



CENTUM

Investor Presentation

January 2019

Table of Content

Company Overview

pg. 3 - 14



Our Portfolio

pg. 15 - 37



Appendix

pg. 39 - 47



Centum at a Glance



KES 23.9b Market Capitalisation⁽¹⁾



KES 49.0b Net Asset Value⁽²⁾



18% CAGR on NAV FY14 - HY19



23% Average Annualised Return FY14 - HY19



6 Active Sectors⁽³⁾



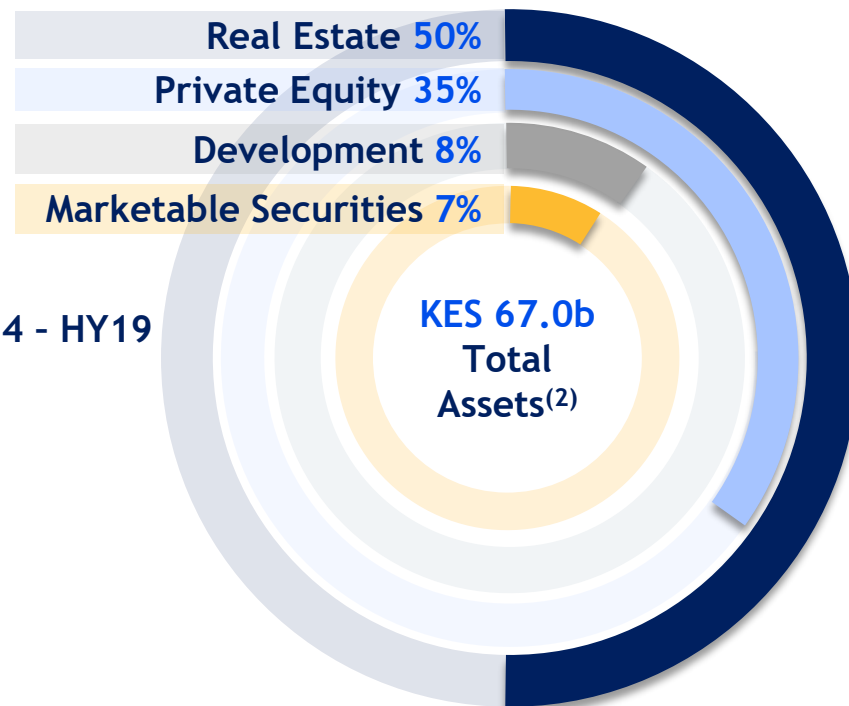
0.4% Cost Efficiency HY19



23% Net Debt to Equity



A_(KE), A1_(KE) National Scale Issuer Ratings in the Long Term and Short Term respectively⁽⁴⁾



1. Share price as of 1st February 2019 as per Nairobi Securities Exchange. Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019

2. As at 30th September 2018. Central Bank of Kenya Spot Rate - 100.9556 on 30 September 2018

3. Real Estate, Power, Financial Services, FMCG, Agribusiness, and Education. Healthcare sector in advanced development stages

4. Rating awarded by Global Credit Rating Company (GCR)

Our Strategic Pillars

Centum 3.0 FY14 - FY19

Centum 3.0 was Centum's 5-year strategy developed for the period FY 2014 - FY 2019 as a developer of investment-grade assets

Return



Generate 35% annualised return between FY14 and FY19

Scale



Grow total assets to KES 120 billion by end 2019

Focus



Develop and scale investments across key sectors

Brand



Develop sector expertise across key sectors

Cost



Maintain costs below 2.0 % of total assets

Performance as at HY19

23% average annualised return achieved between FY14 and HY19 as compared to NSE average return of -7% over the same period

Active in six sectors (Real Estate, Power, Financial Services, FMCG, Agribusiness and Education) with Healthcare sector in advanced development stages

Total assets of KES 67.0b as at 30 September 2018

Sector specific expertise enhanced in Real Estate, Agribusiness and Healthcare sectors

Cost efficiency of 0.4% achieved

Our Strategic Pillars

Transition to Centum 4.0: FY20 - FY24

Key objectives have been set that seek to reshape and rebalance the business to focus on sustaining attractive returns

01

Optimise Gross Return

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

02

Asset Redeployment

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

03

Leverage 3rd Party Capital

- Raising third-party equity and debt capital (non-recourse to Company) at the portfolio/project level and creating value uplift at portfolio/project level

04

Reduce Debt at Centum Level

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

05

Progressively increase Dividend Yield

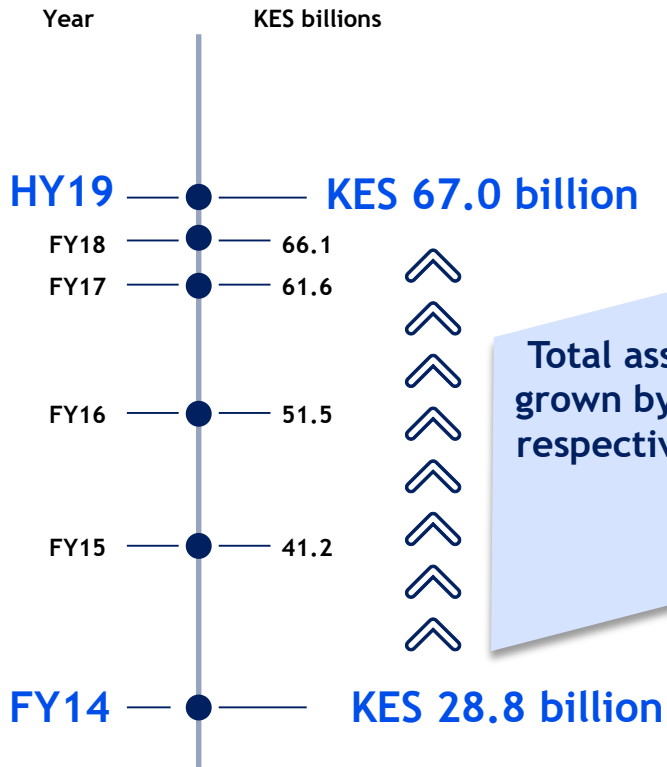
- Returns from cash generative assets and finance costs savings to be utilized towards higher dividend pay-outs with a 3X target growth

Financial Overview

Asset Growth FY14 - HY19



Total Assets



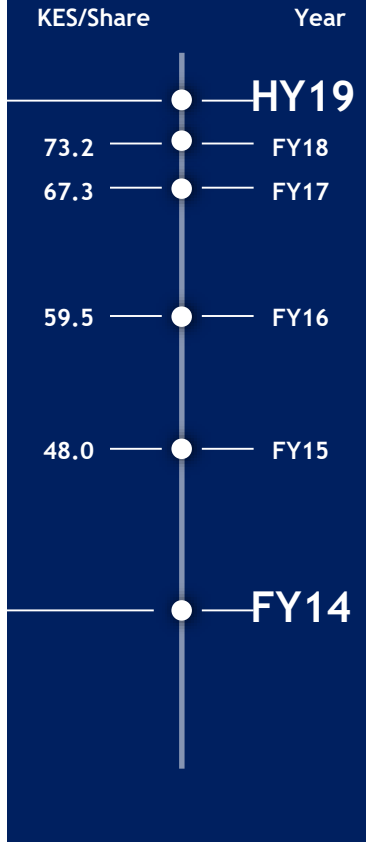
KES 73.6 per share

Total assets and NAV per share have grown by a CAGR of 20.6% and 18.3% respectively since commencement of Centum 3.0

KES 34.5 per share



NAV



Our Portfolio

As at 30 September 2018

	<u>Total Assets</u>	<u>NAV</u>	<u>NAV/ Share</u>
01 Real Estate Land banks in strategic locations that have been master-planned to new urban nodes	KES 33.4 billion	KES 22.0 billion	KES 33.06 44.92%
02 Private Equity Trading subsidiaries or investments that are cash generating	KES 23.5 billion	KES 20.9 billion	KES 31.45 42.73%
03 Marketable Securities Broadly diversified portfolio across various stock exchanges in Africa	KES 4.7 billion	KES 4.6 billion	KES 6.93 9.42%
04 Development Portfolio Investments, outside real estate, that are still under development	KES 5.3 billion	KES 1.4 billion	KES 2.16 2.93%

With Centum 4.0, Centum seeks to restructure its portfolio within target asset allocations

- ① Private Equity: 35-45%
 ② Real Estate: 30-35%
 ③ Marketable Securities: 15-20%
 ④ Development: 5-10%

Our Track Record

Real Estate



TWO
RIVERS

Two Rivers Development Limited
Stake: 58.3%

- Project development activities following acquisition of **102 acres** in the Diplomatic Blue Zone
- Raised **USD 75 million** from two investors at Two Rivers Development Limited namely, Aviation Industry Corporation of China and Industrial & Commercial Development Corporation
- Construction of Two Rivers Lifestyle Centre (TRLC), a **67,000** square metre retail, lifestyle and commercial centre
- Developed a comprehensive entertainment offering and supporting infrastructure (roads, sewer, water, power and triple-play system)
- Attracted additional capital from Old Mutual Properties who invested **USD 63 million** for a 50% stake in TRLC



