




Investor Briefing

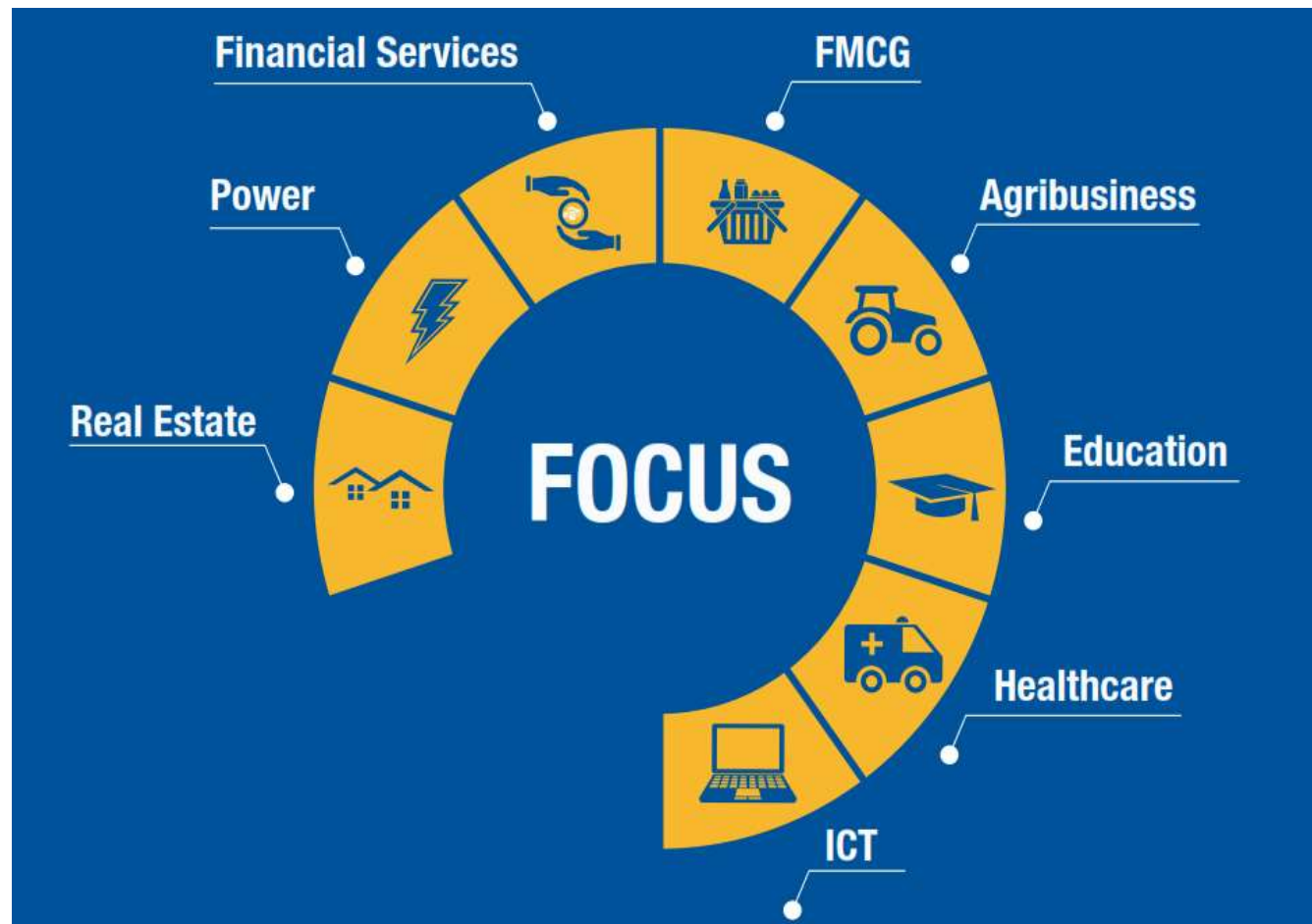
Group Results for Financial Year
Ended 31st March 2016

8 June 2016



Performance Overview
Group CEO: James Mworira

Group's Vision: "To Be Africa's Foremost Investment Channel"



Our Mission: To create real tangible wealth by providing the channel through which investors access and build extraordinary enterprises in Africa”

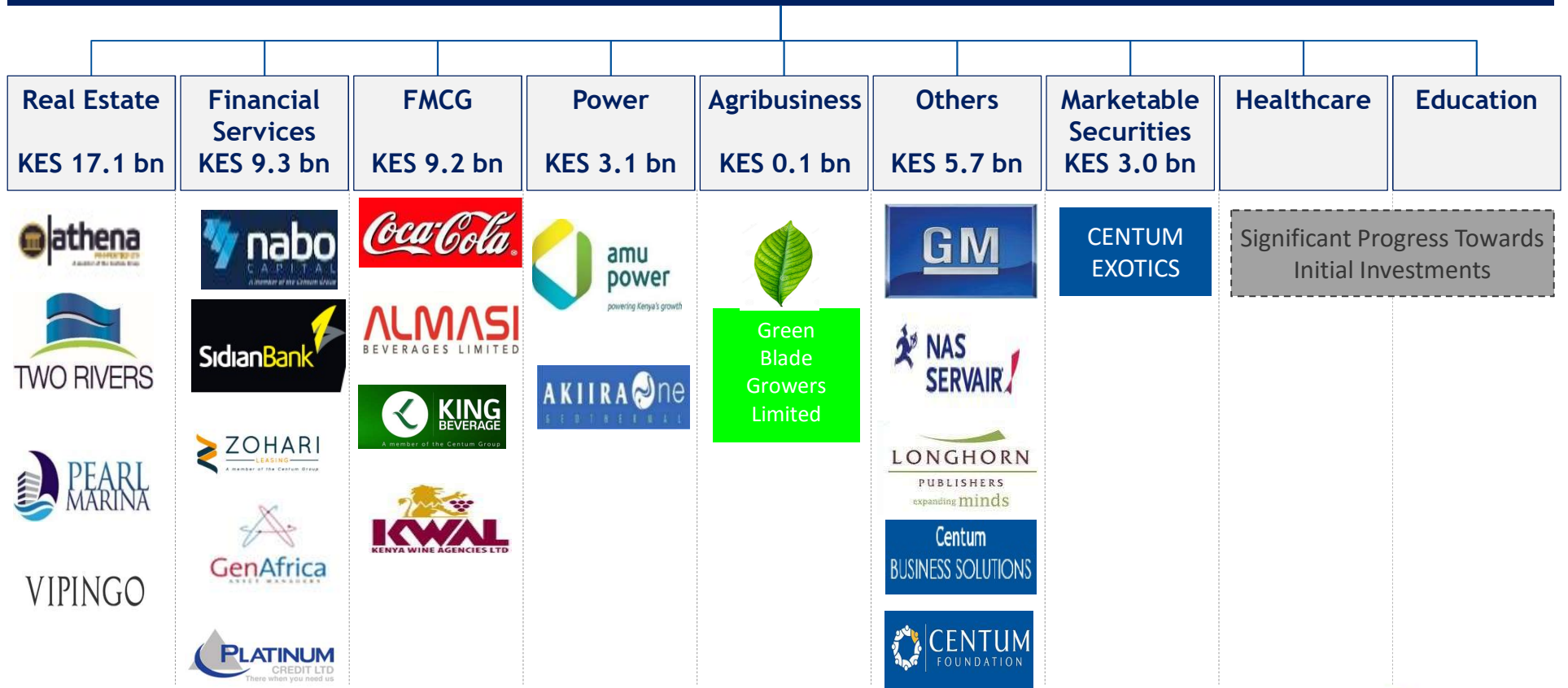
Our Strategy: “To develop investment grade opportunities of scale across 8 key sectors”

