Not disclosed		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Our Employees	Page 85
	404-2 Programs for upgrading employee skills and transition assistance programs	Our Employees	Page 87
	404-3 Percentage of employees receiving regular performance and career development reviews	Not disclosed	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Board of Directors Composition and Structure	Page 71
		Our Employees	Page 85
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Our Sustainability Commitments in Action (Community Involvement & Empowerment)	Page 53 - 56
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	None.	

9.3 ISSB Index Mapping

Statement of Use	TPS have voluntarily applied requirements of the IFRS Sustainability Disclosure Standards (ISSB). This report partially discloses sustainability-related information in line with IFRS S1 General Requirements and IFRS S2 Climate-related Disclosures only to the extent described in this content index, for the period 1 January to 31 December 2025		
Topic	IFRS Index	Location	Page
Governance	IFRS S1.26	Not disclosed	
	IFRS S1.27 (a)	Not disclosed	
	IFRS S1.27 (b)	Green Champions: Managing Sustainability-related Risks and Opportunities	Page 78
	IFRS S2. 5	Not disclosed	
	IFRS S2.6	Not disclosed	
Strategy	IFRS S1.28	Lead the ESG: Serena Hotel's Sustainability Strategy Our Sustainability Commitments in Action	Page 36 – 39 Page 40 -46
	IFRS S1.29	Not disclosed.	
	IFRS S1.30		
	IFRS S1.31		
	IFRS S1.32	Our Sustainability Commitments in Action Our Business Model	Page 40-46 Page 57
	IFRS S1.33	Lead the ESG: Serena Hotel's Sustainability Strategy Our Sustainability Commitments in Action	Page 36-39 Page 40-46
	IFRS S1.34	Not disclosed	
	IFRS S1.35		
	IFRS S1.36		
	IFRS S1.37		
	IFRS S1.38		
	IFRS S1.39		
	IFRS S1.40		
	IFRS S1.41		

9.3 ISSB Index Mapping (continued)

	IFRS S2.8	Lead the ESG: Serena Hotel's Sustainability Strategy Our Sustainability Commitments in Action	Page 36-39 Page 40-46
	IFRS S2.9	Not disclosed	
	IFRS S2.10		
	IFRS S2.11		
	IFRS S2.12		
	IFRS S2.13	Our Sustainability Commitments in Action	Page 40-46
	IFRS S2.14		Our Business Model
	IFRS S2.15	Not disclosed.	
	IFRS S2.16		
	IFRS S2.21		
	IFRS S2.22		
	IFRS S2.23	Our Sustainability Commitments in Action SASB Index	Page 40-46 Page 183-184
Risk Management	IFRS S1.43	Risk Management	Page 89-91
	IFRS S1.44	Not disclosed.	
	IFRS S2.24	Risk Management	Page 89-91
	IFRS S2.25	Not disclosed	
Metrics and Targets	IFRS S1.45	Our Strategy	Page 34-36
	IFRS S1.46	Lead the ESG: Serena Hotel's Sustainability Strategy	Page 36-39
	IFRS S1.48	Our Sustainability Commitments in Action	Page 40-46
	IFRS S1.49		
	IFRS S1.50	Not disclosed	
	IFRS S1.51	Lead the ESG: Serena Hotel's Sustainability Strategy	Page 36-39
	IFRS S1.52	Our Sustainability Commitments in Action	Page 40-46
	IFRS S1.53		
	IFRS S1.54	Our Sustainability Commitments in Action SASB Index	Page 40-46 Page 183-184
	IFRS S2.28	Our Sustainability Commitments in Action SASB Index	Page 40-46 Page 183-184

9.3 ISSB Index Mapping (continued)

	IFRS S2.29	Serena Hotels at a Glance Our Sustainability Commitments in Action	Page 14 Page 40-46
	IFRS S2.29 (A) (B) (C)	Not disclosed	
	IFRS S2.30		
	IFRS S2.31		
	IFRS S2.32	Our Sustainability Commitments in Action SASB Index	Page 40-46 Page 183-184
	IFRS S2.33	Our Sustainability Commitments in Action	Page 40-46
	IFRS S2.34	Not disclosed.	
	IFRS S2.35	Our Sustainability Commitments in Action	Page 40-46
	IFRS S2. 36	Our Sustainability Commitments in Action	Page 40-46
	IFRS S2. 37	Our Sustainability Commitments in Action SASB Index	Page 40-46 Page 183-184

