

Investor Briefing FY 2018

Date: Wednesday, June 13th, 2018

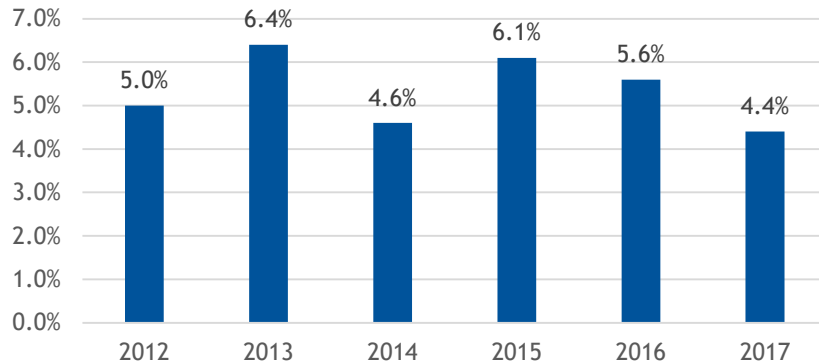




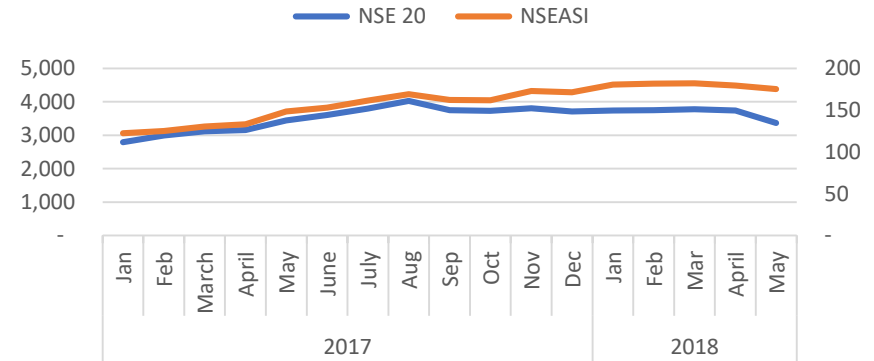
Business Review

Operating Environment: Financial Year largely characterised by prolonged electioneering period and political uncertainty....

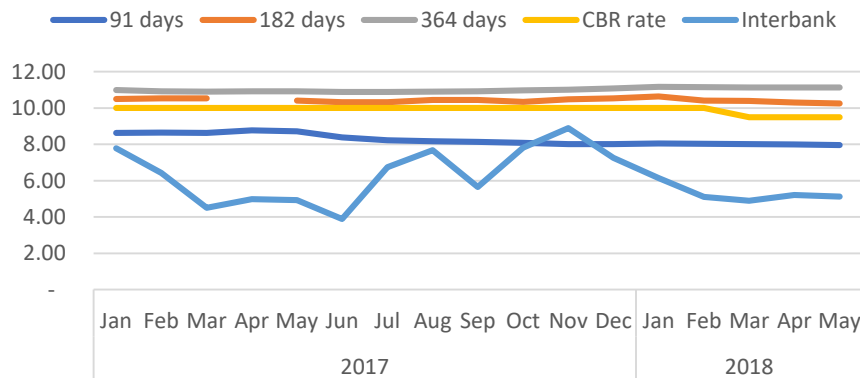
GDP Growth



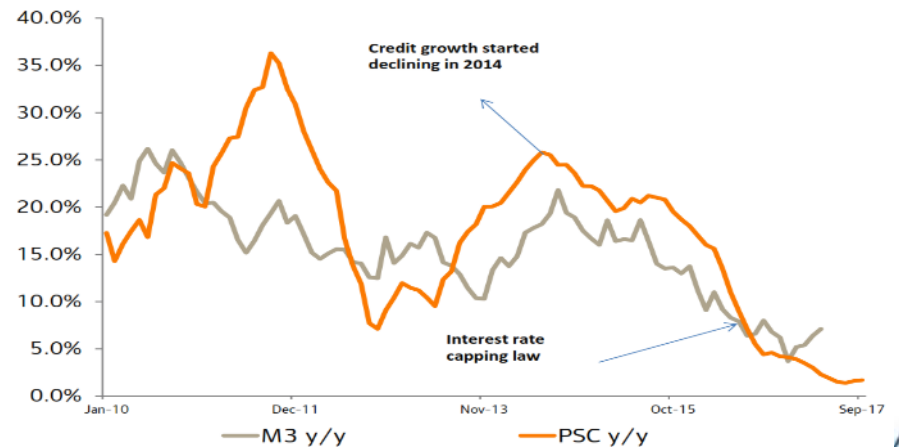
NSE 20 Performance



Interest Rate Trend



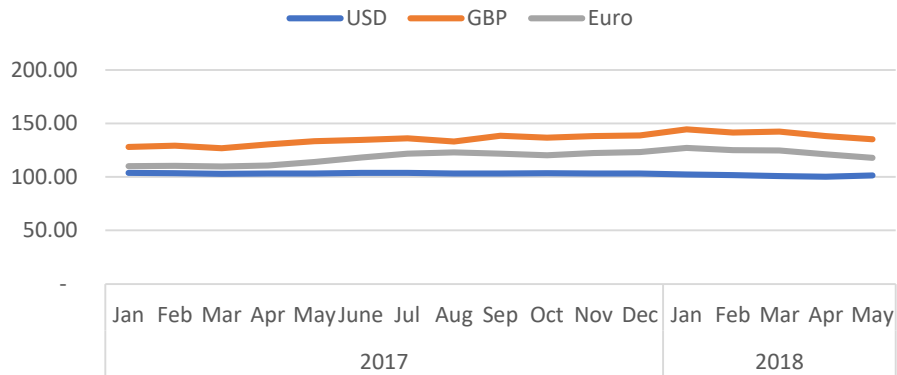
Private Sector Credit Growth



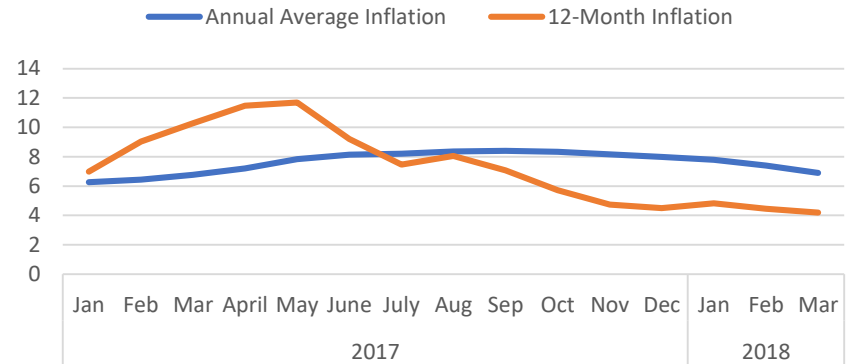
Sources: Central Bank of Kenya; KNBS, Bloomberg, Stanbic

Operating Environment: ...made for a challenging operating environment

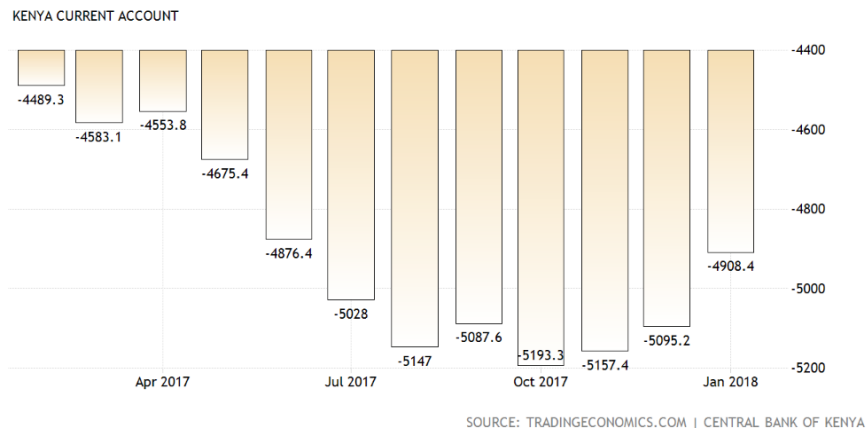
FOREX



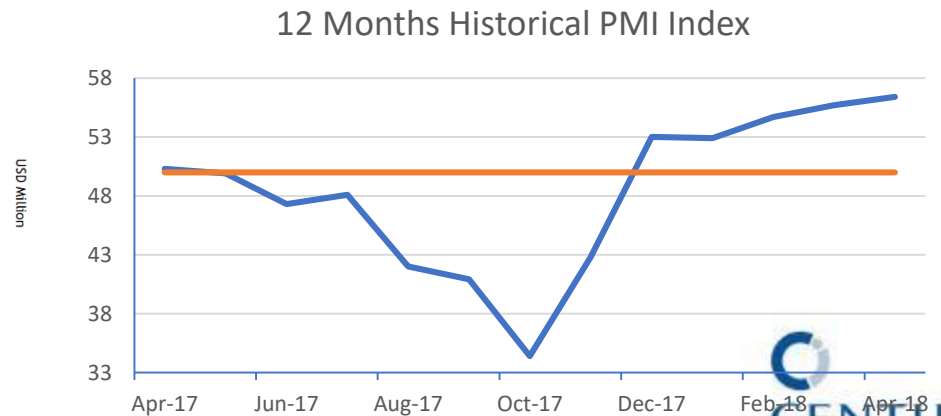
Inflation



Current Account Deficit



Stanbic PMI



Sources: Central Bank of Kenya; KNBS, Bloomberg

Performance Highlights

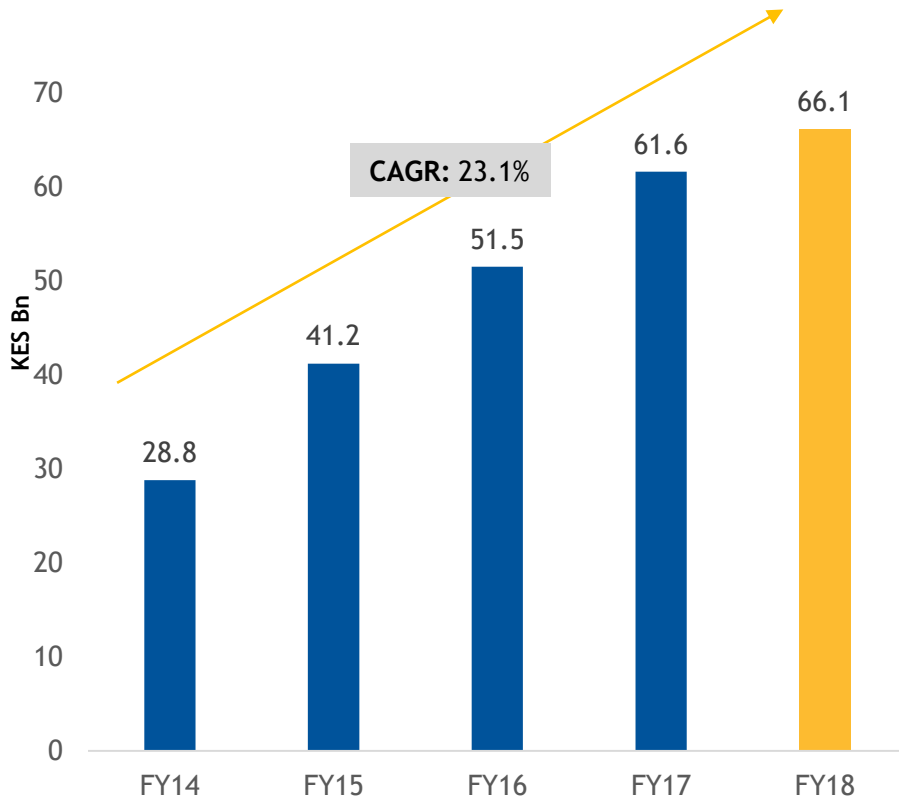
Performance Against Strategic Objectives