VIPINGO
DEVELOPMENT
LIMITED
A member of Centum Group

Vipingo Development Limited
Stake: 100%

- Project development activities following acquisition of **10,254 acres** of land in Kilifi Country from Rea Vipingo Plantations and Vipingo Estates Limited
- Completed the change of use process for the Vipingo Lifestyle Centre and Vipingo Investment Park
- Infrastructure designs, costings and full masterplan for Phase 1 completed
- Broke ground on the infrastructure for the 180-acre Investment Park, Phase 1
- Led in the development of infill projects that included **1,327 units**, realizing sales of **>KES 1 billion**
- Sold plots amounting to **KES 400 million** within the Investment Park and Lifestyle Centre
- Support infrastructure construction ongoing

Our Track Record

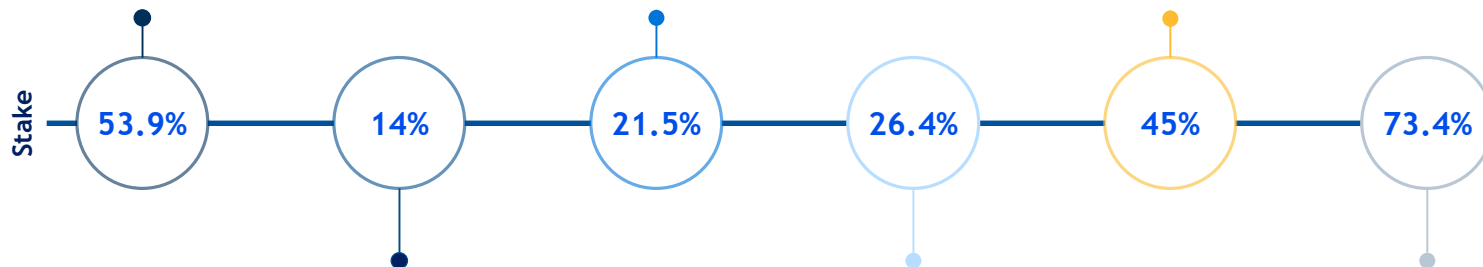
Private Equity



- Consolidates 3 of the country's six Coca Cola bottlers in 2013, through a 3-way share swap to a holding company controlling 30% of market share
- EBITDA growth of 4x in 4 years

- Centum supported AON's business development efforts through development of the distribution channels
- Exited stake in 2016 at a 5x multiple to cost

- Strengthened corporate governance structures and board composition
- Exited in 2018
- 31% IRR over the holding period



- Raised \$54 million from three international private equity investors
- Exercised tag along rights in 2015 during the exit and delivered a controlling stake at a significant premium

- Attracted a strategic shareholder to realise strategic and operational synergies
- Exited in 2017
- 22% IRR over the holding period

- Redefined the 5-year strategy to focus on the untapped retail market
- Exited in 2018
- 29% IRR over the holding period



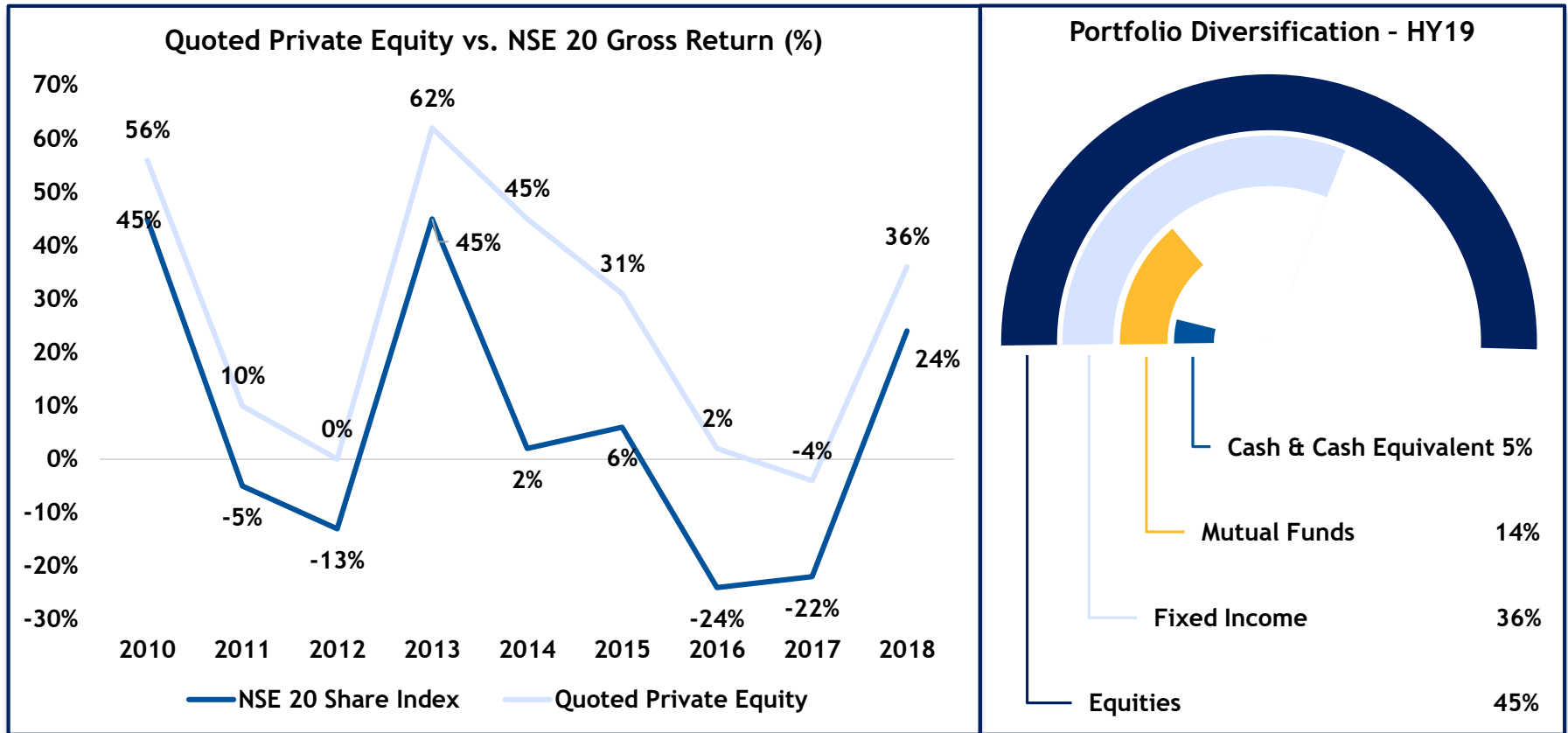
Better. Simple. Life.



Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Our Track Record

Marketable Securities



The quoted private equity portfolio has delivered cumulative returns of 56% over the Centum 3.0 strategy period to FY18

