



*Life's a journey.
We're with you
all the way.*

Investor Conference 23rd April 2014



 **KenolKobil** Cares for you



- KenolKobil Limited (formerly Kenya Oil Company Limited, Kenol) incorporated on May 13th, 1959
- The shares are quoted on Nairobi Securities Exchange
- The name of the Company changed from Kenya Oil Company Ltd to **KenolKobil Ltd** in June 2009 after Kenol's acquisition of Kobil Petroleum Ltd
- Our main business: Marketers of petroleum products in the down stream market segment

Vision and Mission Statement

VISION

To be the leading brand in all markets we operate and a major player in Africa.

MISSION

- To develop, improve and increase quality and total value of our products and services.
- To become a market leader through continuous innovation, customer focus and provide the highest quality products and services.
- To maintain a highly motivated, well trained human resource base
- To deliver highest Shareholders value.

Board of Directors

- **4 Non-executive Directors**

- James Mathenge (Chairman) (Oil man, Ex Chevron, Ex-Magadi Soda)
- Desterio Oyatsi (Lawyer)
- Terry Davidson (Banker, Ex-Citibank, Ex-KCB)
- Daniel Ndonge (Auditor, Ex-Deloitte & Touche)

- **2 Executive Directors**

- David Ohana (Group Managing Director)
- Pat Lai (Group Finance Director)

- **Board Committees**

- Audit & Risk Committee
- Nominations and HR & Remuneration Committee

Management

- **Group Management Team**

- Country Managers of each subsidiary
- Group Managing Director
- Group M&A and Regional Support Manager
- Group Finance Director
- Group Finance Manager

- **Subsidiary Local Management team**

- Each subsidiary, including Kenya, have a local management team responsible for running the operations of the country
- Each structure manages it's own operations, covering Marketing & Business development, Operations, Human resources, IT & Administration, Accounting & Finance
- Group Management team sets all business policies based on Board guidelines.
- Functions are streamlined from Kenya

Subsidiaries

- All subsidiaries (including **Kobil** Petroleum in Kenya) are 100% owned by **Kenol**.
- Outside of Kenya, the subsidiaries operate under the **Kobil** brand.
 - **Kobil** Uganda
 - **Kobil** Tanzania
 - **Kobil** Zambia
 - **Kobil** Rwanda
 - **Kobil** Ethiopia
 - **Kobil** Burundi
 - **KenolKobil** Congo

Retail Operations

The group has **18 Terminals** from which it supplies networks of petrol stations:

- Kenya: **Kobil** and **Kenol** - **156 stations**
- **Kobil** Uganda (since 2000) – **54**
- **Kobil** Tanzania (since 2001) – **20**
- **Kobil** Zambia (since 2002) – **27**
- **Kobil** Rwanda (since 2003) – **43**
- **Kobil** Ethiopia (April 2007) - **75**
- **Kobil** Burundi (Sep 2010) - **30**

405 Service Stations

Market Segments



Retail Sales

K-gas

Export

Supply and Trading

Non Fuel Business

Lubricants

Bitumen

Reseller

Aviation

Commercial

Fuel Oil



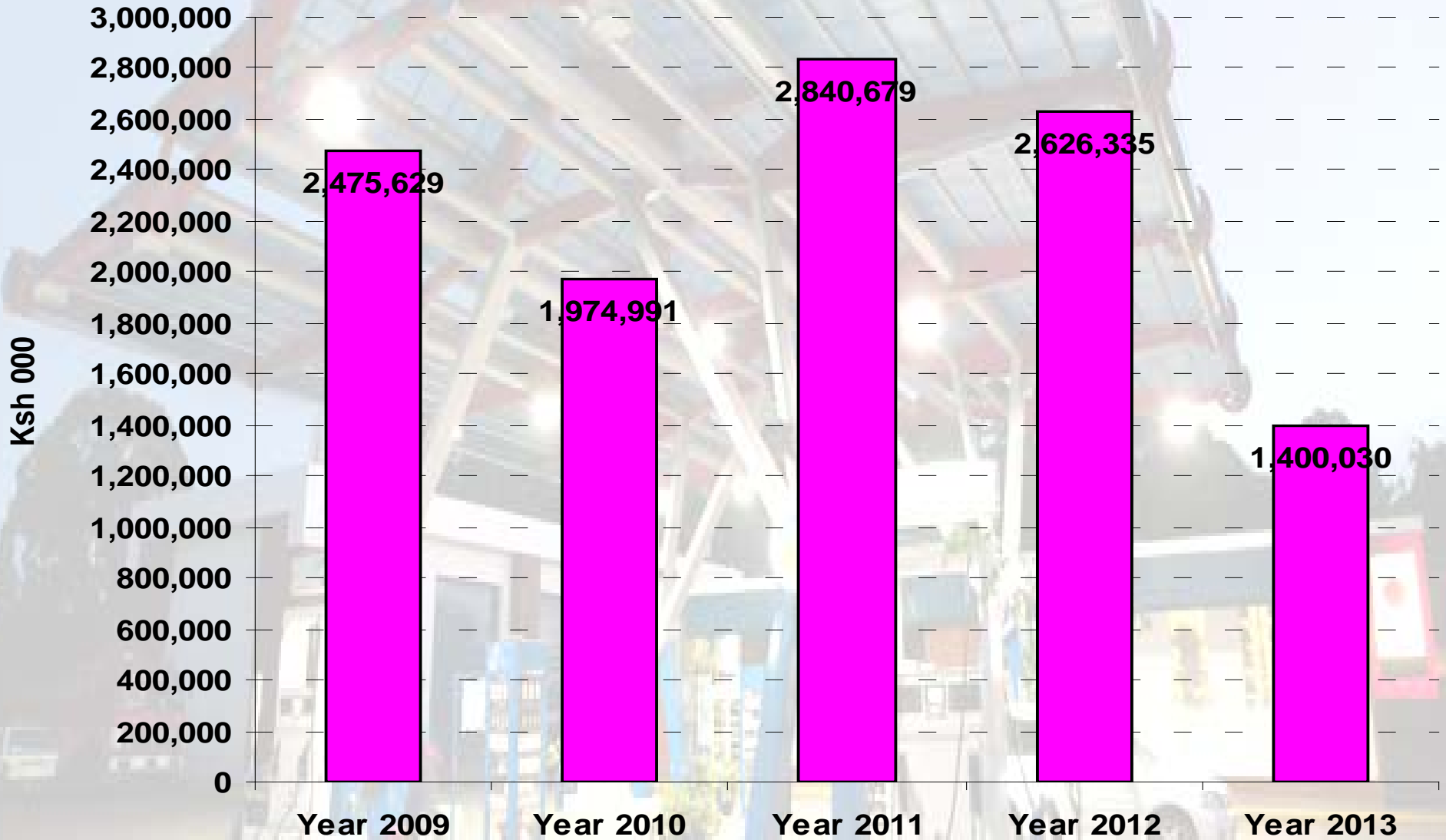
KenolKobil FINANCIAL SUMMARY

KenolKobil *Cares for you*

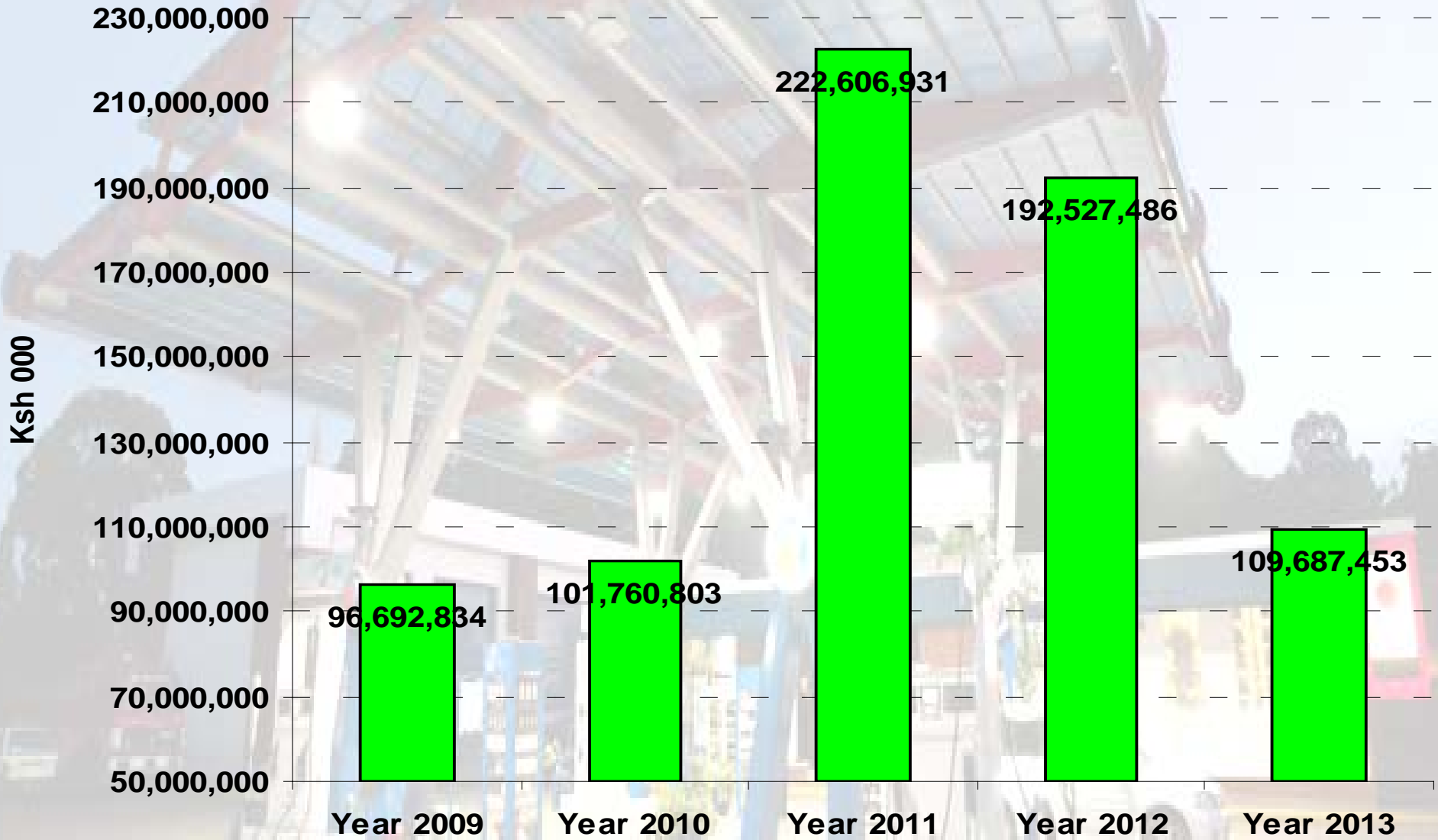
Group Income Statement

	2013	2012	2013 vs 2012	
	Shs'000	Shs'000	Shs'000	%
Volume (Litres 000)	1,400,030	2,626,335	(1,226,305)	-46.7%
Net sales	109,687,453	192,527,486	(82,840,033)	-43.0%
Gross profit	5,026,579	4,288,159	738,420	17.2%
GP %	4.6%	2.2%	-0.9%	
Other income /(expenses)	1,402,931	483,364	919,567	190.2%
Distribution costs	(761,412)	(995,560)	234,148	-23.5%
Administrative expenses	(3,369,232)	(5,859,819)	2,490,587	-42.5%
Net foreign exchange losses	(105,347)	(4,605,632)	4,500,285	-97.7%
Interest income	43,932	78,392	(34,460)	-44.0%
Interest expense	(1,671,759)	(2,351,185)	679,426	-28.9%
Share of profit in Associate	(1,774)	(2,383)	609	-25.6%
(Loss)/profit before income tax	563,918	(8,964,664)	9,528,582	
Income tax	(5,499)	2,680,089	(2,685,588)	
(Loss)/Profit for the year	558,419	(6,284,575)	6,842,994	
EBITDA	3,046,790	(6,089,264)		
Earnings (Shs per share)	0.38	(4.27)		

