Recommended Cash Offer of KES 23 per Share

by RUBIS ÉNERGIE S.A.S.
(Incorporated in France, with registration number 552 048 811)

to purchase all of the issued ordinary shares of

KENOLKOBIL PLC
(Incorporated in Kenya, company number C. C6/59)

that are not already owned by Rubis Énergie S.A.S.

Dated: 20th December 2018

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
This offer document (the “Offer Document”) is issued to the shareholders of KenolKobil Plc pursuant to Regulation 7 of the Capital Markets (Take-overs and Mergers) Regulations, 2002 (the “Take-over Regulations”).

Enclosed in the envelope containing this Offer Document you will also find:

- The circular issued by the board of directors of KenolKobil (as defined on page 2) as required under regulation 9 of the Take-over Regulations containing the recommendation of the board of directors of KenolKobil in respect to the Offer made by Rubis Énergie (as defined on page 2).

- The independent adviser’s circular as required under regulation 10 of the Take-over Regulations prepared by Standard Investment Bank Limited.

- A Form of Acceptance (as defined on page 7) to enable you to accept the Offer (as defined on page 7), should you wish to do so.

**ACTION TO BE TAKEN**

1. Read this document fully.

2. Read the instructions on the reverse of the Form of Acceptance and then complete the Form of Acceptance should you wish to accept the Offer.

3. Send the completed Form of Acceptance, a certified copy of your national identity card or passport (for individuals) or your certificate of incorporation/registration (for corporate entities), and any other document required for the purposes of the acceptance of the Offer to a stockbroker or investment bank listed in this document (“Authorised Acceptance Agents”) by no later than 5:00 pm 18th February 2019.

A list of the Authorised Acceptance Agents is provided in APPENDIX 4.
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you have sold or transferred all your holding of KenolKobil shares, please send this Offer Document together with the Form of Acceptance and other accompanying documents at once to the stockbroker, investment bank, investment adviser or agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

Pursuant to this Offer Document, Rubis Énergie SAS ("Rubis Énergie") makes a cash Offer to acquire all the ordinary shares of KES 0.05 each in KenolKobil Plc ("KenolKobil") not already legally or beneficially owned by Rubis Énergie (the “Offer”).

Approval has been obtained from the Capital Markets Authority for the compliance with the requirements relating to the Offer Document under the Take-over Regulations. As a matter of policy, the Capital Markets Authority assumes no responsibility for the correctness of any statements or opinions made in this Offer Document. Approval of the Offer is not to be taken as an indication of the merits of the Offer or of a recommendation by the Capital Markets Authority to the shareholders of KenolKobil.

This Offer Document has been approved by the directors of Rubis Énergie, whose names appear in PART 2, paragraph 2.3 of this Offer Document, all of whom jointly and severally accept responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, there are no facts the omission of which would make any statement herein misleading.

No person is authorised to give any information or to make any representation not contained in this document and any information or representation not contained in this document must not be relied upon as having been authorised by Rubis Énergie. Neither the delivery of this document, nor any disposal made hereunder will, under any circumstances, create any implication that the information contained in this document is correct as at any time subsequent to its date.

This Offer Document includes forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of Rubis Énergie and all of which are based on Rubis Énergie's current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believe", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "plans", "continues", "assumes" or "anticipates" or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing KenolKobil. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Such forward-looking statements contained in this Offer Document speak only as of the date of this Offer Document. Rubis Énergie expressly disclaims any obligation or undertaking to update these forward-looking statements contained in the document to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so by applicable law.

Certain data in this Offer Document, including financial, statistical, and operating information has been rounded. As a result of the rounding, the totals of data presented in this Offer Document may vary slightly from the actual arithmetic totals of such data. Percentages in tables have been rounded and accordingly may not add up to 100%.

KenolKobil shareholders will be given notice, published in any two English language dailies of national circulation in Kenya, of any event that occurs during the Offer Period that materially affects the accuracy of the information contained in this document that comes to the knowledge of Rubis Énergie.

This Offer Document has been sent to all KenolKobil shareholders on the register of members as at 5:00 p.m. on 19th December 2018.

This Offer Document does not intend to and does not constitute or form part of any Offer to sell or to
subscribe for or an invitation to purchase or subscribe for any securities in any jurisdiction pursuant to
the Offer or otherwise, nor shall there be any sale or purchase, issuance or transfer of securities in any
jurisdiction in contravention of applicable law.

The Offer is for securities of a company incorporated under the laws of Kenya and is subject to the procedure
and disclosure requirements of Kenyan law. Since this document has been prepared in accordance with
Kenyan law and the Take-over Regulations, the information disclosed may not be the same as that which
would have been prepared in accordance with the laws of any other jurisdiction.

This document is NOT for sale.

