



CENTUM

tangible wealth



VISIO

TO BE
AFRICA'S
FOREMOST
INVESTMENT
CHANNEL

COMPANY

OVERVIEW

Centum Investment Company Plc. is East Africa's leading investment company listed on the Nairobi Securities Exchange and Uganda Securities Exchange. We are an investment channel providing investors with access to a portfolio of inaccessible, quality, diversified investments.

OUR PERFORMANCE



OUR IMPACT

EMPLOYMENT

2,759 employees directly employed in our Investee Companies

INVESTMENTS

KES 22 Billion (c. US\$ 218 Million) capital deployment over the strategic period of Centum 3.0

FOREIGN DIRECT INVESTMENT OVER THE STRATEGIC PERIOD CENTUM 3.0

KES 25.3 Billion (c. US\$ 262.8 Million) foreign capital attracted as exit proceeds

INVESTMENT PHILOSOPHY & STRATEGY

Over the years, our business model has evolved and so has our investment philosophy. Centum generally focuses on companies in sectors with:

- Large and growing domestic and regional markets targeted principally at households and private businesses
- Basic goods and services whose demand will increase as purchasing power increases
- Products and services with limited scope for import substitution
- Sustainable competitive advantage, with relatively high barriers to entry
- Sectors with pricing power that will allow price increases with inflation
- Relative industry certainty - where there are no adverse industry changes foreseeable within the investment period

In cases where attractive opportunities exist in sectors that it does not have an understanding, we work to build expertise by engaging sector specialists from the investment appraisal stage or strategic partners to jointly invest.

Our investment objectives are anchored around the following constraints:

- Asset Allocation – ensuring a healthy balance of investments across various segments and portfolio classes (namely growth, real estate, cash and marketable securities and development) to minimize asset concentration risk and ensure a steady stream of cashflows to meet portfolio costs and take advantage of investment opportunities;
- Legal & Regulatory Factors – paying due regard to the environment which we operate in;
- Time Horizon – a balance is maintained between long and short-term investments to ensure consistent dividend payouts whilst maximising long term value; and
- Sustainable Development – making conscious decisions to ensure responsible investing ethos on social, environmental and governance are applied towards greater value to the Company.

RESPONSIBLE INVESTING

The Responsible Investing Policy (RIP) forms the bedrock upon which sustainable development is anchored within the Company. This entails:

- Having proper governance structures, concern for the environment and social responsibility.
- Ensures that all investments made by Centum not only generate desired return to shareholder's capital, but also benefits the society where they are made. Furthermore, the policy guides the investment team in making environmentally conscious investments.
- Helps the Company promote its commitment to our stakeholders and to comply, at a minimum, with applicable local and international laws and regulations and, where appropriate, relevant International Standards where these are more stringent than the applicable laws.
- Furthermore, Centum, has **Integrity** as a core value and guiding principle. Integrity is embedded in the culture through corporate governance initiatives and policy framework. Employees and directors of the company adhere to the Centum code of ethics, whistle-blowing policy and conflict of interest policy. The Company and its employees place integrity of the investment profession, governing rules of the Company and the Capital Markets above personal interests.