Performance Highlights for FY 2016

	Centum 3.0 Strategic Objectives	Achievements in FY 2016
RETURN	<ul style="list-style-type: none"> • Generate 35% annualised return between FY2014 and 2019 • Consistently outperform the market 	<ul style="list-style-type: none"> • Delivered return of 23% vs. NSE 20 Index return of -24% over the same period • 25% yoy growth in Group profitability from KES 7.9 bn to KES 9.9 bn
FOCUS	<ul style="list-style-type: none"> • Develop and scale investments across 8 key sectors • Optimise portfolio in line with sector focus 	<ul style="list-style-type: none"> • Investments in five sectors (Real Estate, Energy, Financial Services, FMCG, Agribusiness) • Investments imminent in two sectors (Healthcare, Education) • Exit from AON
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 51.5 bn at end March 2016
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 agribusiness, healthcare, retail and leasing sectors • Continued investment in graduate programme as key talent pipeline
COSTS	<ul style="list-style-type: none"> • Maintain costs below 2.00% of total assets 	<ul style="list-style-type: none"> • Cost efficiency of 1.7% achieved

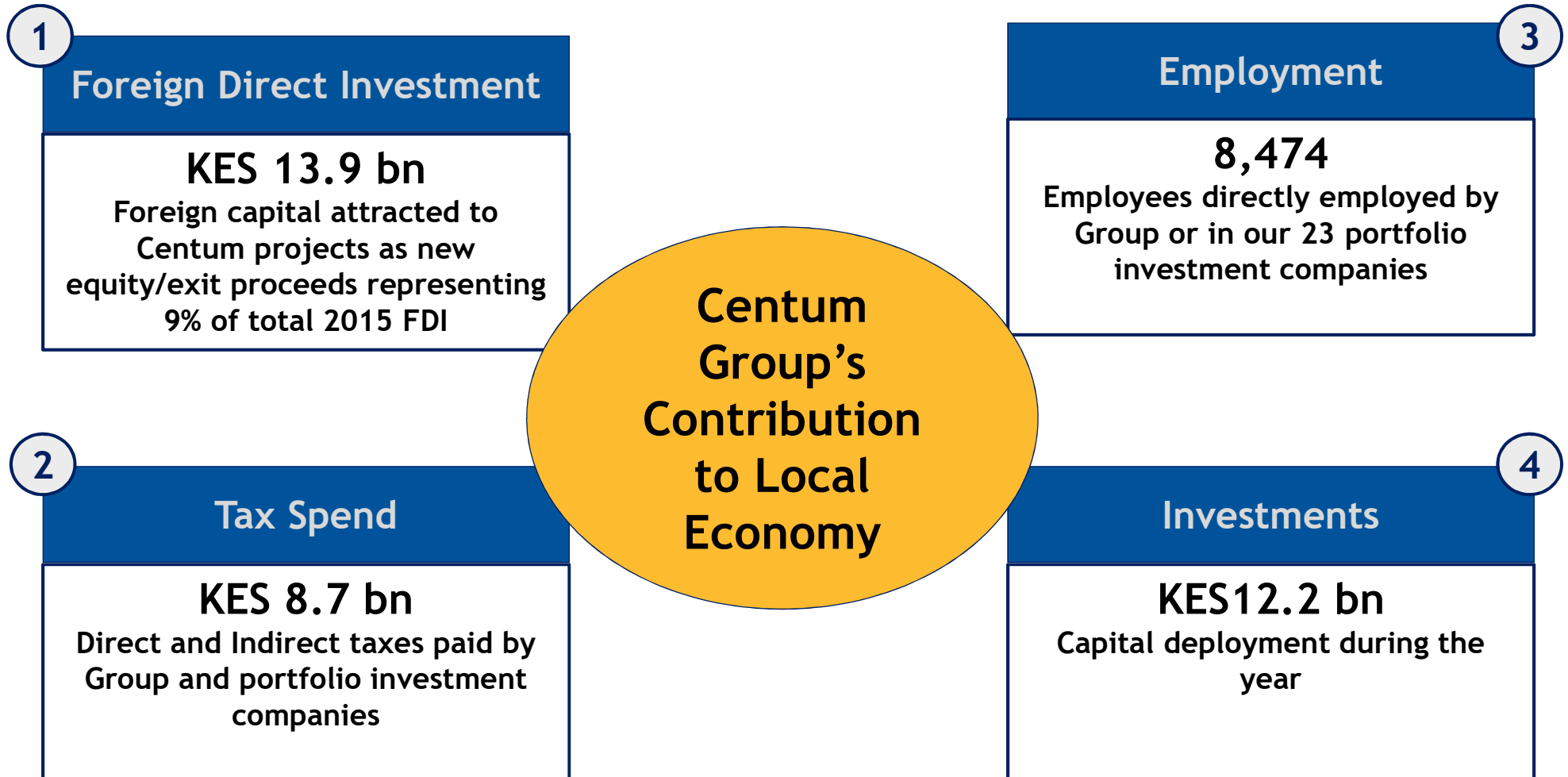
Portfolio Overview

Total Assets (end March 2016) - KES 51.5 bn
 Investment portfolio of 47.6 bn, analysed per sector as follows:



Exited minority position in AON via sale of 21% stake to AON PLC in line with strategic focus on development of investment grade assets of scale

Group's Economic Contribution



Portfolio Highlights

Real Estate: Two Rivers Development Journey

2011

Centum acquires 102 acres of land in the diplomatic blue zone in Runda/Gigiri

Centum undertakes project development activities on Two Rivers Development Limited (TRDL), including

- Development feasibility studies
- Masterplanning and zoning
- Seeking statutory approvals
- Contractor appointment
- Groundbreaking on infrastructure and mall
- Secured Carrefour as anchor tenant

2014

AVIC and ICDC invest USD 70mn and USD 5mn for a 39% and 3% stake respectively in TRDL