	Centum 3.0 Strategic Objectives	Achievements as at FY18
RETURN	<ul style="list-style-type: none"> Generate 35% annualised return between FY14 and FY19 Consistently outperform the market 	<ul style="list-style-type: none"> 23% average annualised return achieved between FY14 and FY18 as compared to NSE average return of -3% over the same period
FOCUS	<ul style="list-style-type: none"> Develop and scale investments across key sectors Optimise portfolio in line with sector focus 	<ul style="list-style-type: none"> Active in six sectors (Real Estate, Power, Financial Services, FMCG, Agribusiness and Education) with Healthcare sector in advanced development stages
SCALE	<ul style="list-style-type: none"> Grow total assets to KES 120 Bn (USD 1.2 Bn) by end 2019 	<ul style="list-style-type: none"> Total assets of KES 66.1 Bn (USD 656 Mn) as at end March 2018 20.8% CAGR on NAV between FY14 and FY18
BRAND	<ul style="list-style-type: none"> Develop sector expertise across key sectors Build a track record of project development in targeted sectors 	<ul style="list-style-type: none"> Sector specific expertise enhanced in Real Estate, Agribusiness and Healthcare sectors
COSTS	<ul style="list-style-type: none"> Maintain costs below 2.0 % of total assets 	<ul style="list-style-type: none"> Cost efficiency of 1.3% achieved

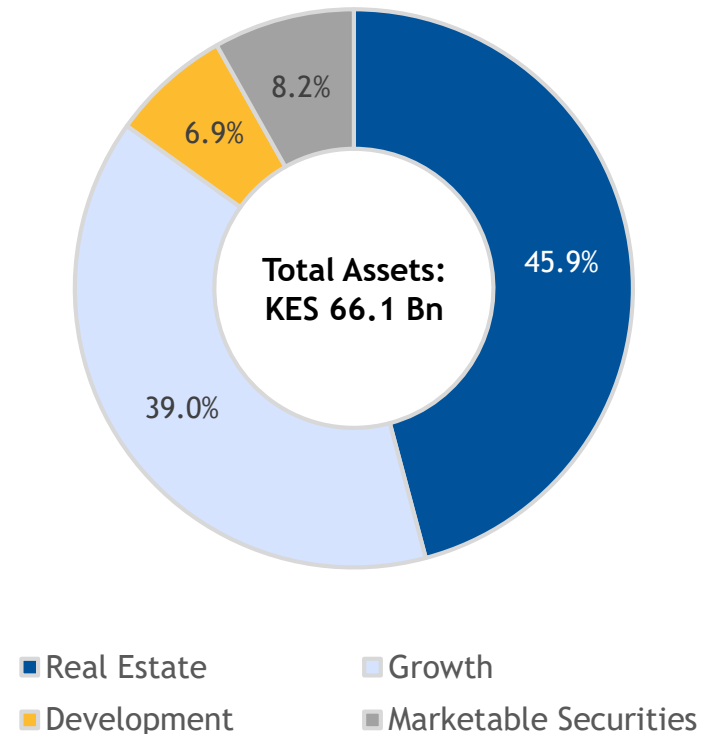
Performance Highlights

Growth in Total Assets

Total Assets, FY14 - FY18



Total Assets Portfolio Split, FY18

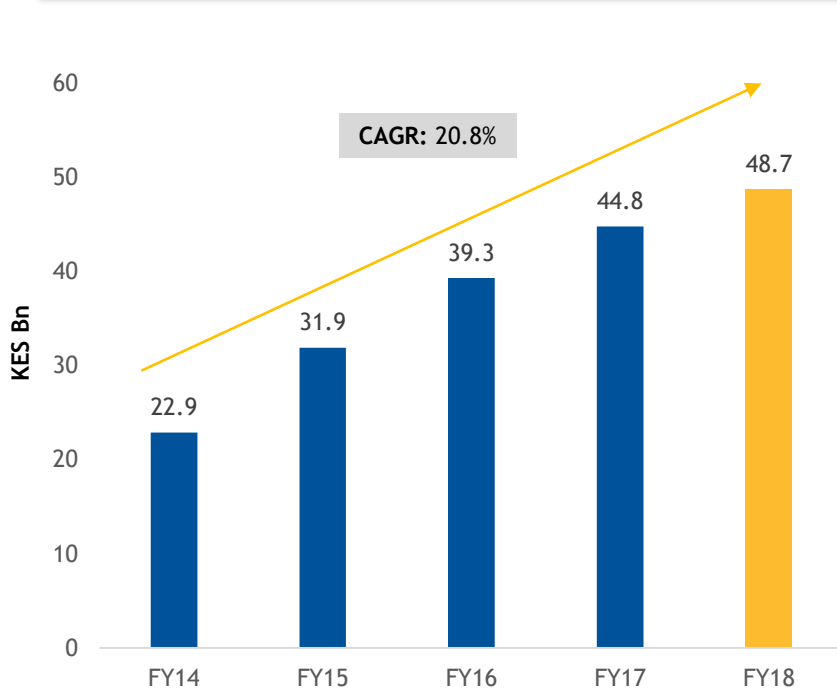


For the period FY14 to FY18, Total Assets have increased by 2.3x

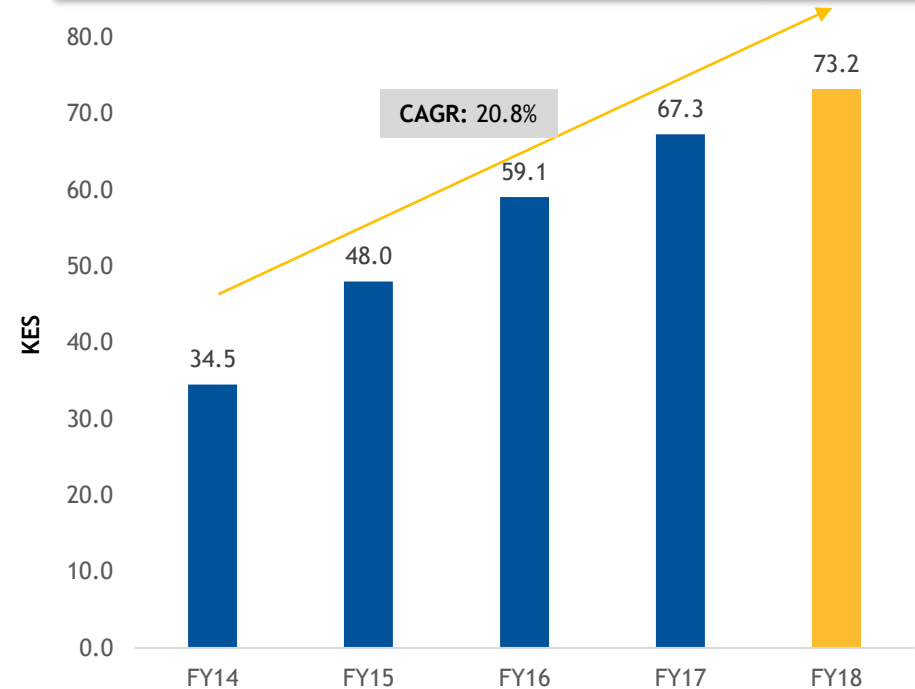
Performance Highlights

Significant Increase in NAV per Share

NAV, FY14 - FY18 (KES Bn)



NAV per Share, FY14 - FY18 (KES)























In the Centum 3.0 Strategy Period, NAV has grown by KES 25.8 Bn, which represents 2.1x growth in shareholder wealth



Portfolio Highlights

Portfolio Snapshot

Centum Investment Company Plc.
Total Assets (31st March 2018) - KES 66.1 Bn

REAL ESTATE	GROWTH			DEVELOPMENT			MARKETABLE SECURITIES & CASH
	Financial Services	FMCG	"Others"	Agribusiness	Power	Healthcare	
   	  	  	    		 	<p>Healthcare project development in advanced stages</p>	 
45.9%	10.5%	21.5%	7.0%	0.4%	5.4%	0.2%	0.9%
	39.0%			6.9%			8.2%

Total Assets have grown by 7.3% to KES 66.1 Bn as at 31 March 2018

Portfolio Highlights

NAV Breakdown

NAV Breakdown by Portfolio Class - FY18

Portfolio Class	Total Assets (KES Mn)	Total Liabilities (KES Mn)	Total NAV (KES Mn)	NAV Per Share (KES)	NAV Per Share (%)
Growth Portfolio	25,801	(3,914)	21,886	32.89	45.0%
Real Estate Portfolio	30,302	(10,497)	19,805	29.76	40.7%
Marketable Securities, Cash and Other Liquid Assets	5,401	(243)	5,157	7.75	10.6%
Development Portfolio	4,584	(2,746)	1,838	2.76	3.8%
Total	66,087	(17,401)	48,686	73.16	100%

Portfolio Highlights

1

Growth Portfolio

- FMCG
- Financial Services
- Others

2

Real Estate Portfolio

3

Marketable Securities Portfolio

4

Development Portfolio

- Power
- Agribusiness
- Education
- Healthcare

Growth Portfolio

NAV Contribution

Growth Sector Contribution, FY18	
Sector NAV Contribution (KES Mn)	21,886
Sector NAV Contribution (%)	45.0%
Sector NAV Per Share Contribution (KES)	32.89