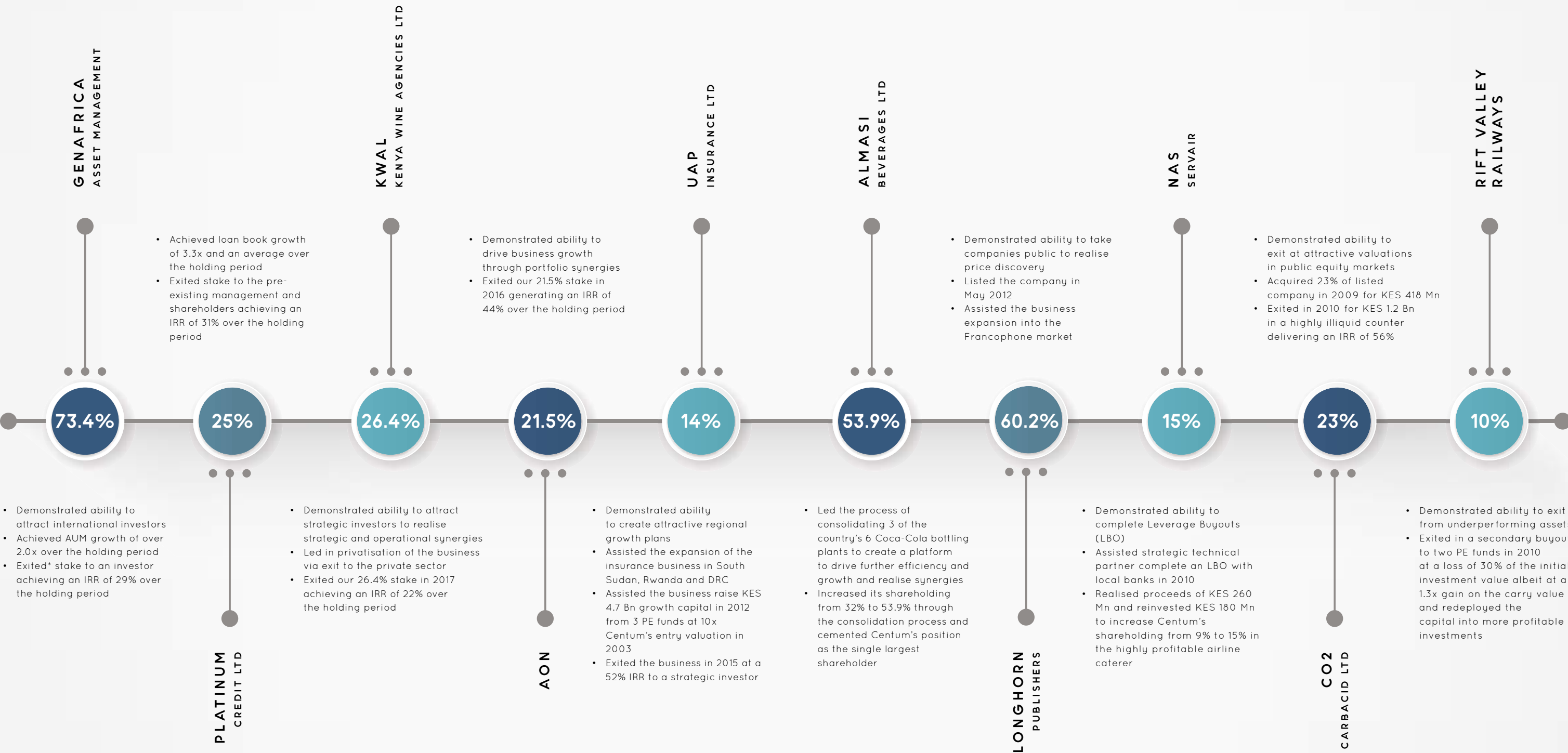
MINIMUM ENVIRONMENTAL SOCIAL GOVERNANCE STANDARDS

The Company is focused on investing in businesses which are committed to:

- Taking necessary measures to ensure equitable distribution of value across the supply chain in all its operations;
- A responsible approach to environmental management of their business operations (and those of their supply chain) by making efficient use of natural resources and mitigating environmental risks and damage;
- Respecting the human rights of their workers and of the people working in their supply chain;
- Maintaining safe and healthy working conditions for their employees and contractors and for the people working in their supply chain;
- Treating their employees fairly;
- Upholding the right to freedom of association and collective bargaining; and
- Treating their customers fairly and respecting the health safety and wellbeing of those affected by their business activities.

The minimum environmental, social and governance standards are considered at all stages of our investment processes and form part of our investment policy.

OUR TRACK RECORD



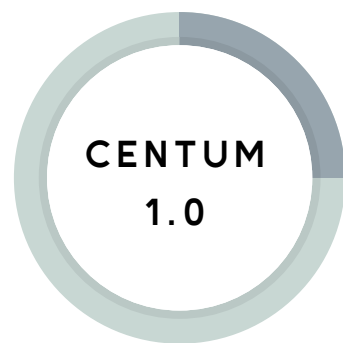
OUR STRATEGIC EVOLVEMENT

1967 - 2004

Acquires minority stakes predominantly in market leaders and in publicly-traded securities on the Nairobi Stock Exchange

Focused primarily on Kenya

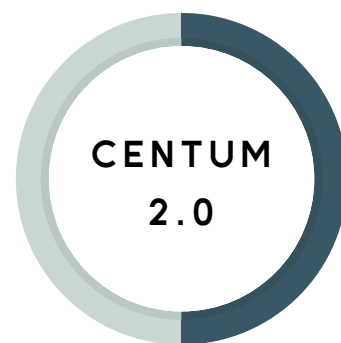
2004 - 2009



The investment approach is as a portfolio manager spread across 10 sectors, interested primarily in acquisition of minority stakes in market leaders and publicly traded securities across non-distinct sectors within East Africa

Centum's Quoted Private Equity (QPE) approach is to invest Centum's proprietary capital in publicly-traded securities on exchanges across Africa