5x value uplift for Centum

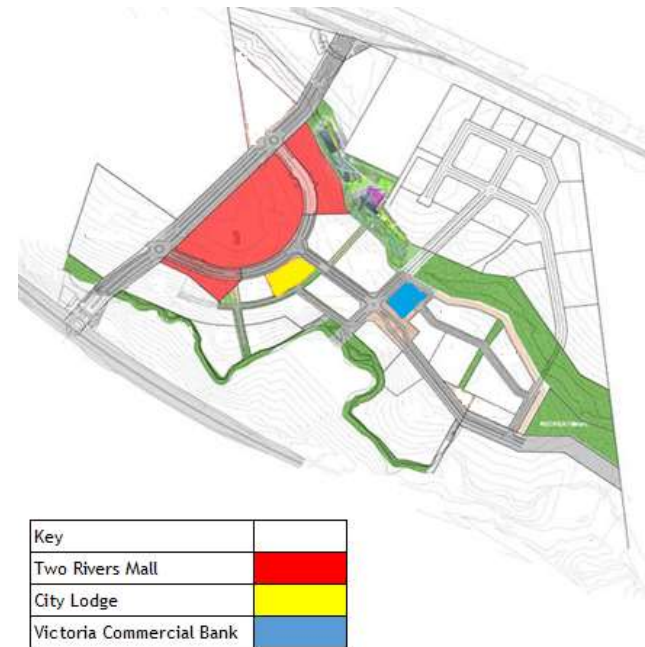
- Centum leads construction of Two Rivers Lifestyle Centre (TRLIC) and supporting infrastructure
- Acquire more tenants
- Project finance debt of USD 80mn secured for TRLIC

2016

Old Mutual invests USD 63 mn for 50% stake in TRLIC

3x value uplift for Centum

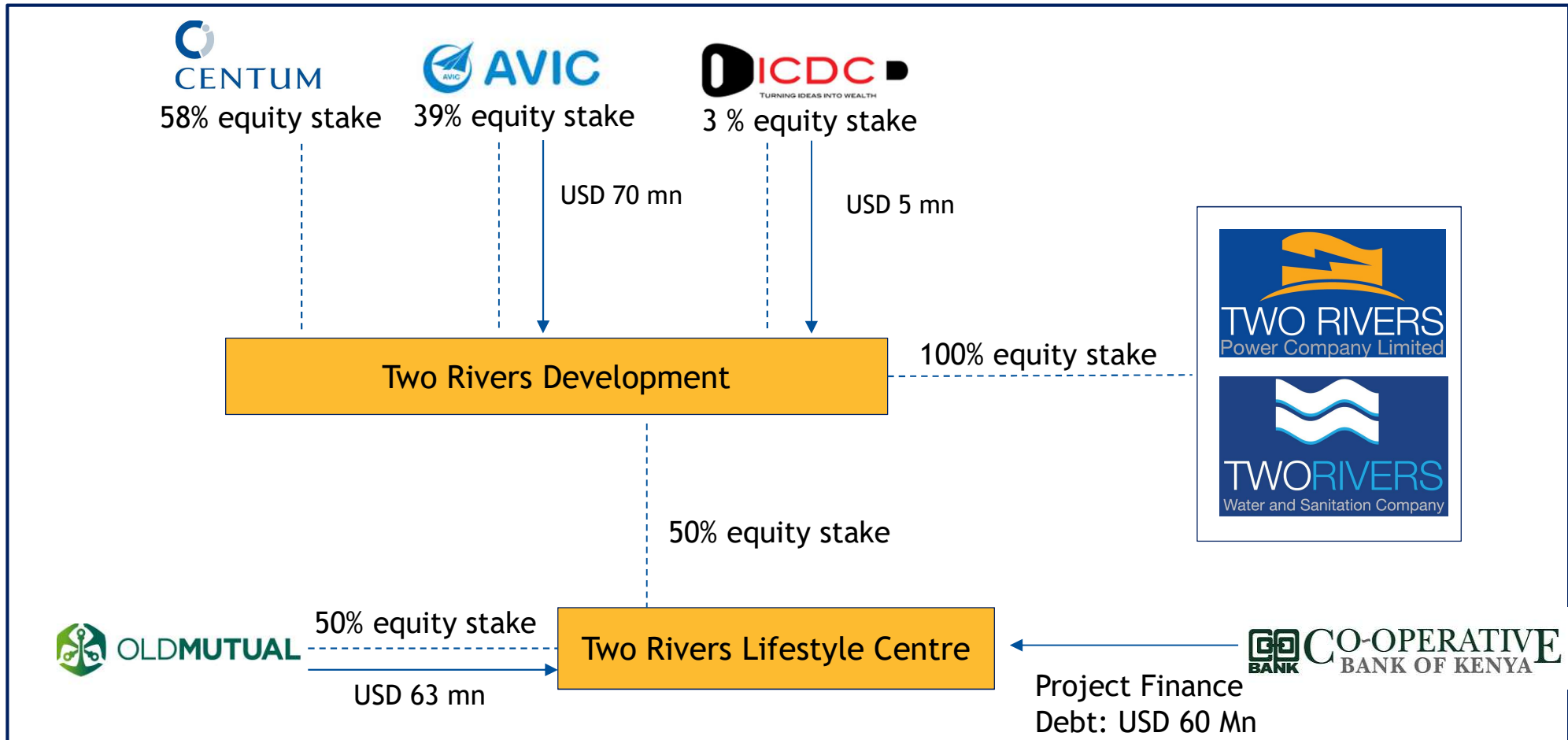
Two Rivers Masterplan



Land Utilisation	Acres
Developed Sites (Mall, City Lodge, Victoria)	11.3
Undeveloped Sites	60.1
Green Spaces	30.6
Total	102

Portfolio Highlights

Real Estate: Two Rivers Investment Structure



Implied equity valuation of Two Rivers Lifestyle Centre is USD 126 mn, with an implied enterprise value of USD 230 mn

Portfolio Highlights

Real Estate: Two Rivers Update

Lifestyle Centre

- In final stages of completion of Two Rivers Lifestyle Centre comprising premier retail and lifestyle offerings, with gross lettable area of over 67,000 m² and 21,000 m² of commercial office space.
- 130 tenants, including 18 international tenants who are new to the Kenyan market



Infrastructure

- Substation for the development incorporated in Two Rivers Power Company, which is also a licensed electricity distributor
- 1.2 MW solar farm located on rooftop parking
- Two Rivers Water and Sanitation Company comprising a reverse osmosis plant with ability to treat 2 mn litres of water daily



Third Party Developers

- City Lodge has commenced construction of a three star hotel
- Victoria Commercial Bank has commenced construction of its corporate head office

Impact

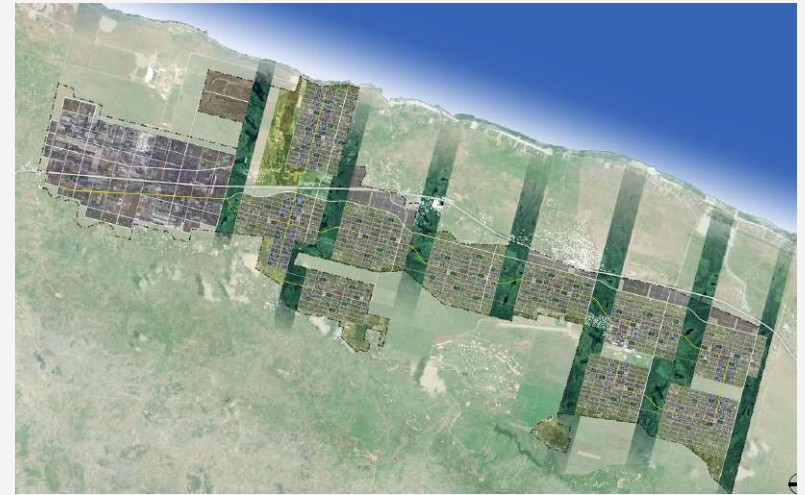
- Two Rivers has been awarded Vision 2030 flagship status as a result of its sustainable approach to resource utilisation
- > 2,500 direct jobs have been created annually since the commencement of construction