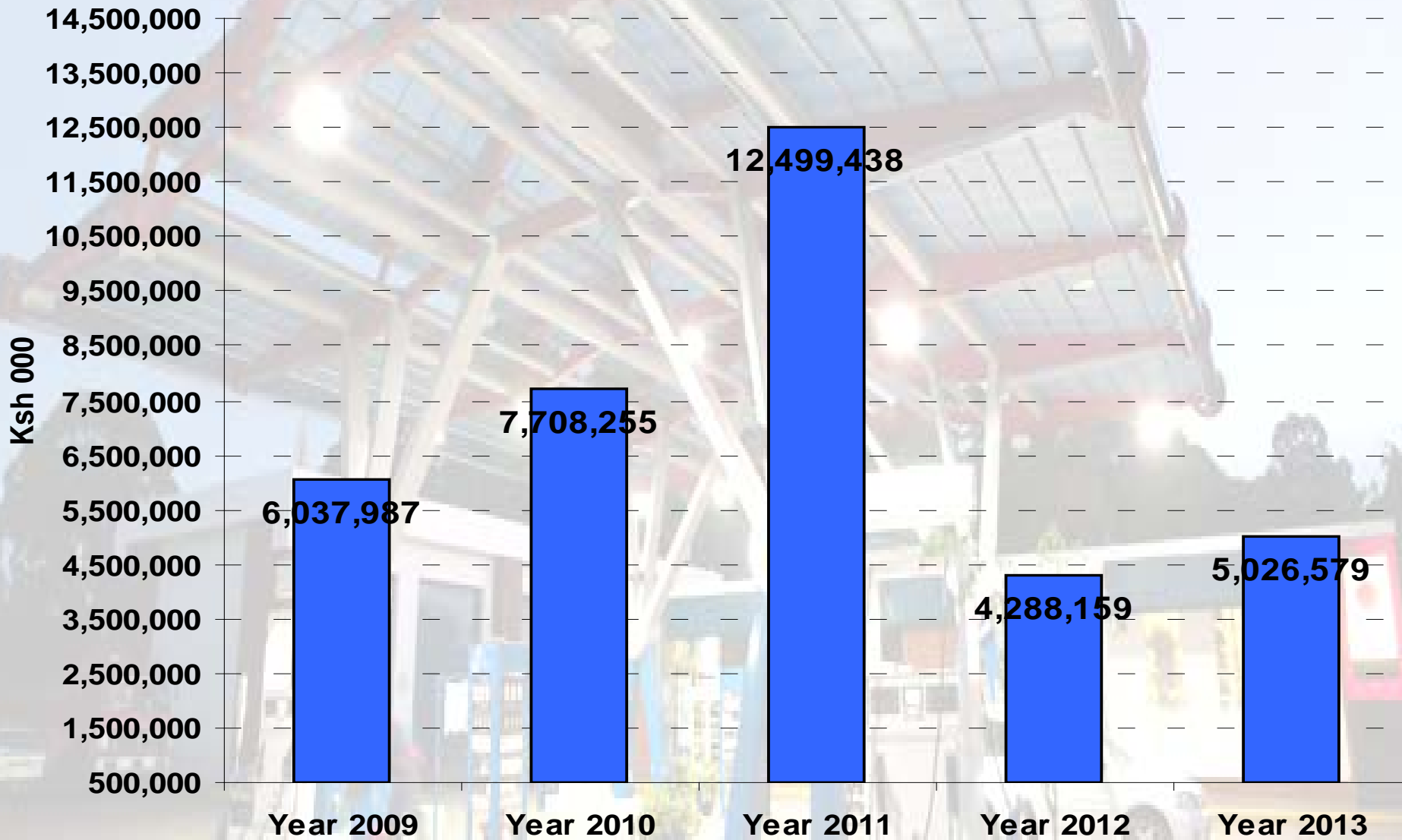
Volumes



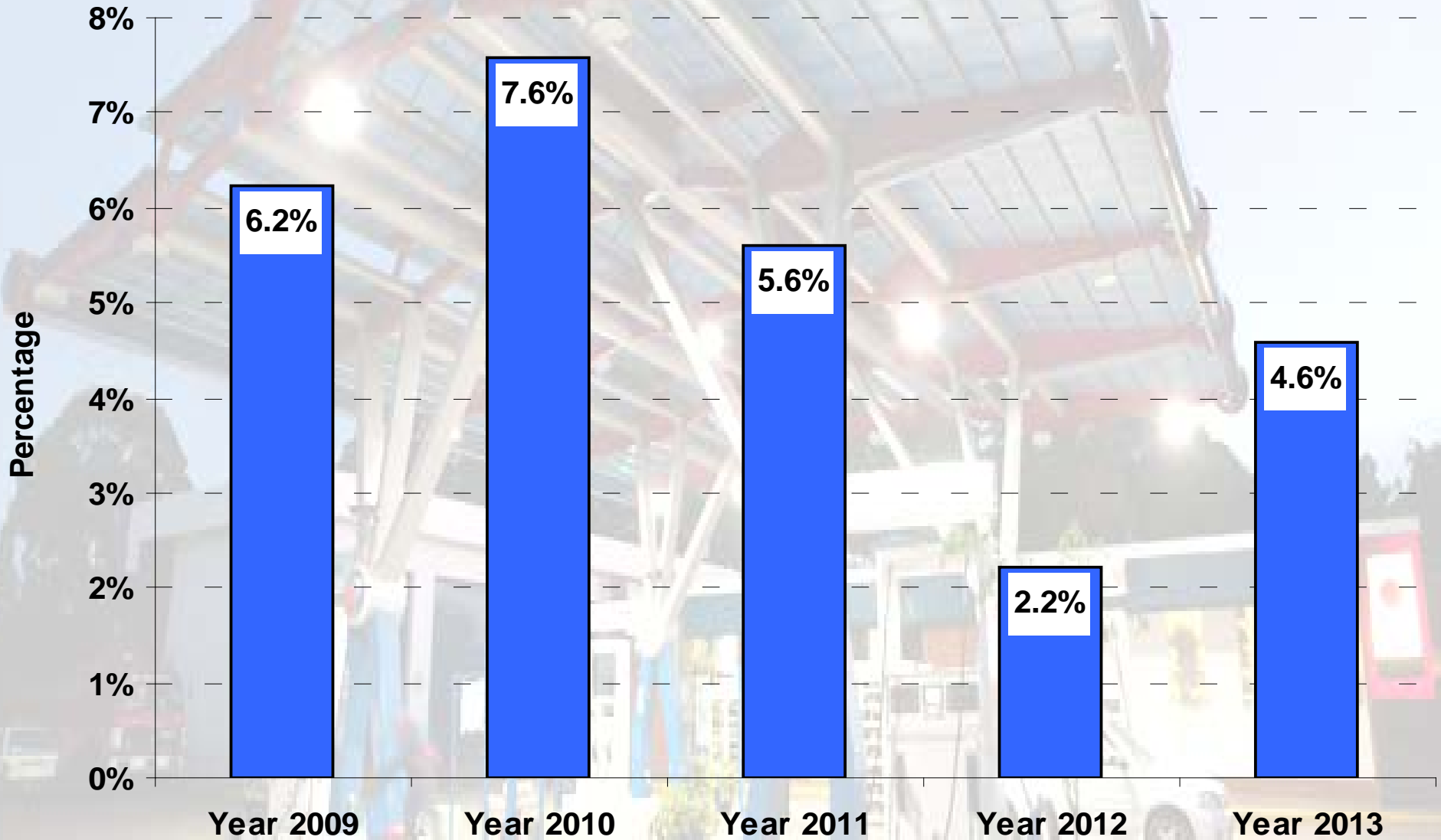
Net Sales



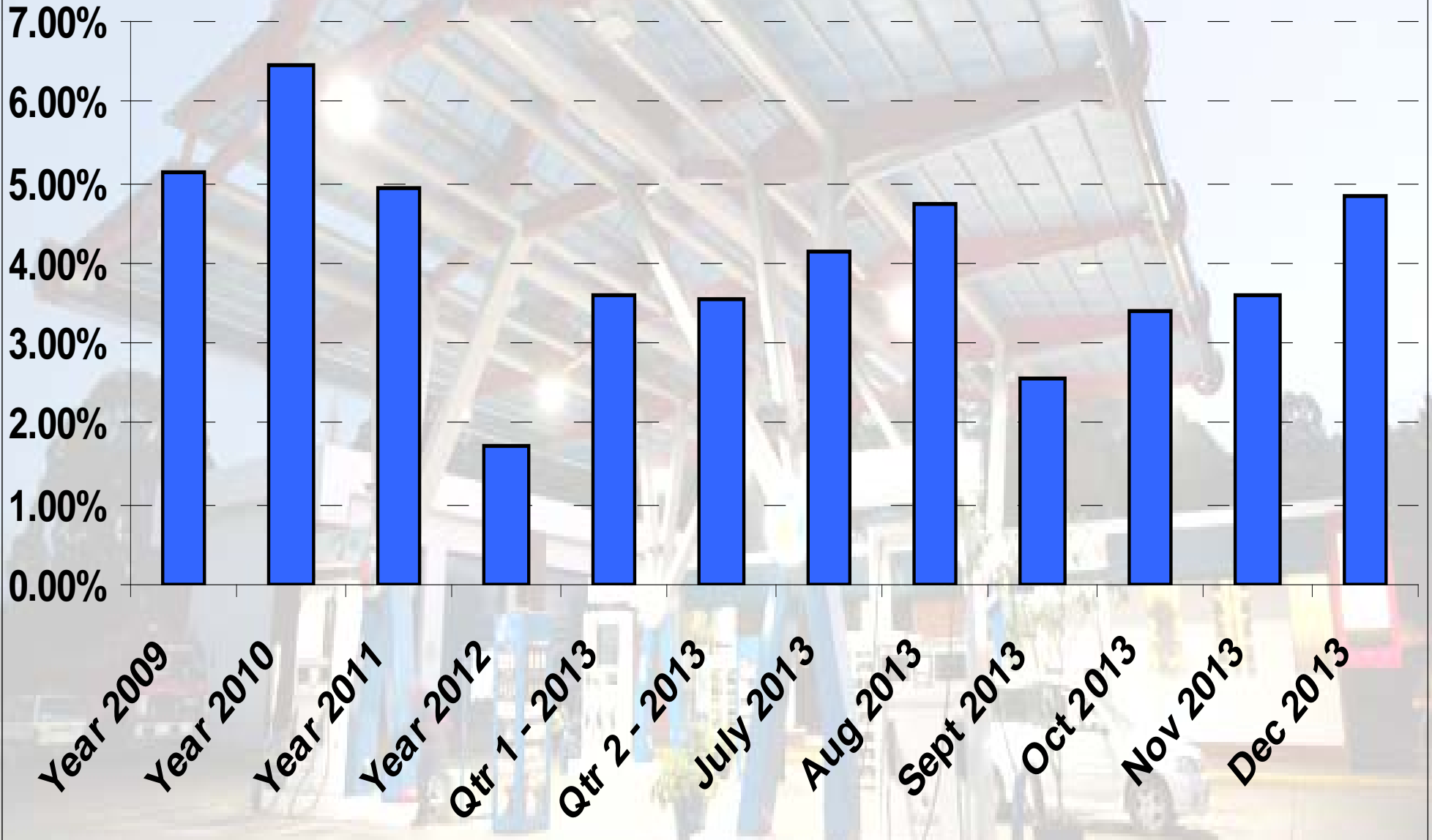
Gross Margin



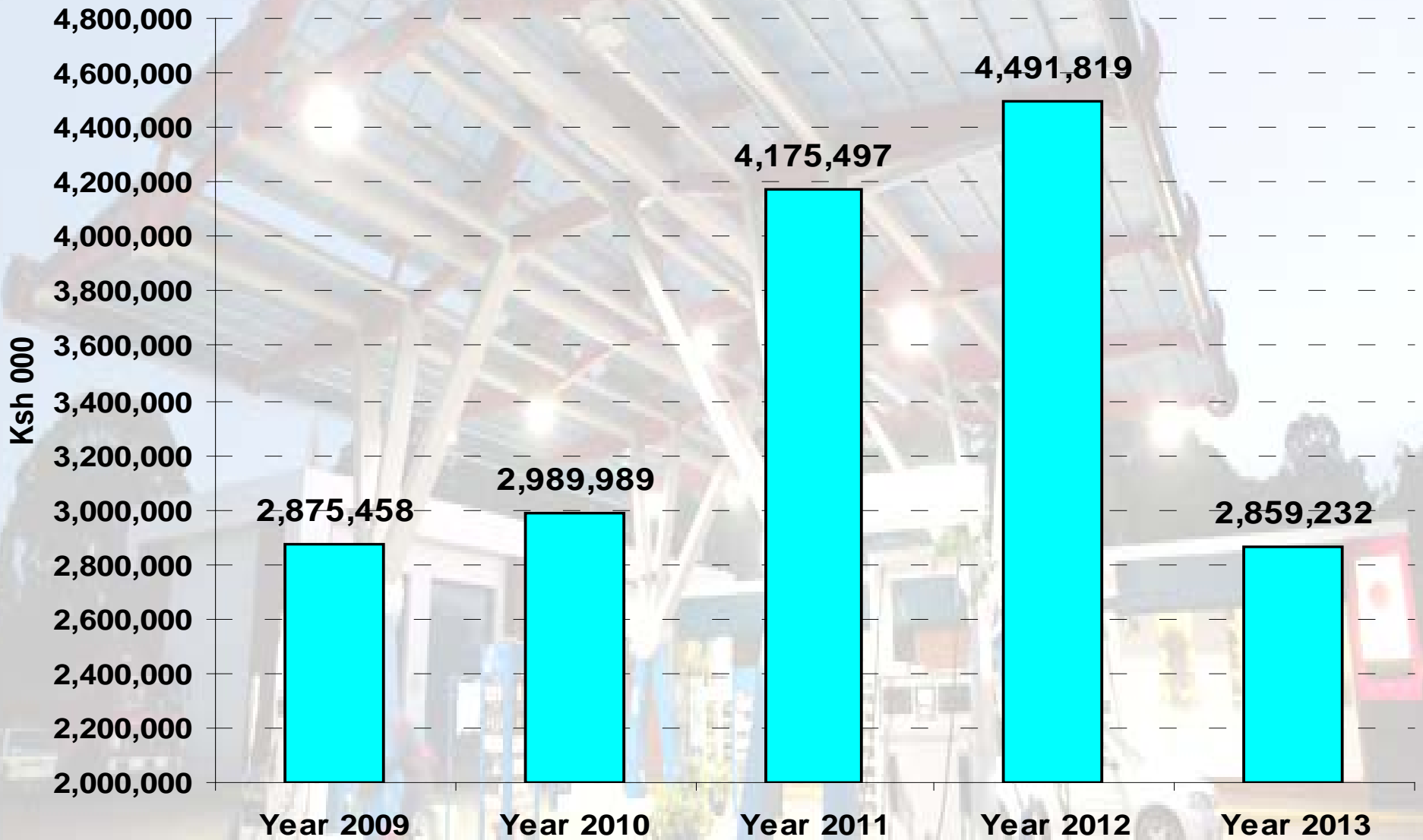
Gross Margin Percentage



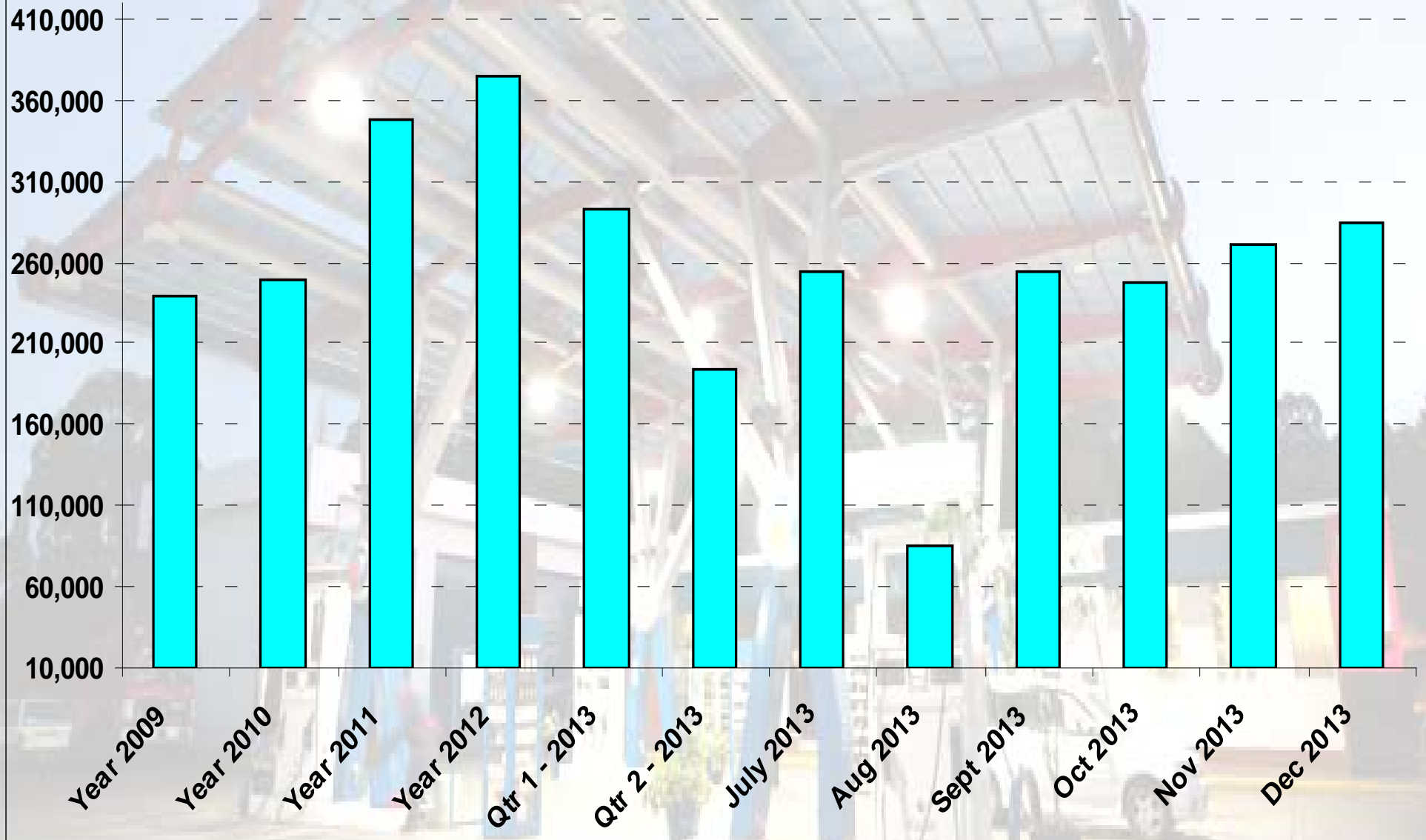
