



TWIN HUTS LIMITED

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11TH ANNUAL GENERAL MEETING 26TH MAY 2017

CHAIRMAN'S REPORT

INTRODUCTION

Dear Shareholders,

I welcome you to this 11th Annual General Meeting of Twin Huts Ltd. The year 2017 has been a very difficult one for our company and the country in general. We experienced unprecedented economic downturn and pulverization of many companies, majorly due to unfavorable political climate beginning mid 2016 and pouring into the last quarter 2017. The prolonged electioneering period and heightened political tension culminated in poor economic performance and unhedged risk for investors hence investor hold-backs and flight.

The Board that served you in 2017 is as follows:-

1. Myself - Chairman (Medical Doctor, Aviation and Properties Investor).
2. Nehemiah Ndeti – Vice Chair (Education Philanthropist).
3. George Wakaria - Treasurer (Vice president Citibank –Nairobi).
4. David Mngolia – Chair, Investments (Senior Tourism Operator).
5. Simon Githuku – Fundraising chair (Educationist).
6. Caroline Nkatha – Board secretary (Auditor).
7. Timothy Kuria – Chair, Board projects (Banker)

The Company Secretarial services was handled by Lawrence Mugambi (Lawyer/CPS).

This Board has Financial, Administrative and Quitesential business Professionals whose agenda is transformative sacrificial service. I thank the entire Board for their dedication and sacrificial service throughout this year. I would also like to sincerely thank the Board members retiring on rotation for their immense contribution in the founding and success of THL.

Twin Huts Ltd. has 3,082 fully paid up Shares with a par value of Ksh.30.8 Million in 2017. There was no new share sale drive as the Board deemed it wise to first build on organizational excellence which will in turn nurture a strong easy-to-sell product.

THE ENVIRONMENT WE OPERATE

As noted earlier the political climate in 2017 was extremely toxic for the investors. There were therefore no meaningful investment opportunities as the investment risk was too high. Despite the Board having a realistic 10 year strategic plan, its implementation was made impossible. The Board however continued to work tirelessly in preparation for accelerated implementation of earlier resolved projects such as the low cost housing in the year 2018.

TWIN HUTS PROJECTS UPDATES

a) Syokimau Project

This is a 5.4 Acre project along Mombasa Road that was acquired through an SPV – Gatkeyland Ltd. between the year 2014 – 2016. The project was divided into 40 equity units with THL owning 12 units or 32% of the project, the others owned by individuals. The idea of a Gated Community is still the prominent feature consisting of 330 apartments of 1,2 and 3 bedrooms, a Business Hub, Club House and a common swimming pool.

Amalgamation of the initial plots had been ongoing but was halted after meeting and discussing with the Gatkeyland Shareholders.

The entire plot is now fenced and well drained. We are still reviewing several financial models to come up with one that would give the shareholders maximum returns.

A meeting of the shareholders of Gatkeyland was held late in 2017 and deliberated on matters related to the future of the project.

b) NEWGATE ESTATE (WINDSOR)

In the year 2017, Twin Huts Ltd. continued to hold 60% shareholding in Planning Development Co. Ltd. which owns 2.4 acres of this Estate. There has been no forward movement of the 2015 development plans and therefore our goal of exiting the project since 2016 has not been realized. THL still plans to exit so as to bridge the financial gap in developing Syokimau Project and other income generating projects.

c) NSE

THL has maintained the invested Ksh.1 Million in the 12 yr Kenya Government Bond. Due to the poor showing of the NSE in the financial markets, the Board made a conscious decision to stay clear of further involvements in this sector.

SETTING OUR COURSE AND WAY FORWARD 2018

In the year under review the board had several meetings in the boardroom and on project sites. Despite the poor economic environment the BoD continued to strategise and re-align its goals. The 10 year strategic plan is in the implementation stage – short term strategies. The Board looks forward to 2018 being a year of the Harvest.

The low income housing project continue to be the forerunner and the shareholders have already been briefed on its implementation. The Chair, project sub-committee will lay out and canvass for the project during this year's AGM. We are still looking for strategic investment partners to do a joint venture to fulfill the Syokimau project dream. To this end I will be requesting that the current BoD to progress as constituted to enable it finalise the already initiated projects.

Fundraising initiatives are key to the success of the implementation of the Strategic Plan. Shareholders are urged to avail all the resources they have if they truly believe that THL is their investment vehicle of choice. We must inculcate attitude change in the way we invest especially in THL. Without funds the Board is a lame duck despite having all the brilliant ideas.

THL is an inclusive company with the ideal of pooling resources together to do big business that the individual would in the normal circumstances struggle to carry out. However, Strategy without resources is pointless, zero growth in any case is toxic. Let us put all our trust in THL to make our investment aspirations real. We must put our money where our mouth is.

On behalf of the THL Board that served you in 2017 I thank you for your involvement in this AGM and your continued support in ensuring that THL continues to grow your investment.



Dr. Moses Kinuthia
BOARD CHAIRMAN
TWIN HUTS LTD.

Directors:

***M. Kinuthia (Chairman), G. Wakaria (Treasurer), N. Ndeta (V Chairman)
C. Nkatha, T. Kuria, S. Githuku, D. Mngolia (All Kenyans)***

Company Secretary: M, L Mugambi