Portfolio Highlights

Real Estate: Vipingo - Kilifi, Kenya

- 10,254 acres planned for mixed use development anchored by industrial zone
 - Industrial plots of 20 acres to be zoned out and fully serviced
 - Residential and commercial developments planned, as well as medical and educational facilities
- Exemplifies Group's overarching real estate strategy to develop new urban nodes
- Detailed masterplan for entire project completed
- 7 000 m² commercial precinct envisaged as phase 1
- Significant investment in infrastructure planned
 - Power infrastructure with capacity to handle demand of 23 MW to be installed in phase 1
 - Brackish water reverse osmosis and sea water reverse osmosis solutions planned, with 3 mn litres of potable water to be provided in phase 1
- Community engagement underway
 - Vocational training institute to be established
- Currently seeking various regulatory approvals



Portfolio Highlights

Real Estate: Pearl Marina- Garuga, Uganda

- 385 acre mixed use development with 1.3 km of lake frontage
- Designs for phase 1 (41 acres) completed
 - Comprises 54 apartments, 48 villas, hotel, clubhouse and marina
- Construction of 8 show house villas commenced
- Solar power solution to complement supply from national grid under development



Group's overarching real estate strategy is to develop new urban nodes within the East African region

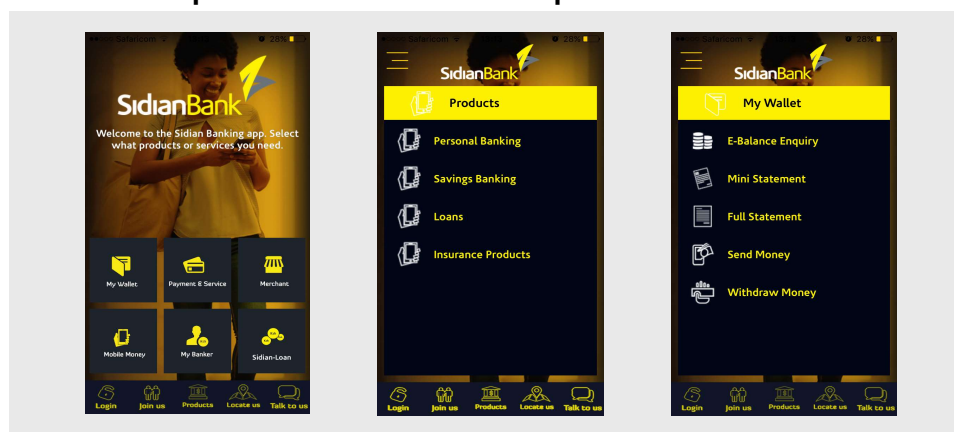
Portfolio Highlights

Financial Services: Sidian Bank

- Injected KES 1 bn in the bank via rights issue
 - Shareholding increased from 67% to 74%
- Significant strengthening of senior management capacity as a key priority
- Board reconstituted
- K-Rep successfully rebranded to Sidian Bank in April 2016
- Greater entrepreneurial focus, with initiatives including launch of new products e.g. Sidian-Uber partnership
- Significant investment in enhancing core banking system to drive operational efficiency and improve customer experience

FY 2015 Key Performance Metrics

Return on Assets (%)	2.7%
Total Assets (KES bn)	18.96
Total Deposits (KES bn)	13.38
Profit Before Tax (KES mn)	527.5



Portfolio Highlights

Financial Services: Zohari Leasing

- Zohari Leasing Limited is a wholly owned subsidiary established in March 2016
- Greenfield, highly scalable opportunity in line with Centum 3.0 investment thesis
- Leverage Group ability to obtain funding at attractive rates for deployment in medium term asset financing
- Vision is to provide comprehensive leasing solutions to broad spectrum of corporate clients
 - Key focus lines include motor vehicles, agricultural equipment, retail fit-outs and ICT equipment
 - Significant market within Group portfolio companies and beyond
- Experienced finance professional recruited to lead the business



Portfolio Highlights

FMCG: Almasi and King Beverage

Almasi Beverages Limited

- Significant investment, with shareholding increased to 50.95% in 2015
- Good volume growth in FY 2015 of 15.5% vs. 14.0% for FY2014 driven by growing carbonated soft drinks market
- Recent investment in Returnable Glass Bottles (RGB) line with capacity of 38,000 bottles/hour
- Investment in PET line ongoing
- Focus on expanding reach via activating new outlets
- Increased focus on operational efficiency with installment of new ERP system



ALMASI
BEVERAGES LIMITED

King Beverage

- Wholly owned subsidiary of Centum Group
- Significant investment in strengthening the route to market over last financial year
- Awarded distributorship of several premium spirits, including Jim Beam, Courvoisier, Teacher's and Laphroaig
- Continued focus on further diversification of product portfolio



 **KING**
BEVERAGE
A member of the Centum Group


CENTUM
tangible wealth

Portfolio Highlights

Power: Akiira and Amu Power

Amu Power Coal, Lamu

- Project development is at an advanced stage
- 25 yr power purchase agreement signed with KPLC
- O & M contract term sheet signed, with negotiations of final agreement underway
- EPC contract agreed with contractor and currently under review by lenders prior to execution
- Fuel supply agreement term sheet executed, with finalisation of documents underway
- Identified land approved for use by local county



Akiira, Geothermal, Olkaria

- Exploratory drilling is progressing, with 2 wells drilled and drilling on a third commencing in June 2016
- 25 yr power purchase agreement signed with KPLC
- KES 138 mn grant received from African Union Commission, funds to be used for drilling programme activities and infrastructure upgrades
- Ongoing community engagement activities, including provision of library books and clean water, and education sponsorship
- Financial close expected by end December 2016



tangible wealth

Portfolio Highlights



Green Blade Growers Limited

Agribusiness: Green Blade Growers

- Fully operational subsidiary established as initial investment in agribusiness sector
- Acquired 120 acres of land in Ol Kalua, Nyarandua County
- Business focused on growing herbs and vegetables for EU
 - Off-taker agreements in place
- 30 000 m³ reservoir established
- 1 300 m² pack-house with capacity to process 10 tonnes/day under construction
- Greenhouses under construction on 14 acres
- Plan to enroll outgrowers to maximise capacity during current financial year



tangible wealth

Portfolio Highlights

Emerging Sectors: Education and Healthcare

Education

- Consortium established with SABIS and Investbridge Capital, with a vision of establishing 20 schools in SSA
 - SABIS is a school operator with 130 years experience and presence in 5 continents comprising > 70 000 students
 - IBC is a Dubai-based investment bank
- Land acquired on Kiambu Road (Nairobi) for initial investment
 - Facility with capacity for up to 1 700 students planned
- Currently finalising designs for first facility
- Intend to break ground within current financial year