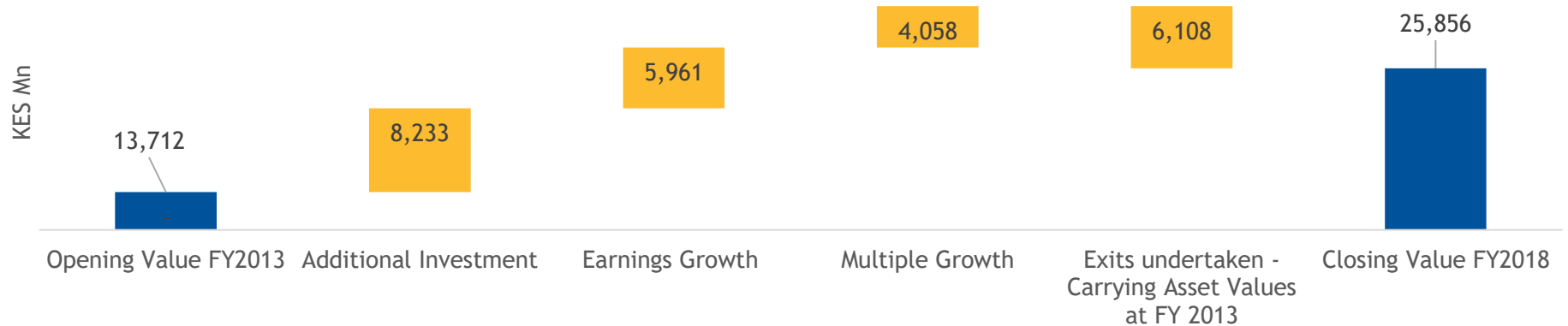
Sector	Portfolio Companies	NAV Per Share (KES)	NAV Per Share (%)	Total Assets (KES Mn)	Total Liabilities (KES Mn)
FMCG	Almasi Beverages Limited	10.96	15.0%	10,891	1,457
	Nairobi Bottlers	7.26	9.9%	NA	NA
	King Beverage Limited	0.01	0.0%	267	14
Financial Services	Sidian Bank	4.68	6.4%	21,834	445
	GenAfrica	3.40	4.65	578	0
	Nabo Capital	0.58	0.8%	559	0
Others	Isuzu EA	3.54	4.8%	NA	NA
	Longhorn	1.15	1.6%	1,924	574
	NAS Servair	1.24	1.7%	NA	NA

Growth Portfolio

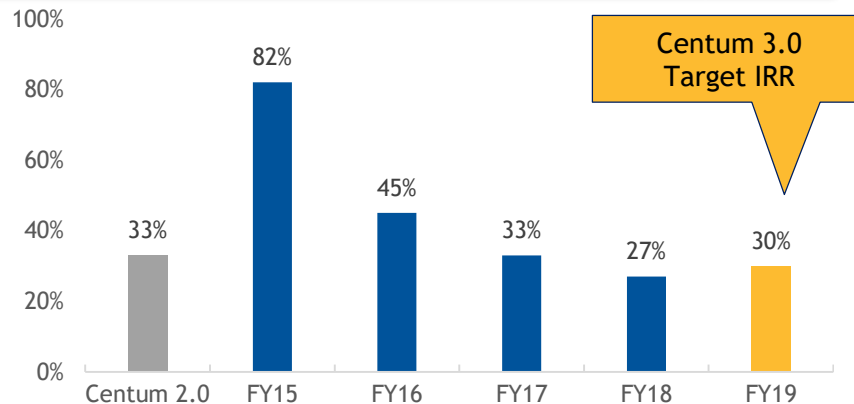
Performance over Centum 3.0

Growth Portfolio remains a significant driver of returns for the Group reflecting the success of our active portfolio management strategy

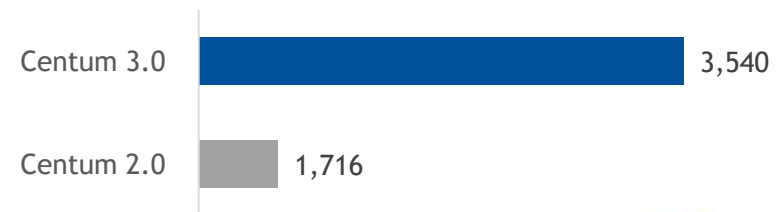
Growth Portfolio Movement (KES Mn)



Growth Portfolio IRR



Portfolio Dividend Received (KES Mn)



Note: Centum 2.0 represents the Strategic Period FY10 - FY14

Growth Portfolio

Income Drivers Value

1

Profit Growth

- 82% of the Growth Portfolio is profitable i.e. positive Profit After Tax
- 78% of the Growth Portfolio increased in profitability vs. previous year

2

Dividends

- 71% of the Growth Portfolio paid a dividend
- 71% of the Growth Portfolio assets increased the dividend paid vs. previous year

3

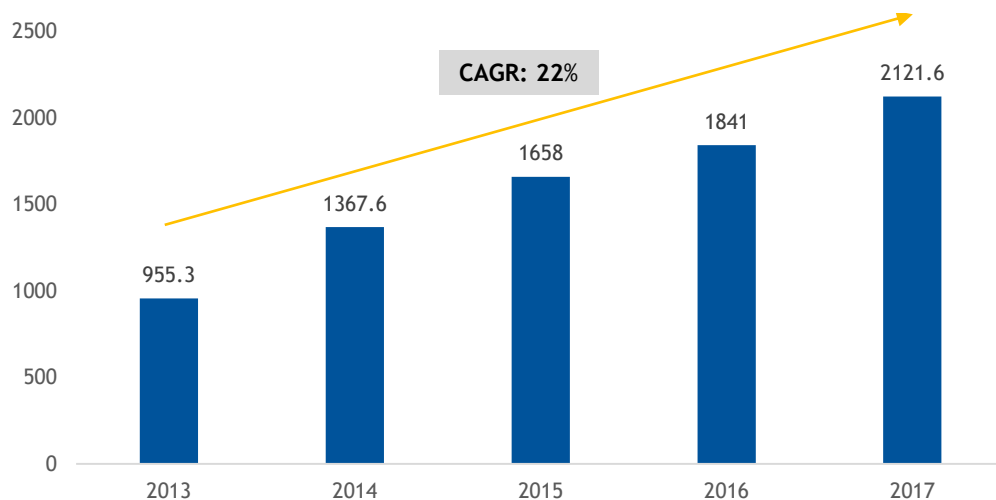
Investment Activity

	GenAfrica	Platinum
Investment Year	2013	2012
Initial Investment (KES mn)	1,050	767
Total Dividends (KES mn)	322	404
Exit Proceeds (KES mn)	2,324	2,692
IRR (%)	29%	31%
TMB	2.5X	4.0X

Growth Portfolio

Robust Growth in Earnings - Bottlers

Centum's Share of Almasi Bottlers Limited & Nairobi Bottlers Limited EBITDA (KES mn), 2013 - 2017



Bottlers' Contribution to NAV, FY18

Bottlers NAV Contribution (KES)	18.22
Bottlers NAV Contribution to Growth Portfolio (%)	55%
Bottlers NAV Contribution to Total Portfolio (%)	25%

- ABL is currently the fastest growing bottling company in Kenya with an active outlet base of over 55,000 & with the potential to grow to over 90,000 outlets
- ABL sales volumes grew by 10% vs prior year mainly driven by uptake of PET and increased availability of product within its territory
- Focus going forward is the continued territory rationalization and efficiencies optimization, which is expected to realize ABL an increased EBITDA of circa KES. 400 Mn in the current year.
- NBL continues to invest in additional production capacity with the recent launch of the 28,000 bph Nitro Hotfill Juice Line that will support NBL's growing demand growth in volumes and continued product innovation

Sidian Bank

Accelerated Growth in Non-funded Income

KES mn	2013	2014	2015	2016	2017
Loan Book	8,694	10,454	12,519	13,571	11,409
Customer Deposits	9,165	12,065	13,380	13,685	12,761
Shareholders Funds	1,868	2,432	3,837	3,869	3,447
PAT	360	514	373	28	(422)
Valuation (KES B)	56	2,556	3,969	3,232	3,891



- The bank is on track to position itself as a leading bank in trade finance solutions and growing its non-funded income lines. Non-funded income now accounts for 28% of total income on average. Trade finance balances have grown 9x from KES 1.06Bn (as at 31st March 2017) to KES 9.72Bn (as at 31st March 2018).
- To fund this growth, the bank mobilized a KES 1.5Bn rights issue.
- Benefits realization from recent investments in ICT is reflected in growing channels income and increased operational efficiencies.

Growth Portfolio

Priorities in FY 2019

1

EXITS

- We have developed a pipeline of exits for FY19 at a considerable value uplift
 - The partial exits and exits will mainly be from the mature Growth Portfolio.
-

2

VALUE UPLIFT

- The FY19 earnings outlook for our Growth Portfolio is positive and we project significant value uplifts across the portfolio driven by this earnings growth
-

