



PUBLIC ANNOUNCEMENT

ACQUISITION OF UP TO 33 SERVICE STATIONS OPERATED BY DELTA PETROLEUM IN UGANDA AND RWANDA

The Board of Directors of KenolKobil Plc (**KenolKobil or Company**) is pleased to announce that, through its wholly owned subsidiaries, Kobil Uganda Limited and Kobil Petroleum Rwanda Limited, the Company has agreed terms to acquire up to 33 retail outlets (service stations) from each of Delta Petroleum Uganda Limited (**Delta Uganda**) and Delta Petroleum Rwanda Limited (**Delta Rwanda**), respectively and by way of an asset sale.

Delta Uganda is a leading oil marketing company in Uganda and has agreed to sell 23 retail outlets spread across Uganda. Delta Rwanda is also in the oil marketing business and has a network comprising of 10 retail outlets spread across Rwanda, which are the subject of the sale.

The acquisition of the 33 stations in Uganda and Rwanda is expected to contribute to the group top and bottom lines. The acquisitions are in line with the Board's growth strategy through organic and inorganic retail network expansion. The acquisition also reaffirms the Board's commitment to grow the contribution of other businesses outside Kenya to the group's bottom line.

Subject to successful conclusion of the transaction, the total retail network of the KenolKobil group will rise to 433 stations, of which 200 stations are in Kenya. Kobil Uganda's retail outlets will increase to 56 stations while Kobil Rwanda will have 61 stations under its control.

The transaction is subject to applicable legal and regulatory approvals. The Board has been working on the transaction since February 2018 and it is expected to conclude by end of March 2019.

Investors and the general public are advised to exercise caution when dealing in the securities of the Company.

By order of the Board of Directors

Nairobi, Kenya, 7th November 2018.