2009 - 2014



Strategic plan re-organizes the Company into three distinct business lines: Private Equity (PE), Quoted Private Equity (QPE) and Real Estate (RE) with a Pan-African focus

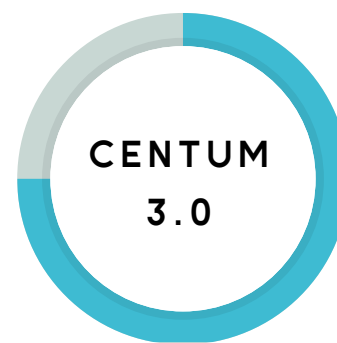
On PE, the investment approach involves a traditional PE investor with interests primarily in acquisition of a controlling or minority stake in market leaders in identified sectors

Purchase of 101.5 acres for Two Rivers Development Ltd.

Purchase of 389 acres for Pearl Marina Estates Ltd.

On QPE, the approach involves Centum's proprietary capital being invested in publicly-traded securities on exchanges across Africa

2014 - 2019



Business model is adapted to incorporate Centum as a project sponsor and developer of investment grade assets across eight key sectors

Purchase of 10,254 acres for Vipingo Development Limited.

Asset development undertaken through leverage of third-party capital, project specific debt and internal resources and thereafter realizing gains on partial or full exit through the sale of the investment grade assets to downstream investors at a significant value uplift

CENTUM 3.0 STRATEGIC PILLARS

RETURN

Generate 35% annualised return between FY 14 and FY 19.
Consistently outperform the market.

FOCUS

Develop and scale investments across key sectors.
Optimise portfolio in line with sector focus.

SCALE

Grow total assets to KES 120 Billion (USD 1.2 Billion) by end 2019.

BRAND

Develop sector expertise across key sectors.
Build a track record of project development in targeted sectors.

COSTS

Maintain costs below 2.0 % of total assets.

BUSINESS OVERVIEW

DEVELOPMENT PROJECTS

Focus on development of bankable project across key sectors

Leverage Internal resources to de-risk projects

GROWTH BUSINESSES

Focus on operationalization and growth

Leverage third party capital and project specific debt

OUR BUSINESS MODEL

MATURE BUSINESSES

Partial/full exit to realize gains

OUR KEY OBJECTIVE IS TO CONSISTENTLY GENERATE MARKET BEATING RETURNS BY BUILDING EXTRAORDINARY ENTERPRISES. WE MAINTAIN FOCUS THROUGH 3 DISTINCT BUSINESS PORTFOLIOS NAMELY; REAL ESTATE, PRIVATE EQUITY (COMPRISING OF BOTH OUR GROWTH AND DEVELOPMENT PORTFOLIOS) AND MARKETABLE SECURITIES. THESE 3 VERTICALS CUT ACROSS DIFFERENT INDUSTRIES INCLUDING REAL ESTATE, FMCG, FINANCIAL SERVICES, POWER, EDUCATION AND AGRI-BUSINESS.

GROWTH PORTFOLIO

OUR GROWTH PORTFOLIO’S FOCUS IS ON THE OPERATIONALIZATION AND GROWTH OF OUR INVESTEE ENTITIES. WE LOOK TO LEVERAGE THIRD PARTY CAPITAL AND PROJECT SPECIFIC DEBT FOR OUR INVESTMENTS IN THE GROWTH PORTFOLIO. THE GROWTH PORTFOLIO REPRESENTS OUR TRADING SUBSIDIARIES OR INVESTMENTS THAT HAVE PROGRESSED FROM DEVELOPMENT TO A CASH GENERATIVE STAGE. INVESTMENTS UNDER THIS SEGMENT INCLUDE THE BEVERAGE, PUBLISHING, FINANCIAL SERVICES AND UTILITIES BUSINESSES. EFFICIENT MONETIZATION OF MATURE ASSETS ALLOWS RE-INVESTMENT AND LEVERAGE. LEGACY DIVIDEND PAYING UNLISTED ASSETS ARE INCLUDED IN THIS PORTFOLIO.

1

FAST MOVING CONSUMER GOODS

ALMASI BEVERAGES LIMITED
SHAREHOLDING: 54.9%

PRODUCTS: COCA-COLA RANGE OF PRODUCTS
MARKET SHARE: 30%
TERRITORY COVERED: 25-27 COUNTIES
VALUATION METHODOLOGY: EV/EBITDA MULTIPLE

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
SHAREHOLDING: 27.6%

PRODUCTS: COCA-COLA RANGE OF PRODUCTS
MARKET SHARE: 47%
TERRITORY COVERED: 13 COUNTIES
VALUATION METHODOLOGY: EV/EBITDA MULTIPLE

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.