Portfolio Highlights

1

Growth Portfolio

- FMCG
- Financial Services
- Others

2

Real Estate Portfolio

3

Marketable Securities Portfolio

4

Development Portfolio

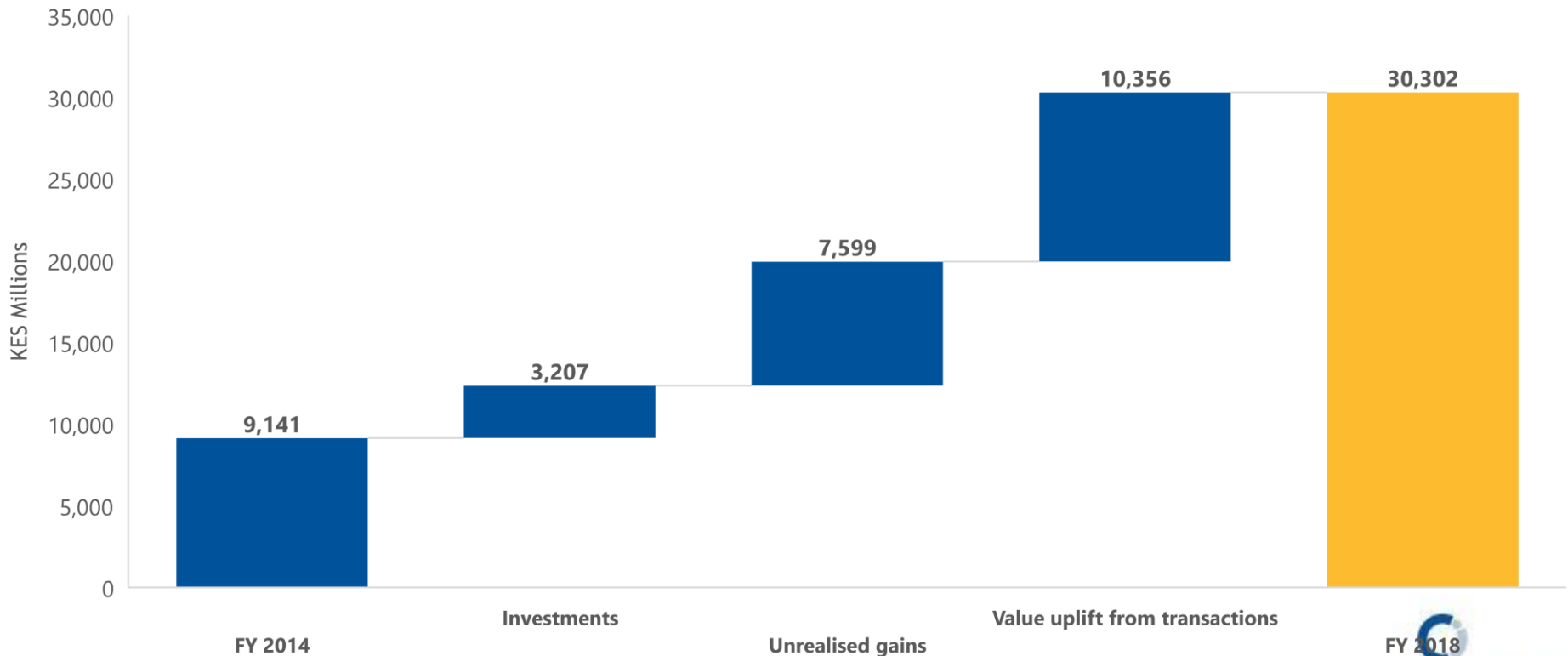
- Power
- Agribusiness
- Education
- Healthcare

Real Estate Portfolio

Value Realization Profile FY14 to FY18

Significant value uplift to KES 30.3 Bn has been realized through transactions during Centum 3.0 Strategic Period

Real Estate Value Drivers (KES Mn) FY14 - FY18

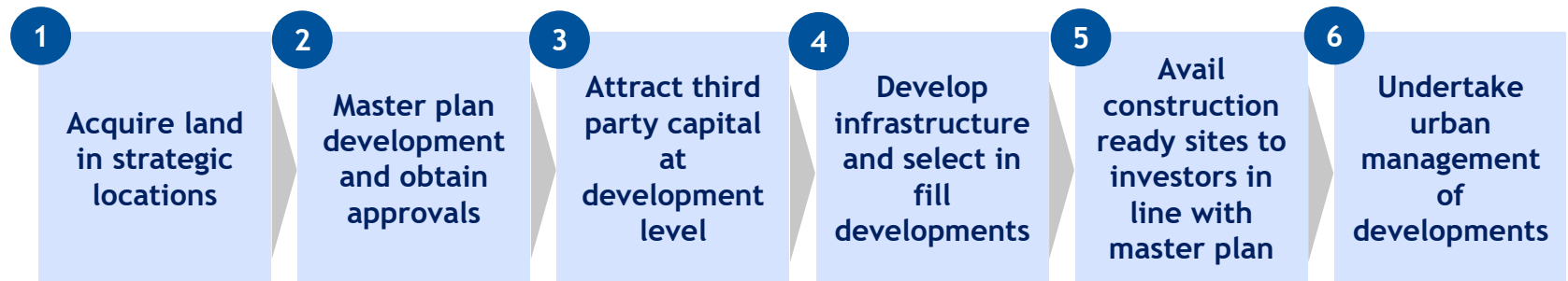


Real Estate Portfolio

Real Estate Sector Strategy Overview

Our real estate strategy seeks to master develop attractive sites across the region and provide commercial impetus for investors to establish city-shifting developments therein

Overview of Centum's Value Creation Process in Real Estate



Progress Against Strategy



Discussions underway for 3rd party capital

Phase 1 to commence in FY19



-



Discussions underway for 3rd party capital

Phase 1A complete. Infill developments in market validation



-



Real Estate Portfolio

Real Estate Portfolio Contribution

Real Estate Sector Contribution, FY18	
Sector NAV Contribution (KES Mn)	19,805
Sector NAV Contribution (%)	40.7%
Sector NAV Per Share Contribution (KES)	29.76

Real Estate Portfolio Companies	% Stake	NAV Per Share (KES)	NAV Per Share (%)	Total Assets (KES Mn)	Total Liabilities (KES Mn)
Two Rivers Development Ltd.	58.30%	15.77	21.6%	29,619	5,052
Vipingo Development Ltd.	100%	8.23	11.3%	9,019	-
Pearl Marina Development Ltd.	100%	5.05	6.9%	7,468	-
Uhuru Heights Ltd.	100%	0.40	0.5%	862	-
Athena Properties Ltd.	100%	0.23	0.3%	264	-
Broll	30%	0.05	0.1%	NA	NA

Real Estate Portfolio

Two Rivers Development Ltd.



Value Drivers

- As at 31st March 2018, the Two Rivers Retail Centre was 75% let, with an average footfall of 320,000 per month.
- Two Rivers Office Towers, 9% of the space is currently let, with 72% under negotiation
- Two Rivers Power and Two Rivers Water & Sewerage Co. operational
 - ✓ Turnover achieved for FY18 at KES 261 mn
- City Lodge opened in February 2018 - their 1st flagship hospitality centre outside South Africa



Outlook

- Near-term strategy is to realize value through
 - ✓ Gross target plot sales of KES 2 billion in FY2019
 - ✓ Engaging 3rd party developers/ investors to unlock additional projects within the precinct (Amphitheater, 5-Star Hotel)
- Riverbank Apartments expected to break ground in FY19
- Theme Park Phase II to include additional rides
- Victoria Bank completion in FY19
- The urban management company is expected in the next 5 years to service a population of 6,000 comprising residents, TRLC tenants & office occupants.

Real Estate Portfolio

Two Rivers: Project Pipeline

Riverbank Apartments



- 196 units over a GBA of 46,000m² with a gross sales target of **KES 5Bn**
- 3rd Party funding for Riverbank Apartments is **KES 2Bn**
- Market validation ongoing with a view to break ground in 2018

Two Rivers Theme Park Phase II



- Phase 2 of the theme park is currently under construction following the acquisition of permits and approvals from the various regulators

Real Estate Portfolio

Vipingo Development: Progress Update

	Investment Park	Commercial Centre	Residential Precincts (Awali & The Ridge Homes)
Acquire Land	✓	✓	✓
Master Plan and Obtain Approvals (NEMA, PPA2)	✓	✓	✓
Services (Water & Power Connections)	✓	-	-
Market Validation	Ongoing	Ongoing	Ongoing
Fundraising	KES 2Bn 3 rd party capital secured	Discussions Underway	Discussions Underway
Infrastructure	Commence in FY 2019	Commence in FY 2019	Commence in FY 2020

Real Estate Portfolio

Vipingo Development: Overview

Strategic Pillars

Outlook

Value Uplift

- To realize a **target return 30%**

Sale of Unserviced Land

- Sale of circa **3,000 acres** of un-serviced land
 - ✓ Expressions received for **1,000 acres** as at 31st March 2018

Sale of Serviced Land

- Sale of **180 acres of serviced land** and profitably open up the site through an Investment Park comprised of:
 - ✓ Light Manufacturing
 - ✓ Export Processing Zone,
 - ✓ Warehouse/Logistics Park
 - ✓ Commercial Centre
- *Realised sales of 25 acres in FY18*

Infill Projects

- Sale of **1,140 apartments** with a view of developing critical mass within the precinct
- The target market for the residential product is:
 - ✓ *The Ridge Homes* catering to the affordable housing sector
 - ✓ *Awali Estate* focused on mid-market

Real Estate Portfolio

Vipingo Development: Project Pipeline

Commercial Developments

1. Investment Park



- Spread over 180 acres, the Investment Park consists of:
 - Light Manufacturing
 - Export Processing Zone
 - Warehouse/Logistics Park
 - Commercial Centre
 - Sales Target: KES 4.1 Bn

2. Vipingo Commercial Centre

- 3,252 Gross Lettable Area with retail on ground floor and offices on level 1

3. Infrastructure - Water & Power

- Significant investment to be made to ensure adequate water supply through installation of a desalination plant
- Power infrastructure to include solar power and a substation

Residential Developments

1. The Ridge Homes



- 1,000 apartments on 20 acres
 - Sales Target: KES 1.5 Bn

2. Awali Estate



- 152 units on 30 acres
 - Sales Target: KES 2.6 Bn

All the projects have gone through the market validation stage and have met the threshold for our investment thesis in the Real Estate portfolio

Real Estate Portfolio

Pearl Marina: Overview



Strategic Pillars

5 Year Project Outlook

Sale of Un-serviced Land

- Sale of circa **165 acres** over the 5 years, generating **USD 69.5 Mn** in net cashflow

Sale of Infill Projects

- Sale of circa **600 residential units** over 5 years, generating **USD 36 Mn** in net cashflow
- Current infill projects on the 46-acre serviced land include:
 - ✓ The current villas
 - ✓ West Pearl Duplexes
 - ✓ West Pearl Townhouses
 - ✓ West Pearl Apartments
 - ✓ Lake View Apartments
 - ✓ Pearl Townhomes
 - ✓ West Pearl Villas
 - ✓ Vista Lago Apartments

Value Uplift

- Uganda National Roads Authority mobilized and on-site to develop the access road linking the development to the Entebbe-Kampala Highway
- Targeted key social amenities
 - ✓ International school
 - ✓ Sports facilities
 - ✓ Medical Facilities



Real Estate Portfolio

Pearl Marina: Project Pipeline



To develop critical mass within the development, focus is on developing the robust pipeline of projects having secured 3rd party capital of USD 5mn, while raising additional capital at the project level



1. Vista Lago

- 40 units with a Gross Built-up Area of c. 6,900 SQM
 - Sales Target: USD 9.2 mn



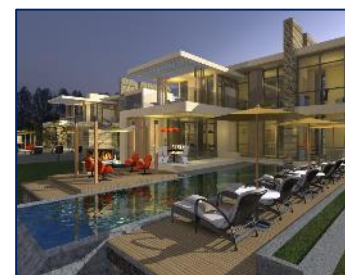
3. West Pearl Town Houses

- 53 units with a Gross Built-up Area of c. 11,660 SQM
 - Sales Target: USD 12.7 mn