Gross profit to sales percentage



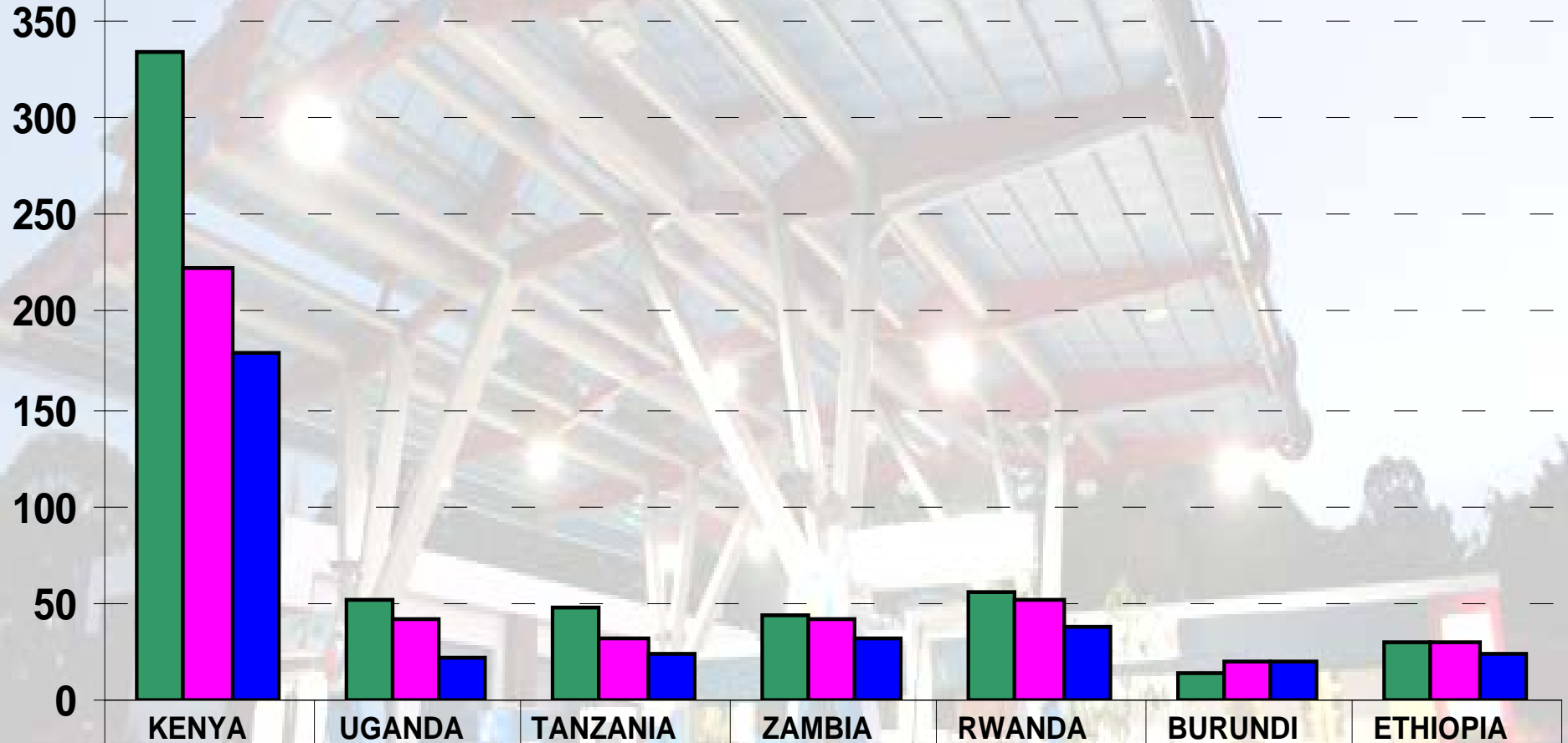
Total Operating Overheads



Total Operating Overheads - Average per month

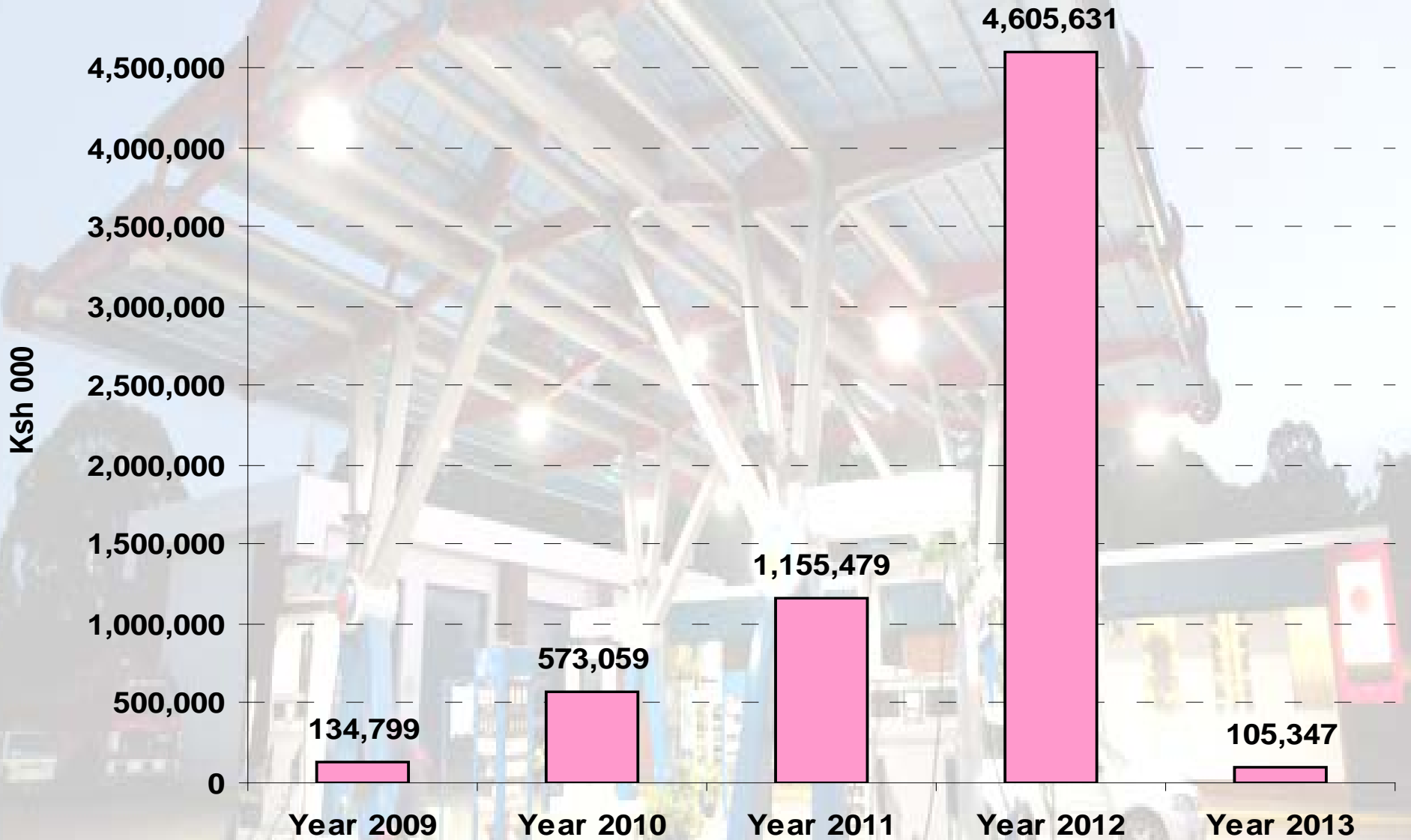


Number of Employees

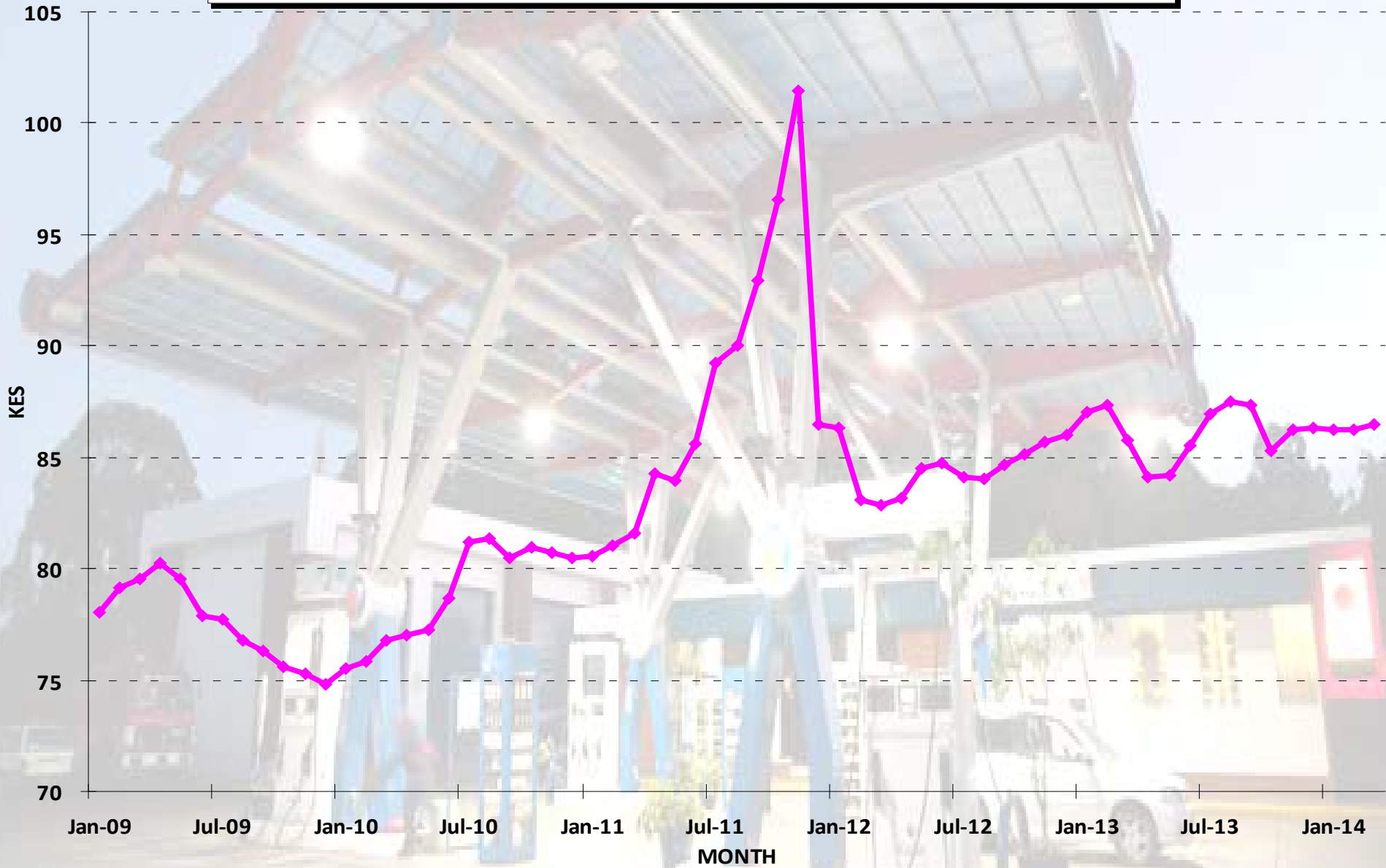