Healthcare

- Healthcare sector expert hired to lead Group's efforts
- H2 focus was on development of robust healthcare investment strategy consistent with Centum 3.0 vision
- In advanced stages of a feasibility assessment for a greenfield investment in collaboration with relevant technical partners

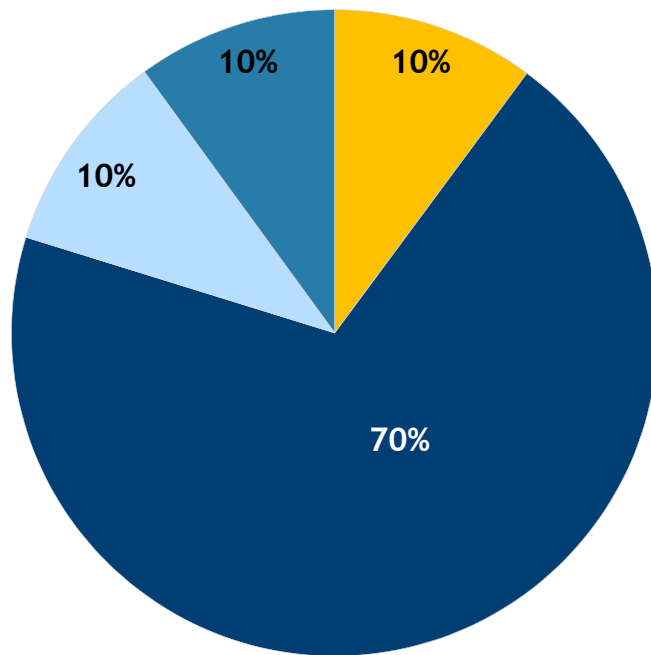
High Level School Concept



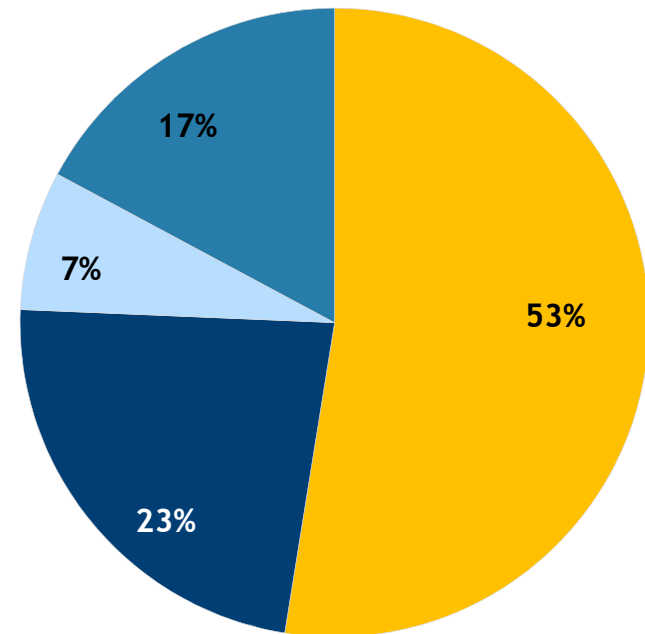
Portfolio Highlights

Marketable Securities: Portfolio Reallocation

Portfolio Allocation as at 31st March 2015



Portfolio Allocation as at 31st March 2016



■ Cash ■ Equities ■ Mutual Funds ■ Fixed Income

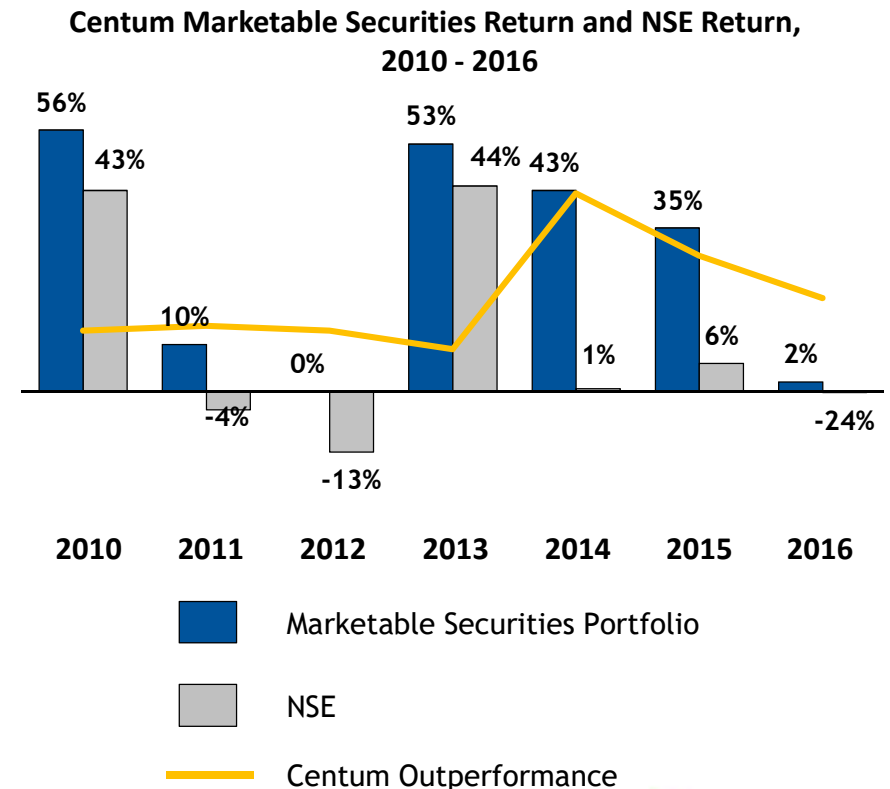
Proactive shift to cash and fixed income in light of the high interest rate environment, which also effectively positions us to re-enter the market at attractive prices.

Portfolio Highlights

Marketable Securities: Portfolio Performance

Our marketable securities portfolio strategy continues to outperform the NSE 20 Index, and has delivered an average outperformance of 21% over the last 7 years

Year	MSP Return	NSE 20 Return	Centum Outperformance
2010	56%	43%	13%
2011	10%	-4%	14%
2012	0%	-13%	13%
2013	53%	44%	9%
2014	43%	1%	42%
2015	35%	6%	29%
2016	2%	-24%	26%
Geometric Average	28%	8%	21%



Senior Management Appointments



Brian Kiai
Deputy Director,
Centum Capital



Samuel Kariuki
Group Finance Director



Kevin Kaburu
Marketing Director



Dr. Farai Shonhiwa
Head of Health Care



Jennifer Kinyoe
MD: Zohari Leasing



Gilles Devendevile
GM- Two Rivers Lifestyle

tangible wealth



Financial Review

Key Financial Performance Drivers

Key Financial Performance Drivers

Centum 3.0 Strategic Shift

- Centum 3.0 implied shift from portfolio investor to being institutional developer of assets at scale
- Increased profitability of Group reflective of increased profitability of underlying assets