**If you are in doubt about what to do, you should consult the independent adviser appointed by the
directors of KenolKobil or your stockbroker, investment bank or other professional adviser.**
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General Information and Rubis Énergie’s Advisers

Offeror: Rubis Énergie S.A.S.
Tour Franklin
100, terrasse Boieldieu 92800
Puteaux, France

Offeree: KenolKobil Plc
5th Floor, Avenue 5 Building
Rose Avenue, off Lenana Road
P.O. Box 44202 00100 GPO
Nairobi, Kenya

Financial Adviser: SBG Securities Limited
Stanbic Centre, Chiromo Road
P. O. Box 47198-00100,
Nairobi, Kenya

In collaboration with
Stanbic Bank Kenya Limited
Stanbic Centre, Chiromo Road
P.O Box 72833-00200
Nairobi, Kenya

Sponsoring Stockbroker
and Lead Acceptance Agent:
SBG Securities Limited
Stanbic Centre, Chiromo Road
P. O. Box 47198-00100,
Nairobi, Kenya

French Legal Adviser: BLM Avocats
4, rue de Sèze
75009
Paris, France

Kenyan Legal Adviser: Bowmans (Coulson Harney LLP)
5th Floor West Wing
ICEA Lion Centre Riverside Park
Chiromo Road
P.O. Box 10643-00100
Nairobi, Kenya

Public Relations Firm:
MediaEdge Public Relations Limited
2nd Floor, Hanover Building,
14 Riverside, Riverside Drive
P.O. Box 44310 - 00100,
Nairobi, Kenya

Paying Bank: Stanbic Bank Kenya Limited
Stanbic Centre, Chiromo Road
P. O. Box 47198-00100,
Nairobi, Kenya

Share Registrar and
Processing Agent:
Image Registrars Limited
5th Floor Barclays Plaza
Loita Street
P.O. Box 9287-00100
Nairobi, Kenya
# Timetable of Key Events

<table>
<thead>
<tr>
<th>Event</th>
<th>Time and Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Record date for purposes of the Offer</td>
<td>5:00 pm on 19th December 2018</td>
</tr>
<tr>
<td>Service of Offer Document on KenolKobil</td>
<td>20th December 2018</td>
</tr>
<tr>
<td>Opening of the Offer</td>
<td>9:00 am on 20th December 2018</td>
</tr>
<tr>
<td>Posting of the Offer Document</td>
<td>14th January 2019</td>
</tr>
<tr>
<td><strong>Closing date of the Offer</strong></td>
<td><strong>5:00 pm on 18th February 2019</strong></td>
</tr>
<tr>
<td>Start of suspension of dealings in KenolKobil Shares to allow for</td>
<td>19th February 2019</td>
</tr>
<tr>
<td>transfer of shares of those shareholders who have accepted the Offer</td>
<td></td>
</tr>
<tr>
<td>Suspension period ends</td>
<td>11th March 2019</td>
</tr>
<tr>
<td>Offeror declares satisfaction or waiver of all conditions</td>
<td>11th March 2019</td>
</tr>
<tr>
<td>CDSC transfers shares to Offeror’s CDSC account</td>
<td>11th March 2019</td>
</tr>
<tr>
<td>Announcement of the results of the Offer including date of</td>
<td>12th March 2019</td>
</tr>
<tr>
<td>declaration as to whether the Offer has become unconditional as to</td>
<td></td>
</tr>
<tr>
<td>acceptances</td>
<td></td>
</tr>
<tr>
<td>Dispatch of payments to shareholders who have accepted the Offer</td>
<td>From 11th March 2019</td>
</tr>
</tbody>
</table>

These dates are subject to change by Rubis Énergie, which reserves the right to extend the period of the Offer (subject to obtaining the necessary regulatory consents). Any change in the timetable will be published in any two English language daily newspapers with national circulation in Kenya.
Definitions

The following definitions apply throughout this document and in the accompanying Form of Acceptance unless the context requires otherwise:

"Acceptance Condition" such number of acceptances having been received from KenolKobil shareholders that would bring the aggregate shareholding of Rubis Énergie to at least 50%+1 Share of the issued share capital of KenolKobil

"Accepted Share" an ordinary share of KenolKobil acquired by Rubis Énergie from an Accepting Shareholder pursuant to the Offer

"Accepting Shareholder" a shareholder of KenolKobil who accepts Rubis Énergie’s Offer

"Authorised Acceptance Agent" the authorised licensed stockbrokers and investment banks as set out in APPENDIX 4 to this Offer Document being parties duly authorised by Rubis Énergie to receive the Forms of Acceptance

"CDA" a central depository agent appointed by CDSC, being (a) any member of a securities exchange; or (b) a non-bank subsidiary of any bank or financial institution licensed under the Banking Act (Cap 488 of the laws of Kenya); or (c) any institutional investor; or (d) any body corporate of a type prescribed by the CMA

"CDS" the central depository system operated by the Central Depository and Settlement Corporation Limited

"CDS Account" the securities account in the name of a shareholder of KenolKobil at the CDS recording the number of Offer Shares held by such shareholder

"CDSC" the Central Depository and Settlement Corporation Limited, the Kenyan company licensed by the CMA that owns and manages the CDS

"Closing Date" 5:00 p.m. on 18th February 2019, being the last day for receipt of acceptances in respect of the Offer Shares, or such later time and/or date as may be notified by Rubis Énergie, subject to CMA approval

"CMA" the Capital Markets Authority

"CM Act" the Capital Markets Act (Cap 485A of the laws of Kenya)

"Companies Act" the Companies Act, 2015

"Conditions" the conditions subject to which the Offer is made, as set out in Part 3.3 of this Offer Document

