

TPS EASTERN AFRICA PLC

MINUTES OF THE FORTY EIGHTH ANNUAL GENERAL MEETING HELD VIA ELECTRONIC COMMUNICATION ON TUESDAY, 30 JUNE, 2020 AT 11.00 A.M.

PRESENT

F.O. Okello	(Chairman)
A. Kassim-Lakha	(Director) – Following proceedings via Electronic Communication
M. Jan Mohamed	(Managing Director)
M. Manji	(Director) – Following proceedings via Electronic Communication
G. Ainache	(Director) – Following proceedings via Electronic Communication
N. Hirjani	(Chief Financial Officer)
J. Du Chalard	(Director) – Following proceedings via Electronic Communication
T. Mapunda (Mrs)	(Director) – Following proceedings via Electronic Communication

Following the outbreak of Covid-19 pandemic in early 2020 and the related health protocols implemented by the Kenya Government restricting gatherings, it was impractical for TPSEAP to hold a full in-person AGM as it has always done previously. Consequently, following an upon application to CMA (following a Court Order allowing the holding of virtual AGM's by listed companies in Kenya) TPSEAP was granted a 'No objection' approval to hold a virtual AGM on 30th June, 2020.

As at close of the electronic registration deadline on Friday, 26th June, 2020, 825 members representing 116,322,038 shares (63.85% shareholding) had registered to participate in the electronic AGM proceedings. Overall, 111,251,206 shares (61.07% shareholding) voted electronically for the various resolutions presented during the AGM.

BY INVITATION

B. Kimacia (PricewaterhouseCoopers, Auditors)

IN ATTENDANCE

D. Ng'ang'a (Company Secretary)

Members of the TPSEAP Management team were following the proceedings via Electronic Communication.

GLOSSARY

AGM	Annual General Meeting
CMA	Capital Markets Authority
DSH	Dar es Salaam Serena Hotel
KSHU	Kampala Serena Hotel - Uganda
NSH	Nairobi Serena Hotel
TPS	Tourism Promotion Services
TPSEAP	TPS Eastern Africa PLC

01/20 Prayer session

At the request of the Chairman, Ms. Rebecca Owoko led all those present in the opening prayer.

02/20 Notice of the Meeting

The Secretary read out the Notice convening the meeting.

There being a quorum, the Chairman welcomed all the members attending the proceedings via electronic communication and declared the meeting as duly convened and constituted.

The Chairman introduced the Directors and other professionals involved in the provision of vital services to the Company who were present during the electronic live stream, and who included:

The Group Managing Director – Mr. Jan Mohamed;
The Chief Financial Officer – Mr. Nooren Hirjani;
The Company Secretary – Mr. Dominic Ng’ang’a; and
PricewaterhouseCoopers LLP represented by Mrs. Bernice Kimacia.

The Chairman recognized the presence of all other fellow TPSEAP directors who were attending and following the AGM proceedings through the live electronic transmission who included: Mr. Ameer Kassim-Lakha, Mr. Mahmood Pyarali Manji, Mr. Guedi Ainache, Mrs. Teddy Hollo Mapunda, and Mr. Jean-Benoit Du Chalard).

Opening Remarks:

The Chairman informed the members that with the world confronting the biggest health crisis in the century brought about by Covid-19 pandemic, Serena Hotels as indeed all other players in the hospitality industry had been severely affected by the pandemic in terms of bookings and revenue streams. Additionally, hotels and lodges had been closed for some time following cessation of movement, and a ban on restaurant services imposed by various Governments across East Africa, where the

Serena Group operated. The Chairman added that TPSEAP had adopted the strict health guidelines enforced by the various East African Governments in all jurisdictions in which TPS operated, ensuring best practice comfort, hygiene and safety of employees and guests alike.

The Chairman further informed the members that various cost saving measures had been taken to ensure cash preservation across the Group and included: (i) Mutually agreed supplier pricing and contract modifications, both retrospective from Q1 2020 and throughout the Covid-19 period, (ii) Payroll savings from curtailment of casual positions, fixed term contract renewals, annual pay awards, transport and ancillary operational overheads; and mutually consented salary and pension sacrifices, (iii) Senior debt refinancing agreements to preserve cash flow and save debt interest costs for 2020, and (iv) Suspending all capital investments until the fuller impact of Covid-19 was known.

The Chairman further informed the members that on a positive note, a majority of 2020 cancelled bookings had been rescheduled to year 2021 on the assumption that global economies and air-space restrictions would be gradually lifted. He added that looking at the business performance for 2019, it could be summarized as a good year as the Company attained a 2% net profit growth and also successfully completed the extension and redevelopment of NSH, KSHU & DSH among other achievements.