Realised Gains

- Gains of KES 5.4 billion realized on:
 - Exit of AON
 - Disposal of quoted and unquoted investments

Property Portfolio Value Uplift

- Value uplift at Two Rivers in particular
- Gains validated by equity transactions, and conservatively adjusted down to reflect extent of completion

Marketable Securities Portfolio Reallocation

- Tactical reallocation of portfolio to cash and fixed income securities resulting in higher interest income while preserving portfolio value

Consolidated Income Statement

106% growth in consolidated top line from KES 11.8 bn to KES 24.2 bn
25% yoy growth in profitability from KES 7.9 bn to KES 9.9 bn

KES million	FY 2016	FY 2015	Variance
Sale of Beverages	8,141	37	21903%
Realised Gain on Sale of Investments	5,419	6,289	-14%
Unrealised Gains on Valuation of Investment Properties	5,119	1,737	195%
Interest Income	3,844	1,066	261%
Other Income	1,376	1,145	20%
Gain on Re-measurement to Fair Value Upon Control	-	827	-100%
Dividend Income	266	725	-63%
Total Revenue	24,165	11,826	104%
Cost of Sales - Beverages	(5,365)	(23)	23226%
Administration and Operating Expenses	(5,925)	(2,436)	143%
Share of Associates Profits	1,074	448	140%
Finance Costs	(3,076)	(998)	208%
Profit Before Tax	10,873	8,817	23%
Tax	(925)	(875)	6%
Profit After Tax	9,948	7,942	25%

Group Statement of Financial Position

Assets

KES million	FY 2016	FY 2015
Investment Property	16,514	17,775
Associates and JVs	13,048	5,615
Unquoted Assets	5,977	6,678
Quoted Assets	1,369	2,979
Loans and Advances	12,954	11,061
ELN Asset	-	4,928
Bonds and Govt Securities	3,087	3,427
Other Assets	14,907	10,871
Cash and Cash Equiv.	10,197	9,006
Total Assets	78,054	72,340

Liabilities and Shareholder Capital

KES million	FY 2016	FY 2015
Customer Deposits	12,040	12,401
Borrowings	16,356	9,983
ELN Liability	-	4,928
Other Liabilities	6,399	6,473
Total Liabilities	34,795	33,785
Shareholder Funds	43,258	38,555
Equity and Liabilities	78,054	72,340

Company Statement of Comprehensive Income

Achieved a return of 23% as compared to NSE 20 Share Index return of -24%

KES million	FY 2016	FY 2015	Variance
Dividend Income	2,671	1,318	103%
Interest Income	676	77	778%
Other Income	7	(40)	-118%
Realised Gain	989	5,326	-81%
Gross Return	4,343	6,681	-35%
Portfolio Costs	(877)	(867)	1%
Finance Costs	(1,510)	(669)	126%
Tax	(87)	(278)	-69%
Profit After Tax	1,869	4,867	-62%
Unrealised Gains	5,812	5,018	16%
Deferred Tax	(306)	(882)	-65%
Total Return	7,375	9,003	-18%
Opening NAV	31,939	22,936	
Total Return %	23%	39%	

- Strong performance on total returns despite effect of large UAP exit in 2015
- Costs maintained at 1.7% of total assets

Company Statement of Financial Position

Assets

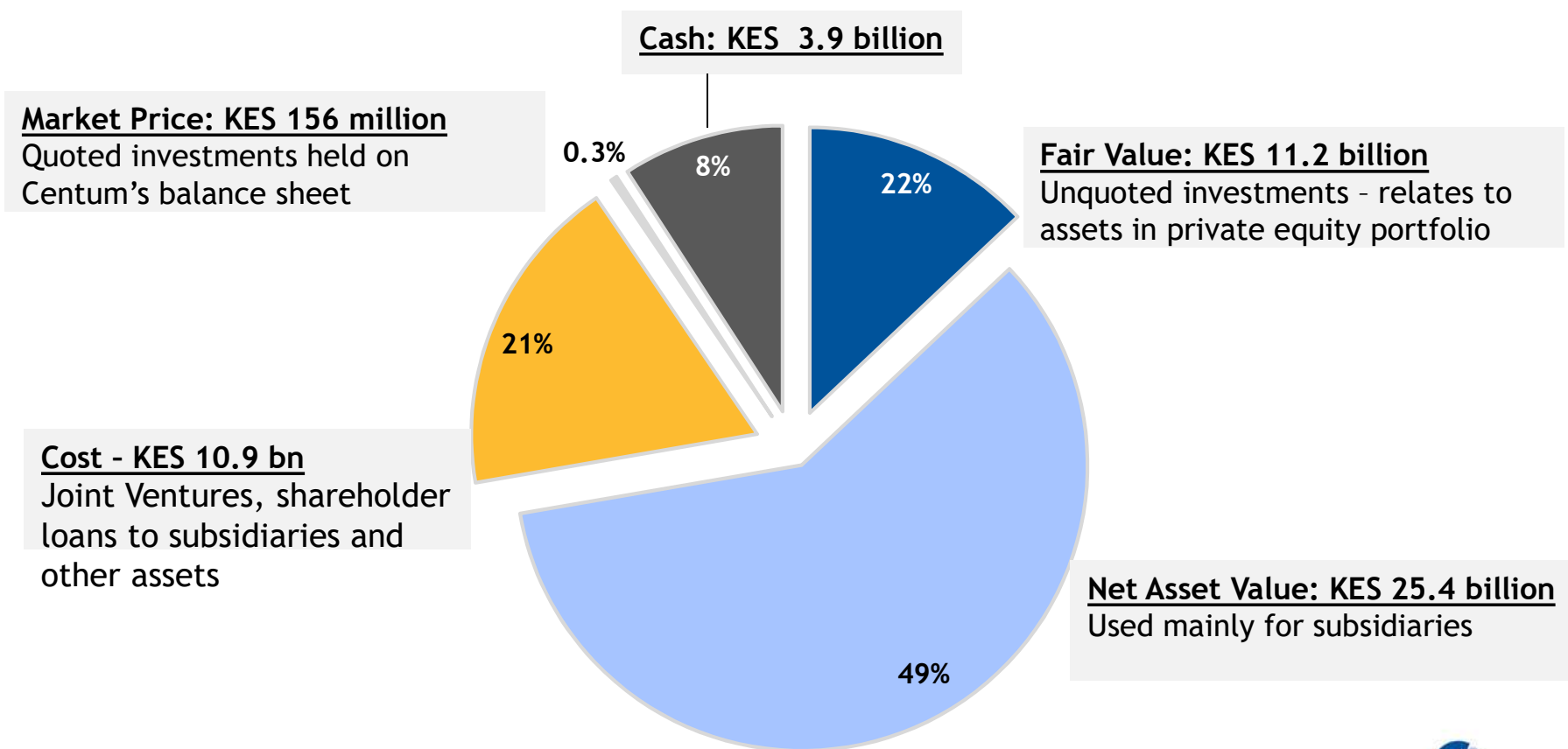
KES million	FY 2016	FY 2015
Intangible Assets	1	1
Investment in Subsidiaries	25,411	14,331
Investment in Associates	5,655	7,179
Investment in Joint Ventures	2,144	1,647
Unquoted Investments	5,545	6,028
Quoted Investments	156	406
Current Income Tax Recoverable	35	-
Receivables and Prepayments	8,678	8,062
Cash and Cash Equivalents	3,916	3,673
Total Assets	51,543	41,328