KING BEVERAGE LIMITED
SHAREHOLDING: 100%

PRODUCTS: BEERS AND SPIRIT DISTRIBUTION
VALUATION METHODOLOGY: COST

The sole distributor for Carlsberg Brands and selected EFME & Grays spirits in Kenya.

2

FINANCIAL SERVICES

SIDIAN BANK LIMITED
SHAREHOLDING: 78.9%

SUB-SECTOR: BANKING
VALUATION METHODOLOGY: PRICE TO BOOK

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

ZOHARI LEASING LIMITED
SHAREHOLDING: 100%

SUB-SECTOR: LEASING
VALUATION METHODOLOGY: NET ASSET VALUE

Zohari Leasing is an SME focused tailored leasing solutions company across various sectors by funding an array of assets including motor vehicles, agricultural equipment, ICT equipment and retail fit-outs through operating leases, finance leases and lease buy-backs.

NABO CAPITAL LIMITED
SHAREHOLDING: 100%

SUB-SECTOR: ASSET MANAGEMENT
VALUATION METHODOLOGY: NET ASSET VALUE

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. In addition, Nabo provides an array of investment advisory services to corporate, partnership, institutional and private clients, including structured products for debt and equity capital markets and has clients who include endowments, sovereign entities, private clients and institutions.

3

OTHERS

ISUZU EAST AFRICA
SHAREHOLDING: 17.8%

SECTOR: MOTOR VEHICLE ASSEMBLY
VALUATION METHODOLOGY: FAIR VALUE;
RECENT PRICE

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) for sale for the Isuzu brands. Also deals in after sales service, motor vehicle repairs and part sales.

LONGHORN PUBLISHERS LIMITED
SHAREHOLDING: 60.2%

SECTOR: PUBLISHING
SUB-SECTOR: EDUCATION
VALUATION METHODOLOGY: MARKET PRICE

The second largest publisher in Kenya and is also listed is listed on the Nairobi Securities Exchange. Longhorn Publishers is the first publisher in Kenya to digitize all its books with its books already listed on platforms such as Amazon among others.

NAS SERVAIR LIMITED
SHAREHOLDING: 15%

SECTOR: FOOD & BEVERAGE
SUB-SECTOR: AIRLINE CATERING
VALUATION METHODOLOGY: EV/EBITDA MULTIPLE

A fully integrated catering provision, on- site catering services and utilities. NAS Servair is the main airline caterer serving in Kenya’s largest two international airports and offers meals to over 30 international airlines.

REAL ESTATE PORTFOLIO

OUR REAL ESTATE STRATEGY SEEKS TO MASTER DEVELOP ATTRACTIVE SITES ACROSS THE REGION AND PROVIDE COMMERCIAL IMPETUS FOR INVESTORS TO ESTABLISH URBAN NODE DEVELOPMENTS THEREIN. CAPITAL RAISED IS AT PROJECT LEVEL TO FUND TRUNK INFRASTRUCTURE AND STRATEGIC IN-FILL DEVELOPMENTS TO CATALYSE LOCATIONS AND ATTRACT THIRD PARTY DEVELOPERS. MONETISATION OF THE SIGNIFICANT VALUE UPLIFT IS REALISED THROUGH SALE OF CONSTRUCTION-READY SITES TO THIRD PARTY INVESTORS. ONGOING URBAN MANAGEMENT IS A KEY PART OF VALUE PROPOSITION FOR THIRD PARTY INVESTORS AND A SOURCE OF ANNUITY INCOME FOR THE GROUP.

OUR VALUE CREATION PROCESS

ACQUISITION
OF LAND
IN STRATEGIC
LOCATIONS

MASTER PLAN
DEVELOPMENT
AND OBTAINING
APPROVALS

ATTRACTING THIRD
PARTY CAPITAL
AT DEVELOPMENT
LEVEL

DEVELOPING
INFRASTRUCTURE
AND SELECT IN FILL
DEVELOPMENTS

AVAIL
CONSTRUCTION
READY SITES
TO INVESTORS
IN LINE WITH
MASTER PLAN

UNDERTAKE URBAN
MANAGEMENT OF
DEVELOPMENTS

1

TWO RIVERS DEVELOPMENT LTD
SHAREHOLDING: 58.3%

LAND BANK: 102 ACRES
DEVELOPMENT TYPE: MIXED-USE
ANCHOR PROJECT: RETAIL, ENTERTAINMENT
AND LIFESTYLE CENTRE
LOCATION: NAIROBI
VALUATION METHODOLOGY: NET ASSET VALUE

Two Rivers Development (TRDL) is a Kenya Vision 2030 flagship project set on 102 acres of prime land. It is a master-planned development strategically located within the 'Diplomatic Blue Zone' of Gigiri, Nairobi.