2. West Pearl Villas

- 20 units with a Gross Built-up Area of c. 6,000 SQM
 - Sales Target: USD 6.6 mn



4. Pearl Estates Town Houses

- 126 units with a Gross Built-up Area of c. 31,500 SQM
 - Sales Target: USD 36.9 mn

Portfolio Highlights

1

Growth Portfolio

- FMCG
- Financial Services
- Others

2

Real Estate Portfolio

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Marketable Securities Portfolio

4

Development Portfolio

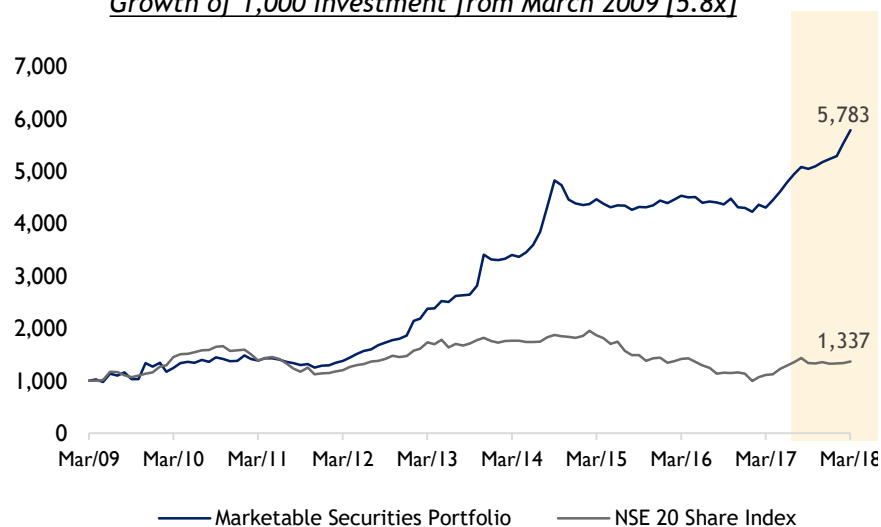
- Power
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- Healthcare

Marketable Securities

Portfolio Return & Track Record

MSP vs NSE 20 - Long Term Track Record

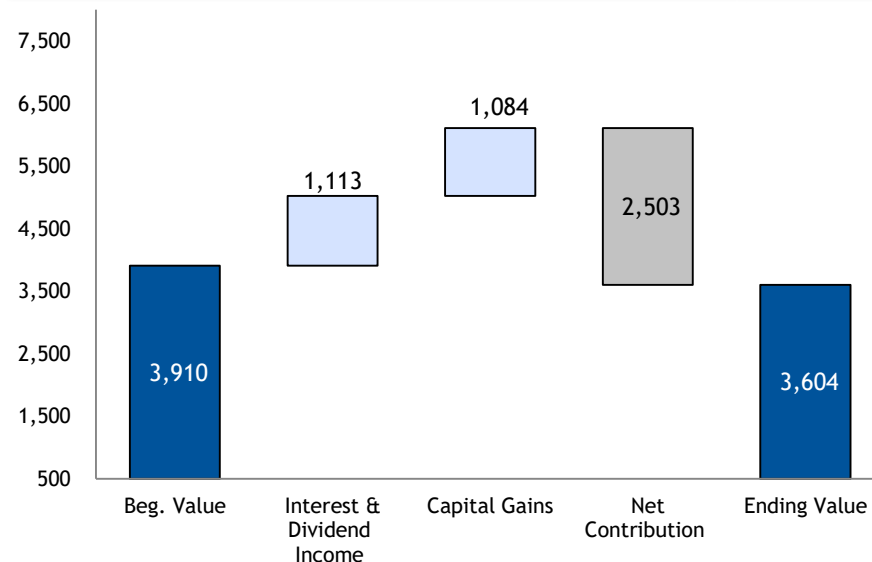
Growth of 1,000 Investment from March 2009 [5.8x]



Annualized Returns (%) over Centum 3.0

	Centum 2.0	FY 15	FY 16	FY 17	FY 18
Marketable Securities Portfolio	34%	31%	2%	-5%	36%
NSE 20 Share Index	13%	6%	-24%	-22%	24%
Spread	21%	25%	26%	17%	11%

Contribution to Group Liquidity over Centum 3.0



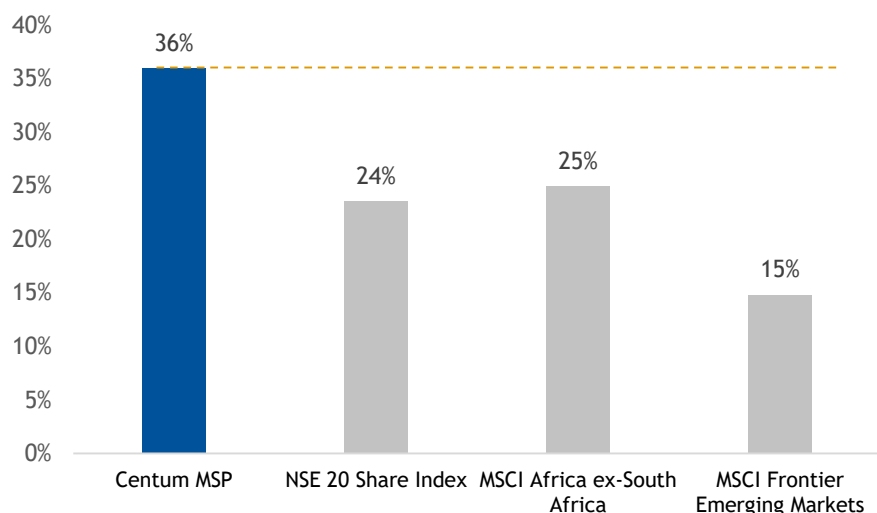
- **Track Record of Superior Returns:** Significant outperformance over the strategy period achieved with low correlation to the stock market
- **Liquidity:** Mandate focused on preserving portfolio value while generating cash and additional liquidity for the group from income and capital gains

Marketable Securities

Portfolio Performance (1/2)

Portfolio Returns & Attribution - FY18

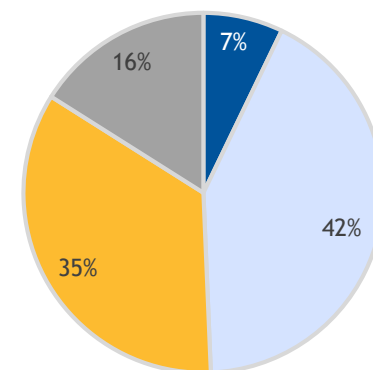
MSP vs. Primary & Secondary Benchmarks - FY 18



MSP Portfolio Returns Attribution - FY 18

Contribution Summary			
Asset Class	Avg Wgt (%)	Return (%)	Contrib (%)
Equity	42%	69%	29%
Fixed Income	35%	10%	3%
Mutual Funds	16%	20%	3%
Cash and Equiv.	7%	2%	0%
Total	100	36%	36%

Portfolio Diversification by Asset Class (%)



■ Cash & Equivalents
 ■ Equities
 ■ Fixed Income
 ■ Mutual Funds

- **Performance FY18:** MSP showed strong outperformance vs. primary and secondary benchmarks, driven by performance of equity investments
- **Diversification:** The portfolio is well diversified by geography and asset class, to dampen volatility while taking advantage of prevailing market conditions

Marketable Securities

Portfolio Performance (2/2)

Marketable Securities Contribution FY18	
Total Portfolio (KES Mn)	5.40
NAV Contribution (%)	10.6%
NAV Per Share Contribution (KES)	7.75

- We remain optimistic about capital markets in 2018 driven by pick up in global growth momentum and global capital flows

Portfolio Highlights

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Marketable Securities Portfolio

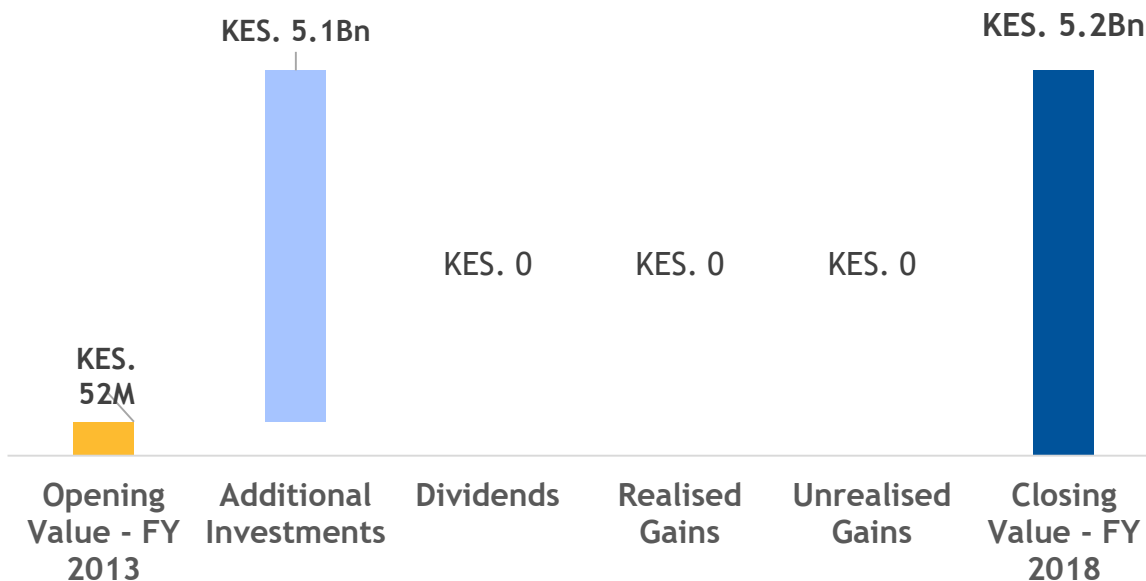
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Development Portfolio

- Power
- Agribusiness
- Education
- Healthcare

Development Portfolio Investment & NAV Contribution

Additional Investments During Centum 3.0



- **The Objective:** To move from development to commercial operation and attract third party capital at a value uplift to our carrying value
- **Assets are carried at cost.**

Development Portfolio NAV Contribution, FY18

Portfolio Companies	Sector	NAV Per Share Contribution (KES)	NAV Per Share Contribution (%)
Akiira Geothermal	Power	2.14	3%
Amu Power	Power	-	-
Greenblade Growers	Agribusiness	0.07	0.1%

Development Portfolio

Priorities in FY19 (1/2)



**Greenblade
Growers
Limited**

Completed	<ul style="list-style-type: none"> The objective is to establish a business that can achieve an EBITDA of Kes. 200M by 2022. Acquired land, Opened up 20Ha for cultivation, Established packhouse Acquired 6 export clients, Annual revenue of KES.58M in FY18
Next steps	<ul style="list-style-type: none"> Focus on expanding the Out-grower program to achieve a diverse product mix Target Gross Revenue of approximately KES. 200M.



