

SOMA SACCO LTD. Chairman's Report – Annual General Meeting February 28th 2026

Distinguished members, guests, members of the Management and Supervisory Committees, ladies and gentlemen,

Good morning and welcome to our Annual General Meeting. Thank you for taking the time to attend and for your continued trust and commitment to SOMA SACCO.

Despite the economic turbulences experienced over the past year—rising costs of living, inflationary pressures, and a challenging financial environment—our SACCO has continued to make meaningful strides. This resilience is a testament to your loyalty, prudent management, and collective discipline as members.

I am pleased to report a steady growth in our membership, as we have welcome new members into the SOMA SACCO family. A total of **35 new members** have joined our Sacco. At the same time, some members have exited the SACCO due to retirement or relocation, which is understandable. A total of **19 members** have exited. Our current membership stands at **271 active members**. However, it was unfortunate to see a few members being persuaded to leave our SACCO based on promises that were later not fulfilled. This reminds us of the importance of believing in and supporting our own institution. Let us have faith in SOMA SACCO. Let us build it together for our mutual benefit.

If each member were to bring just one new member, we would significantly grow our membership base and strengthen our financial position. I encourage every member to become an ambassador of our SACCO. Remember, you receive Ksh 100 from each new member's registration for every person you successfully introduce. Together, we can expand and make our SACCO even stronger.

We have also recorded growth in share capital, which remains the backbone of our financial stability. Our share capital has increased from kshs 865,000 in December 2024 to kshs 1,269,484 in December 2025. As agreed during the last AGM, we shall increase each member's share capital by Ksh 1,000 from the interest on deposits. This will further strengthen our capital base and enhance our lending capacity. Members who are able and willing to top up their share capital to Ksh 8,000 or more are highly encouraged to do so.

Loan applications have increased significantly during the year, demonstrating both the trust members have in the SACCO and the demand for our financial products. Total loans to members at December 2024 **Kshs 25,838,369 up to kshs 33,739,722**

In the course of last year we invested kshs 5 million with Cooperative Bank at 4% pa, for three months. This matured this year, 2026 and, we have now invested kshs 8 million at 6% PA for three months. The profits will reflect in the 2026 financial year. Coast girl's loan remains at **kshs 2.7 million**. This matter has been escalated to the concerned office for action.

The management increased the emergency loan from **kshs 15,000 to kshs 100,000, instant loan from kshs 10,000 to kshs 20,000 based on the ability to repay**. Repayment periods remain as in the loan policy, i.e. Emergency 12 months, instant 6 months. As we continue to grow our loan

portfolio, I urge all members to apply for loans responsibly—borrow within your repayment ability and honour your repayment commitments promptly. Responsible borrowing ensures sustainability for all.

Today, we will also conduct elections for positions in the Management Committee and the Supervisory Committee. These elections are critical to the future direction and stability of SOMA SACCO. As you vote, I urge you to think about the growth and long-term sustainability of our SACCO. Let us not mix emotions, personal interests, or nepotism with SACCO leadership. Our focus must remain on competence, integrity, accountability, and commitment. We need knowledgeable and dedicated leaders who understand cooperative principles and are prepared to move this SACCO forward.

During the year, the Board co-opted a Treasurer, Mr Peter Ochieng, following a vacancy. He has served diligently and demonstrated a strong commitment to his role. Having worked closely under the mentorship of the former Treasurer, Mr Clerkson Bolo, he has shown competence and continuity in managing our financial matters. Mr. Peter Ochieng has sealed many loopholes that may have resulted in financial loss. I therefore request this AGM to ratify his appointment in accordance with our by-laws.

On the matter of leadership, we must recognise and appreciate the time, effort, and responsibility our committee members invest. We propose an honorarium of Ksh 150,000 for the committee at the end of each financial year, effective this year, as a token of appreciation for their service. Leadership requires sacrifice and commitment, and rewarding it appropriately strengthens accountability and motivation. Remember, one day you may also serve on this team, and you will appreciate the value of such recognition.

Two proposals for amendment to the benevolent fund policy.

1. Children with disability, we remove the limit of 25 years.
2. Members to attach documents for all wives and children. We consider cases as they unfold.

In conclusion, I thank the Management Committee, the Supervisory Committee, the staff, and all members for their dedication and cooperation throughout the year. Let us remain united, committed, and focused on growing SOMA SACCO for the benefit of all.

Thank you, and I wish you fruitful deliberations.



Mr. Andrew Manyasa

Chairman.