The Two Rivers Development integrates a retail, entertainment and lifestyle centre, Grade A offices, 3 & 5-star hotels, conferencing facilities, residential apartments and a multi-specialty hospital. Phase 1(A) of the development is now operational and is home to Two Rivers Lifestyle Centre; the largest mall in East & Central Africa. The Two Rivers Development creates a true 'Live-Work-Play' concept.

2

VIPINGO DEVELOPMENT LTD
SHAREHOLDING: 100%

LAND BANK: 10,254 ACRES
DEVELOPMENT TYPE: MIXED-USE
ANCHOR PROJECT: INDUSTRIAL PARK
LOCATION: KILIFI, KENYA
VALUATION METHODOLOGY: NET ASSET VALUE

Vipingo Development is planned as an integrated economic hub with a vision to develop the most competitive location of doing business in Kenya that will become a sought-after destination in East Africa and beyond. Spread across 10,254 acres and supported by high quality infrastructure, amenities, services and urban environment, Vipingo will provide high quality of life, environment sustainability and competitive economics making it a business and residential location of choice.

Vipingo is strategically located between Mombasa and Kilifi towns and is well-positioned in terms of its proximity to transport infrastructure connecting Vipingo to the market and the world. The Development will be anchored by an industrial park spread across 1,150 acres which will be rolled out in phases. Phase 1 will cover 180 acres.

4

ATHENA PROPERTIES LTD
SHAREHOLDING: 100%

SCOPE: PROJECT DEVELOPMENT AND MANAGEMENT
VALUATION METHODOLOGY: NET ASSET VALUE

Provides end to end turnkey real estate solutions from conceptualization to delivery. Services offered include master planning, project development, project management and real estate leasing and operations.

3

PEARL MARINA
DEVELOPMENT LTD
SHAREHOLDING: 100%

LAND BANK: 389 ACRES
DEVELOPMENT TYPE: MIXED-USE
ANCHOR PROJECT: WEST PEARL VILLAS
LOCATION: GARUGA PENINSULA, UGANDA
VALUATION METHODOLOGY: NET ASSET VALUE

Pearl Marina is a 389-acre mixed-use development in Uganda located 10 kms east of Entebbe and 20kms from Kampala and close to Entebbe Airport. The prime real estate is set on a partially developed peninsula that has 3 kms of lake frontage and magnificent views of Lake Victoria and is envisioned as a world class resort destination.

Pearl Marina will integrate premium residential and tourism facilities with world class infrastructure. The development will offer hotels, conferences facilities, luxury villas, apartments, medical facilities, a modern office park, a retail centre and a wide range of sports and recreational facilities.

DEVELOPMENT
PORTFOLIO

THE DEVELOPMENT PORTFOLIO’S FOCUS IS TO GENERATE SUBSTANTIAL VALUE BY CREATING NEW ASSETS THAT HAVE DEMONSTRABLE MARKET VALUE PRECEDING GENERATION OF SUBSTANTIAL REVENUES, USUALLY 3 - 5 YEARS AFTER INCEPTION.

1
POWER

AMU POWER LIMITED
SHAREHOLDING: 51%

PROJECT: COAL POWER PLANT
VALUATION METHODOLOGY: COST

Amu Power Limited is the project company for the 1,050MW coal power plant in Manda Bay, Lamu County, Kenya.

AKIIRA GEOTHERMAL LIMITED
SHAREHOLDING: 37.5%

PROJECT: GEOTHERMAL POWER PLANT
VALUATION METHODOLOGY: COST

Akiira Geothermal Limited is the project company undertaking the development of a 140MW geothermal power plant in the Olkaria region of Nakuru County. The project will be undertaken in two phases, with the first 70MW.

2
EDUCATION

AFRICA CREST EDUCATION
(ACE) HOLDINGS
SHAREHOLDING: 17.9%

CURRICULUM: SABIS® EDUCATIONAL SYSTEM™
VALUATION METHODOLOGY: COST

Africa Crest Education (ACE) Holdings is a consortium formed with Investbridge Capital, Dubai Investments, Dubai based investment firms and SABIS®, a school operator with 130 years’ experience and a presence in five continents comprising more than 70,000 students in 57 schools.

ACE has a vision of opening twenty Kindergarten to Grade 12 (K-12) SABIS® operated schools across Sub-Saharan Africa, anchored on affordable and holistic learning.