Completed	<ul style="list-style-type: none"> The objective is to establish a business that can achieve an EBITDA of Kes. 400m by 2022. Construction of buildings 70% complete Obtained curriculum approval, recruited teachers
Next steps	<ul style="list-style-type: none"> Launch of the school in September 2018. Enrolling 250 students by the end of the first academic year



Completed	<ul style="list-style-type: none"> PPA secured, EPC and O&M contracts, Debt term sheets secured, NEMA Approvals Transaction with General Electric.
Next steps	<ul style="list-style-type: none"> Awaiting Resettlement Action Plan Achieving Financial Close for the Project by March 2019.

Development Portfolio

Priorities in FY19 (2/2)



Completed	<ul style="list-style-type: none"> PPA secured, Debt term sheets secured, NEMA Approvals Drilled 2 of 5 exploratory wells
Next steps	<ul style="list-style-type: none"> Drilling remaining 3 exploratory wells Achieving Financial Close for the Project by March 2019.

Healthcare

Completed	<ul style="list-style-type: none"> The objective is to establish a business that can achieve an EBITDA of Kes. 1.0B by 2022. Feasibility study completed, site identified
Next steps	<ul style="list-style-type: none"> Fundraising debt and equity Breaking ground on the first healthcare facility by March 2019



Financial Review

Financial Performance

FY18 Highlights: Key Drivers

Exits

- Sluggish transaction environment in 2017
- Exit of Platcorp Holdings Limited concluded
- GenAfrica exit not concluded by year end.

Property Valuations

- Real estate commercial property appreciated in value at a lower rate in 2017 compared to previous 6 years.
- Valuations lower compared to prior year due to a depressed property market

Portfolio Performance

- Strong revenue performance in our beverage and asset management businesses
- Performance of banking subsidiary impacted by implementation of interest rate caps for a full year in 2017.

Performance Highlights

**KES
13 Bn**

**Group Turnover
+1%**

**Investment
Income
-32%**

**KES
5.6 Bn**

36%
Total Return
on
Marketable Securities
Portfolio

**KES
66 Bn**

**Total Company
Assets
+7%**

**NAV per Share
+9%**

**KES
73.2**

Financial Performance

Company Total Return Statement

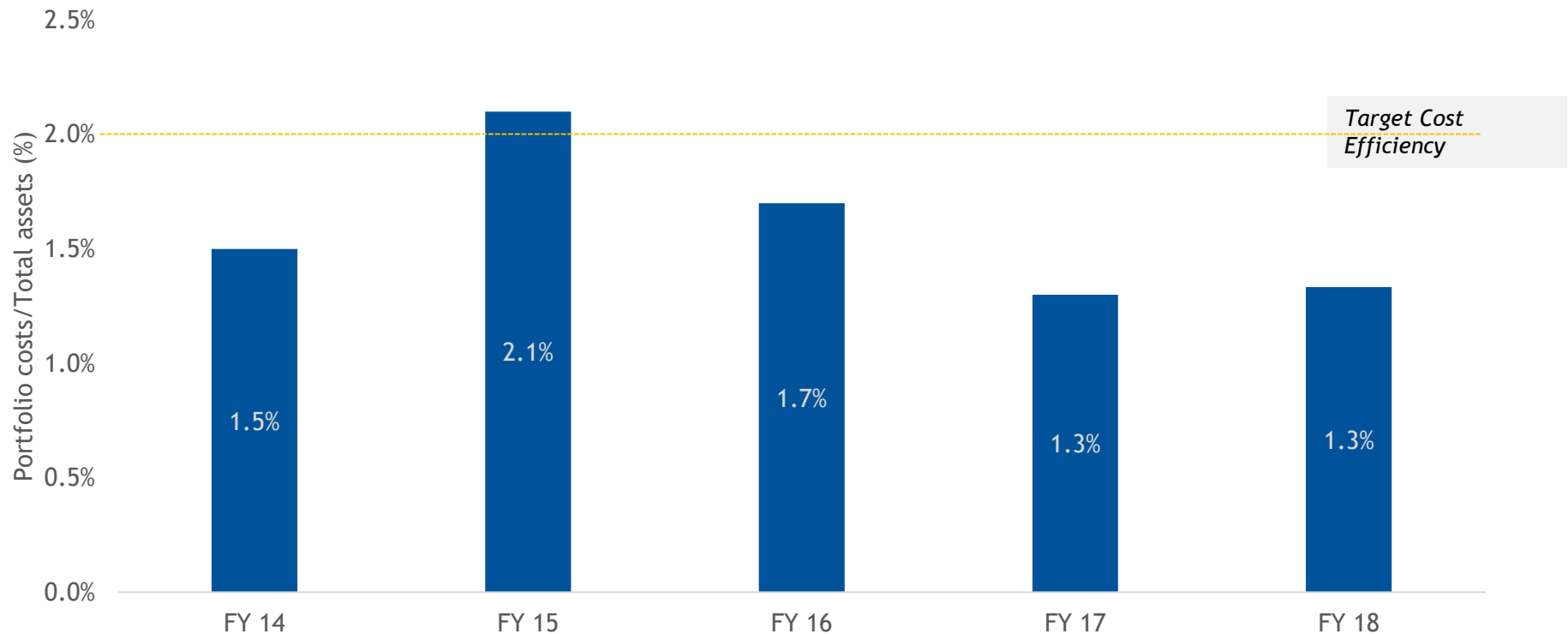
KES. 'millions	Mar-18	Mar-17		%
Dividend income	2,040	1,765	▲	16%
Interest income	1,347	1,326	▲	2%
Realised gains	9	1,063	▼	-99%
Other income	133	146	▼	-9%
Total income	3,529	4,300	▼	-18%
Portfolio costs:				
- Recurrent	(677)	(798)	▼	-15%
- Non recurrent costs	(175)	-		100%
Finance costs	(1,646)	(1,754)	▼	-6%
Profit before tax	1,030	1,749	▼	-41%
Income tax	12	(178)		-106%
Profit for the year	1,041	1,571	▼	-34%
Unrealised gains	3,636	4,588	▼	-21%
Total return	4,677	6,160	▼	-24%
Return on op. NAV	10.4%	15.7%		

- Decline in profitability driven by lower realised gains as recognition of GenAfrica disposal gains was deferred to the financial year ending 31 March 2019
- Profit would have been 42% higher than prior year if the gains had been booked.

Financial Performance

Cost Efficiency

Cost Efficiency FY 2014 - FY 2018



The cost efficiency ratio would be 1%, net of the one-off costs

Financial Performance

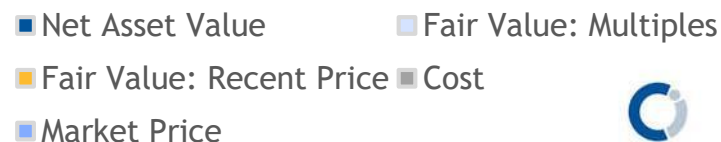
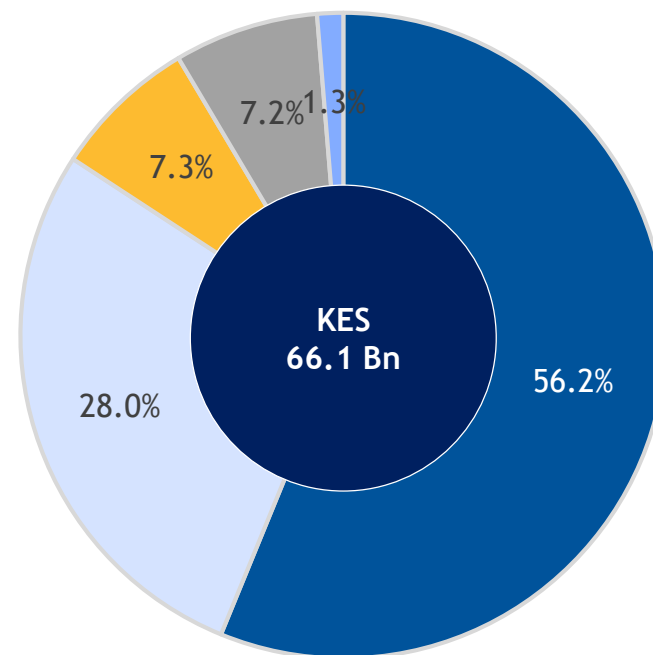
Company Statement of Financial Position

Assets			Liabilities and Shareholder Funds		
KES Mn	FY18	FY17	KES Mn	FY18	FY17
Investments Portfolio			Borrowings	14,843	14,656
Investment in Subsidiaries	39,414	35,311	Other Liabilities	2,559	2,106
Debt investment in subsidiaries	13,386	12,723	Total Liabilities	17,401	16,762
Investment in Associates	5,081	4,687	Shareholder Funds	48,686	44,808
Investment in Joint Ventures	2,100	2,144	Equity and Liabilities	66,087	61,570
Unquoted Investments	3,887	3,797	NAV Per Share	73.2	67.4
Quoted Investments	98	100			
Total Portfolio	63,966	58,762			
Other Assets	1,044	361			
Cash and Cash Equivalent	1,078	2,447			
Total Assets	66,087	61,570			

Portfolio Valuation Methodology

Valuation Methodology Description	
Net Asset Value	<ul style="list-style-type: none"> Value derived as an investee's book value of equity multiplied by Centum's shareholding
Fair Value: Multiples	<ul style="list-style-type: none"> Market multiples of comparable listed companies used Mostly applied on private equity investments
Fair Value: Recent Price	<ul style="list-style-type: none"> Value inferred from recently transacted portions of the asset This approach is preferred where a reference price exists from a transaction closed in the recent 12 months
Cost	<ul style="list-style-type: none"> Assets carried at cost of acquisition
Market Price	<ul style="list-style-type: none"> Asset values based on prevailing market prices on the reporting date Applies to listed securities

Portfolio Breakdown by Valuation as at FY2018



Financial Performance

Segmented Portfolio Valuation (1 of 2)

