

An Overview of Siam Investments Portfolio & Risk Exposure

Siam Investment Limited Board of Directors

Saturday, April 10, 2021

Background

SIAM, which stands for Single Aim, was started in 2006 by seven friends who later invited others to join the group. By the end of the year membership had increased to 17. The members agreed to contribute an initial investment of KES 100,000 to kick-start the group. Subsequently, the group was able to raise KES 2.1 Million(USD 21,000) as some members brought in more capital. Our membership is currently 75 and the group has converted to a public limited company to accommodate more numbers as required by the law.

MISSION: We are committed to actualize shareholders dream, transforming lives through innovative investments that deliver passive income.

VISION: Our vision is to deliver financial freedom to all our shareholders by 2027 and release generations from want.

In this report, we present an overview of the SIAM portfolio and the roadmap to financial freedom by 2027.

Purpose of the Report

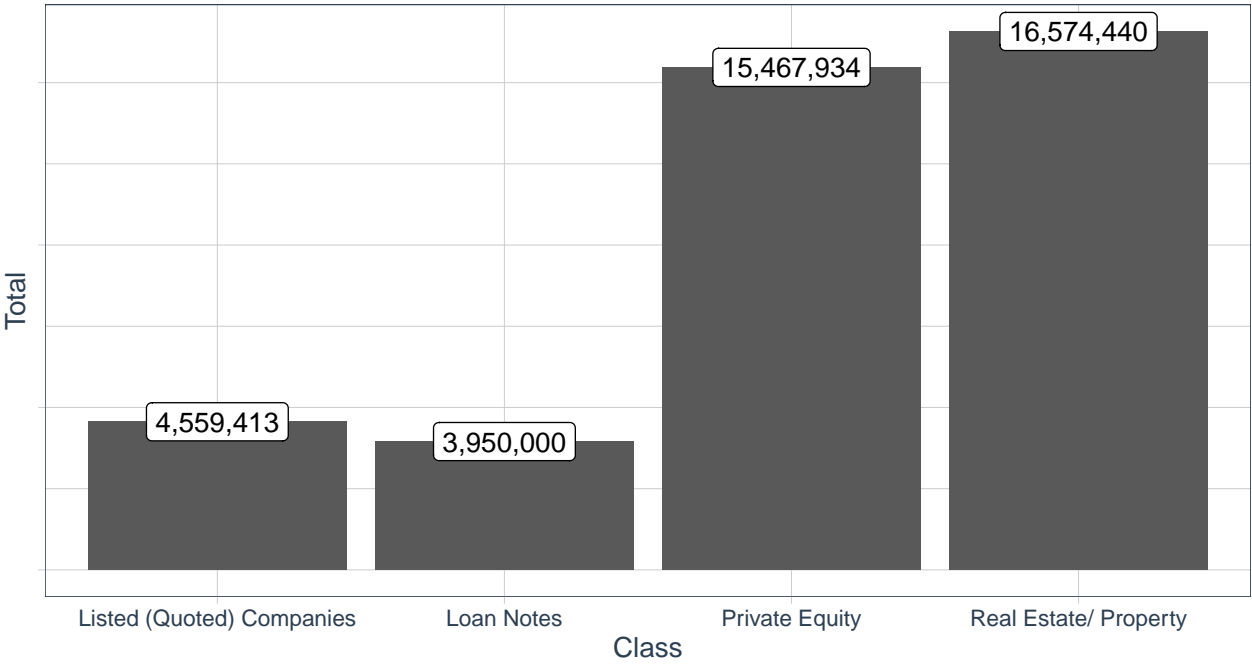
This 4 page report serves three purposes;

1. To give the shareholders of SIAM a snapshot of the investments held by the company. The directors note that the financial reports are not presented in a format that most members without a finance or accounting background can understand. Hence, this report serves to offer a simplified version of assets held by SIAM.
2. To evaluate the risk profile of investments held by SIAM and communicate them to the shareholders. Recently, the directors reported that parcels of land owned by SIAM and by individual members of SIAM had been repossessed by the government. While that was unfortunate, the assets present a fraction of assets owned by the company. This report serves to disclose the other assets and the risk associated with each asset. For ease of consumption, the directors have classified each asset into three risk categories; positive, uncertain, and negative. The classifications are clarified in the sections that follow.
3. To facilitate SIAM members to make informed decisions during the upcoming annual meeting.