Our Performance

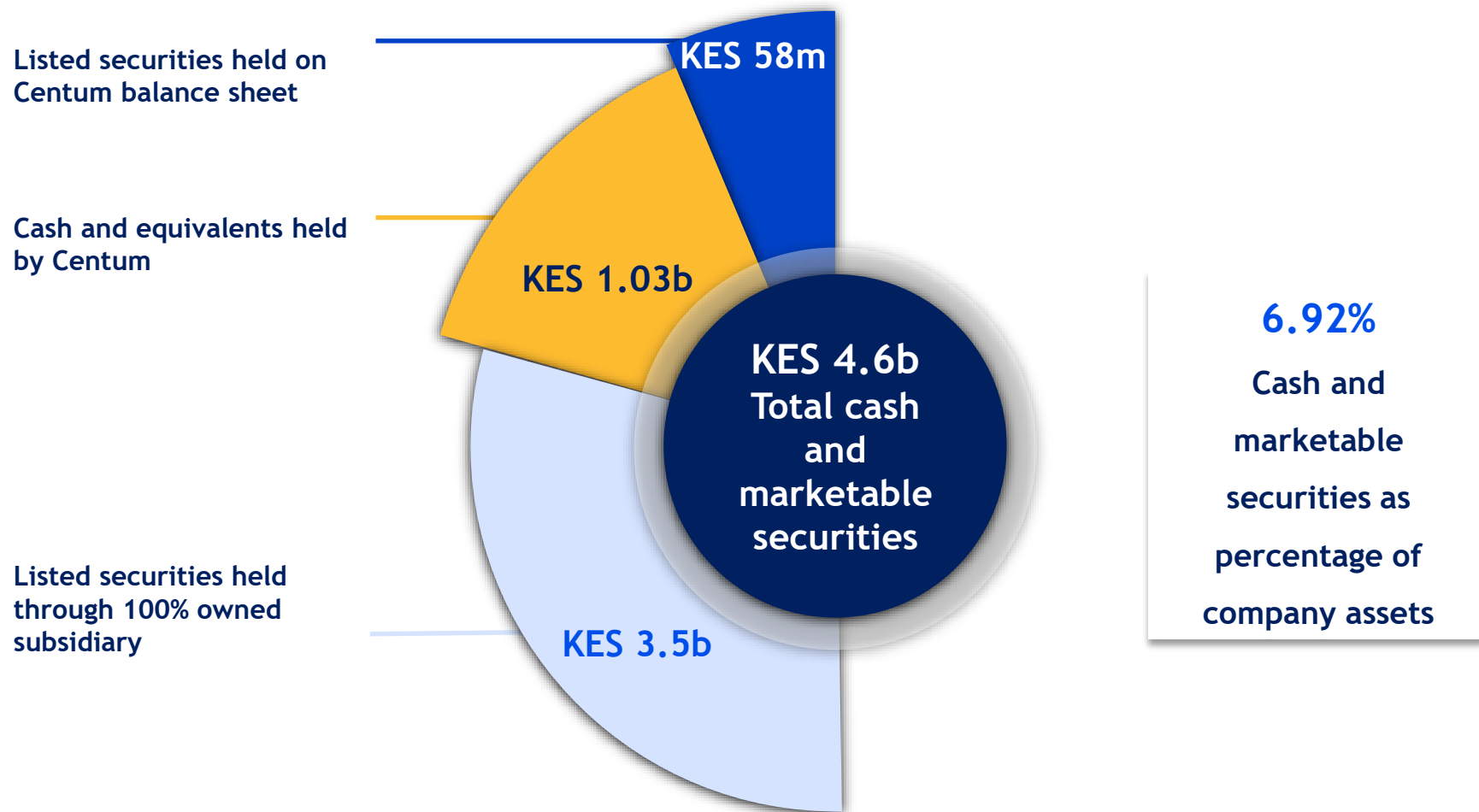
5 Year Return Snapshot

KES millions	FY14	FY15	FY16	FY17	FY18	HY19	Return Drivers
Dividend Income	1,789	1,318	2,671	1,765	2,040	266	FY14 <ul style="list-style-type: none"> Partial sale of Tanzania Breweries Limited leading to payment of KES 1.1b and dividends by Centum Exotix Limited
Interest Income	40	77	676	1,326	1,347	623	
Realised Gains	149	5,326	990	1,063	9	1,245	FY15 <ul style="list-style-type: none"> Further sale of Tanzania Breweries Limited, hence KES 0.5b in dividends from Centum Exotix Limited Exit of UAP with KES 5b gain Higher bonus on account of the significant cash returns generated Aviation Industry Corporation of China, Ltd. (AVIC) investment in Two Rivers Development Limited hence significant equity uplift
Other Income	11	(40)	8	146	133	(344)	
Total Income	1,989	6,681	4,345	4,300	3,529	2,133	FY16 <ul style="list-style-type: none"> KES 1.4b Centum Exotix Limited dividend from accumulated reserves High interest regime and tactical listed equities portfolio allocation to cash Old Mutual Properties transaction with Nabo earning arrangers fees, hence paying KES 420m in dividends. Transaction also explains high unrealized value uplift KES 6b bond issued hence increased finance cost
Portfolio Costs	(431)	(867)	(877)	(798)	(854)	(267)	
Finance Costs	(462)	(669)	(1,511)	(1,754)	(1,646)	(874)	FY17 <ul style="list-style-type: none"> KES 1b of dividends from Investpool (Platcorp sale), Athena reserves and Almasi scrip Interest income from subsidiary loans KES 1b gains on KWAL exit
Profit Before Tax	1,096	5,145	1,957	1,749	1,030	992	
Income Tax	(48)	(278)	(87)	(178)	12	(62)	FY18 <ul style="list-style-type: none"> KES 1.4b dividends following exit of Platcorp Excluding effect of one off costs, portfolio costs would have been 15% lower
Profit for the Year	1,048	4,867	1,870	1,571	1,041	930	
Unrealised Gains	5,752	4,136	5,506	4,588	3,636	165	HY19 <ul style="list-style-type: none"> Sale of 73.35% stake in GenAfrica Asset Managers Ltd. to Kuramo Capital resulting in a KES 1.2b gain
Total Return	6,800	9,003	7,376	6,160	4,677	1,095	

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Our Performance

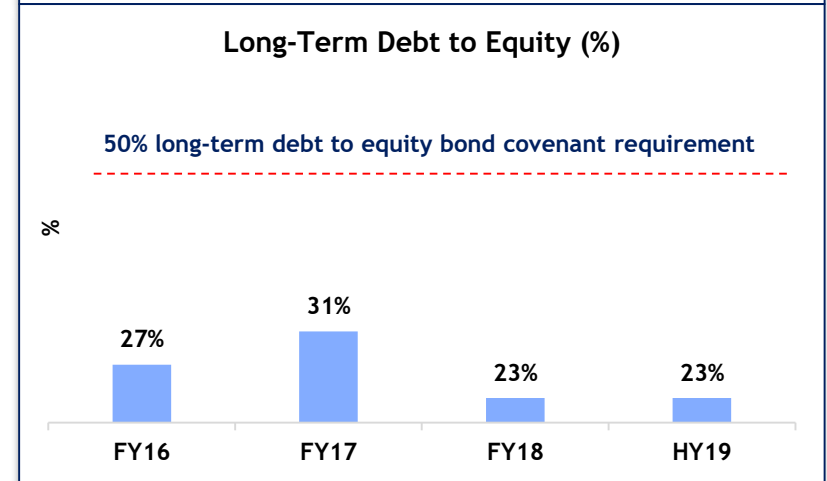
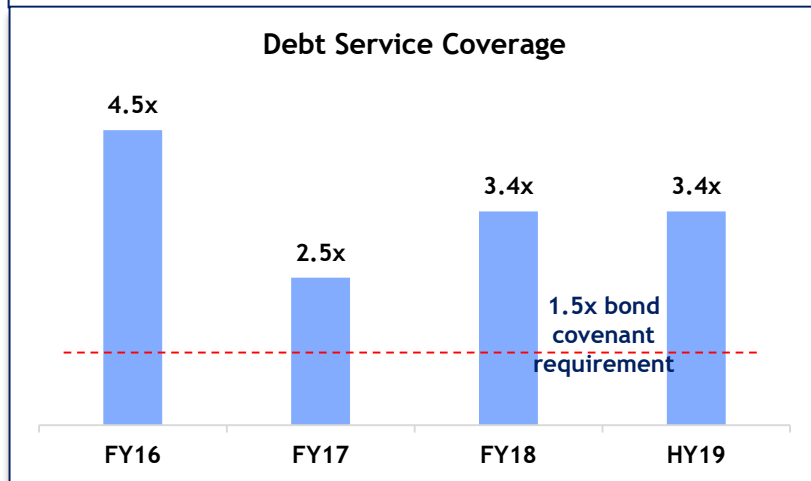
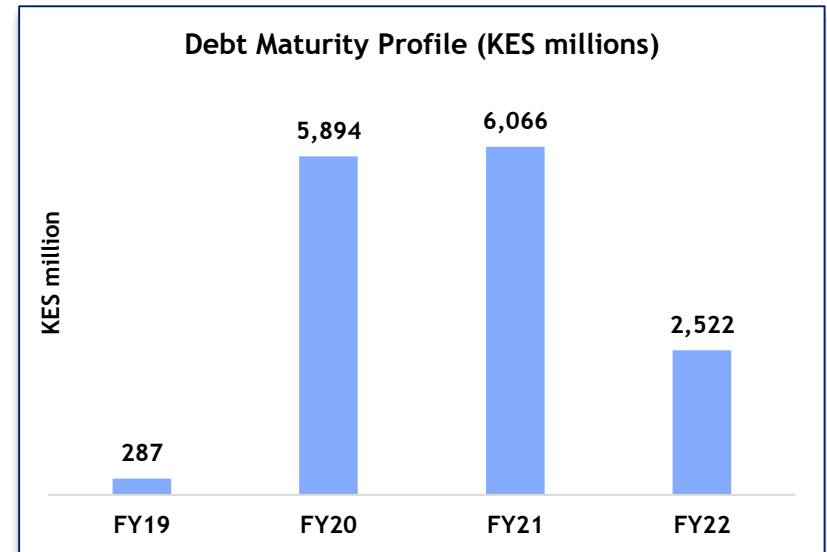
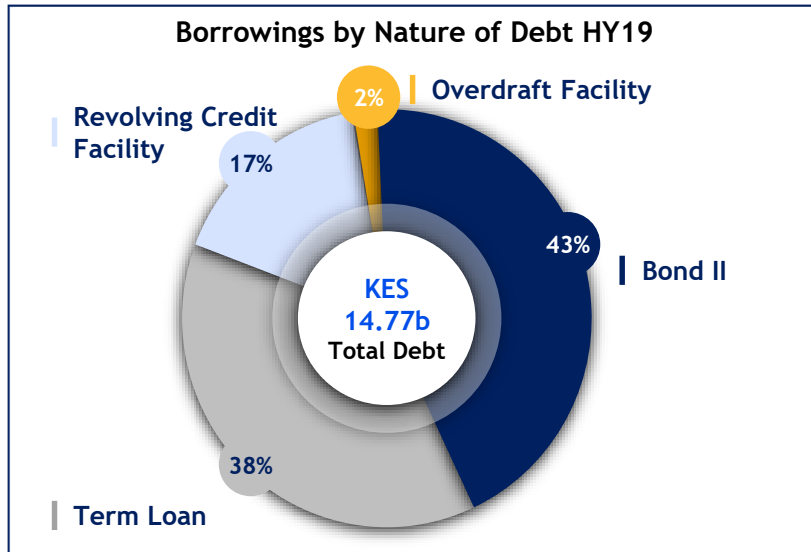
Company Liquidity as at HY19



Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Our Performance

Company Gearing



Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Our Performance

Top 8 Portfolio Companies as at 30 September 2018

Rank	Portfolio Company	Carrying Value KES millions	Valuation Basis	Net Asset Value Contribution (%)	Sector
1	Vipingo Development Ltd. ¹	9,999	Net Asset Value	14.7%	Real Estate
2	Almasi Beverages Ltd.	8,697	EBITDA multiple	14.7%	FMCG
3	Centum Development ² Ltd. ¹	7,766	Net Asset Value	7.4%	Real Estate
4	Two Rivers Development Ltd. ¹	7,632	Net Asset Value	10.0%	Real Estate
5	Two Rivers Lifestyle Centre Ltd.	5,149	Net Asset Value	10.5%	Real Estate
6	Nairobi Bottlers Ltd.	5,078	EBITDA multiple	9.7%	FMCG
7	Sidian Bank Ltd.	3,870	Price-to-book multiple	6.3%	Financial Services
8	Marketable Securities	3,587	Market prices	7.3%	Marketable Securities
Total		51,778		80.6%	

1. The NAV basis for valuation represents the underlying property valuation carried out by annually by independent valuers

2. Pearl Marina Estates holding company

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Our Portfolio

01 Real Estate

Pg. 15

02 Private Equity

Pg. 25

03 Marketable Securities



Pg. 32

04 Development Portfolio

Pg. 35

Real Estate Portfolio

Infill Development Projects as at January 2019

Infill Project Size	Units under Development	Realised Sales	Key Dates
 <p>1,327 units</p>	<p>70% in market validation</p> <p>30% in construction</p> <hr/> <p>258 units sold</p>	<p>>KES 1 billion</p>	<p><u>Construction Start</u> Q4 2018</p> <p><u>Completion</u> Q3 2020</p>
 <p>319 units</p>	<p>17% in market validation</p> <p>82% in construction</p> <p>1% completed</p> <hr/> <p>130 units sold</p>	<p>>KES 850 million</p>	<p><u>Construction Start</u> 22 units in Q4 2018 240 units in Q1 2019</p> <p><u>Completion</u> 22 units in 2020 240 units in 2021</p>

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Real Estate Portfolio Assets

Sector Net Asset Value contribution

KES 22,002 million | 44.9% | KES 33.06 per share



Vipingo Development Limited

Stake: 100%

10,254 acres mixed-use development anchored by an industrial zone dubbed the Vipingo Investment Park, the site is located in Kilifi County, Kenya. Industrial plots of 20 acres are to be zoned out and fully serviced with residential, commercial, medical and educational facilities already master planned



Two Rivers Development Limited

Stake: 58.3%

Two Rivers, a Kenya Vision 2030 flagship project, is a 102-acre development located within the Diplomatic Blue Zone of Gigiri, Nairobi. The development integrates a retail, entertainment and lifestyle centre, Grade A offices, 3 and 5 star hotels, conferencing facilities, a residential offering and medical facilities



Pearl Marina Development Limited

Stake: 100%

Pearl Marina is a 389-acre mixed use waterfront destination providing first world experiences incorporating villas, apartments, retail, entertainment, schools, a hospital, hotels and market resorts and is located along a 4 kilometer shore line of Lake Victoria between Kampala and Entebbe in Uganda

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Real Estate Portfolio

Two Rivers Development



Value Drivers



Retail

- Two Rivers Mall was **77%**⁽¹⁾ let (on gross lettable area)
 - Increased tenant uptake on both local and international brands



Office

- Two Rivers Office Towers, **14%**⁽¹⁾ of the space is currently let with **15%**⁽¹⁾ under negotiation



Utilities

- Two Rivers Power and Two Rivers Water & Sewerage Co. recorded **90%** increase in revenue to **KES 314 million**⁽²⁾

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)
- Theme Park Phase II to include additional rides
- The urban management company is expected in the next 5 years to service a population of **6,000** comprising residents, Two Rivers Lifestyle Centre tenants and office occupants

Project Pipeline

Riverbank Apartments



80 residential units

Market validation ongoing expected to break ground in 2019

Two Rivers Theme Park Phase II



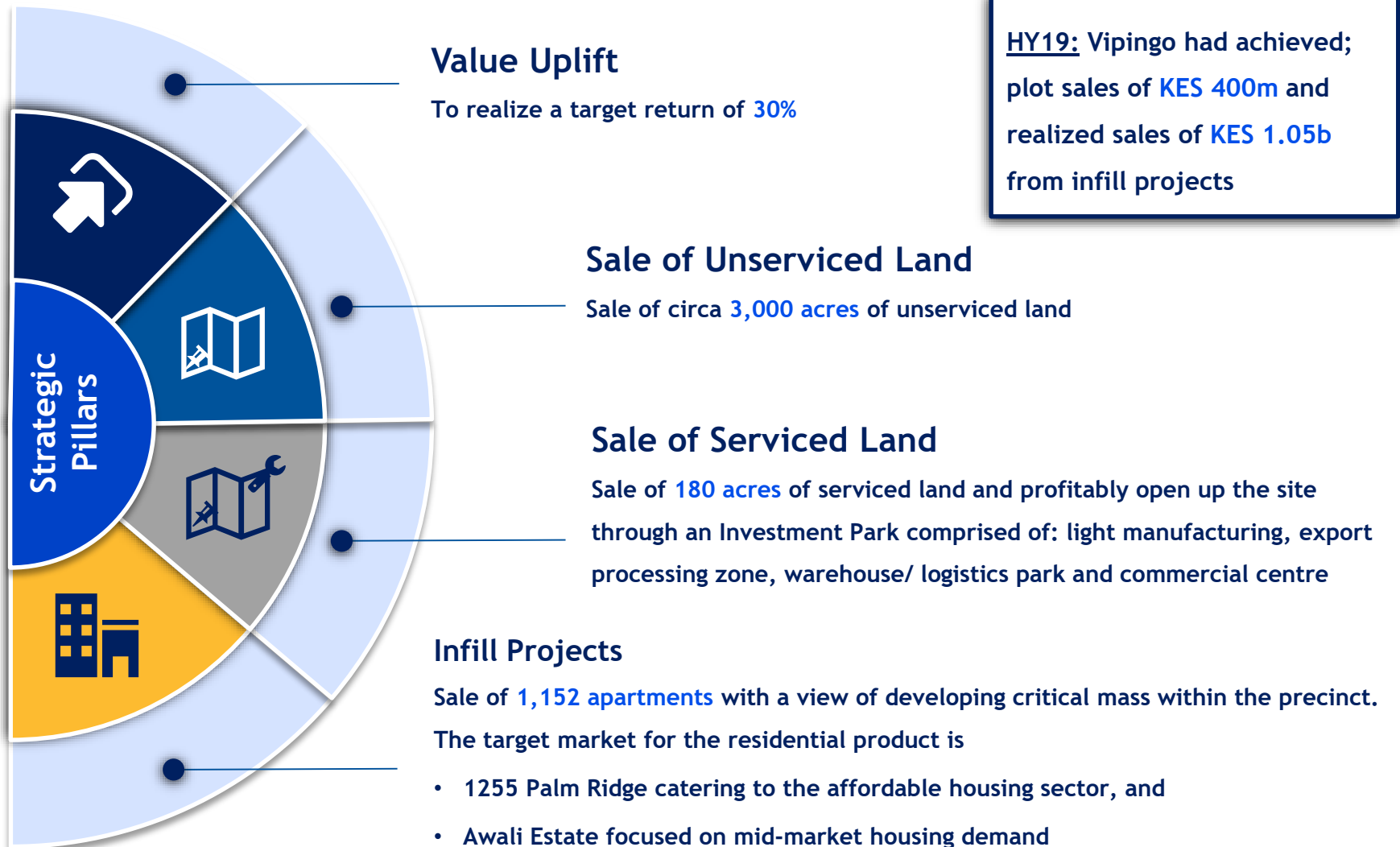
Phase 2 of the theme park is currently under construction following the acquisition of permits and approvals from the various regulators

1. As at January 2019 2. As at September 2018

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Real Estate Portfolio





Vipingo Development: Overview



HY19: Vipingo had achieved; plot sales of **KES 400m** and realized sales of **KES 1.05b** from infill projects

Real Estate Portfolio

Vipingo Development: Progress Update

	<u>Investment Park</u>	<u>Awali Estate</u>	<u>1255 Palm Ridge</u>	<u>Sea Water Desalination</u>
Acquire Land				
Master Plan and Obtain Approvals (NEMA*, PPA2)				
Market Validation				-
Fundraising	KES 2 billion third-party capital secured	Discussions Underway	Discussions Underway	Discussions Underway
Construction	Commenced in Q3 2018	Commenced in Q4 2018	Commenced in Q4 2018	LOI signed with partner to design, supply install, test and commission