The Chairman invited the Group Managing Director, Mr. Mahmud Jan Mohamed to share with the members the Management's and Board's views regarding the business outlook for 2020 and beyond.

Mr. Jan Mohamed informed the Members that as and when the East Africa Governments eased the current health directives & lockdown restrictions and the gradual reopening of economies started, Management planned to re-open all the properties in a scaled down strategic manner, whilst observing high standards of cleanliness, safety and hygiene for all staff and guests. Mr. Jan Mohamed added that it was evident that local/regional corporate business would most likely be the first market segments to recover from the effects of Covid-19 pandemic, followed by meetings and leisure segments respectively. The regional and international market will only materialize as and when flights were re-introduced and quarantine measures for incoming travelers lifted.

Mr. Jan Mohamed further informed the members that TPSEAP as long-term investors with a publicly known commitment to destination East Africa was confident that the Board and Management would continue to carefully mitigate emerging risks, optimize portfolio performance over time and passionately grow market share in the future's 'new normal'. He added that the Company's strategy of emphasizing quality and timely refurbishment of the Group's city hotels in Nairobi, Kampala and Dar es Salaam clearly positioned the Serena's brand for sustainable regional growth in the years ahead.

03/20 Annual Report and Audited Accounts for the Year ended 31 December, 2019

The Chairman informed the members that the 2019 Annual Report and Financial Statements were made available to all shareholders through publication of an abridged

summary version in the local dailies as well as the Company's website as indicated in the notes to the Notice convening the AGM. The Chairman added that the Chairman's Report and the Managing Director's Report had also been included in the already circulated Annual Report and so would be taken as read.

The Chairman invited Mrs. Bernice Kimacia, the representative of the Company's Auditors Messrs. PricewaterhouseCoopers LLP to read the Auditors' report.

The Chairman reminded the members that an opportunity to ask questions and seek clarifications with regards to the Financial Statements and resolutions being presented had already been given and relevant responses had been provided to the members who had asked the questions. He added that additionally, the questions received had been collated and the responses would be published on the Company's website after the meeting.

The Chairman requested Mr. Jan Mohamed to read a sample of the questions which had been received from the members and the Company's responses thereto.

Mr. Jan Mohamed informed the members that Mr. Francis Kimotho Kariuki, Mr. Gerald Gichuki Muchiri, Mrs. Catherine Mbiyu Uiru and eleven (11) other members had sought to know (i) whether the Company had declared a dividend for the year ended 2019, (ii) whether such dividend could be paid via Mpesa, (iii) when such dividend would be paid and (iv) what happens to stale dividend. Whilst responding to the questions, Mr. Jan Mohamed informed the members that in 2019 the Company had not declared any dividend and that as had been previously the practice, dividends as and when declared could be paid via mobile phones. Further that dividends were normally paid within one month after being declared. He further commented that any stale dividend cheques should be presented to the Company through the Registrars for revalidation while unclaimed dividends beyond the prescribed holding period were to be remitted to the Unclaimed Financial Assets Authority in accordance with the relevant law.

Mr. Jan Mohamed further informed the members that Mr. Lawrence Gacheru Mbagara, Mr. Joseph Wangacha, and Mr. Peter Oburando had sought to know where the 2019 TPSEAP Financial Statements could be accessed. Whilst responding to the question, Mr. Jan Mohamed informed the members that the 2019 TPSEAP Financial Statements were contained in the Annual Report which had already been uploaded on the Company's website www.serenahotels.com.

Mr. Jan Mohamed further informed the members that Mr. Joseph Wangacha had sought clarification with regard to his shareholding in the Company. Mr. Jan Mohamed responded that Mr. Wangacha had been advised to contact Image Registrars, who were the Company's Registrars regarding the issue.

The Chairman commented that it was quite encouraging to note that the members were actively participating in the virtual AGM through the questions that had been received and that equally impressive was the keen interest shown by the members towards the affairs of the Company.

The Chairman informed the members that voting for the various resolutions presented was set to begin and a video clip would be displayed detailing how the members would be able to cast their votes for the respective resolutions, through either an USSD (Unstructured Supplementary Service Data) option, or a web link as duly registered by the individual members.

After the short video clip was displayed, the Chairman informed the members that voting was open and requested the members to cast their votes for the various resolutions which were to be approved via a poll. He added that the results of the poll would be published on the Company's website within twenty-four hours (24hrs) following the conclusion of the AGM.

The Chairman called upon the Company Secretary to read out the proposed resolutions as the members voted accordingly as detailed below.