"days" unless otherwise specifically stated or where provided in the Takeover Regulations, calendar days excluding Saturdays, Sundays and public holidays in Kenya

"EBITDA" earnings before interest, tax, depreciation and amortisation

"EUR" Euro, the currency of the European Union

"Form of Acceptance" the form of acceptance which accompanies this Offer Document

"KES" Kenya Shillings

"KenolKobil" KenolKobil Plc

"Long Stop Date" 5:00 p.m. on 30th July 2019, unless such date is extended by Rubis Énergie and KenolKobil, with the approval of the CMA

"Notice of Intention" the notice of intention that Rubis Énergie served on the Board of Directors of KenolKobil on 24th October 2018 pursuant to the Takeover Regulations
NSE
Offer
Offer Document
Offer Period
Offer Price
Offer Shares
Payment Bank
SBG Securities or Sponsoring Stockbroker
Record Date
Reference Date
Rubis Énergie or Offeror
Rubis SCA
Rubis Group
Share
Share Registrar
Take-over Regulations
TEV
Total
VWAP
Wells

Nairobi Securities Exchange
the cash Offer being made by Rubis Énergie to purchase the Offer Shares as set out in this document including where the context so requires, any revision, variation, extension or renewal of such Offer Document
the period commencing 9:00 a.m. on 7th January 2019 and ending on the Closing Date
the purchase price Offered by Rubis Énergie of KES 23 per ordinary Share of KenolKobil
the 1,182,968,076 ordinary shares of KES 0.05 each comprising 76.28% of the issued ordinary shares of KenolKobil, to which the Offer applies
Stanbic Bank Kenya Limited
SBG Securities Limited, the sponsoring stockbroker in relation to the Offer
5:00 p.m. on 19th December 2018
close of trading on 22nd October 2018, being two days before the service of the Notice of Intention
Rubis Énergie S.A.S., a corporation organized and existing under the Laws of France (registered number 552 048 811) and having its registered office at Tour Franklin – 100, terrasse Boieldieu – 92800 Puteaux, France. Rubis Énergie is a wholly owned subsidiary of Rubis SCA.
Rubis SCA, a partnership limited by shares (société en commandite par actions) organized and existing under the Laws of France (registered number 784 393 530)
Rubis SCA and its subsidiaries and affiliates
an ordinary share in the issued share capital of KenolKobil
Image Registrars Limited, who are the shares registrar and processing agent
the Capital Markets (Take-overs and Mergers) Regulations, 2002
Total Enterprise Value – is a business valuation measurement used to compare companies with varying levels of debt. TEV is calculated as TEV = market capitalisation + interest bearing debt (borrowings) + preference share capital - cash and cash equivalents
Total Kenya Plc
volume weighted average price at which shares have traded in a specified period computed as the aggregate of the value of the shares traded divided by the volume of shares traded during the period referred to
Wells Petroleum Limited
1.1 Introduction

On 24th October 2018, Rubis Énergie delivered a notice of intention (“Notice of Intention”) to the board of directors of KenolKobil of its intention acquire effective control of KenolKobil. A comprehensive press notice was issued in the national press on 25th October 2018, as required by regulation 3 of the Take-over Regulations, supplemented by a further press notice on 8th November 2018.

On 7th November 2018, Rubis Énergie served on KenolKobil an Offeror’s statement outlining the terms of its proposed Offer issued pursuant to regulation 4(4) of Take-over Regulations, which contained the information required by the First Schedule to the Take-over Regulations.

The purpose of this document is to set out the detailed terms and conditions of the Offer, to provide you with background information relating to the Offer and to supply shareholders with the documentation required to accept the Offer.

1.2 The Offer

<table>
<thead>
<tr>
<th>Par value of each KenolKobil Share</th>
<th>KES 0.05</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Offer Price</strong></td>
<td><strong>KES 23</strong></td>
</tr>
<tr>
<td>Total number of KenolKobil shares in issue</td>
<td>1,550,761,200 (100.0%)</td>
</tr>
<tr>
<td>Number of shares in KenolKobil already owned by Rubis Énergie</td>
<td>367,793,124 (23.72%)</td>
</tr>
<tr>
<td>Number of Offer Shares</td>
<td>1,182,968,076 (76.28%)</td>
</tr>
</tbody>
</table>

The Offer is made by Rubis Énergie for the acquisition of the Offer Shares at the Offer Price in cash.

The Offer has been recommended for acceptance by the board of directors of KenolKobil.

