

Incorporated as a public company in Kenya under the Companies Act, Number 17 of 2015 of the Laws of Kenya Registration Number C.21/97

The Capital Markets Act, Chapter 485A of the Laws of Kenya Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023

PUBLIC ANNOUNCEMENT

NOTICE OF RECORD DATE AND DISCLOSURE OF TERMS OF HF GROUP PLC RIGHTS ISSUE

On 25th October 2024, the Capital Markets Authority (“CMA”) granted approval to HF Group PLC (the “Group”) for issuance and listing of up to 1,153,842,504 new ordinary shares with a green shoe option of 346,152,751 new ordinary shares of par value KES 5 to shareholders on the register (“Rights Offer” or the “Transaction”) at the book closure date (3pm on 1st November 2024) (“Record Date”). This follows the receipt of approval from the Board of Directors on 12th August 2024 and from the shareholders of the Group on 4th September 2024.

The Rights Offer

The Group is offering up to 1,153,842,504 new ordinary shares (the “New Shares”) at KES 4.00 per share (the “Offer Price”) to raise KES 4,615,370,016 (before expenses). The offer comprises of:

- (1) the entitlement issue in which shareholders of the Group (the “Eligible Shareholders”) will be offered 2 new ordinary shares for every 1 ordinary share held at the Record Date at the Offer Price (amounting to a total of 769,228,336 ordinary shares) (the “Entitlement Shares”); and
- (2) the additional issue in which Eligible Shareholders will have an option to apply for one or more additional shares for every 1 ordinary share held at the Record Date (amounting to a total of 384,614,168 ordinary shares) (the “Additional Shares”). The Additional Shares will be sold at the Offer Price.

The Entitlement Shares are renounceable, which means that shareholders who do not wish to take up all or part of their Entitlement Shares can choose to abandon, sell or transfer them.

The New Shares will rank pari passu in all respects with the existing ordinary shares of the Group.

The Offer Price represents a 4.44% discount to the 6 month volume weighted average as at 30th September 2024.

Green Shoe Option

There will also be a green shoe option of up to 30% of the New Shares (equivalent to 346,152,751 ordinary shares) (the “Green Shoe Option Shares”) at the Offer Price to cater for oversubscription of the New Shares.

Use of Proceeds

The Group is raising capital as part of its strategy to increase its investment in HFC Limited’s expanded business segments and to shore up its capital base to ensure it is sufficiently capitalised. The capital injection will also allow the Group to continue to implement its growth strategy through its investments in growing business segments and enhancing its digital proposition.

Intention of the Major Shareholders

Britam Group has confirmed that it will be taking up its full Rights. Other principal shareholders are supportive of the Transaction.

Register Closure Date (“Record Date”)

The Group’s register will close at 3pm on 1st November 2024 to facilitate the Rights Offer processing. All those members who will not be in the register by this date will not be eligible to participate in the Rights Offer.

Rights Issue Statistics

Data	Statistic
Par value	KES 5.00 each
Offer Price	KES 4.00 per share
Number of issued and paid up shares prior to the Rights Issue	384,614,168
Number of Entitlement Shares	769,228,336
Number of Additional Shares	384,614,168
Number of New Shares	1,153,842,504
Number of Green Shoe Option Shares	346,152,751
Number of New Shares plus Green Shoe Option shares	1,499,995,255
Number of issued and fully paid up shares post-Rights Issue assuming full subscription	1,538,456,672
Number of issued and fully paid up shares post-Rights Issue assuming full subscription and 100% uptake of the green shoe option	1,884,609,423
Gross proceeds of Rights Issue assuming full subscription	KES 4,615,370,016
Gross proceeds of Rights Issue assuming full subscription and 100% uptake of the green shoe option	KES 5,999,981,020

Timetable of Events

Action	Date
Shareholder Approval for the Rights Issue at the Extra-Ordinary General Meeting	4 th September 2024
CMA approval of the Information Memorandum	25 th October 2024
Record Date	1 st November 2024, 3pm
Upload of entitlement to CDS accounts	12 th November 2024
Rights Issue Opens	12 th November 2024, 9am
Commencement of trading of Rights on the NSE	12 th November 2024
Last day of renunciation by way of private transfer/Last day for splitting (Private Transfer Renunciation Date)	2 nd December 2024, 3pm
Last day for trading of nil paid Rights on the NSE	2 nd December 2024, 3pm
Offer Close	9 th December 2024, 5pm
Allocation	18 th December 2024
Last date of payment of irrevocable bank guarantees	20 th December 2024
Announcement of results	20 th December 2024
Electronic crediting of CDS accounts with the New Shares	23 rd December 2024
Dispatch of payment of refunds	23 rd December 2024
Listing date and commencement of trading of New Shares on the NSE	24 th December 2024

These dates have been approved by the CMA but are subject to change and are indicative only. The Group reserves the right to amend this indicative timetable subject to the approval of the CMA. In particular, the Group reserves the right, subject to CMA’s approval to close the Offer early, to extend the Closing Date or to withdraw the Offer. Any extension of the Closing Date will have a consequential effect on the date of the issue of New Shares. Any changes or amendments shall be publicly announced.

Documentation

The full particulars of the Rights Offer are set up in the Information Memorandum that will be available on 29th October 2024 from 9am on the Group’s website (www.hfgroup.co.ke).

The summary or condensed version of the Information Memorandum is contained in an abridged Information Memorandum (“Abridged IM”) that will be available on the Group’s website. Physical copies will be available from the Authorised Selling Agents appointed by the Group and at branches of HFC Limited, the Receiving Bank.

Please consult your Stockbroker or Investment Bank for further information.

By Order of the Board

COMPANY SECRETARY
HF GROUP PLC
25th October 2024

Transaction Advisor & Sponsoring Broker 	Legal Advisor 	Reporting Accountant 
Data Processing Agent 	Receiving Bank 	

Disclaimer

This announcement is for informational purposes only. This announcement has been issued with the approval of the Capital Markets Authority pursuant to the Capital Markets (Public Offers, Listing and Disclosures) Regulations, 2023. As a matter of policy, the Capital Markets Authority assumes no responsibility for the correctness of the statements appearing in this announcement or the Information Memorandum or the Abridged Information Memorandum to be issued by the Group. CMA’s approval of the Rights Issue and/or listing is not to be taken as an indication of the merits of the Group or its securities.

The NSE assumes no responsibility for the correctness of any of the statements made or opinions or reports expressed in this public announcement or the Information Memorandum to be issued by the Group. Admission to the official list of the NSE is not to be taken as an indication of the merits of the Group or of the new ordinary shares.

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