Masaka to construct modern pig abattoir

MASAKA

By Agnes Nantambi

Masaka district is seeking sh800m to construct a modern abattoir, the first of its kind in the country.

According to the district veterinary officer, Mukasa Kirumira Mukasa, over 200 pigs will be slaughtered at the abattoir in a day.

"The district, together with partners from International Livestock Research Institute (ILIRI) and the Irish government, have partnered to start this project.

Land has been secured and the plans and designs have already been made. The district has committed sh800m to start off the project," he said.

Kirumira expressed optimism that the abattoir will stimulate production since they intend to supply pork in Masaka to other parts of the country.

He made the remarks during the distribution of Artificial Insemination kits to vet doctors in districts by the Makerere University Diverse Pig Project headed by Prof. Donald Kugonza,

"We are thinking of organising cold storage so that pork can be sorted in Masaka and transported to different markets," Kirumira said.

He observed that given the current unhygienic slaughter places for pigs, the modern abattoir will address such challenges.

"We want to start with the local market because the capacity for export is still low given the local consumption, which is high," he said.

Recent studies rank Uganda number one in pork consumption in Africa and only second to China in the whole world.

Kirumira explained that greater Masaka was privileged to have started a Pig Farmers Co-operative Union.

The recent census ranked Masaka the highest producer of pigs and also the biggest pork consumers, with a pork joint every after 10 metres.

"We believe that with the new technology, better breeds will be realised to reduce inbreeding, where all pigs are related," he said.

Haji Jamiru Miwanda, the district head of production, applauded Makerere University for considering carrying out research on developmental issues and training the district staff, especially veterinary officers, to promote artificial insemination for pigs in the country.

"I have been supportive to this move for quite some time because I welcome anything developmental. We have been moving this project together," he said.

Miwanda advised the farmers to deworm their pigs if they are to benefit and embrace all projects supported by the government.

He, however, condemned the heartless treatment of pigs during slaughter and welcomed the abattoir, saying this will act as a single pool for slaughtering pigs without subjecting them to suffering.

The chairperson of Pig Dealers and Slaughters' Association for Greater Masaka, Charles Sewanyana, said many people have joined pig rearing to address the high demand. He said of every 10 people in Masaka, six are pork consumers.

He commended the district for planning to set up the abattoir, saying they have been suffering a lot in slaughtering pigs at their homes.

"Our vision is to begin packing pork so that we widen the market and improve farmers' livelihoods," he said.

The chairperson of greater Masaka Pig farmers Union, Sam Sekyondwa, praised Makerere University for promoting artificial insemination, which had reduced the spread of diseases and improved the breeding processes.

He, however, complained of the expensive feeds and called for a new research on feeds that can promote proper feeding in pigs.

Sekyondwa said the new abattoir will promote health standards of pork before it is packed and exported.

Prof. Donald Kugonza, the principal investigator of Diverse Pig Project, has trained over 85 people in artificial insemination, on top of distributing kits such as catheters, semen bottles, a temperature regulated bag and chats for detecting heat.

He said heat detection is one of the biggest challenges farmers face yet Uganda also has a challenge of producing enough pork to satisfy the local market and at the same time produce for export.

"We are distributing 1,000 catheters expecting 1,000 pigs to become pregnant to build our potential for export," he said.



District veterinary trainees received artificial insemination kits in Masaka. Photo by Agnes Nantambi

BETWEEN THE LINES: Pork producer

- The recent census ranked Masaka the highest producer of pigs and also the biggest consumers of pork with every 10 metres having a pork joint.
- The new abattoir will promote health standards of pork before it is packed and exported.

KENYA AIRWAYS PLC

(Incorporated in Kenya with registration number C.28/2005)

The Capital Markets Act

(Chapter 485A of the Laws of Kenya)

The Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002

PUBLIC ANNOUNCEMENT

Completion of the restructuring of the debt and equity of Kenya Airways PLC

Kenya Airways PLC (the **"Company"**) announces that it has completed the restructuring of its debt and equity (the **"Restructuring"**) following the signing of a Lock-Up and Restructuring Agreement with the Government of Kenya, KLM Royal Dutch Airlines, KQ Lenders Company 2017 Limited and certain Kenyan Banks (the **Restructuring Agreement**) on 14 July 2017. The Restructuring was approved by shareholders at an extraordinary general meeting on 7 August 2017, since when a series of inter-conditional transactions have been entered into with a number of key creditors.

The Restructuring has involved the following transactions:

- conversion of a portion of the existing debts due to the Government into equity in exchange for an issue of 2,736,364,671 new ordinary shares, with US$ 75 million of further indebtedness being convertible in the future pursuant to a zero coupon mandatorily convertible loan agreement
- the issue by the Government of a sovereign guarantee of $ 525 million to Export-Import Bank of the United States in support of the restructuring of the Company's indebtedness to the financiers of the Company's fleet of wide-bodied aircraft
- the issue by the Government of a sovereign guarantee of US$ 225 million in favour of certain Kenyan banks who have also agreed to convert their loans to the Company into new ordinary shares through a new equity holding company, KQ Lenders Company 2017 Limited, and provide US$ 175 million of new loan facilities for company operations, as backed by the Government guarantee
- the issue of new shares to KLM Royal Dutch Airlines in consideration of in-kind capital contributions of non-cash assets to the Company
- securing cash-flow relief from restructuring the timing and form of payments from operating and finance lessors for the airline's fleet of aircraft

The Restructuring is now complete and the Company has issued 2,736,364,671 ordinary shares to the Government of Kenya, 351,656,464 ordinary shares to KLM Royal Dutch Airlines and 2,219,285,317 ordinary shares to KQ Lenders Company 2017 Limited (on behalf o certain Kenyan banks). Pursuant to the resolutions passed at the EGM in August 2017 for the capital reorganisation the nominal valu of the ordinary shares listed on the NSE is now KES 1/- each.

To facilitate the share capital reorganisation, the register was closed from close of business on 14 November 2017 and trading was suspended from 15 November 2017 up to and including 28 November 2017.

As a result the Company's share ownership is now or will be as set out in the table below (noting that the Employee Share Ownership Schem shares are reserved for allotment only):

Shareholder	Number of shares (issued and unissued)	Shareholding % (rounded to one decimal)
Government of Kenya	2,847,844,811	48.9%
KQ Lenders Company 2017 Limited	2,219,285,317	38.1%
KLM Royal Dutch Airlines	451,661,470	7.8%
Employee Share Ownership Scheme	142,164,558	2.4%
Other Shareholders	162,632,113	2.8%
Total	5,823,588,269	100%

By order of the Board
Michael Joseph
Chairman

Dated: 16 November 2017

DISCLAIMER:

This announcement has been issued with the approval of the Capital Markets Authority pursuant to the Ca Markets (Securities)(Public Offers, Listing and Disclosures) Regulations, 2002 as amended. As a matter of p the Capital Markets Authority assumes no responsibility for the correctness of the statements appearin this announcement.

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Kenya Airways

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