Investment Classes

As the figure below shows SIAM has the bulk of the investment is in real estate (43%), private equity (33%), loan notes (14%) and 10% in Listed (Quoted) Companies. Note that SIAM has a total portfolio of 42001787 with a market value of 40551787. The breakdown of the investments by class is shown below. The listing of the entire portfolio is in the appendix.

SIAM INVESTMENTS LIMITED PORTFOLIO 2020

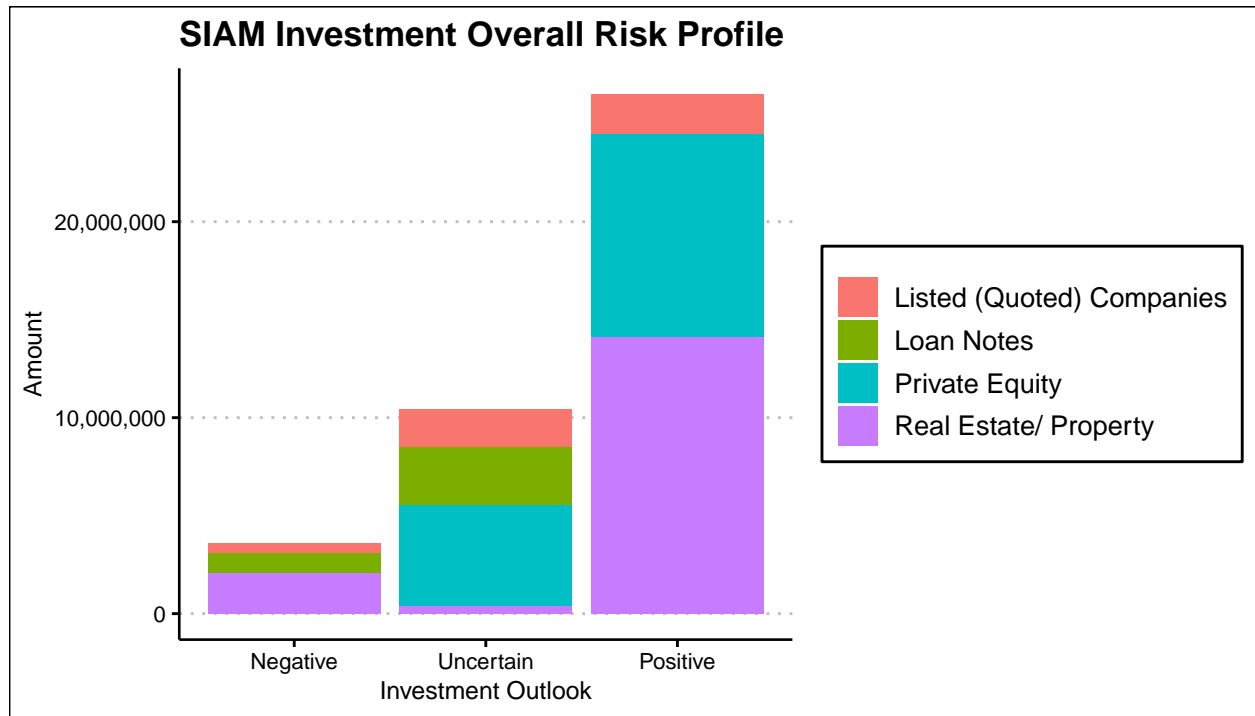


Investment Risk Profile



Overall Risk

Overall 7.64 % of SIAM portfolio has a negative outlook meaning a chance it will be written off. Another 28% has an uncertain outlook meaning shareholders cannot be sure to recover their investments leave alone make a profit. The break down is in the next figure.



Investments with a Positive Outlook

Investments worth Ksh. 26504910 and that account for 56.03 % of total portfolio have a positive outlook. These investments are detailed in table 1 below. SIAM may have to write off from the books of accounts.