SABIS® INTERNATIONAL
SCHOOL – RUNDA, KENYA

The first school under ACE Holdings, SABIS® International School – Runda, sits on 20 acres within Nairobi’s Runda residential catchment. Launched in September 2018, the school has a built-up capacity of 1,200 students and a potential to expand to 2,000.

3
AGRIBUSINESS

GREENBLADE GROWERS LTD
SHAREHOLDING: 100%

PRODUCTS: VEGETABLES AND HERBS
LAND: 120 ACRES
LOCATION: OL-KALOU, KENYA
VALUATION METHODOLOGY: NET ASSET VALUE

Greenblade Growers Limited is involved in the growing, processing and export of fresh herbs and vegetables to customers based in Europe with key products for export being chives, dill, mint, tarragon, parsley, lemon grass, wild rocket, rosemary and coriander. This is undertaken on 120 acres of agricultural arable land in Tumaini, Nyandarua County.

4
HEALTHCARE

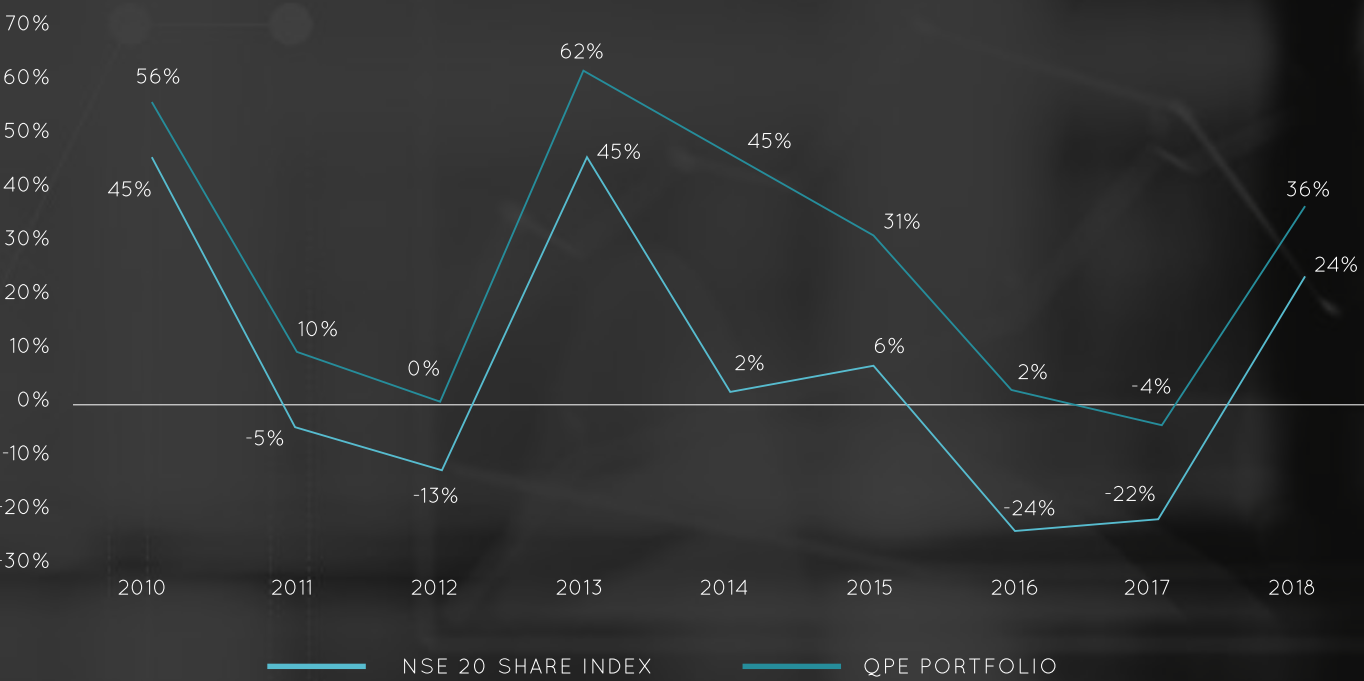
We seek to develop an integrated healthcare delivery establishing a world class healthcare delivery platform platform targeting the middle class.



MARKETABLE SECURITIES

OUR MARKETABLE SECURITIES PORTFOLIO COMPRISES OUR INVESTMENTS IN QUOTED SECURITIES AND FIXED INCOME INSTRUMENTS. THE PORTFOLIO HAS A DYNAMIC STRATEGY THAT EMPHASIZES CAPITAL PRESERVATION IN VOLATILE MARKETS AND SEEKS TO COMPOUND AGGRESSIVELY IN BULLISH MARKET CONDITIONS FOR ABSOLUTE POSITIVE RETURNS ALL ROUND. THE PORTFOLIO HAS DELIVERED CUMULATIVE RETURNS OF 56% OVER THE CENTUM 3.0 STRATEGY PERIOD TO DATE.