The Offer values the entire issued ordinary share capital of KenolKobil at KES 35.67 billion and represents:

a) a premium of 53.4% per cent to the volume weighted average price (VWAP) at which Shares of KenolKobil traded on the Nairobi Securities Exchange for the 30 trading days up to 22nd October 2018;

b) a premium of 50.5% per cent to the daily average trading price at which Shares traded on 22nd October 2018;

c) a Price to Accounting Book Net Asset Value per Share multiple of 2.92 times based on the consolidated shareholders’ funds / net assets attributable to shareholders that KenolKobil reported as at 30th June 2018 and of 3.18 times based on the consolidated shareholders’ funds / net assets attributable to shareholders that KenolKobil reported as at 31st December 2017;

d) a Price to Earnings per Share multiple of 10.27 based on the (annualised) basic earnings per Share that KenolKobil reported for the six-month period ended 30th June 2018 and of 13.77 based on the basic earnings per Share that KenolKobil reported for the financial year ended 31st December 2017; and
e) an implied Total Enterprise Value (TEV) to Earnings Before Interest Tax Depreciation and Amortisation ("EBITDA") multiple of 7.09 based on the unadjusted EBITDA extracted from the unaudited consolidated financial statements that KenolKobil reported for the six-month period ended 30th June 2018 and of 8.94 based on the unadjusted EBITDA extracted from the audited consolidated financial statements that KenolKobil reported for the financial year ended 31st December 2017 and, in both cases, based on TEV computed on the basis of the Offer Price multiplied by the number of Shares in issue as at 30th June 2018 and adding back borrowings and deducting cash and cash equivalents as reported in KenolKobil's unaudited consolidated financial statements as at 30th June 2018.

APPENDIX 3 contains more information and analysis of the performance of the KenolKobil shares on the NSE as well as how the multiples set out above have been calculated.

In all respects, the Offer Shares will be acquired free from all liens, charges, encumbrances and other interests and together with all rights now and hereafter attaching thereto including the right to receive all dividends and other distributions declared, made or paid after 24th October 2018 - the date Rubis Énergie served the Notice of Intention on the board of KenolKobil.

KenolKobil shareholders are encouraged to consult their tax, legal and/or financial advisers regarding the consequences of accepting the Offer.

1.3 Reasons for the Offer

KenolKobil (formerly Kenya Oil Company Limited) has grown significantly since its incorporation in 1959. Over the years, it has built a market leading position in the marketing of petroleum products in the downstream oil and gas sector in Kenya. Further, KenolKobil has established subsidiaries in other nearby countries in Uganda, Ethiopia, Rwanda, Burundi and Zambia that accounted for approximately 9% of KenolKobil's group consolidated revenues reported for the year ended 31st December 2017 with the balance coming from its operations in Kenya.

In Kenya, KenolKobil operates in a fast-growing, competitive and rapidly evolving downstream oil and gas sector. Analysis of data published by the Petroleum Institute of East Africa in November 2018 (Insight Magazine for Quarter 3 2018) and in early 2018 (Insight Magazine for Quarter 1 2018) shows that:

- the consumption of petroleum products (excluding LPG, bitumen and lubricants) in Kenya has grown at a cumulative average annual rate of 6.80% from 4.494 million cubic metres in 2012 to 6.242 million cubic metres in 2017;
- there are over 60 active licensed oil marketing companies operational in Kenya, with the ten largest accounted for 69.8% of aggregate market share for the three months from April to June 2018 and with the top three ranked companies accounting for market shares of 14.6%, 13.2% and 13.2% respectively;
- KenolKobil ranked joint second amongst all licensed oil marketing companies in terms of overall market share (including exports) with a 13.2% share for the period April to June 2018 - a position achieved with the help of a leading 47.5% market share of the civil aviation market segment in that period;
- Whilst KenolKobil has a leading market position in the civil aviation market segment - the consumption of Avgas and Jet fuel, the primary product sold to that market segment, has grown at a compound average annual rate of 0.65% per annum over the period 2012 to 2017, whereas the consumption of premium and regular gasoline, that is sold primarily to the retail market segment, has grown by 13.46% per annum in the same period; and
• In the retail market segment – KenolKobil ranks a distant third with a 10.0% market share for the period April to June 2018, behind both Vivo Energy Kenya Limited, operator of the Shell brand, with a 28.5% market share and Total with a 22.5% market share in that period. Both Vivo Energy Kenya Limited and Total are subsidiaries of international oil companies.

Rubis Énergie believes that the proposed acquisition of KenolKobil will be beneficial in a number of ways, including:

(a). The Offer for the acquisition of KenolKobil by Rubis Énergie signifies a major vote of confidence in Kenya and its economy. This is a large investment of permanent capital and it further reinforces the attractiveness of Kenya as an investment destination for global multinationals.

(b). Rubis is a major international group that specialises in fuel retailing and associated support services such as refining, shipping, supply and terminalling operations and has a geographical presence in more than 35 countries spread across three continents: Africa/Indian Ocean, Europe and the Caribbean. Whist the Group operates in North, West and Southern Africa and on islands off the continental mainland - it currently does not control any operations in East Africa. Following completion of the Offer, Rubis Group plans to use KenolKobil - based in Kenya - as the regional hub for distribution of a full range of petroleum products in East Africa and plans to retain and expand KenolKobil’s operations in Kenya, Uganda, Ethiopia, Rwanda, Burundi and Zambia. This will further the East African Community aim of having solid regional business operations.