Portfolio Companies	Stake	Sector	Carrying Value (KES Mn)		Valuation Method	Implied Valuation Multiple
			31-Mar-18	31-Mar-17		
Growth Portfolio						
Almasi Beverages Limited	53.90%	FMCG	8,697	7,716	FV: Multiples	6.77x
Nairobi Bottlers Ltd	27.60%	FMCG	5,078	4,388	FV: Multiples	6.77x
Sidian Bank Limited	77.02%	Fin. Services	3,890	3,232	FV: Multiples	1.16x
Isuzu (E.A.) Ltd	17.80%	Others	2,470	3,027	FV: Recent price	
Platcorp Holdings Limited	25.00%	Fin. Services	-	2,651	FV: Recent price	
GenAfrica Investment Management Ltd	73.40%	Fin. Services	2,324	1,404	<i>Ongoing Transaction</i>	
Nabo Capital Limited	100.00%	Fin. Services	494	765	NAV	
NAS Servair	15.00%	Others	856	765	FV: Multiples	3.90x
Longhorn Kenya Limited	60.20%	Others	763	738	Market price	
Centum Business Solutions Limited	100.00%	Others	399	219	NAV	
Zohari Leasing Limited	100.00%	Fin. Services	213	208	NAV	
King Beverage Limited	100.00%	FMCG	471	310	Cost	
Others			201	363	Cost	
Total			25,856	25,787		
Development Portfolio						
Amu Power Ltd	51.00%	Energy	2,103	2,144	Cost	
Akiira Geothermal Limited	37.50%	Energy	1,491	1,347	Cost	
ACE Holdings Limited	40.00%	Education	556	295	Cost	
Greenblade Growers Limited	100.00%	Agribusiness	185	269	NAV	
Others - Healthcare, Agribusiness Dev. Cost	-		269	178	Cost	
Total			4,605	4,233		

Financial Performance

Segmented Portfolio Valuation (2 of 2)

Portfolio Companies	Stake	Sector	Carrying Value (KES Mn)		Valuation Method
			31-Mar-18	31-Mar-17	
Real Estate Portfolio					
Vipingo Development Limited	100.00%	Real Estate	8,659	5,718	NAV
Two Rivers Development Limited	58.30%	Real Estate	12,389	14,490	NAV
Uhuru Heights	100%	Real Estate	856	835	NAV
Centum Development Limited	100.00%	Real Estate	7,464	4,178	NAV
Athena Properties Limited	100.00%	Real Estate	150	25	NAV
Broll	30.00%	Real Estate	37	-	NAV
Two Rivers Luxury Apartments	100.00%	Real Estate	37	-	NAV
Total			29,591	25,247	
Marketable Securities and WC					
Centum Exotics Limited	100.00%	Marketable Securities	3,589	3,134	Market price
Centum - QPE	100.00%	Marketable Securities	98	100	Market price
Receivables	100.00%		1,271	622	Cost
Cash	100.00%		1,078	2,447	Cost
Total			6,036	6,303	
			66,087	61,570	

Financial Performance

Company Statement of Cash Flows

KES 'Mn	Mar-18	Mar-17
Cash flow from operations	4,319	3,185
Net cash used in investing activities	(2,564)	(5,505)
Cash flows from financing activities		
Proceeds from borrowings	6,643	2,945
Repayment of borrowings	(7,439)	-
Interest paid on borrowings	(1,601)	(1,489)
Dividends paid	(727)	(605)
Net cash generated from financing activities	(3,124)	851
Net increase in cash and cash equivalents	(1,369)	(1,469)
At start of year	2,447	3,916
At end of year	1,078	2,447

- Key driver in liquidity was redemption of the Kes 4.4bn bond together with settlement of the USD 30mn RMB facility that was due to mature in December 2017.
- Significant investment during the year relates to KES 1.4 Bn for Vipingo Land.

Company Liquidity

Kes 4.6Bn

Cash and marketable securities representing 6.96% of total company assets

Cash and equivalents
held by Centum

Kes 1.08Bn

Listed securities
Held on Centum balance sheet

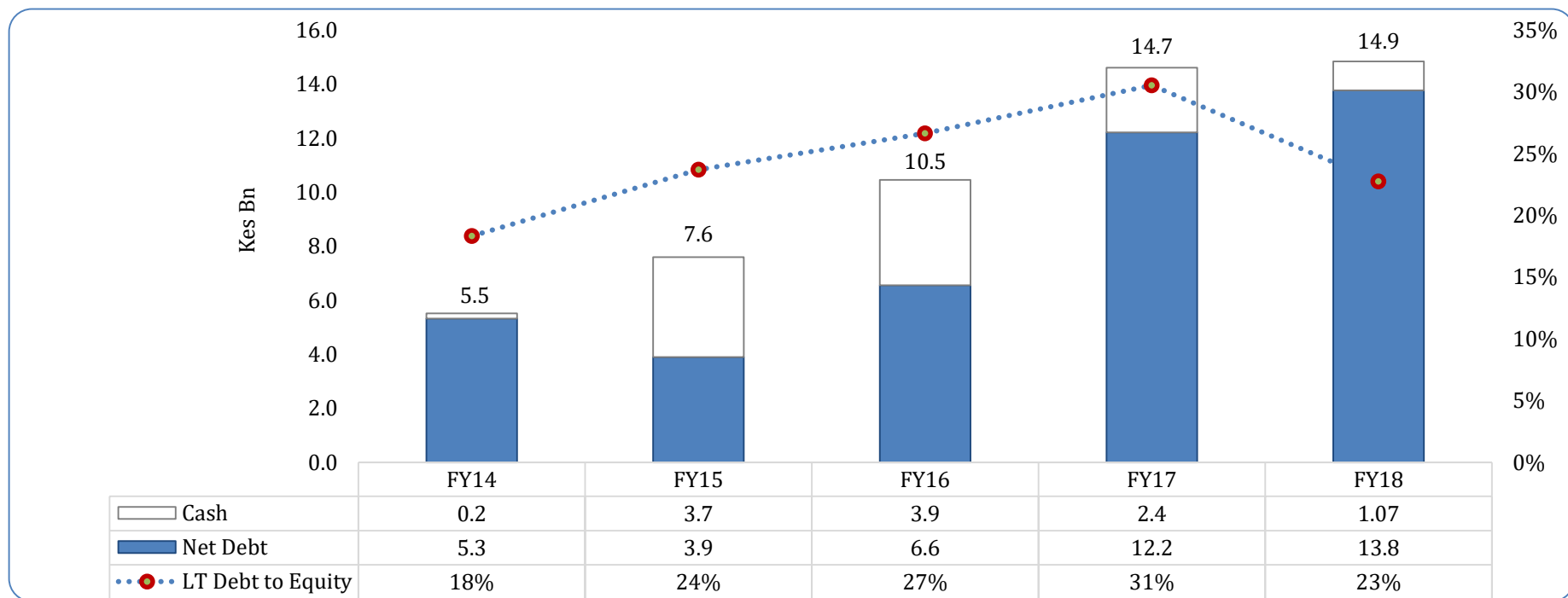
Kes 98m

Listed securities
Held through 100% owned subsidiary

Kes 3.4bn

Company Gearing

KES million	FY 2014	FY 2015	FY 2016	FY 2017	FY 18
Operating Inflows	4,146	8,114	7,904	5,259	6,289
Operating Outflows	(463)	(519)	(1,033)	(922)	(695)
Internally Generated Funds	3,683	7,595	6,871	4,336	5,594
Finance Costs	660	814	1,511	1,754	1,646
Debt Service Coverage	5.6x	9.3x	4.5x	2.5x	3.4x



- Net Debt to Equity of 23% as at 31st March 2018, well below bond covenant requirement of 50%
- Debt Service Coverage required of 1.5x on bond covenant with a 3.4x coverage as at 31st March 2018

Company Gearing & Debt Capacity

We redeemed the Kes 4.2 Bn 5-year corporate bond in Sep 2017, effectively deleveraging our balance sheet

Debt KES Mn	31-Mar-17	Accrued Interest	Accrued Expenses	Additions	Paid	Paid FX Movements	31-Mar-18
Bond I	4,331	-	-	-	(4,331)	-	-
Bond II	6,225	228	69	-	(228)	-	6,294
Term Loan	3,118	109	(65)	5,139	(3,083)	(132)	5,087
Total	13,674	337	4	5,139	(7,642)	(132)	11,381