	KENYA	UGANDA	TANZANIA	ZAMBIA	RWANDA	BURUNDI	ETHIOPIA
■ May 2012	335	51	47	43	55	14	29
■ Dec 2012	223	41	31	42	51	20	30
■ Dec 2013	180	22	23	32	38	20	23

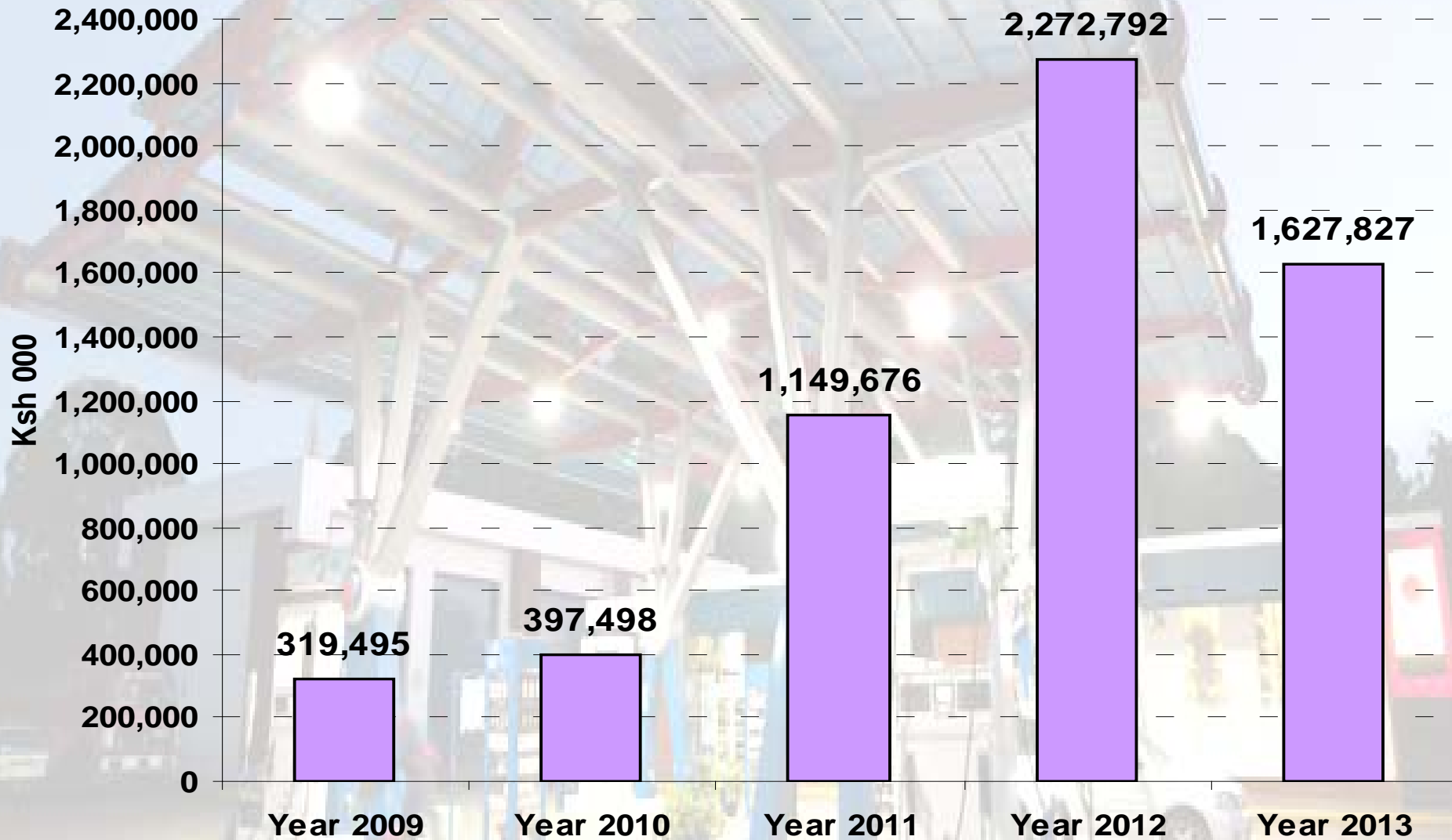
Forex losses



EXCHANGE RATE - Kes / US dollar (monthly average)