Liabilities and Shareholder Capital

KES million	FY 2016	FY 2015
Borrowings	10,474	7,569
Trade and Payables	571	587
Unclaimed Dividends	7	77
Current Income Tax	-	273
Deferred Income Tax	1,176	882
Total Liabilities	12,229	9,389
Shareholder Funds	39,314	31,939

Portfolio Valuation

Our portfolio is held at conservative valuations, and this has been apparent when a value realization event such as an exit occurs



Liquidity

Cash and cash equivalents as at 31 March 2016 amounted to KES 3.9 billion compared to KES 3.2 billion as at March 2015

KES million	Mar 2016	Mar 2015
Cash and Cash Equivalents on the Company's Balance Sheet	3,916	3,230
Total Equity	39,314	31,939
Net Debt (Total Debt Less Cash) on Company's Balance Sheet	6,559	3,896
Gearing	16.7%	12.2%

Cash Flow Statement

KES million	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Operating Inflows	1,722	2,349	6,619	2,547	4,146	8,114	7,904
Operating Outflows	(199)	(305)	(309)	(380)	(463)	(519)	(1,033)
Internally Generated Funds	1,523	2,044	6,310	2,167	3,683	7,595	6,871
Finance Costs	44	148	230	344	660	814	1,511
Debt Service Coverage	34.61	13.81	27.43	6.30	5.58	9.33	4.55
Total Debt	-	1,988	1,000	4,150	5,492	7,489	10,475
Cash & Cash Equivalents	394	7	322	1,503	843	3,673	3,916
Net Debt	-	1,981	678	2,647	4,649	3,816	6,559
Equity	9,157	12,552	13,685	16,137	22,936	32,448	41,650
Gearing	-	16%	5%	16%	20%	12%	16%

Bond Covenants

Debt Service Coverage	1.5:1
Net Debt to Equity Ratio	1:2 (50%)

Liabilities

Successfully listed a second corporate bond of Kes 6.0 billion at 12.75% during FY 2016

KES million	Mar 2016	Mar 2015
Bond I - Fixed Rate 13.50% and equity-linked notes 12.75%	4,425	4,252
Bond II - Fixed Rate 13.00% and equity-linked notes 12.50%	6,050	-
USD 35 Million Bridge Financing Facility	-	3,317
Total Borrowings	10,475	7,569
Cash	3,916	3,230
Net Debt (Total debt less cash)	6,559	7,118
Gearing	16%	21%

Bond Performance - Equity Linked Note

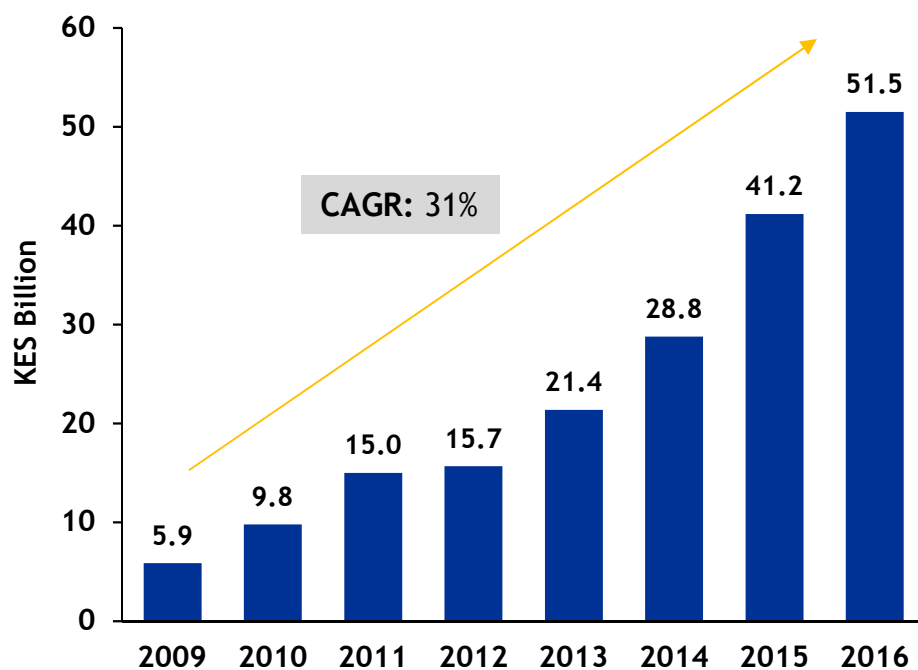
ELN March 2016	Bond I (2012)	Bond II (2015)
Plain Vanilla Notes (KES billion)	4.00	2.10
ELN value (KES billion)	1.25	3.90
Total Bond (KES billion)	4.25	6.00
ELN Coupon	12.75%	12.50%
Initial Net Asset Value (KES billion)	13.69	26.95
NAV at 31st March 2016 (Kes billion)	39.31	39.31
NAV Growth	187.27%	45.87%
Variable ELN Return Realized	15%	10%



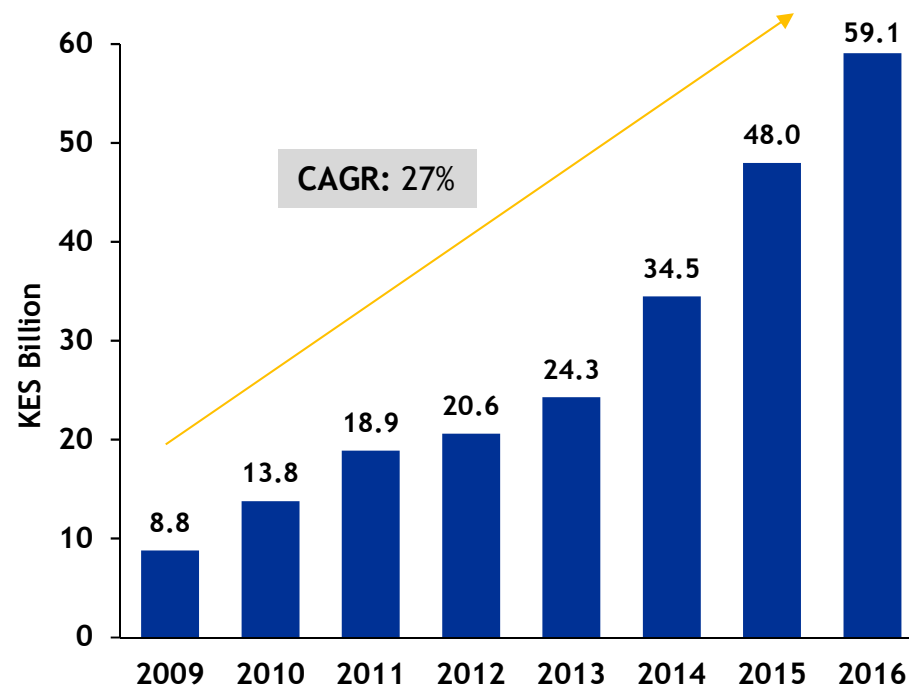
Return Overview
Group CEO: James Mworira