9.4 SASB Index Mapping

Statement of Use	TPS have voluntarily applied selected industry requirements of the Sustainability Accounting Standards Board (SASB). This report partially discloses information for the Hotels and Lodging industry only to the extent described in this content index, for the period 1 January to 31 December 2025			
Topic	Metric	Source	Location	Page
Energy Management	Total energy consumed	SV-HL-130a.1(1)	Our Business Model	Page 57
	Total percentage of grid electricity	SV-HL-130a.1(2)	Our Business Model	Page 57
	Total percentage of renewable energy	SV-HL-130a.1(3)	Our Business Model	Page 57
Water Management	Total water withdrawn	SV-HL-140a.1(1)	Our Sustainability Commitments in Action Our Business Model	Page 46 Page 57
	Total water consumed	SV-HL-140a.1(2)	Our Sustainability Commitments in Action Our Business Model	Page 46 Page 57
Ecological Impacts	Number of lodging facilities located in or near areas of protected conservation status or endangered species habitat	SV-HL-160a.1	Our Sustainability Commitments in Action (Biodiversity and Endangered Species Conservation)	Page 50 -51
	Description of environmental management policies and practices to preserve ecosystem services	SV-HL-160a.2	Our Sustainability Commitments in Action (Biodiversity and Endangered Species Conservation)	Page 50 - 51
Labour Practices	Voluntary and involuntary turnover rate for lodging facility employees	SV-HL-310a.1	Not disclosed.	
	Total amount of monetary losses as a result of legal proceedings associated with labour law violations	SV-HL-310a.2	Not disclosed.	

9.4 SASB Index Mapping (continued)

	Average hourly wage and percentage of lodging facility employees earning minimum wage, by region	SV-HL-310a.3	Not disclosed.	
	Description of policies and programmes to prevent work harassment	SV-HL-310a.4	Our Employees Policies and Processes	Page 85-88 Page 79
Climate Change Adaptation	Number of lodging facilities located in 100-year flood zones	SV-HL-450a.1	Not disclosed.	

Proxy



I/We _____
being a member/members of the above named Company, hereby appoint _____
of _____ and failing him, _____
of _____ 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 on Friday 26th June 2026 at 11:00 a.m. and at any adjournment thereof.
No. of shares held: _____ Account number: _____
Signed this _____ day of _____ 2026
Signature: _____
Signature: _____

NOTES:

1. If you so wish you may appoint the Chairman of the meeting as your proxy.
2. To be valid, this Form of Proxy MUST be returned to the Company's Share Registrars, Image Registrars, 5th floor, ABSA Towers, Loita Street, P.O. Box 9287-00100, GPO, Nairobi, Kenya, not later than 22nd June, 2026 at 11.00 a.m.
3. A person appointed as a proxy need not be a member of the Company.
4. In the case of a member being a limited liability Company/ Corporation, this Form of Proxy MUST be completed under its seal or under the hand of an officer or attorney duly authorized in writing.
5. In the case of joint holders, the signature of any one of them will suffice but the names of all joint holders should be stated.

Fomu ya Uwakilishi

Mimi/ sisi _____
Kama mwanachama/ wanachama wa kampuni iliyotajwa hapo juu, namteua/Twamteua _____
Kutoka _____ na akikosa kufika _____
Kutoka _____ kama wakala wangu/wetu kupiga kura kwangu/kwetu na kwa niaba yangu/ sisi wakati wa
mkutano wa pamoja wa mwaka wa kampuni utakaofanyika ijumaa Juni 26 2026 kuanzia saa tano au kuahirishwa kwake.
Idadi ya hisa zinazomilikiwa _____ nambari ya akaunti _____
Imetiwa sahihi _____ Tarehe _____ 2026
Sahihi _____
Sahihi _____

MUHIMU

- 1) Kwa hiari yako unaweza kumteua Mwenyekiti wa Mkutano kuwa wakala wako
- 2) Ili kuwa halali, fomu hii ya uwakilishi LAZIMA irudishwe kwa msajili wa hisa za kampuni, Image Registrars, orofa ya tano Jumba la ABSA Towers, barabara ya Loita Street SLP 9287-00100, GPO, Nairobi, Kenya kabla ya Juni 22 2026 saa tano asubuhi.
- 3) Si lazima kwa mtu aliyeteuliwa kama wakala kuwa mwanachama wa kampuni
- 4) Endapo mwanachama atakuwa kampuni/shirika, fomu hii ya uwakilishi LAZIMA ijazwe na kupigwa mhuri wake rasmi na afisa au kutiwa sahihi na wakili aliyeruhusiwa kwa njia ya kuandika.
- 5) Endapo umiliki utakuwa wa pamoja, sahihi ya mmoja wao itatosha lakini majina ya wamiliki wote yaonyeshwe.



SERENA HOTELS
SAFARI LODGES AND CAMPS
HOTELS • RESORTS



SERENA HOTELS
SAFARI LODGES AND CAMPS
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