ORDINARY BUSINESS

04/20 Confirmation of the Minutes of the previous Annual General Meeting

To confirm the minutes of the Forty Seventh Annual General Meeting held on 25th June 2019.

[Proposed Resolution]:

“That the minutes of the 47th AGM held on 25th June, 2019 be and are hereby confirmed and approved”.

(The resolution was approved by 100% of the members who voted).

05/20 Annual Report and Audited Accounts for the Year ended 31 December, 2019

To receive, consider and, if thought fit, adopt the Audited Accounts for the year ended 31st December 2019, together with the Directors' and Auditors' Reports thereon.

[Proposed Resolution]:

“That the Audited Accounts of the Company for the year ended 31st December, 2019, together with the Directors' and Auditors' Reports thereon, be and are hereby received and adopted”.

(The resolution was approved by 99.99% of the members who voted)

06/20 Dividend

To approve and note that Directors had not recommended payment of a dividend for the year 2019.

[Proposed Resolution]:

“That the recommendation by the Directors for the non-payment of dividend for the year 2019 be and is hereby noted and approved”.

(The resolution was approved by 99.99% of the members who voted)

07/20 Re-election of Directors

- (a) Mrs. Teddy Mapunda retires by rotation in accordance with Articles No. 111,112 & 113 of the Company’s Articles of Association and being eligible, offers herself for re-election.

[Proposed Resolution]:

“That Mrs. Teddy Mapunda, a director who retires by rotation in accordance with Articles No. 111,112 & 113 of the Company’s Articles of Association and has offered herself for re-election be and is hereby re-elected”.

(The resolution was approved by 99.99% of the members who voted)

- (b) Mr. Francis Okomo-Okello, and Mr. Ameer Kassim-Lakha retire by rotation in accordance with Articles No. 111,112 & 113 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 said Act that if thought fit, the following resolutions be passed:

[Proposed Resolution]:

“That Mr. Francis Okomo-Okello, a director retiring by rotation who is over seventy (70) years of age, be and is hereby re-elected as a director of the Company”.

“That Mr. Ameer Kassim-Lakha, a director retiring by rotation who is over seventy (70) years of age, be and is hereby re-elected as a director of the Company”.

(These resolutions were approved by 99.99% of the members who voted)

08/20 Non-Executive Directors’ Fees

To approve the Director’s remuneration for 2019.

[Proposed Resolution]:

“That the Directors remuneration for 2019 amounting to KShs 1,255,000/= (2018: KShs 1,159,000/=) be and is hereby approved”.

(The resolution was approved by 99.99% of the members who voted)

09/20 Appointment of Auditors

To appoint PricewaterhouseCoopers LLP, the Company’s Auditors, in accordance with Section 721 (2) of the Companies Act 2015. PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

[Proposed Resolution]:

“That in accordance with Section 721 (2) of the Companies Act 2015, PricewaterhouseCoopers LLP, be and are hereby appointed as the Company’s Auditors”.

(The resolution was approved by 99.99% of the members who voted)

10/20 Auditors’ Remuneration

To approve the Auditors’ remuneration for 2019 and to authorize the Directors to fix the Auditors’ remuneration for 2020.

[Proposed Resolution]:

“That the Auditors’ remuneration of KShs 3,082,507/= (2018: KShs 2,949,767/=) for the Company and KShs 18,211,000/=, (2018: KShs 18,362,000/=) for the Group be and is hereby approved and that the Directors are hereby authorized to fix the Auditors’ remuneration for 2020”.

(The resolution was approved by 99.99% of the members who voted)

11/20 Appointment of Audit Committee Members

To appoint the Audit Committee members which comprises Mr. Ameer Kassim-Lakha, Mr. Mahmood Manji and Mr. Guedi Ainache in accordance with section 769 (1) of the Companies Act 2015.

[Proposed Resolution]:

“That in accordance with Section 769 (1) of the Companies Act 2015, the following Directors being members of the Board Audit Committee be and are hereby appointed to continue to serve as members of the said Committee”.

Mr. Ameer Kassim-Lakha

Mr. Mahmood Manji

Mr. Guedi Ainache

(The resolution was approved by 99.99% of the members who voted)

12/20 It was noted that the Company had not received notice of any other ordinary business to be transacted at the AGM and therefore the Chairman declared the meeting officially closed at 1.15 p.m. While closing the meeting, the Chairman thanked all the members present for attending the inaugural virtual AGM and their participation during the proceedings of the AGM. At the request of the Chairman, Ms. Rebecca Owoko conducted the closing prayers.

CONFIRMED

CHAIRMAN

DATE