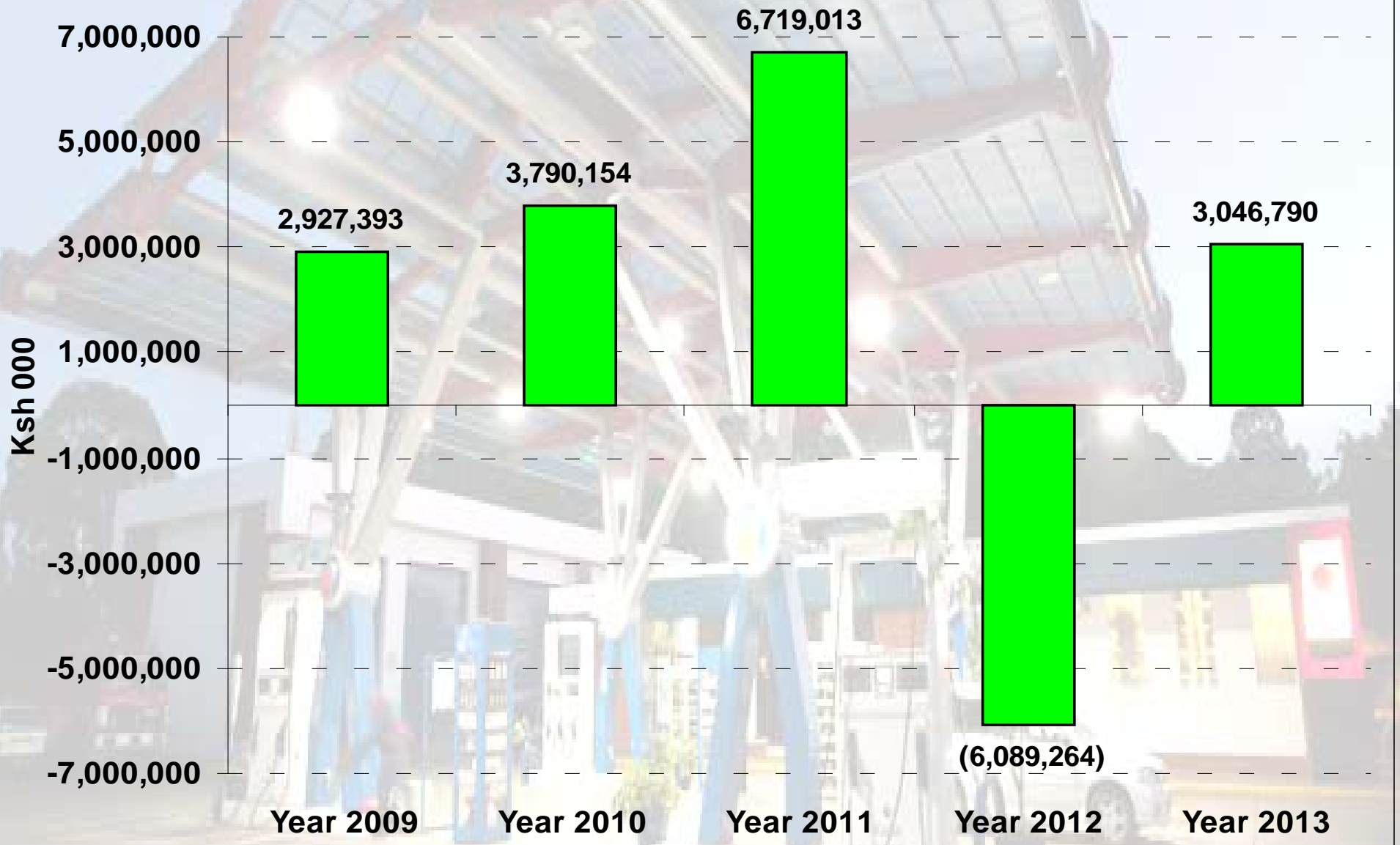
Net Financing Costs (excl. Fx gains/loss)



