



THE KENYA POWER AND LIGHTING PLC

100TH AGM 2021 ON 3RD DECEMBER 2021

QUESTIONS FROM SHAREHOLDERS 2020/2021

No.	Questions and Answers
1.	<p>Two directors at least from the minority shareholders?</p> <p>All persons qualifying under the provisions of the Companies Act are eligible for election as Directors of the Company. This is in pursuit of good corporate governance principles, and is provided for under Article 125 of our Memorandum and Articles of Association.</p> <p>If a Member wishes to propose a person for Directorship, then, the Member is required to give written notice to the Company Secretary at least 3 clear days but not more than 21 clear days before the start of the meeting, together with a notice signed by the person to be proposed that he is willing to be elected.</p> <p>The Board represents all the shareholders' interests and those of all other stakeholders without discrimination ensuring that the best interest of the Company remains paramount at all times. They do not represent a particular segment of shareholders.</p> <p>The Government does not appoint Directors. It has only two representatives in the Board occupied by the CS National Treasury and PS Ministry of Energy.</p>
2.	<p>I would like to register my mobile number to receive dividends?</p> <p>Please contact 0711031264/77/20/67 or shares@kplc.co.ke to register for MPESA.</p>
3.	<p>When is the company likely to resume payment of dividend?</p> <p>The Company, has prior to the last financial year, flown into financial headwinds which affected its bottom line and weakened its financial position. As a consequence, we are presently implementing the turn-around strategy, which we are proud to note is beginning to bear fruit as demonstrated by our profit before tax of Kshs.8.4 billion in FY2020/2021.</p> <p>We are stepping up the implementation of this strategy, and complementing it with ongoing Company reforms to enhance our efficiencies, so as to place us firmly on the path towards sustainable profitability and growth. In so doing, we will guarantee a steady growth in shareholder value in the medium term.</p>

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4.	<p>How are you planning to resolve the qualified opinion?</p> <p>Our accounts were not qualified by the Auditor General. We have studied the significant matters and other issues raised by the auditor's report and are proactively addressing these issues.</p>
5.	<p>How do I get my dividends since have never receive at all?</p> <p>The last dividend was paid on 31st January 2018. If you were a shareholder then, and did not receive it, please get in touch with us through 0711031264, 0711031277, 0711031220, 0711031267 or shares@kplc.co.ke.</p>
6.	<p>AGM itakuwa wapi?</p> <p>Mkutano wa mwaka huu utafanyika kupitia mawasiliano ya elektroniki ili kutuwezesha kuudhibiti ugonjwa wa Korona kama tulivyoshauriwa na serikali.</p> <p>Mkutano utapeperushwa moja kwa moja kupitia kiunga ambacho kitapewa kwa wanahisa wote ambao watakuwa wamejiandikisha kushiriki.</p>
7.	<p>If no dividend, why not bonus shares?</p> <p>This option may be considered in future (if no dividend pay-out will be made) once the improved business performance is sustained which will in turn lead to the improvement of the share price in the stock exchange and therefore, investors can realise value should they consider trading.</p>
8.	<p>How is KPLC mitigating irregular procurement procedures, to avoid losses of funds?</p> <p>To ensure that the goods and services we procure are of the highest quality, and provide value for money, we are streamlining our procurement and asset disposal processes and anchored them on the principles of accountability and best practice.</p> <p>We are also upgrading the systems that run our entire procure-to-pay process to improve the efficiency, integrity and transparency of our entire supply chain process.</p> <p>Further, we have initiated the process of carrying out a forensic audit, on our people, stock, logistics and end to end processes to identify areas of improvement, and possible leakages to facilitate the implementation of remedial measures as part of the business reform and restructuring process.</p>

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9.	<p>How many cases involving fraud by directors/management in last 5 years?</p> <p>We do not have any reported cases involving Directors. With respect to management, we have two cases in court relating to transformers and the procurement of labour and transports service providers.</p>
10.	<p>Among those owing KPLC are Ministries and State Corporations. What is the Government (majority Shareholder) doing to ensure they are settled to KPLC's debts?</p> <p>The interventions of our parent ministry, and the National Treasury have been instrumental in helping us collect government debt. This was enhanced last year which has a positive impact on our cash position. We also received Kshs. 5 billion outstanding RES Government debt.</p> <p>We will continue to use this interface, to ensure that the Company is paid what is owed to it, to enable it effectively fulfil its core mandate of providing clean, affordable and accessible power to Kenyans.</p>