*National Environmental Management Authority

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Real Estate Portfolio

Vipingo Development: Project Pipeline

Residential Developments

Awali Estate



152 units on 30 acres

Sales Target:
KES 2.6 billion

1255 Palm Ridge



1,255 apartments on 20 acres

Sales Target:
KES 1.5 billion

Commercial Developments

Investment Park



Spread over 180 acres

Sales Target:
KES 4.1 billion

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

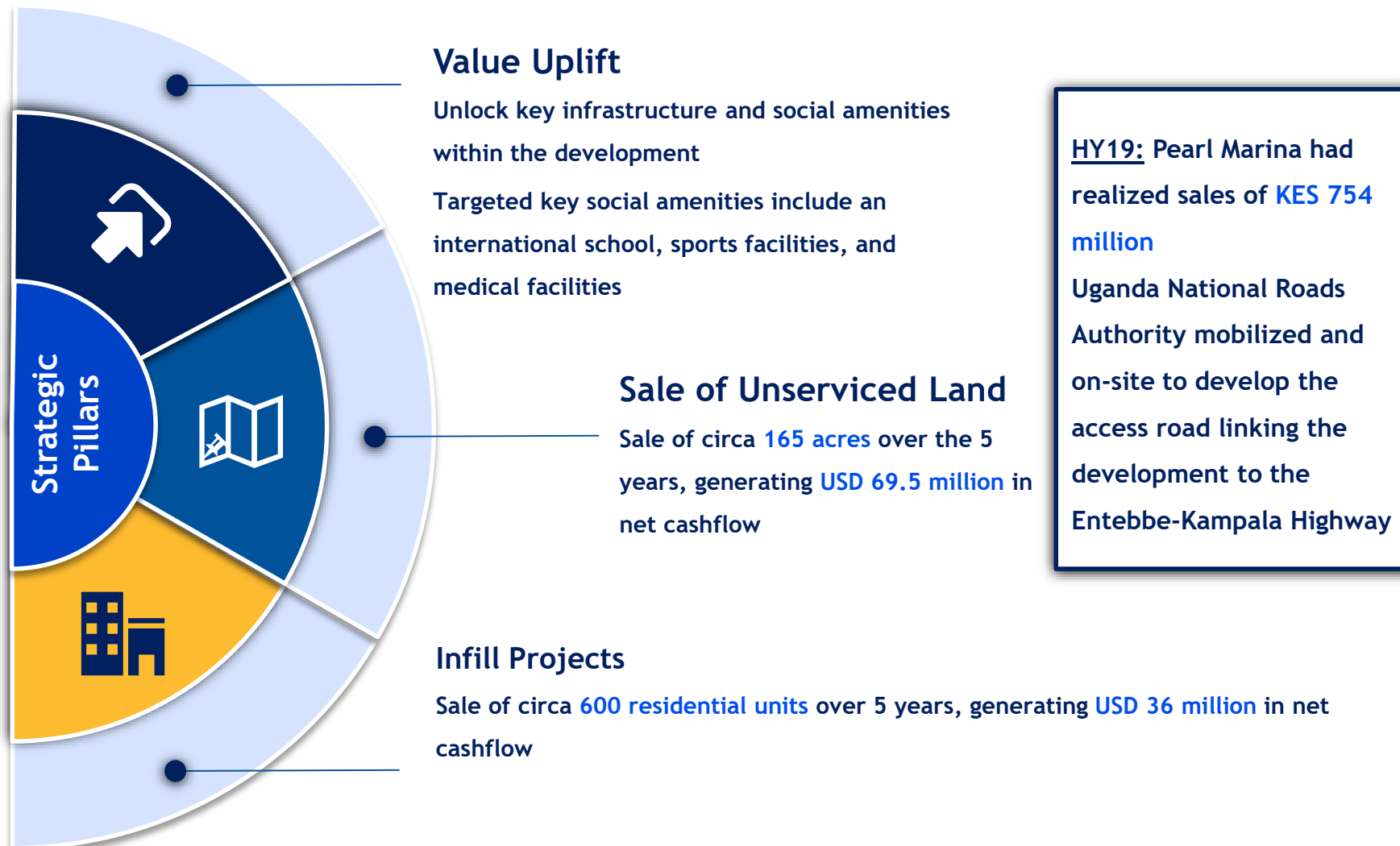
All the projects have gone through the market validation stage and have met the threshold for our investment thesis in the Real Estate portfolio

*As at January 2019

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Real Estate Portfolio

Pearl Marina: Overview



Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Real Estate Portfolio

Pearl Marina: Progress Update



	<u>Mirabella Villas</u>	<u>Bella Vista</u>	<u>Riviera Town Houses</u>
Acquire Land			
Master Plan and Obtain Approvals (NEMA*)		Ongoing	Ongoing
Market Validation			Ongoing
Fundraising	Discussions underway	Discussions underway	Discussions underway
Construction	Commenced in Q4 2018	Construction to commence in Q1 2019	Target to complete market validation in Q2 2019

*National Environment Management Authority (NEMA)

Real Estate Portfolio

Pearl Marina: Project Pipeline

Mirabella Residences



***55% SOLD**

22 units on 4.7 acres

Gross Built Area:
6,600m²
Sales Target:
USD 7.3 million

Riviera Town Houses



53 units on 4.7 acres

Gross Built Area:
11,660m²
Sales Target: TBD
*Currently under
market validation*

Bella Vista Apartments



***59% SOLD**

240 units on 6.5 acres

Gross Built Area:
26,580m²
Sales Target:
USD 14.5 million

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

*As at January 2019

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Our Portfolio

01 Real Estate

Pg. 15

02 Private Equity

Pg. 25

03 Marketable Securities

Pg. 32

04 Development Portfolio

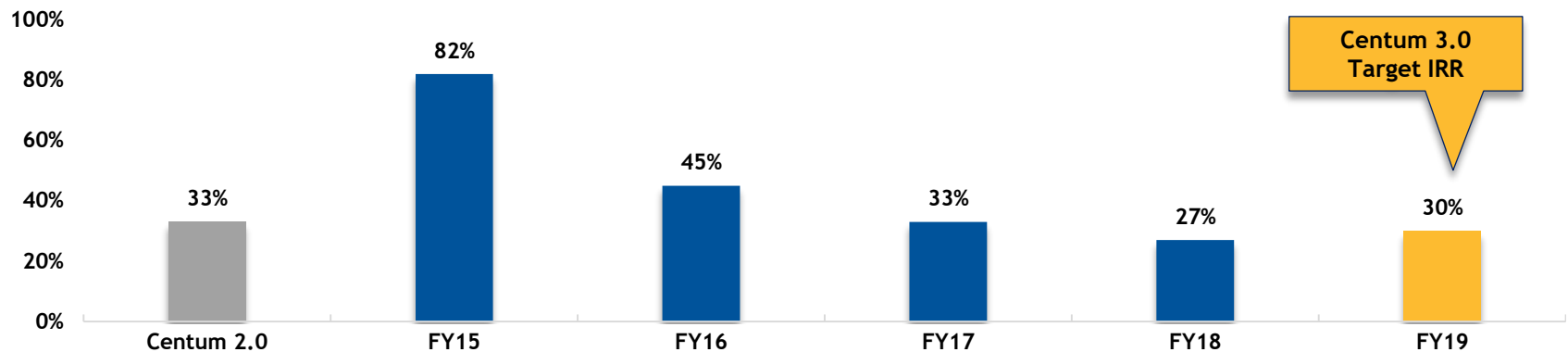
Pg. 35

Private Equity

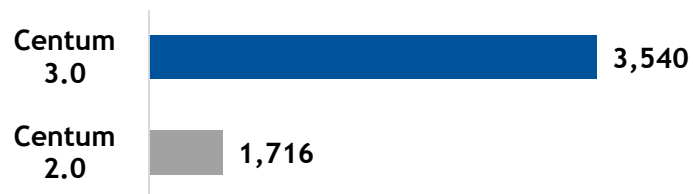
Performance over Centum 3.0

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

Private Equity IRR



Portfolio Dividend Received (KES million)



Centum 2.0 - FY10 to FY14

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Private Equity Portfolio

Fast Moving Consumer Goods Portfolio

FMCG Sector Net Asset Value contribution

KES 12,031 million | 24.6% | KES 18.08 per share



Almasi Beverages Limited

Stake: 53.9%

Net Asset Value per share contribution: KES 10.84 per share | 14.7%

The holding company owning three of Kenya's six Coca-Cola bottling franchises and is involved in the manufacturing, packaging, distributing and selling of Coca-Cola range of products



Nairobi Bottlers Limited

Stake: 27.6%

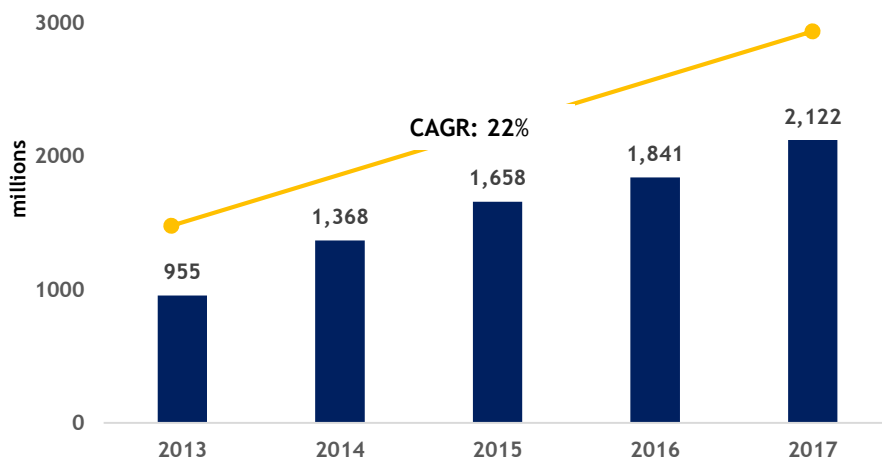
Net Asset Value per share contribution: KES 7.17 per share | 9.8%

The largest of the Coca Cola franchise bottlers in Kenya and is engaged in the manufacturing, packaging, distributing and selling of Coca-Cola range of products