Table 1: Investments with positive outlook

company_site	class	capital_input	current_value
South C unit	Real Estate/ Property	8500000	11000000
Kongasis Farm	Real Estate/ Property	4000000	50000
Motor Vehicles	Real Estate/ Property	1500000	1500000
Makena/Jet properties	Real Estate/ Property	1564440	1564440
New Kitusuru	Private Equity	3970000	3970000
ACL	Private Equity	1160000	1160000
IFA	Private Equity	4000000	4000000
Unaitas	Private Equity	1026823	1026823
Old Mutual	Private Equity	186111	186111
ABSA	Listed (Quoted) Companies	224000	224000
Centum	Listed (Quoted) Companies	179560	179560
I&M Bank	Listed (Quoted) Companies	17000	17000
KCB	Listed (Quoted) Companies	13478	13478
KENGEN	Listed (Quoted) Companies	494733	494733
K-RE	Listed (Quoted) Companies	1433	1433
SGL	Listed (Quoted) Companies	568092	568092

company_site	class	capital_input	current_value
Total (K)	Listed (Quoted) Companies	549240	549240

Distressed Investments

Investments with Negative Outlook

Investments worth Ksh. 3615275 and that account for 7.64 % of total portfolio have a negative outlook. These investments are detailed in table 1 below. SIAM may have to write off from the books of accounts.

Table 2: Investments with negative outlook

company_site	class	capital_input	current_value
Ruai plots	Real Estate/ Property	2060000	2060000
Investeq	Loan Notes	1000000	1000000
ARM	Listed (Quoted) Companies	146000	146000
MSC	Listed (Quoted) Companies	409275	409275

Investments with Uncertain Outlook

Uncertain investments amount to Ksh 10431602 and account for 22.05 % of the portfolio, broken down as follows.

Table 3: Investments with uncertain outlook

company_site	class	capital_input	current_value
Amboseli plot	Real Estate/ Property	400000	400000
St. Mary's School	Private Equity	5000000	5000000
Suntra	Private Equity	125000	125000
St. Mary's School	Loan Notes	2800000	2800000
Kevin Odour	Loan Notes	150000	150000
Cables(E.A.)	Listed (Quoted) Companies	340000	340000
Eveready	Listed (Quoted) Companies	38620	38620
HFCK	Listed (Quoted) Companies	1530	1530
KPLC	Listed (Quoted) Companies	308000	308000
OCH	Listed (Quoted) Companies	140930	140930
Sameer	Listed (Quoted) Companies	102122	102122
TCL	Listed (Quoted) Companies	1025400	1025400

Overall Portfolio

Total SIAM investment is Ksh. 42,001,787 with a market value of 40,551,787.

Table 4: Siam Investments Limited Overall Portfolio

company_site	class	outlook	capital_input	current_value
South C unit	Real Estate/ Property	Positive	8500000	11000000
Kongasis Farm	Real Estate/ Property	Positive	4000000	50000
Amboseli plot	Real Estate/ Property	Uncertain	400000	400000
Ruai plots	Real Estate/ Property	Negative	2060000	2060000
Motor Vehicles	Real Estate/ Property	Positive	1500000	1500000
Makena/Jet properties	Real Estate/ Property	Positive	1564440	1564440
St. Mary's School	Private Equity	Uncertain	5000000	5000000
New Kitusuru	Private Equity	Positive	3970000	3970000
ACL	Private Equity	Positive	1160000	1160000
IFA	Private Equity	Positive	4000000	4000000
Unaitas	Private Equity	Positive	1026823	1026823
Old Mutual	Private Equity	Positive	186111	186111
Suntra	Private Equity	Uncertain	125000	125000
St. Mary's School	Loan Notes	Uncertain	2800000	2800000
Kevin Odour	Loan Notes	Uncertain	150000	150000
Investeq	Loan Notes	Negative	1000000	1000000
ABSA	Listed (Quoted) Companies	Positive	224000	224000
ARM	Listed (Quoted) Companies	Negative	146000	146000
Cables(E.A.)	Listed (Quoted) Companies	Uncertain	340000	340000
Centum	Listed (Quoted) Companies	Positive	179560	179560
Eveready	Listed (Quoted) Companies	Uncertain	38620	38620
HFCK	Listed (Quoted) Companies	Uncertain	1530	1530
I&M Bank	Listed (Quoted) Companies	Positive	17000	17000
KCB	Listed (Quoted) Companies	Positive	13478	13478
KENGEN	Listed (Quoted) Companies	Positive	494733	494733
KPLC	Listed (Quoted) Companies	Uncertain	308000	308000
K-RE	Listed (Quoted) Companies	Positive	1433	1433
MSC	Listed (Quoted) Companies	Negative	409275	409275
OCH	Listed (Quoted) Companies	Uncertain	140930	140930
Sameer	Listed (Quoted) Companies	Uncertain	102122	102122
SGL	Listed (Quoted) Companies	Positive	568092	568092
TCL	Listed (Quoted) Companies	Uncertain	1025400	1025400
Total (K)	Listed (Quoted) Companies	Positive	549240	549240