(c). Rubis Group has built up a successful track record of acquiring downstream oil & gas businesses and building them to market leading positions in developing country markets in Europe, the Caribbean and Africa. On completing the Offer, Rubis Énergie intends to use its resulting shareholder votes and position as the single largest shareholder of KenolKobil to appoint the majority of the board of directors of KenolKobil and procure that KenolKobil adopts Rubis Group’s financial and operating policies thereby making KenolKobil a subsidiary of Rubis Énergie. By deploying its global quality and service provision standards, access to finance and strategic input, access to expertise in terms of infrastructure, transportation, supply and services activities to support the development of downstream distribution and marketing activities, as well as experience and expertise to help secure access to competitive supply and access to products after completing this Offer - Rubis Group anticipates that it will improve the level of competition in the downstream fuel sector in Kenya and, potentially, the performance and productivity of other businesses that purchase petroleum products.

(d). KenolKobil has built up an extensive network of storage and distribution facilities and retail petrol stations throughout the country and the broader region.

Following completion of the Offer and in order to achieve its strategic objectives, Rubis Group intends to significantly increase the level of investment that the company makes over the next few years in storage capacity, new stations, equipment, information technology, business operations and human capital to help KenolKobil boost its operational capacity and to provide robust and effective competition to the other major downstream sector players operating in the market.
1.4 Why you should accept the Offer

This section sets out Rubis Énergie’s views on the merits of the Offer. It is not the independent advisors’ circular as required under Regulation 10 of the Take-over Regulations.

Rubis Énergie believes that the Offer provides you with an opportunity to sell your shares at an attractive premium to KenolKobil’s recent market prices at a time when the downstream oil and gas sector in East Africa is undergoing a rapid evolution and weakening investor sentiment has led to a sustained period of falling share prices on the NSE. In particular:

(a). If you accept the Offer, you will receive an attractive premium for your shares. As set out in section 1.2, the Offer Price represents a 50.5% premium to the closing market price on the Reference Date (22nd October 2018) and a 53.4% premium to the 30-trading day VWAP to the Reference Date. The 30-trading day VWAP measure best represents the share price of KenolKobil undisturbed by any indication of potential takeover activity. Rubis Énergie chose to set the Offer Price so that the premiums reflect a fair premium to acquire control of KenolKobil.

(b). The Offer Price represents an attractive valuation multiple for KenolKobil Shares and is significantly higher than target prices published by independent analysts just prior to the Offer Price being made public. Section 1.2 sets out the implied Price to Earnings and Total Enterprise Value to EBITDA multiples computed using the Offer Price. These multiples are significantly higher than the equivalent multiples at which shares of Total traded on the NSE on the Reference Date. In particular, Total’s shares traded at a price to full diluted earnings per share multiple of 6.0 times and a TEV/EBITDA multiple of 4.9 times (both multiples based on annualised reported earnings for the six-month period to 30th June 2018) on the Reference Date (source: S&P Capital IQ and SBG Securities). In addition, the Offer Price is significantly higher than the average of target prices that independent securities market analysts published in respect of KenolKobil Shares in the two-month period to the Reference Date (i.e. before Rubis Énergie submitted its Notice of Intention) as set out in the table below.

<table>
<thead>
<tr>
<th>Broker</th>
<th>Analyst</th>
<th>Recommendation</th>
<th>Date published</th>
<th>Target Price KES</th>
<th>Actual price on date published</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renaissance Capital</td>
<td>Aduroja, Temilade</td>
<td>Buy</td>
<td>26-Sep-18</td>
<td>22.00</td>
<td>16.30</td>
</tr>
<tr>
<td>Genghis Capital Ltd</td>
<td>Genghis Capital</td>
<td>Hold</td>
<td>18-Sep-18</td>
<td>16.33</td>
<td>16.20</td>
</tr>
<tr>
<td>EFG-Hermes Research</td>
<td>EFG-Hermes Research</td>
<td>Outperform</td>
<td>10-Sep-18</td>
<td>22.10</td>
<td>16.75</td>
</tr>
</tbody>
</table>

Source: S&P Capital IQ, SBG Securities  

Mean of target prices = 20.14
Independent analyst reports published after the Reference Date have recommended that KenolKobil shareholders accept the Offer as set out in the table below.

**Analyst reports on KenolKobil published in the period 23rd October 2018 to 18th December 2018**

<table>
<thead>
<tr>
<th>Broker</th>
<th>Analyst</th>
<th>Recommendation</th>
<th>Date published</th>
<th>Target Price KES</th>
<th>Actual price on date published</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avoir Capital Markets</td>
<td>Gari Chigwedere</td>
<td>See note * below</td>
<td>16-Nov-18</td>
<td>21.71</td>
<td>19.55</td>
</tr>
</tbody>
</table>

**Source:** S&P Capital IQ, SBG Securities

Note*: Avoir Capital Markets report states, on page 13, that “...We further believe the Offer is attractive for shareholders given the premium to our one-year target price (6% premium) …”

(c). The Offer is all cash for 100% of the shares that you own and represents an attractive opportunity for you to realise your investment now and without incurring brokerage charges.

If a sufficient number of KenolKobil shareholders accept the Offer and it becomes unconditional, Accepting Shareholders will receive consideration in cash shortly after the Offer is declared unconditional as specified in PART 5. The Offer provides you with an opportunity to sell your entire shareholding for cash without incurring brokerage charges and, potentially, to redeploy the proceeds in other investments.