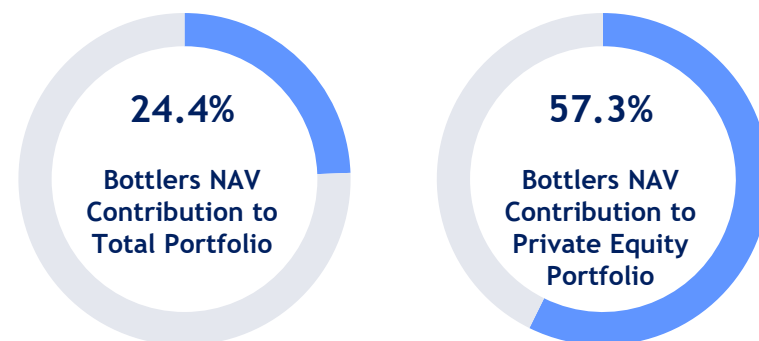
Private Equity Portfolio

Robust Growth in Earnings - Bottlers

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



Bottlers' Contribution to NAV, HY18



- 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 million in 2018
- 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 in volumes and continued product innovation

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Private Equity Portfolio

Financial Services Portfolio

Financial Services Sector NAV contribution

KES 3,607 million | 7.2% | KES 5.30 per share



Sidian Bank Limited

Stake: 77.0%

Net Asset Value per share contribution: KES 4.64 per share | 6.3%

A leading tier III bank SME focused commercial bank in Kenya providing an array of financial services to individuals and enterprises



Nabo Capital Limited

Stake: 100%

Net Asset Value per share contribution: KES 0.83 per share | 1.2%

Nabo's core business revolves around the management of traditional asset classes such as equities, money markets, fixed-income portfolios, alternative asset classes such as real estate, securitizations and private instruments as well as investment advisory services



Zohari Leasing Limited

Stake: 100%

Zohari Leasing is an operating and finance lease company serving the SME and corporate segments, providing financing solutions to companies looking to fund the acquisition of operating assets

Sidian Bank

Accelerated Growth in Non-funded Income



- 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 36% of total income on average. Trade finance balances have grown 9x from KES 1.06 billion (as at 31st March 2017) to KES 9.72 billion (as at 31st March 2018)
- The contribution of NFI to total income is expected to increase even further in 2019 as the bank:
 - channels excess liquidity to forex dealings and bond trading, and;
 - increases transaction-based income by on-boarding trade finance clients onto other bank platforms whilst increasing usage by existing clients

Private Equity Portfolio

“Others” Portfolio

Others Sector NAV contribution

KES 3,532 million | 7.2% | KES 5.31 per share



Isuzu East Africa

Stake: 17.8%

Net Asset Value per share contribution: KES 2.83 per share | 3.8%

Involved in the assembly of trucks, pick-ups and bus chassis via a complete knock down (CKD) kit process and imports new completely built units (CBU) of SUVs for sale in East Africa. Also deals in after sales service and part sales



NAS Servair Limited

Stake: 15%

Net Asset Value per share contribution: KES 1.25 per share | 1.7%

A fully integrated catering solution for airlines and cruise ships. NAS Servair is the main airline caterer in Kenya's two largest international airports and provides meals, laundry and custodial services to over 30 international airlines and cruise ships off Mombasa's coast



Longhorn Publishers Limited

Stake: 60.2%

Net Asset Value per share contribution: KES 1.23 per share | 1.7%

Longhorn is the second largest publisher in Kenya. Longhorn is the first publisher in Kenya to digitize all its books and place them on online platforms such as Amazon amongst others

Our Portfolio

01 Real Estate

Pg. 15

02 Private Equity

Pg. 25

03 Marketable Securities

Pg. 32

04 Development Portfolio

Pg. 35

Marketable Securities

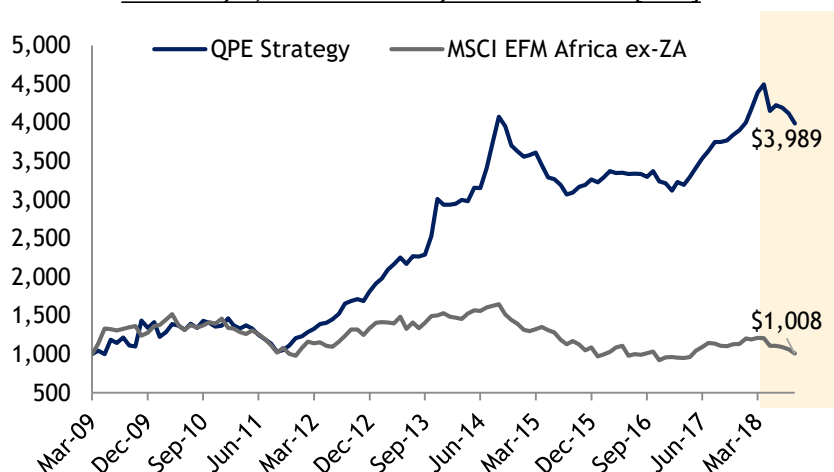
Portfolio Return & Track Record

Marketable Securities NAV contribution

KES 4,613 million | 9.4% | KES 6.93 per share

MSP vs MSCI - Long Term Track Record

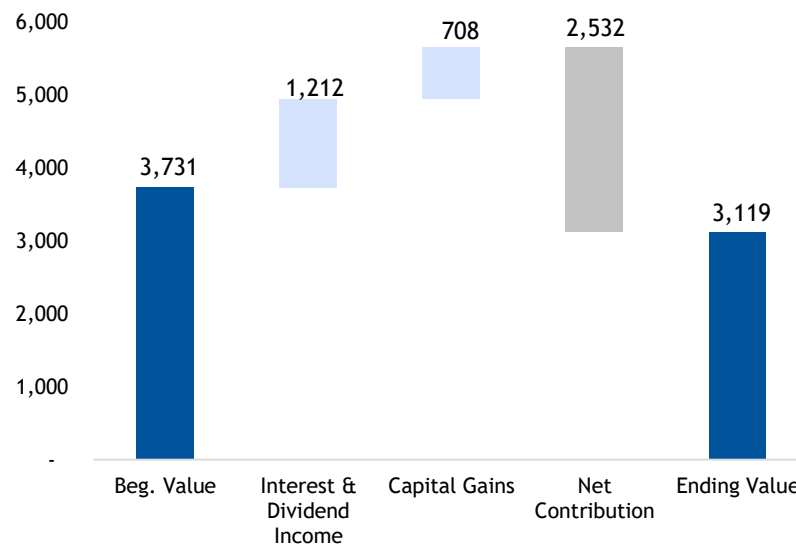
Growth of 1,000 Investment from March 2009 [3.9x]



Annualized Returns (%) over Centum 3.0

	Centum 2.0	FY15	FY16	FY17	FY18	HY19
MSP	34%	31%	2%	-4%	36%	-9%
MSCI Africa ex. ZA	56%	-3%	-15%	-6%	25%	-16%
Spread	-22%	34%	17%	3%	11%	7%

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

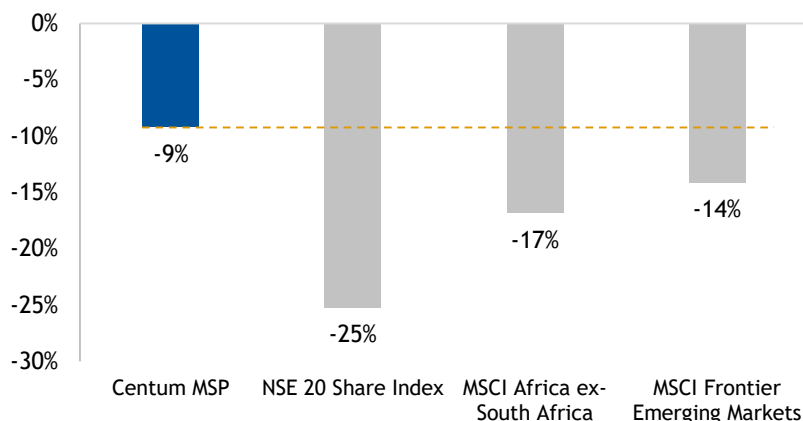
Source: Bloomberg; Returns data in line with Centum's Financial Year

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Marketable Securities Portfolio Performance

Portfolio Returns & Attribution - HY19

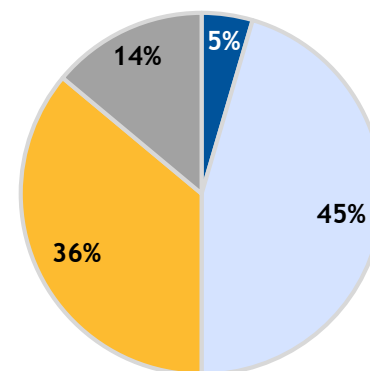
MSP vs. Primary & Secondary Benchmarks - HY19



MSP Portfolio Returns Attribution - HY 19

Asset Class	Avg. wt. (%)	Return	Contribution
Equity	45%	-19%	-10%
Fixed Income	36%	5%	2%
Mutual Funds	14%	-9%	-1%
Cash & Cash Equivalents	5%	-	-
Total	100%	-9%	-9%

Portfolio Diversification by Asset Class (%)



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

- **Performance HY19:** MSP outperformed primary and secondary benchmarks in a difficult environment especially for equities
- **Diversification:** The portfolio is well diversified by geography and asset class, to mitigate volatility while taking advantage of prevailing market conditions