Return Portfolio Value and NAV Per Share

Portfolio Value, FY 2009 to FY 2016



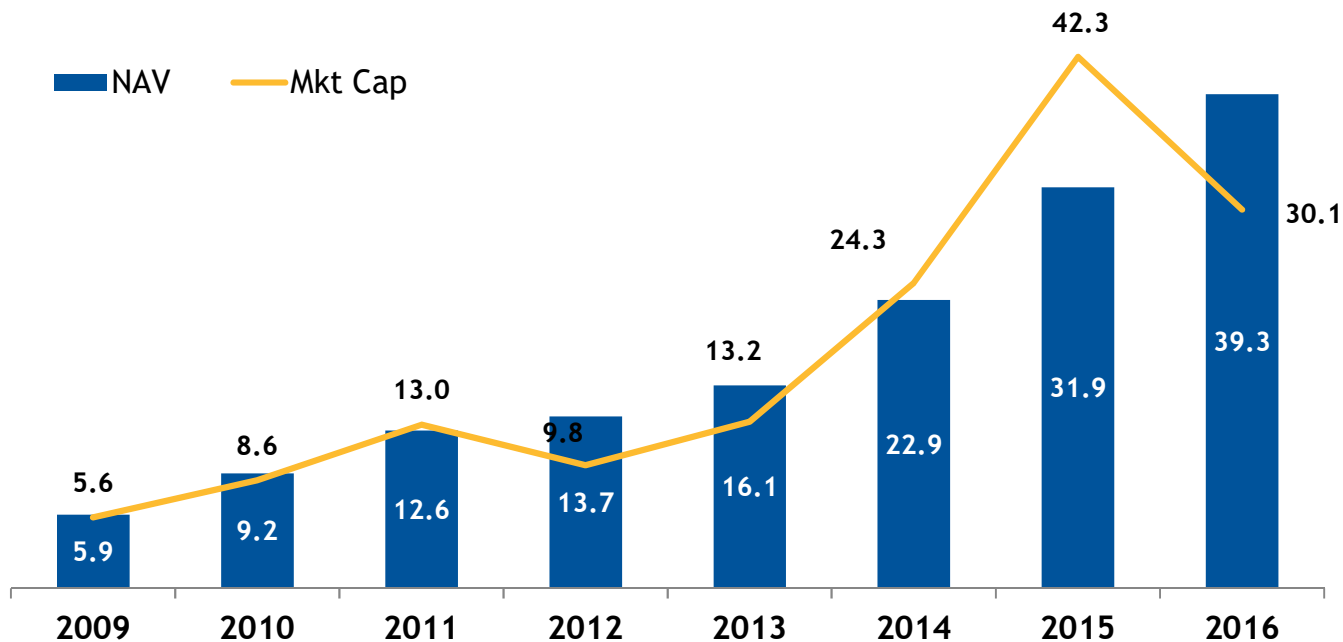
NAV, FY 2009 to FY 2016



Total assets have increased by KES 46 billion between 2009 and 2016, while NAV per share has increased 6.7x

Return Shareholder Value Created

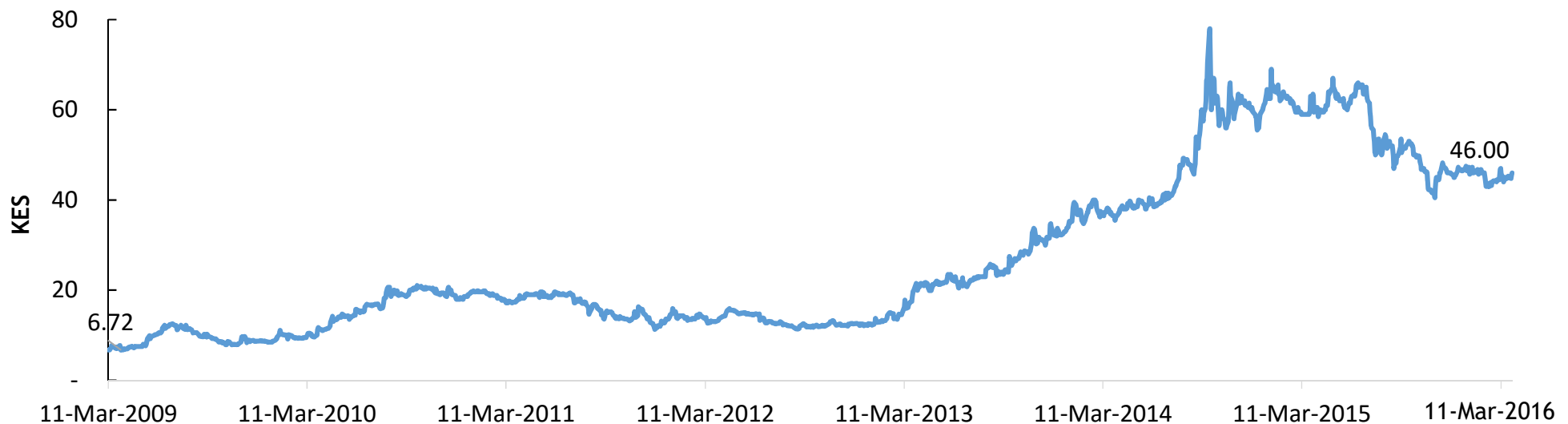
Portfolio Value, FY 2009 to FY 2016



- NAV has grown by KES 33 billion since 2009
- We recorded a 5.7x growth in shareholder wealth over the past 7 years

Return Dividend Policy

Share Price, 11 Mar 2009 to 11 March 2016



- The company closed the year with a strong performance and a healthy liquidity position
- Board confident that company has sufficient funding on hand for deal pipeline as well as for distribution to shareholders
- Board recommends the payment of a dividend of KES 1.00 per share for financial year ended March 2016
- Group anticipates sustained dividend payment going forward

Corporate Social Investment Centum Foundation



- Foundation's vision is to facilitate Africa's most creative and sustainable solutions
- Centum Entrepreneurship Program invests up to USD 150k in companies with innovative, scalable ideas
 - Foundation also provides ongoing support to investee companies
 - Three investments made in FY 2016
- CREATEIN48 challenge provide entrepreneurs with KES 20k with which to execute and idea and turn a profit in 48 hours

Foundation Investee Companies for FY 2016



Media Company



*Software Development
and Information
Security*



*Educational
Content Provider*

Select CREATEIN48 Participants



*Errand Service
Provider*



*Skincare Product
Manufacturer*



*Chocolate Dessert
Manufacturer*



Corporate Social Investment Maathari Primary



We have completed the construction of 36 classrooms, a library and ICT lab to cater for over 700 children at a cost of KES166 million



Questions?

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