(d). If you choose not to accept the Offer you may find that you are unable to sell your shares on the NSE as KenolKobil may be de-listed after completion of the Offer. Even if KenolKobil remains listed after the Offer, liquidity in the shares may decline and, hence, you may struggle to find buyers at the price that you wish to sell. In the six-month period to the Reference Date, an average of 906,090 KenolKobil shares traded on the NSE each trading day representing less than 0.06% of KenolKobil’s issued share capital in that period.
1.5 Confirmation of Financial Resources

The total consideration for the Offer assuming Rubis Énergie receives acceptances from all the remaining KenolKobil shareholders is estimated to be KES 27,208,265,748. Rubis Énergie will finance this acquisition through existing lines of credit or current account advances from its sole shareholder Rubis SCA, and confirms that it has sufficient funds to do so.

SBG Securities, Rubis Énergie’s sponsoring stockbroker and financial adviser has confirmed that Rubis Énergie has sufficient cash resources and facilities at its disposal to satisfy full acceptance of the Offer. A copy of the letter of confirmation is set out in APPENDIX 2.

No part of the Offer Price will be in the form of a share swap with Rubis Énergie and there is no agreement or arrangement by which the Shares acquired by Rubis Énergie in pursuance of the take-over scheme will or may be transferred to any other person.

1.6 Current shareholding in KenolKobil

As at the date of this Offer Document, Rubis Énergie holds 367,793,124 ordinary shares of KES 0.05 each representing twenty-three decimal seven two per cent (23.72%) of KenolKobil’s issued share capital. Rubis Énergie purchased these shares on 23rd October 2018 from Wells via a transaction concluded on the NSE at the prevailing market price of KES15.30 per Share and in accordance with the NSE’s trading rules. See section 2.6 of this Offer Document for more information.

1.7 Irrevocable undertakings

Rubis Énergie has received irrevocable undertakings from Tasmin Limited to accept the Offer on the terms made, and from David Ohana to exercise options (relating to 88,000,000 Shares) granted to him by KenolKobil and to instruct the trustees of the Employee Share Ownership Plan to sell the underlying Shares to Rubis Énergie by accepting the Offer on the terms made. Further details can be found in section 3.5(c) of this Offer Document.

1.8 Legal basis and Conditions of the Offer

The Offer is made pursuant to Regulation 3 of the Take-over Regulations.

The Offer is subject to the Conditions and further terms contained in PART 3 of this Offer Document and the accompanying Form of Acceptance, which should be read carefully by each KenolKobil shareholder.

The Acceptance Condition will have been met if by the Closing Date Rubis Énergie, or its duly authorised agents, have received such number of acceptances from KenolKobil shareholders that would bring the aggregate shareholding of Rubis Énergie to at least 50%+1 Share of the issued share capital of KenolKobil. Assuming the Acceptance Condition is satisfied, the Offer will remain subject to satisfaction of the remaining Conditions, to the extent they may not have been satisfied by the Closing Date.

Any waiver of the Conditions will be announced by Rubis Énergie in two English language daily newspapers with national circulation in Kenya.

1.9 The Offer Period

The Offer opens at 9:00 a.m. on 20th December 2018 and will remain open for acceptance until 5:00 p.m. on 18th February 2019. Subject to obtaining the consent of the CMA, Rubis Énergie reserves the right to extend the Offer Period beyond such time and/or date, but in any case, not later than the Long Stop Date. Any extension of the Offer Period will be announced by Rubis Énergie in two English language daily newspapers with national circulation in Kenya.

1.10 Compulsory Acquisition

If the Offer is accepted by shareholders owning at least ninety per cent (90%) of the shares of KenolKobil which are subject of the Offer, and Rubis Énergie’s aggregate shareholding in KenolKobil would amount to ninety per cent (90%) or more of the issued Shares of KenolKobil pursuant to the Offer, Rubis Énergie shall apply the provisions of the Take-over Regulations and Part XXIV, Division 4 of the Companies Act to compulsorily acquire the remaining issued ordinary shares of KenolKobil. Any such acquisition will be made pursuant to the Offer at the Offer Price.

1.11 Policy on De-listing

In the event that, on completion of the Offer, Rubis Énergie owns more than 75% but fewer than 90% of the issued Shares in KenolKobil, Rubis Énergie may initiate a process to obtain the requisite shareholder and regulatory approvals required to de-list KenolKobil’s Shares from the NSE. In such an event, Rubis Énergie intends to vote in favour of a shareholders’ resolution to de-list KenolKobil’s Shares and seek the support of
other shareholders to vote likewise. If the shareholders’ resolution meets the criteria specified in the CMA regulations (i.e. approved by way a special resolution passed by holders of 75% of the shares of KenolKobil present at the relevant meeting approving de-listing with no more than 10% of KenolKobil shareholders voting against) then KenolKobil will proceed to apply for regulatory approvals and, on receipt, de-list from the NSE.

1.12 Dividends

If KenolKobil declares and pays a dividend to its shareholders after 20th December 2018 and before the completion of the Offer, then Rubis Énergie will deduct (and retain) such amount of the gross dividend per Share paid to KenolKobil shareholders from the Offer Price payable to Accepting Shareholders.