Our Portfolio

01 Real Estate

Pg. 15

02 Private Equity

Pg. 25

03 Marketable Securities

Pg. 32

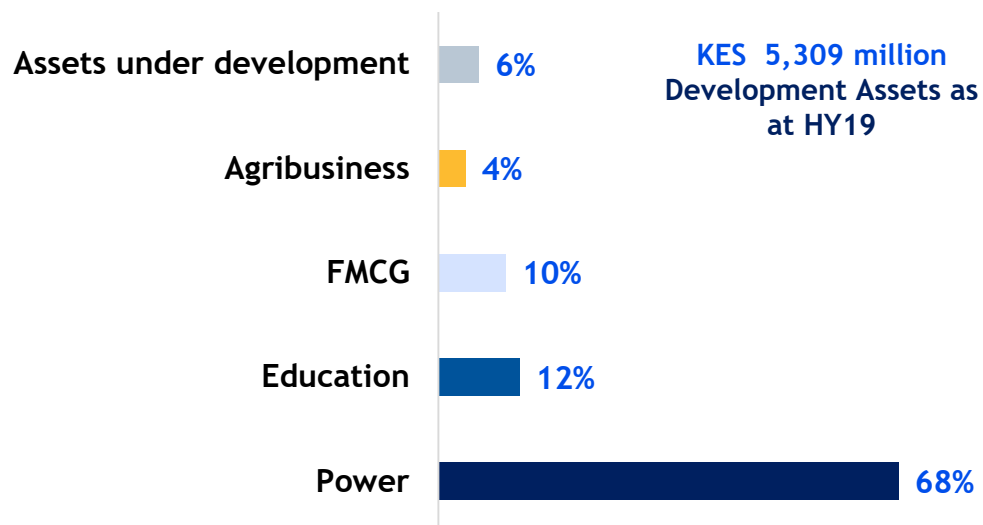
04 Development Portfolio

Pg. 35

Development Portfolio Overview

Development Portfolio Net Asset Value contribution KES 1,438 million | 2.9% | KES 2.16 per share

Sector Split - Development Portfolio as at September 2018



The development portfolio's focus is to generate substantial value by creating new assets that have demonstrable market value preceding generation of substantial revenues



Development Portfolio

Priorities in FY19



Completed:

- PPA secured, EPC and O&M contracts, Debt term sheets secured, NEMA Approvals
- Transaction with General Electric

Next Steps:

- Awaiting Resettlement Action Plan and Fuel Supply Agreement and Generation License
- Achieving financial close for the project



Completed:

- PPA secured, Debt term sheets secured, NEMA Approvals
- Drilled 2 of 5 exploratory wells

Next Steps:

- Drilling Well 03, a key milestone to achieving financial close
- Awarding Operations & Maintenance and Engineering, Procurement & Construction Contracts
- Achieving financial close for the project



Completed:

- The objective is to establish a business that can achieve an EBITDA of KES. 400 million by 2022
- Construction completed
- Obtained curriculum approval, recruited teachers
- SABIS® International School - Runda admitted its first students in September 2018

Next Steps:

- Seek additional investments within the region
- Enrolling 100 students by the end of the first academic year



Completed:

- The objective is to establish a business that can achieve an EBITDA of KES. 200 million by 2022
- Opened up 20Ha for cultivation, established packhouse
- Produced in excess of 105 tonnes of fresh produce
- Acquired 6 export clients, partnered with 250 small scale farmers
- Annual revenue of KES. 58 million in FY18

Next Steps:

- Focus on expanding inhouse production to achieve a diverse product mix
- Target gross revenue of approximately KES. 200m



Disclaimer

Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those presented in this report. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage and sustain growth, intense competition in the various sectors the company has invested in, in regions of operation, including those factors which may affect our cost and proprietary advantage, wage increases, our ability to attract and retain skilled professionals, time and cost overruns on planned capital expenditures, geographic concentration, industry segment concentration, our ability to manage our regional operations, reduced demand for our subsidiaries services in our key geographical areas, disruptions in operational platforms or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our licenses and service contracts, the success of the companies in which the Company has made strategic investments, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies in different countries where we plan to invest, and unauthorized use of our intellectual property and general economic conditions affecting the company. Additional risks that could affect our future operating results are described in our Annual Report for the fiscal year ended 31 March 2018. The Company may, from time to time, make additional written and oral forward-looking statements, including statements contained in the company's filings with the NSE, USE or CMA and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.



Appendix



Appendix 1: Real Estate Sector Snapshot

Macro



7% sector expansion 1H18

17% six-year CAGR growth of land prices

24% average annual return over the last 5 years

Commercial



83% occupancy rates

12% growth in absorption

Retail



60% - 75% occupancy rates for new retail centres in 1H18

90% occupancy rates for established malls in 1H18

9-10% average yield

Residential



No. of Beds	Avg. sales price	
	High End	Mid-End
1	138k	90k
2	175k	12k
3	353k	212k

Outlook



- In 2019, the key drivers of the sector are expected to be;
 - demographic trends with high urbanization rates estimated against the global average,
 - sustained infrastructure developments as the governments continues to invest in completion of various infrastructure projects that will spur development in various areas, and
 - expected increased development due to government incentives that are crucial to the achievement of the Big 4 Agenda

Appendix 1: Real Estate

Valuations as at 30 September 2018

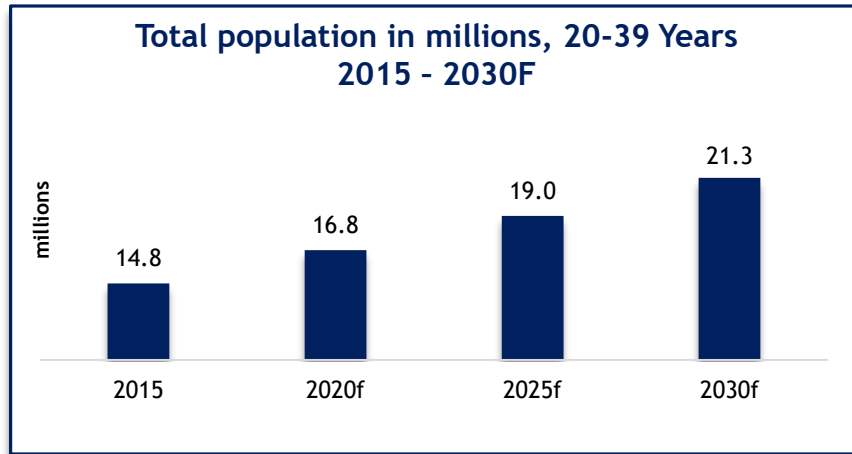
Portfolio Company	Carrying Value HY19 (KES million)	Carrying Value FY18 (KES million)	Valuation Methodology	NAV Per Share HY19 (KES)	NAV Per Share HY19 (%)
Vipingo Development Ltd. Stake: 100%	9,999	7,646	Net Asset Value	10.80	14.7%
Two Rivers Development Ltd. Stake: 58.30%	7,632	7,632	Net Asset Value	7.36	10.0%
Centum Development Ltd ¹ Stake: 100%	7,505	7,464	Net Asset Value	5.47	7.4%
Vipingo Estates Ltd. Stake: 100%	1,240	1,012	Net Asset Value	1.22	1.7%
Two Rivers Lifestyle Centre Ltd. Stake: 29.15%	5,149	4,909	Net Asset Value	7.73	10.5%
Uhuru Heights Ltd. Stake: 100%	855	855	Net Asset Value	0.40	0.5%
Rasimu Ltd. Stake: 100%	742	737	Net Asset Value	0.99	1.4%
Athena Properties Ltd. Stake: 100%	209	150	Net Asset Value	0.33	0.4%
Broll Stake: 30%	-	37	Net Asset Value	-	-
Others	104	81		-	-
Total	33,435	30,523		33.06	44.9%

1. Holding company for Pearl Marina Estates

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Appendix 2: Private Equity

Fast Moving Consumer Goods Sector Snapshot



KES 4.56 trillion



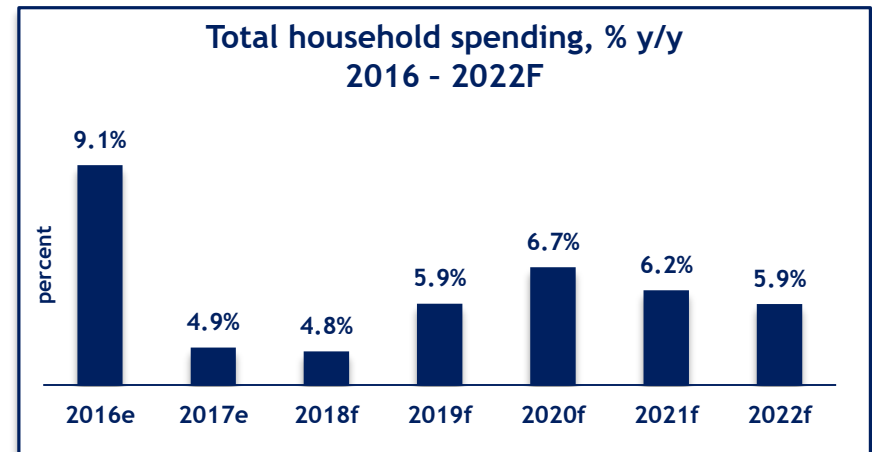
Kenya's forecasted total household spending for 2018