LT Debt Ratio

22%

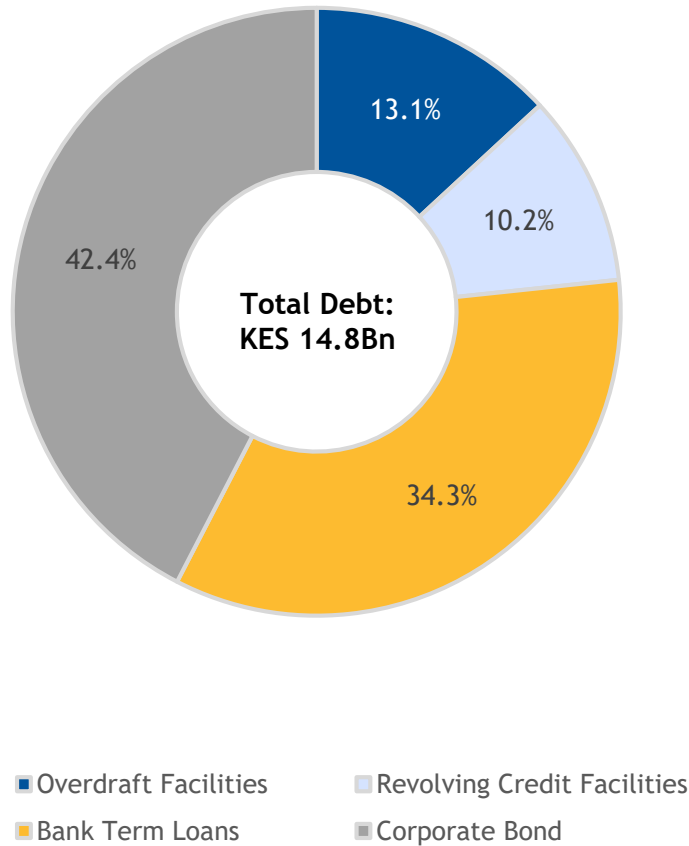


17%

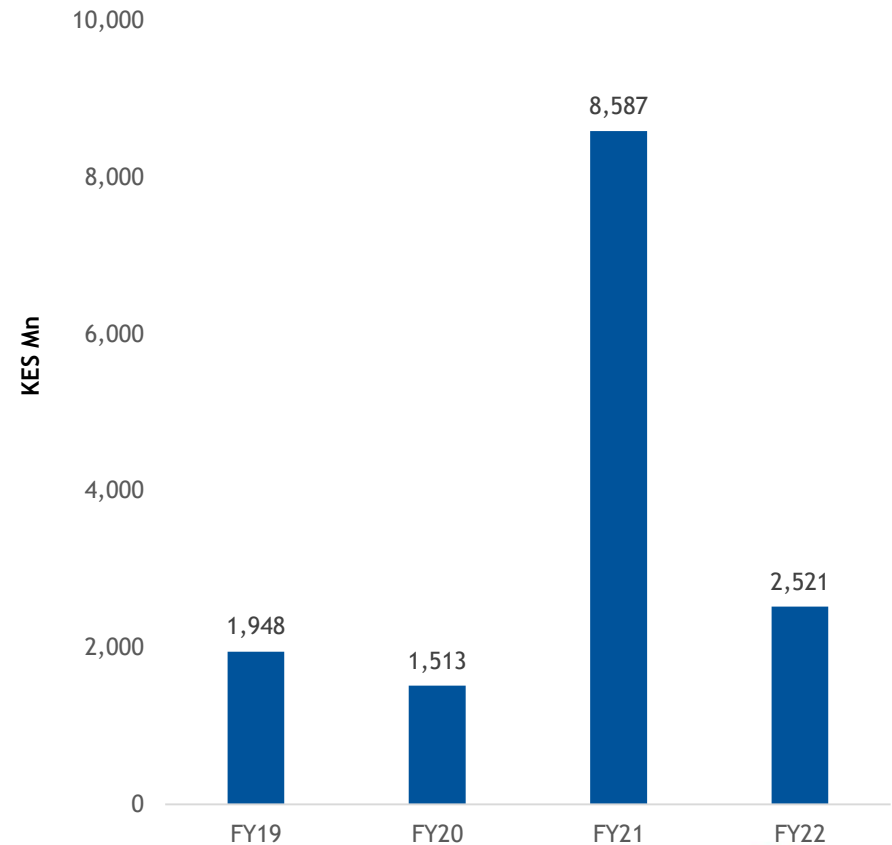
GCR accorded Centum a credit rating of A (long term) and A1 (short term) with a positive outlook

Debt Profile

Borrowings by Nature of Debt FY18 (KES Bn)



Debt Maturity Profile (KES Mn)



Consolidated Financial Performance

Group Turnover Analysis

KES.'millions	Mar-18	Mar-17		Change
Beverage sales	8,565	8,186	▲	5%
Publishing sales	1,287	1,248	▲	3%
Agribusiness sales	59	16	▲	274%
Interest, fees and commissions income	2,677	3,458	▼	-23%
Asset management	710	617	▲	15%
Utility sales	261	60	▲	337%
Management fees	143	29	▲	390%
Total revenue	13,702	13,614	▲	1%

- Beverage sales up due to increased volumes contribution, new products and improved product mix despite the challenging environment.
- The full effect of the interest rate caps is reflected in the decline in revenue from Sidian Bank.
- The utility and the agribusiness become fully operational during the year.

Consolidated Financial Performance

Group Investment Income

KES.'millions	Mar-18	Mar-17		Change
Unrealised gains on revaluation of investment property	4,182	6,452	▼	-35%
Realised gains on disposal	786	1,047	▼	-25%
Dividends	271	306	▼	-12%
Interest income	101	216	▼	-53%
Other income	229	220	▲	4%
Total revenue	5,569	8,242	▼	-32%

- Realised gains reflect the disposal of Platcorp Holdings Limited. The gains from the GenAfrica transaction to be reflected in the new financial year.
- Low valuation uplifts on investment property reflect the general performance of the real estate market which appreciated at a lower rate in 2017 on account of the operating environment.

Consolidated Income Statement

KES. 'Mn	Mar-18	Mar-17	%Δ
Sales	10,171	9,402	8%
Direct and other operating costs	(9,102)	(8,205)	11%
Trading profit	1,069	1,197	-11%
Financial services:			
Income from provision of financial services	2,845	3,627	-22%
Funding and other costs	(3,385)	(3,645)	-7%
Operating (loss) from financial services	(541)	(17)	-3032%
Investment operations:			
Realised and unrealised gains	4,968	7,485	-34%
other annuity investment income	745	894	-17%
Operating and administrative expenses	(2,028)	(1,122)	81%
Finance costs	(1,761)	(1,048)	68%
Share of profits of associates and jv after tax	695	1,347	-48%
Profit from investment activities	2,618	7,556	-65%
Profit before tax	3,147	8,736	-64%
Profit for the year - Continuing operations	2,656	8,169	-67%
Profit from discontinued operations	136	141	-4%
Profit for the year	2,792	8,310	-66%

Group Financial Performance

Trading Subsidiaries

KES.'Mn	Mar-18	Mar-17		%Δ
Sales:				
- Beverage business	8,565	8,078	▲	5%
- Publishing business	1,287	1,248	▲	3%
- Agribusiness	59	16	▲	274%
- Electricity and water sales	261	60	▲	337%
Total revenue	10,171	9,401	▲	8%
Cost of sales:				
- Beverage business	(5,824)	(5,310)		
- Publishing business	(495)	(524)		
Gross margins:				
- Beverage business	32%	34%		
- Publishing business	62%	58%		

- Strong revenue performance on our beverage business, despite the challenging operating environment which occasioned distribution channel interruptions and on the publishing business, despite regulatory changes.,

Group Financial Performance

Financial Services

KES:'Mn	Mar-18	Mar-17		%Δ
Sidian Bank Limited:				
- Interest income	1,890	2,833	▼	-33%
- Fees, forex and other income	767	588	▲	30%
Total income	2,657	3,421	▼	-22%
Interest expense	(812)	(966)	▼	-16%
Provisions	(449)	(327)	▲	38%
Asset management business:				
- Fund management income	662	527	▲	26%
- Interest income	49	101	▼	-52%
Total income	710	628	▲	13%
Leasing business				
- Lease rentals	20	37		-46%

- Decrease in interest income at Sidian Bank driven by effect of interest rate capping regulations
- However, initiatives put in place over the last year to grow its non-funded income are already bearing fruit. Non-funded income grew by 30% over the prior year.
- Growth in non-funded income projected to accelerate as the bank focuses on providing trade finance solutions to its customers
- The asset management business recorded a 26% increase in income driven by growth in assets under management.

Group Financial Performance

Consolidated Statement of Financial Position

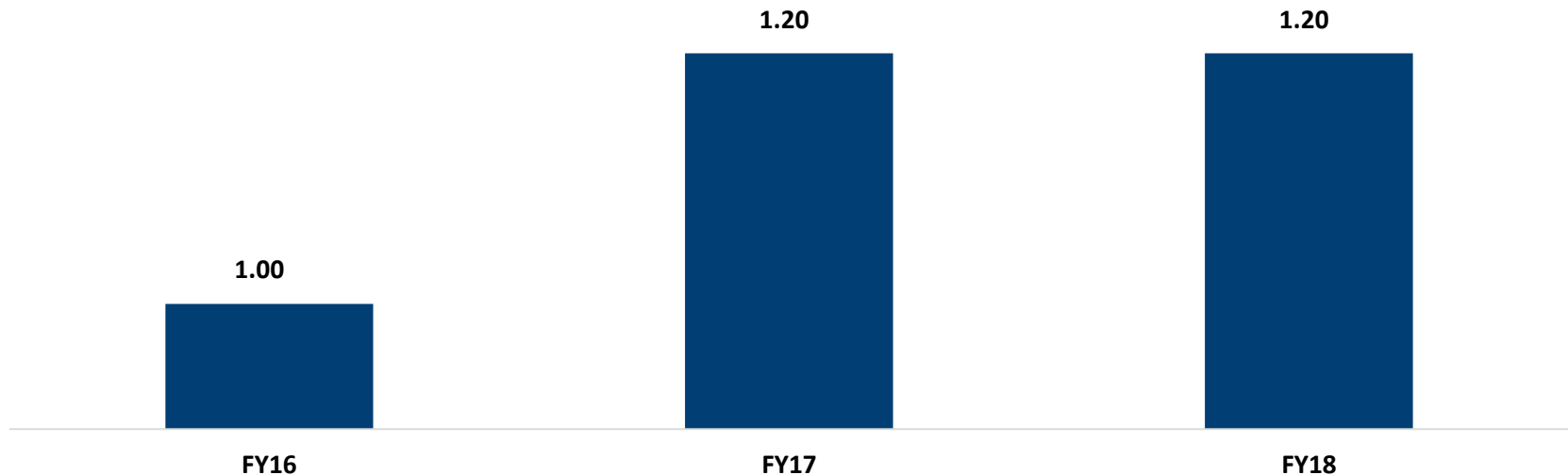
Assets			Liabilities and Shareholder Funds		
KES Mn	FY18	FY17	KES Mn	FY18	FY17
Property, plant and equipment	9,665	10,072	Customer deposits and banking liabilities	16,042	13,369
Investment properties	32,719	27,311	Borrowings	21,254	17,416
Associates and Joint ventures	12,544	13,520	Dividends payables	154	83
Unquoted investments	4,363	4,226	Other liabilities	7,941	8,044
Quoted investments	1,739	1,223	Total Liabilities	45,391	38,911
Bonds and Government securities	4,056	3,021	Shareholder funds	50,897	49,474
Loans and advances	11,772	12,633	Equity and liabilities	96,288	88,386
Other assets	13,610	10,739			
Cash and cash equivalent	5,820	5,639			
Total Assets	96,288	88,386			



Outlook

Recommended Dividend: *Stable Pay-out Despite Headwinds*

Dividends Per Share (KES) FY16 - FY18



- Board recommended the payment of a dividend of KES 1.20 per share for financial year ended **March 2018**
 - Cumulative payout of **KES 798.5 Mn** recommended for **FY18**, similar to amount paid out in **FY17**

Near Term Priorities

Narrow the Gap between NAV & Share Price while continuing to grow NAV

STEPS:

APPROACH

1

Optimise Gross Return

- Robust exit pipeline of mature assets across the Portfolio to optimize Gross Return
- Portfolio enhancements across the four business lines

2

Asset Redeployment

- Invest exit proceeds with a focus on more cash generative assets than capital appreciation assets

3

Leverage 3rd Party Capital

- Raising 3rd Party Equity and Debt Capital (Non-recourse to Company) at the Portfolio/Project level and creating value uplift at Portfolio/Project level

4

Reduce Debt at Centum Level

- Utilize part of exit proceeds to completely pay down long-term debt as it matures

5

Progressively increase Dividend Yield

- Returns from cash generative assets and finance costs savings to be utilized towards higher dividend pay-outs with a 3X target growth



Thank You

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