1.13 Lapse

If all the Conditions are not satisfied by the Long Stop Date (or if capable of waiver, have not been waived by Rubis Énergie) the Offer will lapse unless it is extended by Rubis Énergie, with the approval of the CMA.

If the Offer lapses, all Forms of Acceptance will be null and void and Rubis Énergie or its agents will return all documents of title (if any) for the KenolKobil Shares to the KenolKobil shareholders who had by the Closing Date submitted them and shall destroy all the Forms of Acceptance and any other accompanying documents.

1.14 Regulatory approvals

This Offer Document has been approved by the CMA by a letter dated 13th December 2018.

A merger notification was filed with the Kenya Competition Authority seeking approval for the take-over of KenolKobil by Rubis Énergie, and such approval was issued on 7th December 2018.

A merger notification was filed with the COMESA Competition Commission seeking approval for the take-over of KenolKobil by Rubis Énergie, and approval was issued by the COMESA Competition Commission on 7th December 2018.

An application has been filed with the Energy Regulatory Commission seeking approval for the take-over of KenolKobil by Rubis Énergie.

If any other regulatory approval is required for the proposed change of control of KenolKobil, this will be sought and obtained prior to the Offer becoming unconditional in all respects.

1.15 Action to be taken

In order to accept the Offer, KenolKobil shareholders should complete the accompanying Form of Acceptance in accordance with the instructions set out in the reverse of the Form of Acceptance and return it, to any of the Authorised Acceptance Agents listed in APPENDIX 4 by no later than 5:00 pm. on 18th February 2019.

If you are in doubt about what to do, you should consult the independent adviser appointed by the board of directors of KenolKobil or your stockbroker, investment bank or other professional investment adviser.
Part 2
Information on Rubis Énergie and Rubis Group
2.1 Background

Rubis SCA, a Partnership Limited by shares, is registered in France. It is listed on Euronext Paris securities exchange and its shares form part of the SBF 120 Index. Rubis SCA owns direct controlling stakes in two subsidiaries: Rubis Énergie in which it holds 100%; and Rubis Terminal incorporated in France in which it holds 99.94%. These subsidiaries in turn, own approximately 57 operating subsidiaries between them. Rubis SCA and its direct and indirect subsidiaries make up the Rubis Group.

The Rubis Group has its roots in the acquisitions of two small French operators in 1994. By instituting sound management, strategy and financial resources, Rubis Group turned these two regional family-owned small- to medium-sized enterprises into structured international business units at the forefront of their respective market segments.

After more than 20 years of growth and acquisitions, the Rubis Group today comprises three divisions:

(a). Bulk liquid storage - “Rubis Terminal division”: Rubis Terminal operates and leases storage capacity to a diversified base of industrial customers. In a business where value is derived from the location of storage sites, Rubis Terminal has developed operations in areas able to capture growing import and export flows of liquid products. Its business, dominated by petroleum products (68% of flows), also includes chemicals (24%) and food (8%). Imbalances between supply and local storage demand dictate where Rubis Terminal decides to establish operations. The development strategy adapts to and takes shape in line with local needs.

(b). Distribution of petroleum products - “Rubis Énergie Distribution division”: Initially specialized in LPG distribution, Rubis Énergie has expanded its distribution business to cover all petroleum products: gas stations, commercial heating oil, aviation and marine fuel, lubricants, bitumen, among others. From LPG to fuel oils, fuels and bitumen, Rubis Énergie Distribution division’s development - in terms of both the expansion of its product range and the extension of its geographical footprint (Europe, the Caribbean and Africa) - has gathered pace since 2010, thanks chiefly to acquisition opportunities offered by divestments by major oil companies of their downstream oil activities. The development strategy is that of a multi-local niche operator with powerful, independent local supply logistics in markets where, structurally, fuel products need to be imported. After 20 years of development combining direct operations, organic growth and acquisitions, Rubis Énergie Distribution division has become a “specialist” in the distribution and marketing of petroleum products, boasting leading market positions in some 30 countries. Rubis Énergie and its subsidiaries that comprise this division distributed petroleum products amounting to 3,995 million cubic meters in the financial year ended 31 December 2017 and reported sales revenues of Euro (EUR) 2,708 million, EBITDA of EUR 314 million and net income of EUR 187 million for that financial year.

(c). Support and services - “Rubis Énergie Support and Services division”: In support of its downstream petroleum products distribution business, Rubis Énergie has developed a “midstream” position in refining, trading-supply, shipping and services. This division’s assets and results are presented separately for operational reasons but its business activities are conducted by subsidiaries of Rubis Énergie. Structured as an autonomous profit center, it operates chiefly in the Caribbean and in Africa. It consists of refining and transport assets, as well as expertise in trading and services. For the year ended 31st December 2017, the Rubis Énergie subsidiaries that comprise this division reported sales revenues of EUR 895 million, EBITDA of EUR 99 million and net income of EUR 53 million.

Rubis Énergie and its subsidiaries (that collectively comprise the Rubis Énergie Distribution division and the Rubis Énergie Support and Services division) accounted for 92% of Rubis Group net sales revenue and 85% of Rubis Group’s net income in the year ended 31st December 2017.