QPE VS NSE 20 GROSS RETURN (%)



OUR LEADERSHIP TEAM

BOARD OF DIRECTORS





DR. DONALD KABERUKA
CHAIRMAN AND NON-EXECUTIVE
DIRECTOR



DR. CHRISTOPHER KIRUBI
NON-EXECUTIVE DIRECTOR



MRS. CATHERINE IGATHE
NON-EXECUTIVE DIRECTOR



DR. LAILA MACHARIA
NON-EXECUTIVE DIRECTOR



HON. WILLIAM BYARUHANGA
NON-EXECUTIVE DIRECTOR



DR. JAMES MWORIA, CFA
GROUP CHIEF EXECUTIVE OFFICER
AND MANAGING DIRECTOR



MR. WILLIAM HAGGAI
NON-EXECUTIVE DIRECTOR



MRS. MARY NGIGE
NON-EXECUTIVE DIRECTOR



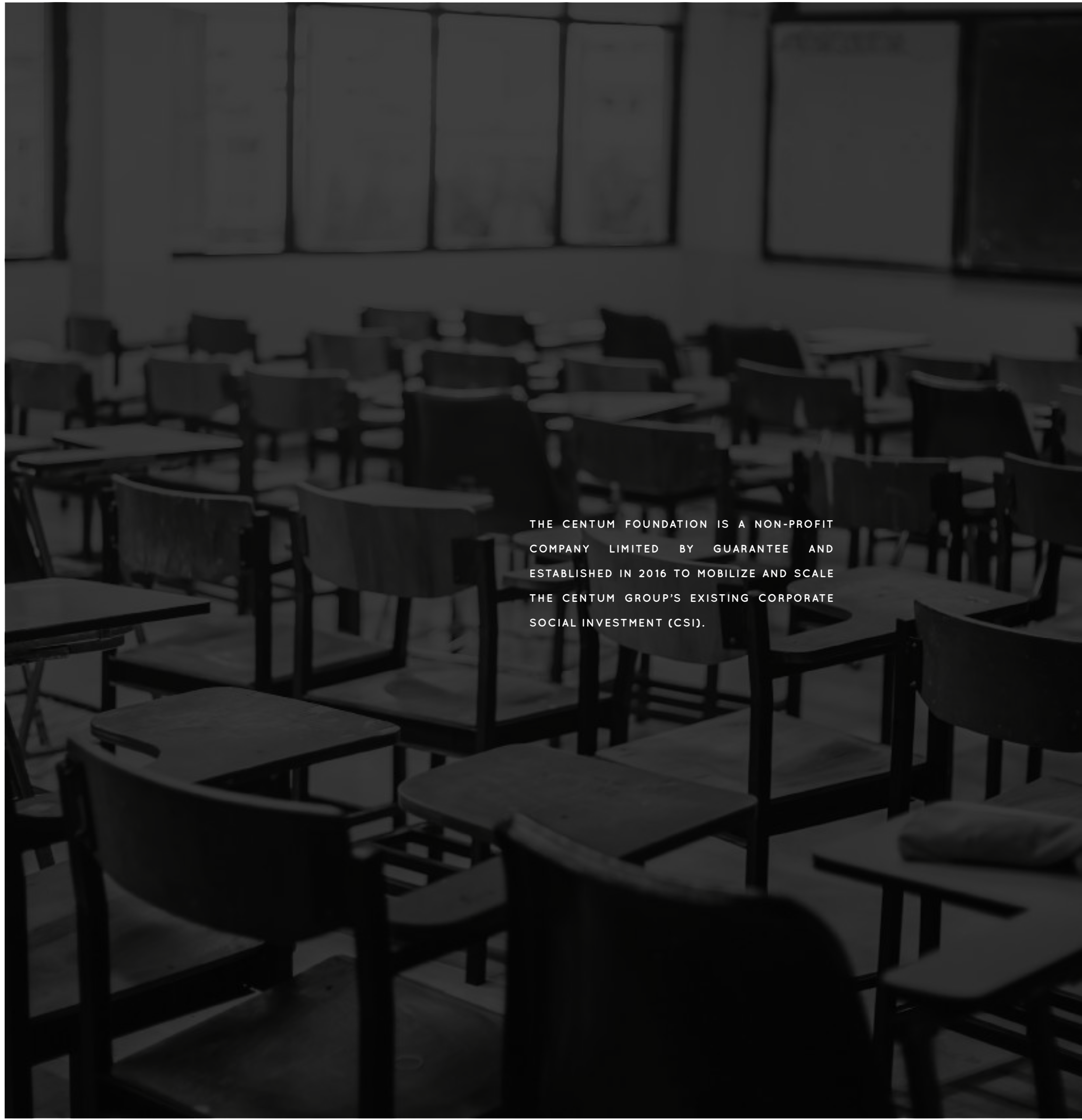
MRS. SUSAN GITHUKU
NON-EXECUTIVE DIRECTOR



DR. MOSES IKIARA
NON-EXECUTIVE DIRECTOR

THE CENTUM FOUNDATION

THE CENTUM FOUNDATION IS A NON-PROFIT
COMPANY LIMITED BY GUARANTEE AND
ESTABLISHED IN 2016 TO MOBILIZE AND SCALE
THE CENTUM GROUP'S EXISTING CORPORATE
SOCIAL INVESTMENT (CSI).



THE FOUNDATION'S MISSION IS TO FACILITATE AFRICA'S MOST CREATIVE AND SUSTAINABLE SOLUTIONS

OUR VISION IS “TO CREATE SUSTAINABLE PROGRAMS THAT EMPOWER THE COMMUNITY”. OUR CSI STRATEGY INVOLVES IDENTIFYING IMPACTFUL, SCALABLE AND SUSTAINABLE INITIATIVES THAT EMPOWER THE COMMUNITIES WITHIN WHICH WE OPERATE AND ARE IMPLEMENTED IN PARTNERSHIP WITH ALL KEY PARTNERS AND STAKEHOLDERS.

OUR CSI INITIATIVES ARE INTEGRATED INTO THE VALUE CHAIN CREATION PROCESS ACROSS ALL OUR CORE BUSINESSES AND DEVELOPMENT PROJECTS TO ENSURE THE LONG-TERM SUSTAINABILITY OF EACH CSI INITIATIVE. THESE INITIATIVES ARE CENTERED AROUND FOUR KEY SECTORS ALIGNED TO THE OVERALL CENTUM GROUP STRATEGY AND INCLUDE:

EDUCATION

We deeply believe that education is a critical element required to empower communities to break-out of the poverty cycle. We provide holistic 8-year scholarship programs (from secondary to tertiary education) to qualifying students from public primary schools. The scholarship program includes one-to-one mentorship, internship opportunities and community give-back programs. Through our Vipingo Development Project Fund we sponsor at least 50 students annually in Kilifi County in addition to 5 students annually at Alliance High School and 2 students annually under our partnership with Education for All Children (EFAC), a public charitable trust.