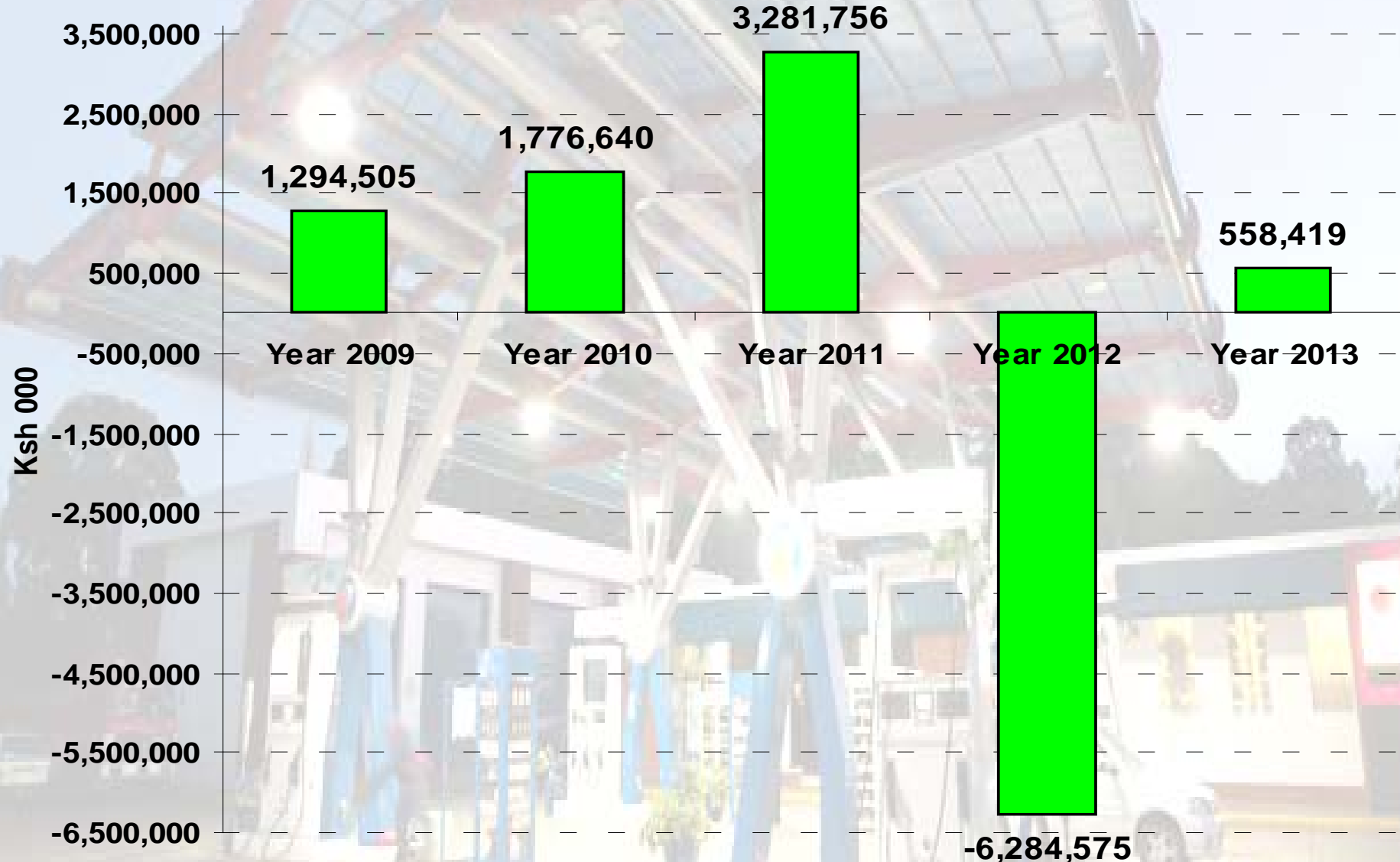
Interest cover



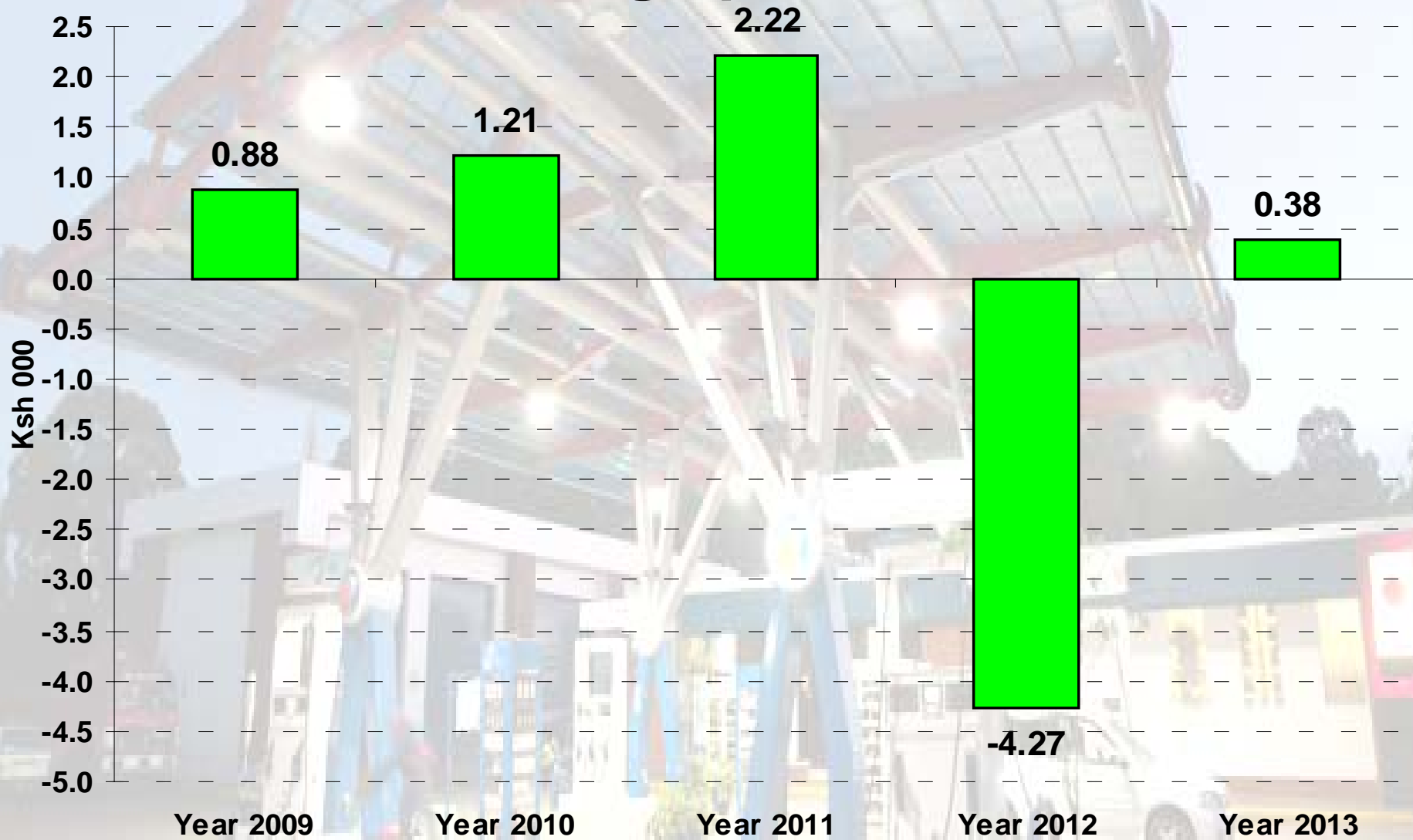
EBITDA



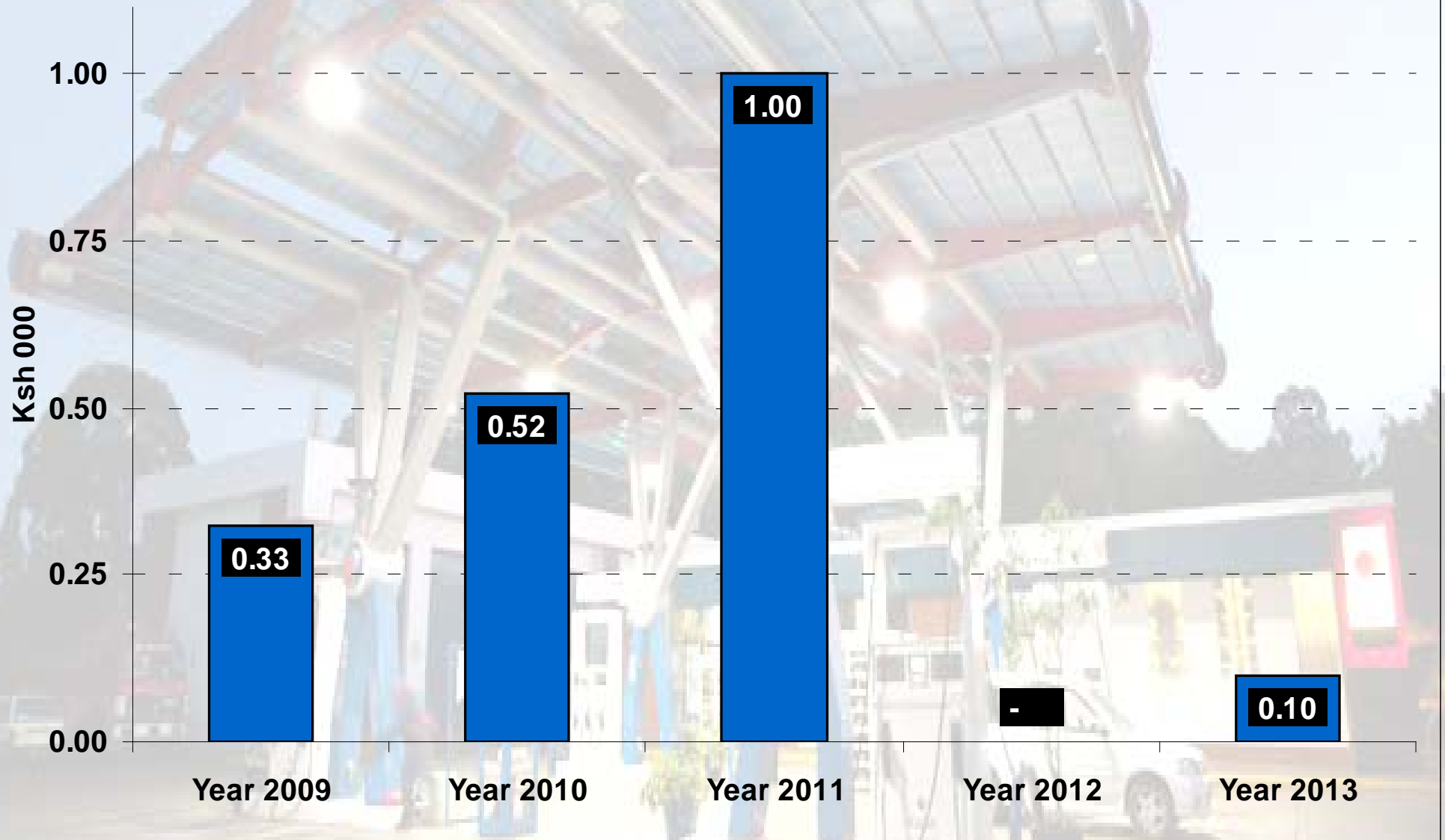
Net Profit / (Loss) after Tax



Earnings per share



Dividend per share



Dividends

- Final = 10 cents

Total Dividend 2011 = Ksh 1

Total Dividend 2010 = 52 cents

- Dividend = 25.4% of PAT

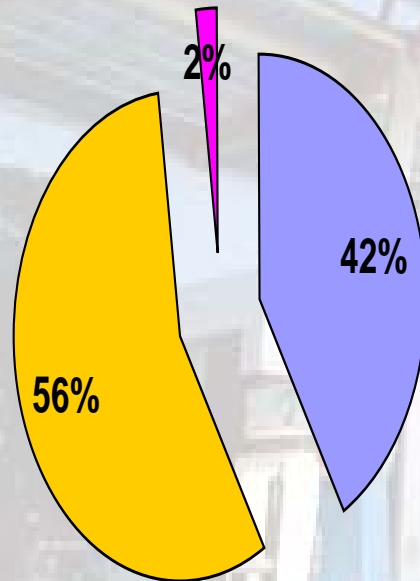
(2011 = 45%)(2010 = 40%)

- Dividend yield = 1% (2011=10%) (2010 = 5%)

Net Sales by Business Segment

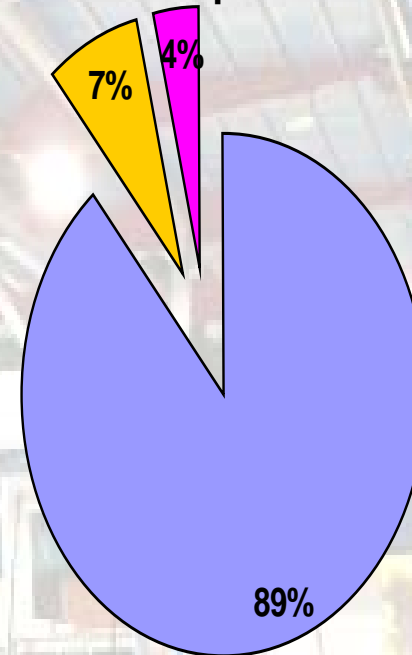
2012

Sales per business segment



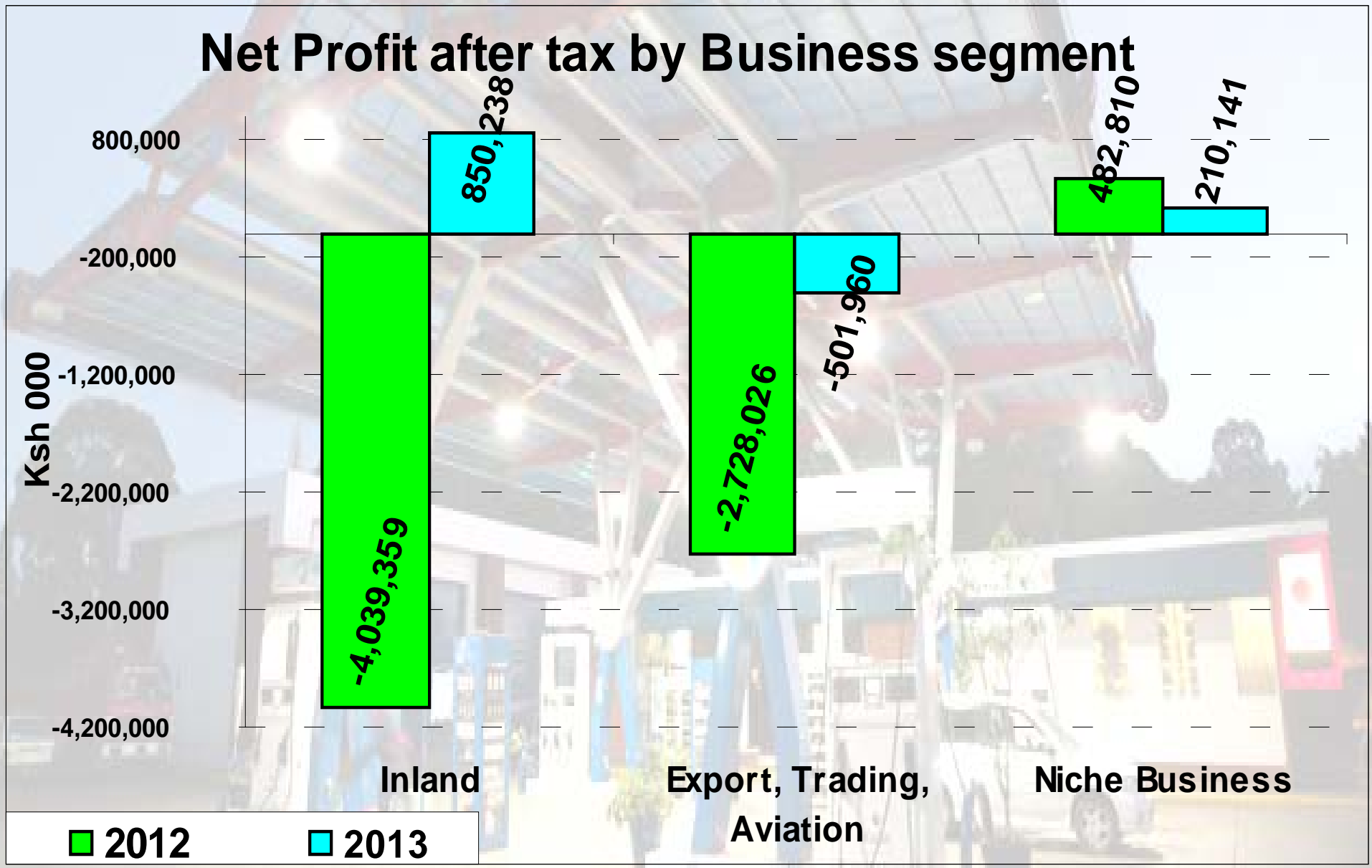
■ Inland ■ Export, Trading, Aviation ■ Niche Business