12.6 million



Current estimate of number of households in Kenya

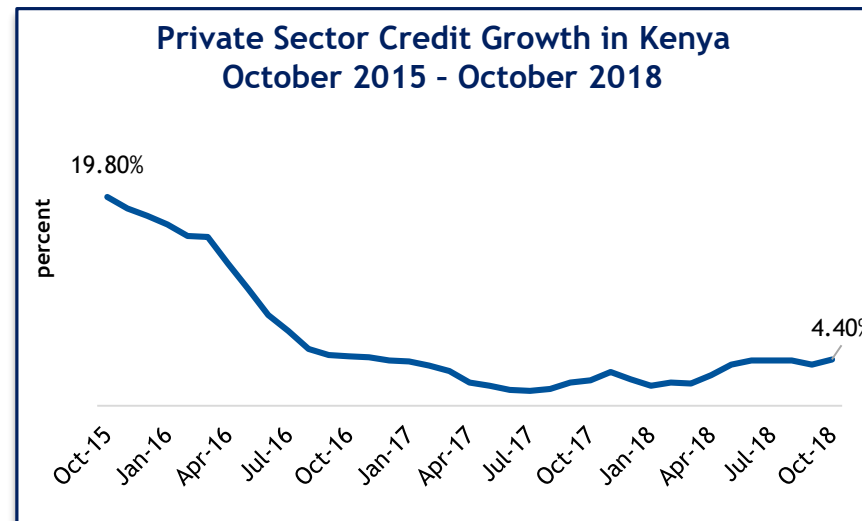
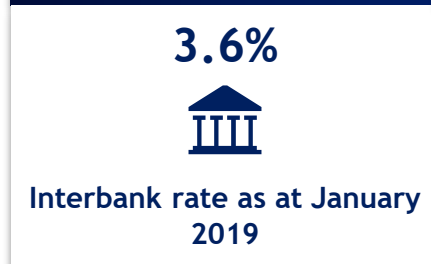
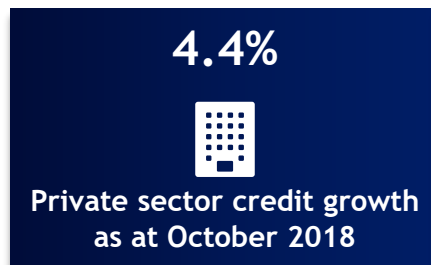
- Real GDP grew an estimated 5.9% in 2018 from 4.9% in 2017 on the back of good weather, eased political uncertainties and strong private consumption
- Private consumption being a main driver of economic growth in Kenya and accounting for an estimated 80.5% of total GDP in 2018 is estimated to grow in line with the economy in 2018 at an average rate of 5.7%



Source: BMI, HassConsult

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Appendix 2: Private Equity Financial Services Sector Snapshot



- Private sector credit growth dropped from its peak of about 25% in mid-2014 to 4.4% in October 2018
- The slowdown in credit growth is broad based, with credit contraction effects largely experienced by Small and Medium Enterprises and individuals
- Since the conclusion of the elections in August 2017, the interbank rate has declined by 450 basis points from 8.1% to 3.6% as at January 2019, suggesting improvement in the liquidity situation among banks
- The banking sector remains stable and resilient. Average commercial banks' liquidity and capital adequacy ratios increased to 48.9 percent and 18.4 percent, respectively, in October 2018. The ratio of gross non-performing loans (NPLs) to gross loans fell to 12.3 percent in October 2018 from 12.7 percent in August, largely due to declines in NPLs in the trade, and personal and household sectors. The declines were mainly due to sustained recovery efforts by banks

Source: BMI, Central Bank of Kenya
Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Appendix 2: Private Equity Valuations as at 30 September 2018

Portfolio Company	Stake	Sector	Carrying Value (KES million)		Valuation Method	Discounted Multiple ⁴
			HY19	FY18		
Almasi Beverages Limited	53.88%	FMCG	8,697	8,697	FV ³ : Multiples - EV ¹ /EBITDA	6.94x
Nairobi Bottlers Limited	27.60%	FMCG	5,078	5,078	FV ³ : Multiples - EV ¹ /EBITDA	6.94x
Sidian Bank Limited	77.02%	Financial Services	3,870	3,891	FV ³ : Multiples P/B ²	1.16x
Isuzu (E.A.) Limited	17.80%	“Others”	2,026	2,470	FV ³ : Recent price	
GenAfrica Limited	73.35%	Financial Services	-	2,324	Exit Completed	
Nabo Capital Limited	100.00%	Financial Services	668	494	Net Asset Value	
NAS Servair	15.00%	“Others”	856	856	FV ³ : Multiples	4.19x
Longhorn Kenya Limited	60.20%	“Others”	812	763	Market price	
Centum Business Solutions Limited	100.00%	“Others”	632	408	Net Asset Value	
Zohari Leasing Limited	100.00%	Financial Services	220	213	Net Asset Value	
Others (PPE, Receivables)			634	119		
Total			23,493	25,313		

1. EV - Enterprise Value; 2. P/B - Price to Book; 3. FV - Fair Value; 4. An illiquidity discount of 30% is applied to all multiple
Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Appendix 3: Marketable Securities

Sector Snapshot

USD 1.7b

2018 equity turnover up 2% from USD 1.65b in 2017

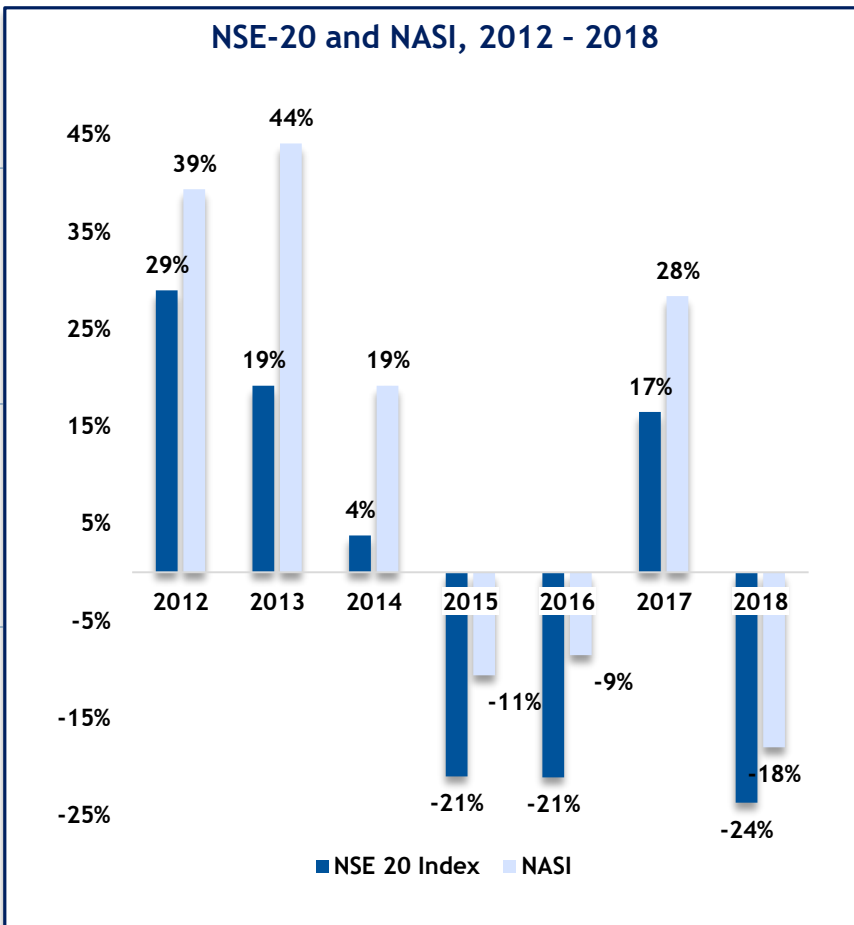
USD 0.3b

2018 foreign net outflows compared to USD 0.1b in 2017
Highest in NSE history

12%

estimated company earnings growth for the year 2018

- The NASI's and NSE-20's y/y return was the lowest in 7 years due to the foreign net outflow experienced throughout the year coupled with weak demand from local institutions



All NSE indices recorded negative return. The current year's NSE return will depend on the earnings performance of the entities

Appendix 3: Marketable Securities

Valuations as at 30 September 2018

<u>Portfolio Company</u>	<u>Stake</u>	<u>Carrying Value HY19 (KES million)</u>	<u>Carrying Value FY18 (KES million)</u>	<u>Valuation Method</u>
Centum Exotics Limited	100%	3,587	3,589	Market Price
Centum QPE	100%	58	396	Market Price
Receivables	100%	450	331	Cost
Cash	100%	1,026	1,078	Cost
Total		4,715	5,393	

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

Appendix 4: Development Valuations as at 30 September 2018

<u>Portfolio Company</u>	<u>Stake</u>	<u>Carrying Value HY19 (KES million)</u>	<u>Carrying Value FY18 (KES million)</u>	<u>Valuation Method</u>
Amu Power Ltd	51.00%	2,100	2,144	Cost
Akiira Geothermal Limited	37.50%	1,510	1,491	Cost
ACE Holdings Limited	16.40%	643	556	Cost
Greenblade Growers Limited	100%	212	185	Net Asset Value
King Beverage Limited	100%	513	471	Cost
Assets under development (healthcare, agribusiness and business development costs)	100%	330	241	Cost
Total		5,309	5,088	

Central Bank of Kenya spot rate USD/KES 100.6194 on 1 February 2019; 100.9556 on 30 September 2018

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