INFRASTRUCTURE

We focus on improving the quality of life in the communities we operate in by partnering with key stakeholders to build, refurbish and improve basic infrastructure facilities required within the community such as schools, hospitals and boreholes.

A man wearing a white hard hat and a light-colored button-down shirt stands in front of a blurred industrial background. He has his arms crossed and is smiling slightly. The image is dark and serves as a background for the text.

ENTREPRENEURSHIP

We identify and invest in ideas, start-up companies and existing small business and leverage on our existing resources to transform them into the market leaders of tomorrow and support them to provide innovative solutions to prevalent problems in our society. We offer seed funding and business support to young entrepreneurs, nurture them to grow their ideas and start-ups into well-established businesses, and leverage on our networks and partner them with the right investors to grow and scale-up their businesses.

HEALTHCARE

We plan to develop a healthcare facility and facilitate a wellness program that provided free medical check-ups at least once a year to our community residents.

THE CENTUM FOUNDATION IS COMMITTED TO SUPPORT THE REALISATION OF THE MILLENNIUM DEVELOPMENT GOALS (MDGS) IN KENYA AND ACROSS THE MARKETS WE OPERATE IN. TO THIS END, WE ARE IN THE PROCESS OF DEVELOPING A SUSTAINABILITY STRATEGY AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) POLICY TO BE IMPLEMENTED ACROSS THE CENTUM GROUP.

IN ADDITION TO THE ESG POLICY WE ARE DEVELOPING OUR PRINCIPLES FOR RESPONSIBLE INVESTMENT (PRI) POLICY THAT WILL INTEGRATE OUR ESG POLICY INTO ALL OUR INVESTMENT ANALYSIS AND DECISION-MAKING PROCESSES ACROSS THE CENTUM GROUP.



CENTUM INVESTMENT COMPANY PLC.

9TH FLOOR, SOUTH TOWER
TWO RIVERS, LIMURU ROAD
P O BOX 10518 - 00100 NAIROBI

CENTUM.CO.KE