2013 Sales per business segment



■ Inland ■ Export, Trading, Aviation ■ Niche Business

Net Profit after Profit by Business Segment





Group Balance Sheet

KenolKobil Cares for you

Group Balance Sheet

AS AT 31 DECEMBER

2013
Shs'000

2012
Shs'000

CAPITAL EMPLOYED

Share capital & Premium

5,239,938

5,239,938

Retained earnings

1,300,246

859,568

Other reserves

126,110

346,219

Shareholders' funds

6,666,294

6,445,725

Total non-current liabilities

720,608

897,625

Total current liabilities

20,734,771

25,340,816

Total Equity and Liabilities

28,121,673

32,684,166

REPRESENTED BY

Total non current assets

8,740,004

8,143,785

Total current assets

19,381,669

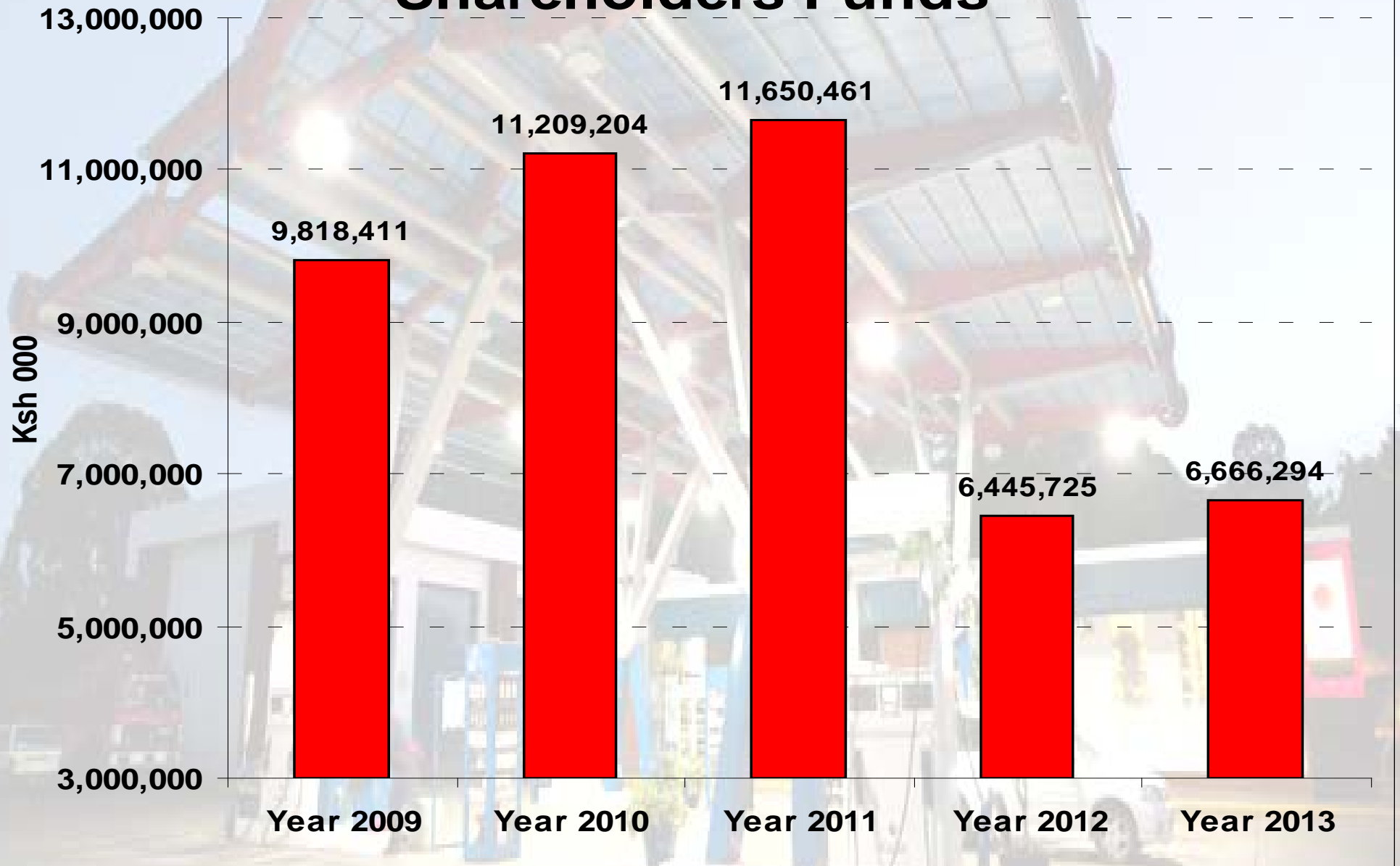
24,540,380

Total assets

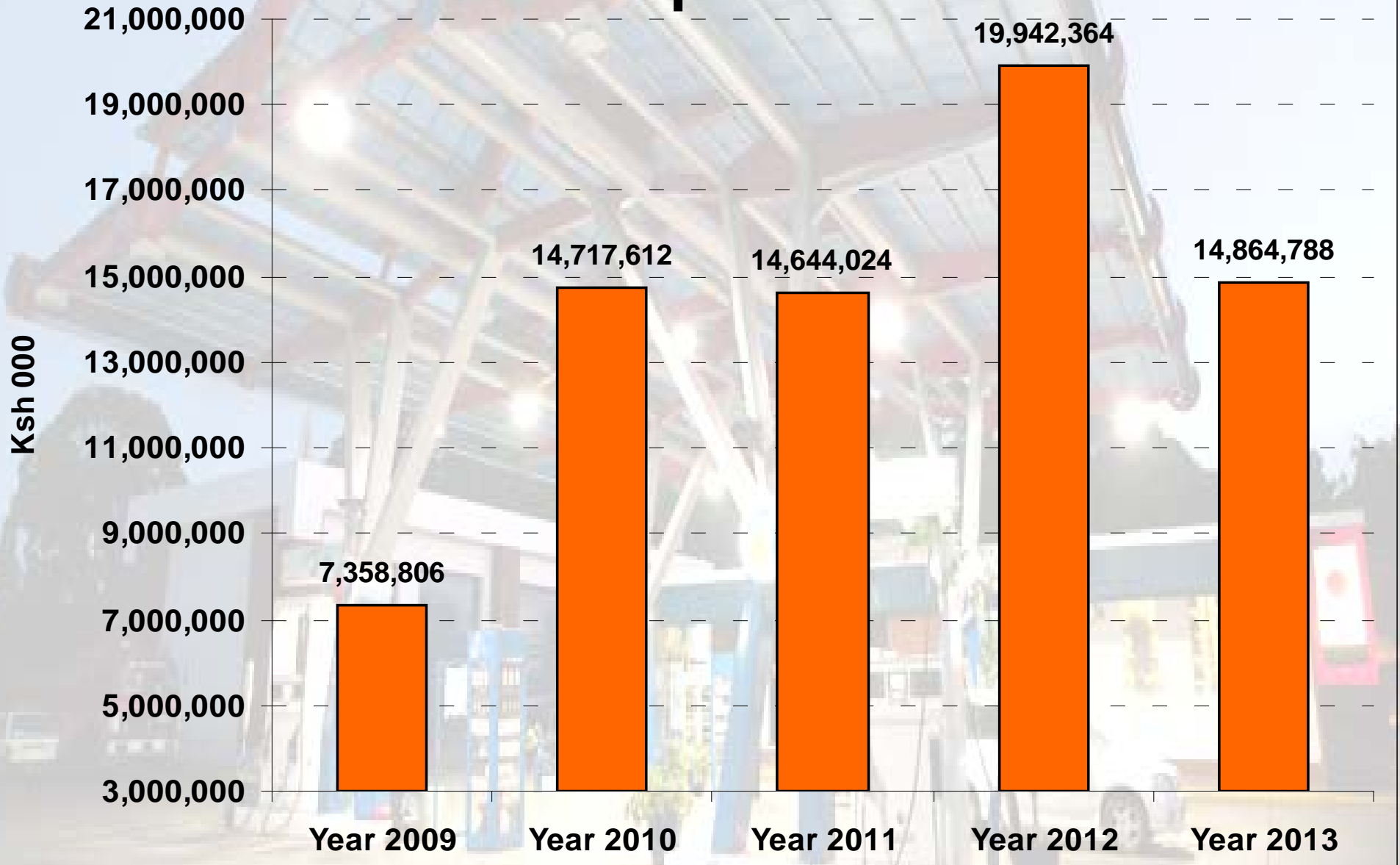
28,121,673

32,684,165

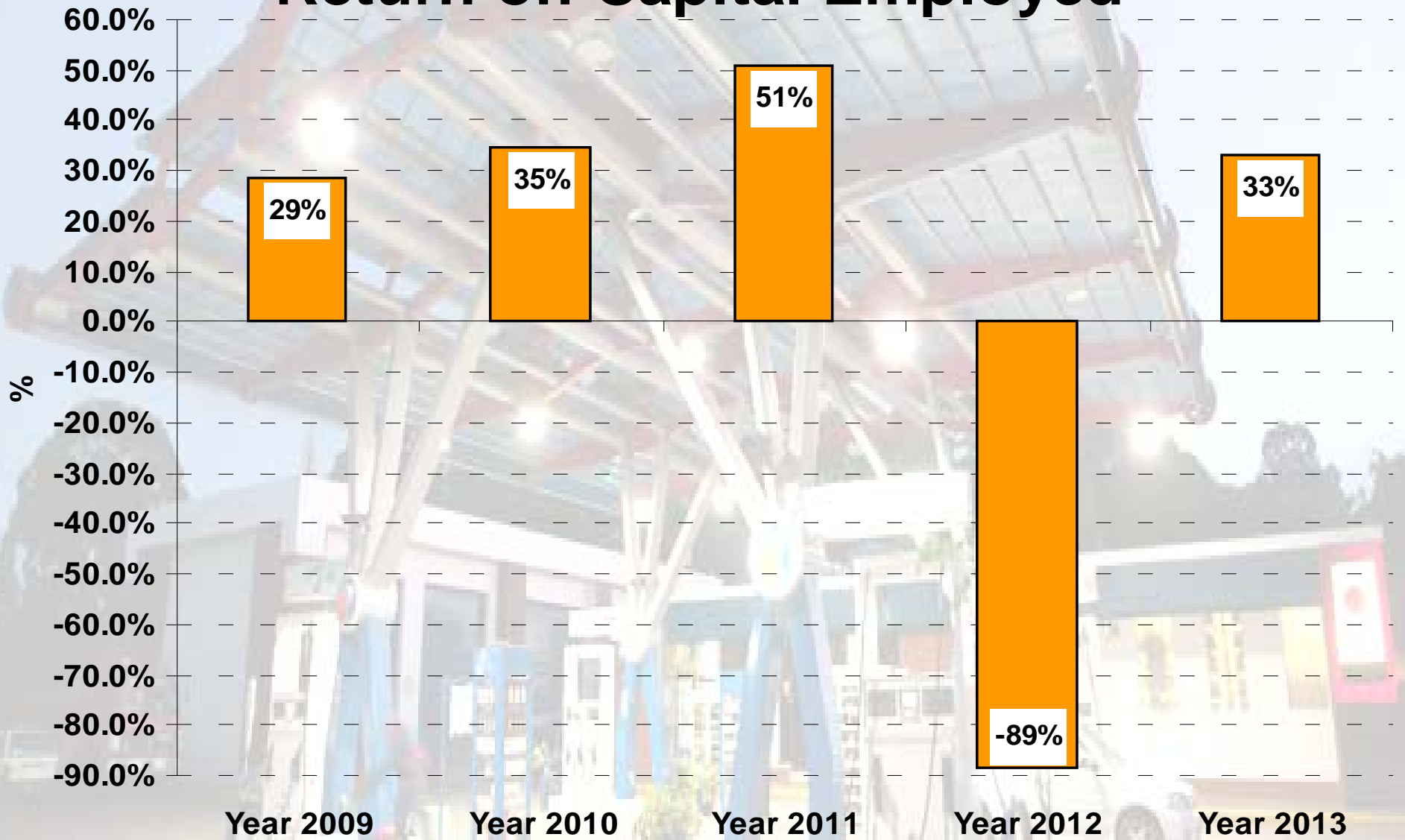
Shareholders Funds



Market Capitalisation



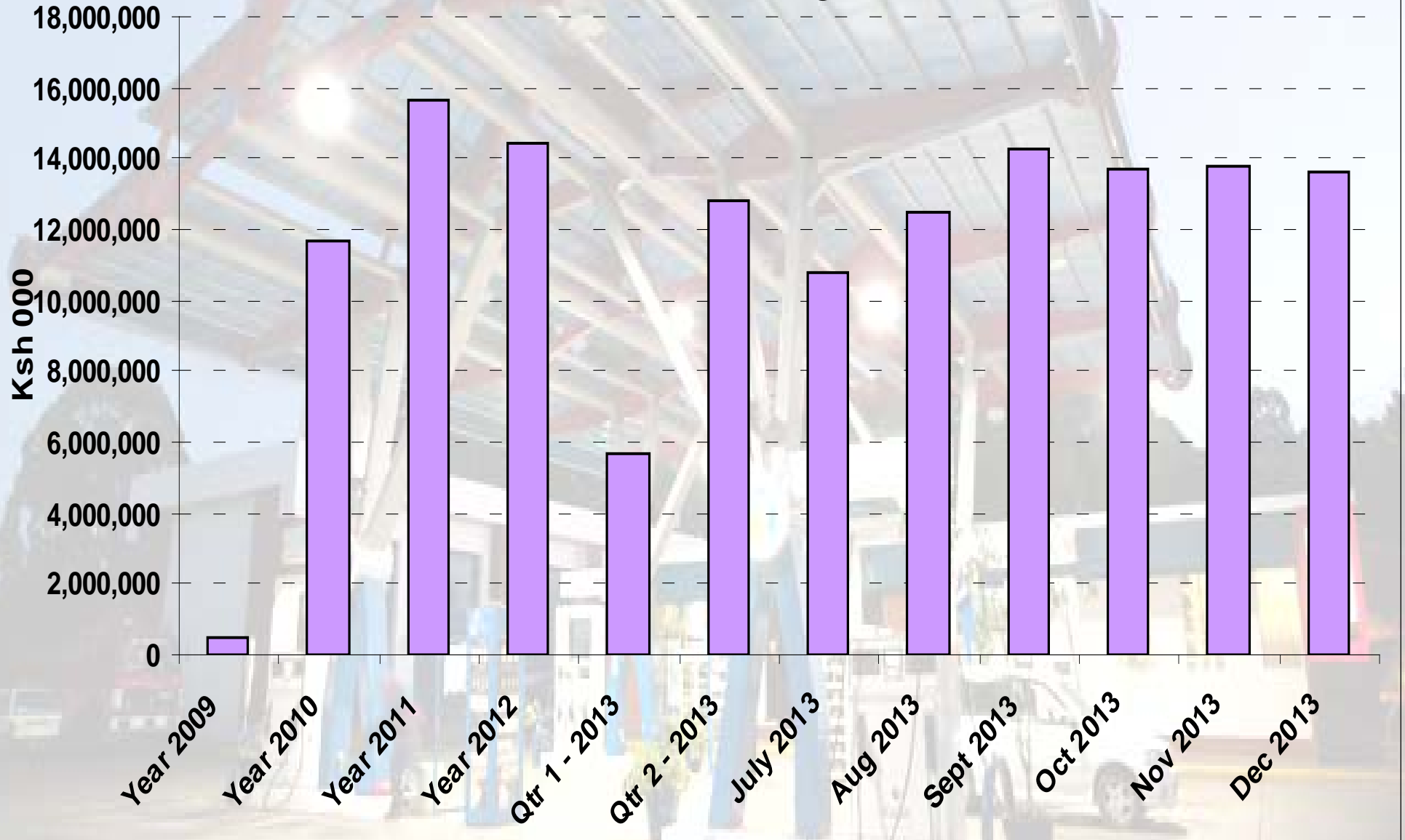
Return on Capital Employed



Net Borrowings



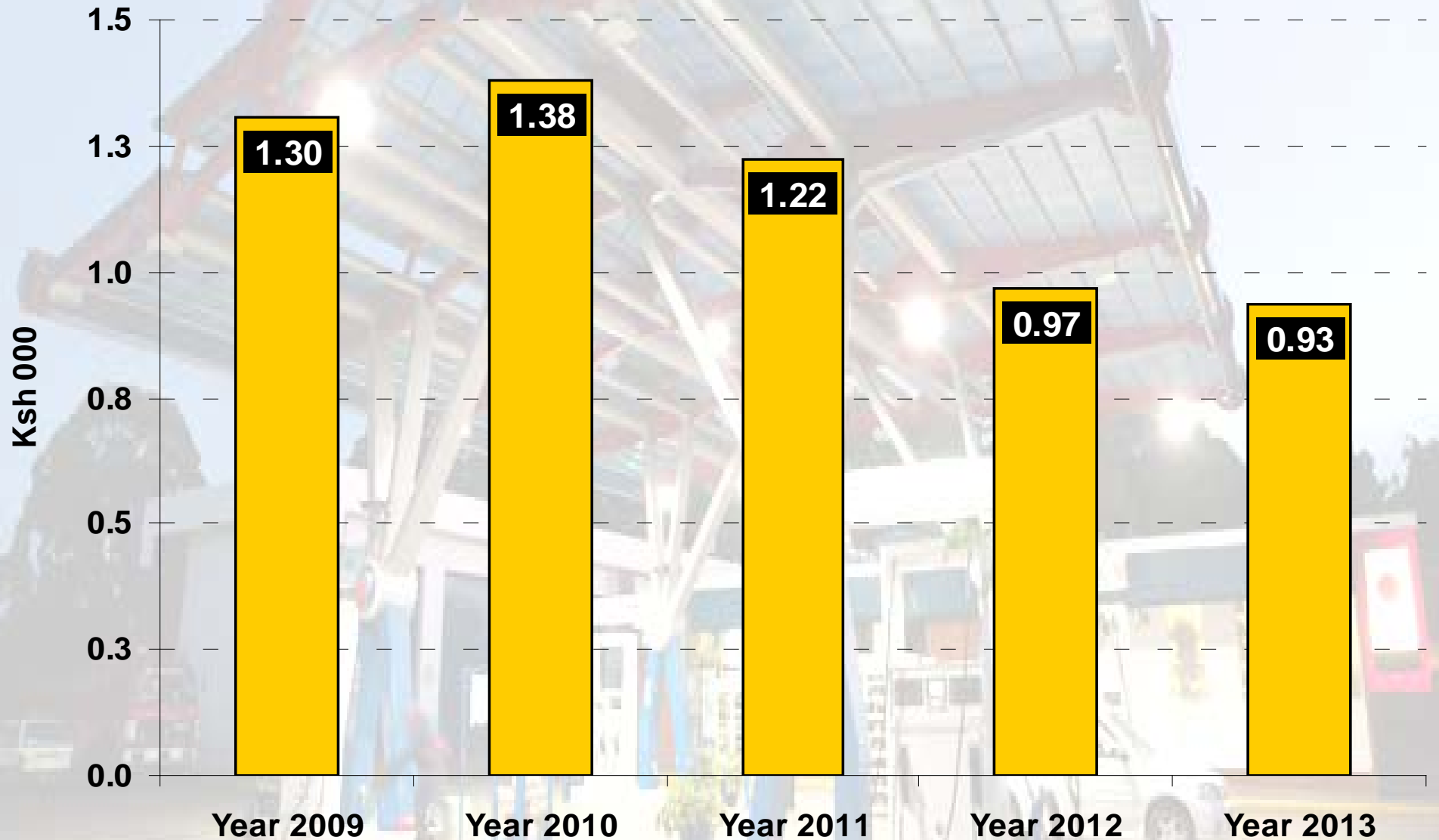
Net Borrowings



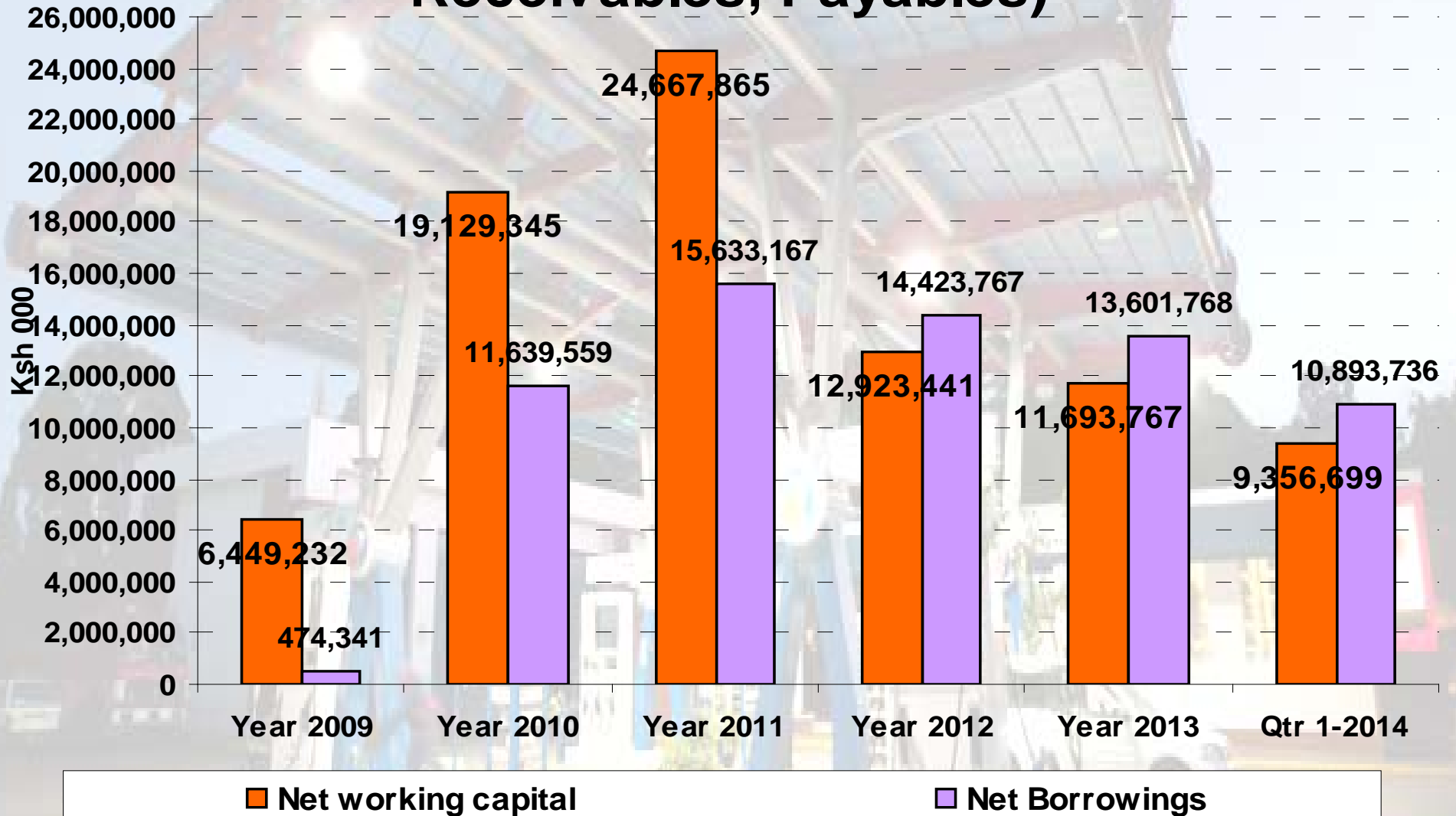
Gearing Ratio



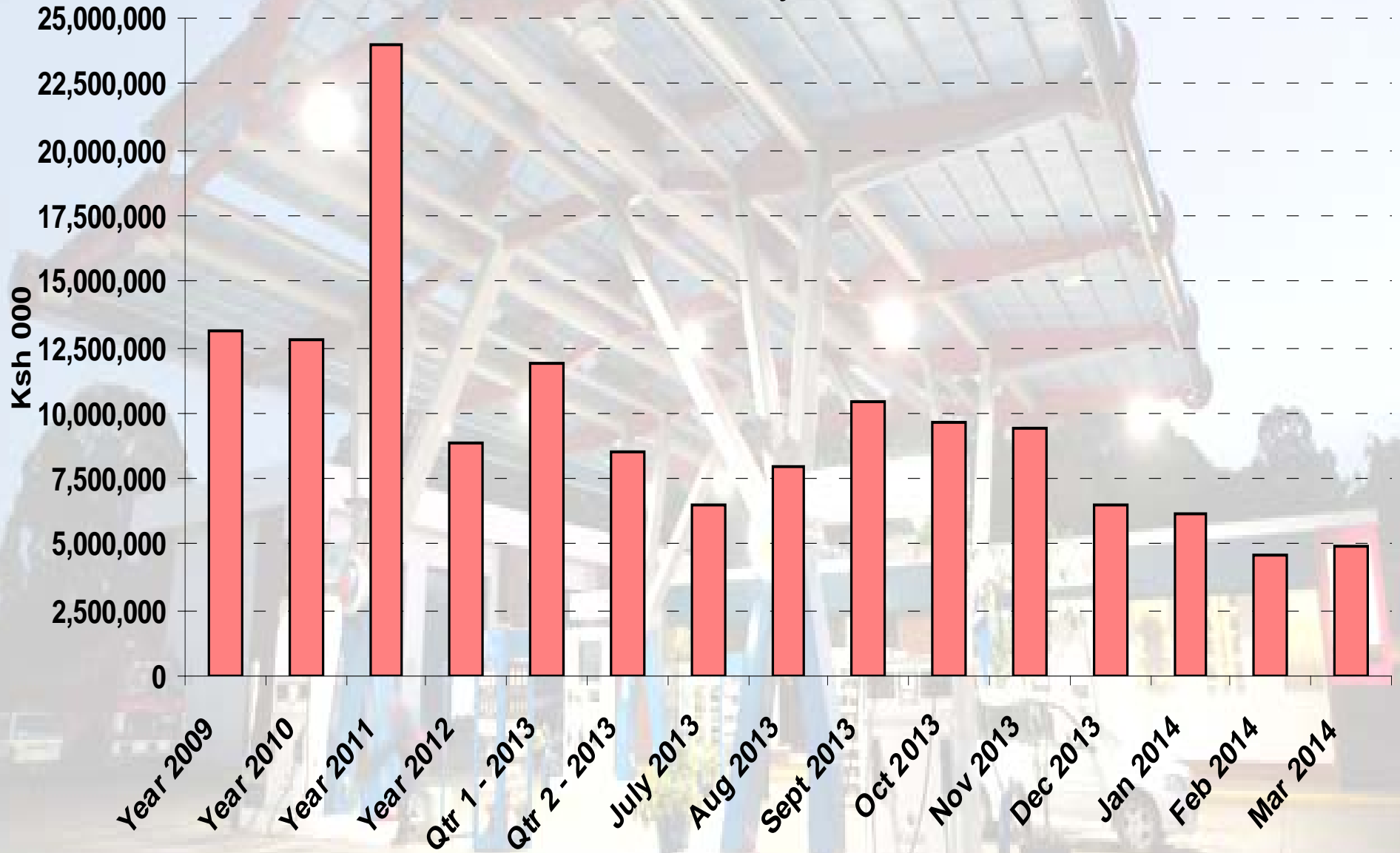
Current ratio



Net Working capital (Inventory, Receivables, Payables)



Inventory



The Group's main banks / financiers are:

- BNP Paribas
- NIC Bank
- Commercial Bank of Africa
- Ecobank
- Kenya Commercial Bank
- CfC Stanbic
- Bank of Africa
- Equatorial Bank
- MCB
- Commercial Paper

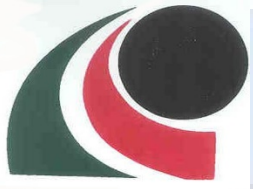
Going Forward...

- **Focus on Group Vision through organic growth and petrol station acquisitions (Multinationals & others).**
- **Develop alliances with multinational oil companies**
- **Streamline and strengthen structures and operations across the Group**
- **Improve efficiency and productivity - focus on Retail sector and profitable business lines (LPG, Fuel Oil, Export, Lubes, etc.)**
- **Investment in Storage for all products (Fuel & Gas)**
- **Develop Non-Fuel business (property development)**



- **Going Forward...**

- **Strengthen relationship with banks**
- **Reduce borrowings across the group**
- **Continue disposing non performing assets**
- **Risk reduction in business processes**
- **Strengthen Human resources: Development, training and capacity building**
- **Continue being cost effective, quick decision making, strong & professional Management team...**
- **Capitalize on “African player in Africa for the African people” ...and continue Brand building...**



KenolKobil



Asante
for your
time &
participation

KenolKobil *Cares for you*