Solid Business – Growing Profits

Rubis Group is a multi-local specialist of the fuel downstream sector involved in fuel retailing, support and services including refining, shipping, supply and terminalling operations with a geographical presence in more than 35 countries spread across three continents: Africa/Indian Ocean, Europe and the Caribbean. The Group markets fuels considered as basic products corresponding to primary needs. As a result, it benefits from a demand which has low exposure to economic cycle, whether it is fuels targeting end-users or bulk liquid storage for the business service sector.

Rubis Group’s markets are highly fragmented by type of consumers - residential, industrial, agricultural or services - offering a particularly diversified segmental matrix by country/product. Rubis Group’s ability to generate growing profits has been demonstrated over the past 15 years with a 20% per annum compound net profit growth.
An Acquisitive Business Model

Rubis Group has successfully completed dozens of acquisitions of fuel retailing businesses in various geographies over the past 15 years and has developed a strong expertise in managing acquisitions and integrating new businesses. Rubis Group’s capacity to turnaround and restructure businesses, to grow or recalibrate operations and to develop both organically or through acquisitions have become Rubis Group’s trademarks.

Today all of Rubis Group’s individual businesses are profitable worldwide. Rubis Group has chosen to structure its operations in a decentralized manner, leaving local management with autonomy and responsibility while bringing them support in terms of finance and strategic input.

To date, Rubis Group has invested cumulatively some EUR 2 billion through acquisitions and organic growth while still consistently maintaining a strong financial profile.

Significant competitive advantage

Rubis Group benefits from strong local positions and is able to build up its competitive leverage in a fast-moving global environment.

For example, in the fuel and LPG supply and retail distribution business, Rubis Group is able to achieve competitive advantage through:

- supply cost at parity with oil majors;
- ability to pass on to customers supply price volatility; and
- efficiency gains attached to the combined organic development and acquisitions.

Rubis Group cements its competitive advantage through its business strategic positioning and its organisational and execution capabilities as summarised below.

<table>
<thead>
<tr>
<th>Business Strategic Positioning</th>
<th>Organisation characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Niche player enjoying leading market positions</td>
<td>Autonomy of local management: quick decision-making process</td>
</tr>
<tr>
<td>High barriers to entry: regulation/capital intensive</td>
<td>Close to customers + capex adapted to local needs + efficiency and market share gains</td>
</tr>
<tr>
<td>Full control of distribution channel securing competitive supply and access to products</td>
<td>Empowered and entrepreneurial local managers</td>
</tr>
</tbody>
</table>

2.2 Corporate Identity of Rubis Énergie

Name | Rubis Énergie S.A.S.
Registered Office | Tour Franklin – 100, terrasse Boieldieu – 92800 Puteaux, France
Registration Number | 552 048 811

2.3 Directors

The current directors of Rubis Énergie are:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Address</th>
<th>Nationality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jacques Riou</td>
<td>Président</td>
<td>20, sentier des Buats 92190 Meudon</td>
<td>French</td>
</tr>
<tr>
<td>FCOF S.A.S. (RCS Paris 799 891 213), represented by Christian Cochet</td>
<td>Directeur Général</td>
<td>5bis rue Dosne 75116 Paris</td>
<td>French</td>
</tr>
</tbody>
</table>
2.4 Share Capital and Ownership Structure of Rubis Énergie and Rubis SCA

Rubis Énergie’s nominal share capital amounts to Euro three hundred and thirty-five million (EUR 335,000,000) divided into 13,400,000 shares of twenty-five Euro (EUR 25) each, fully paid up. Rubis Énergie is a wholly owned subsidiary of Rubis SCA.

Rubis SCA’s nominal share capital amounts to Euro one hundred twenty-one million, seventeen thousand, one hundred and eighty (EUR 121,017,180) divided into 96,811,004 ordinary shares and 2,740 Class A preferred shares with a par value of Euro 1.25 each, fully paid up. The total shareholders equity (comprising of the nominal share capital, share premium, retained earnings and non-controlling interests as at 31st December 2017) stands at Euro two billion seventy-eight million four hundred and thirty thousand (EUR 2,078,430,000).

Rubis SCA is listed on Euronext Paris, compartment A under ISIN code: FR0013269123. Rubis SCA’s shares form part of the SBF 120 Index. The shareholding of Rubis SCA is diverse and spread across a wide range of investors.

As at 20th September 2018, the key shareholding statistics of Rubis SCA were as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>No. of Shares</th>
<th>% holding</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Main shareholders</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Orfim</td>
<td>5 093 047</td>
<td>5.26 %</td>
</tr>
<tr>
<td>Groupe Industriel Marcel Dassault</td>
<td>5 151 594</td>
<td>5.32 %</td>
</tr>
<tr>
<td><strong>Top Management and Supervisory Bodies</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Partners and Top Managers</td>
<td>2 384 156</td>
<td>2.46 %</td>
</tr>
<tr>
<td>Supervisory Board</td>
<td>83 903</td>
<td>0.09 %</td>
</tr>
<tr>
<td>Rubis Avenir mutual fund</td>
<td>1 225 226</td>
<td>1.27 %</td>
</tr>
<tr>
<td>Treasury shares</td>
<td>35 990</td>
<td>0.04 %</td>
</tr>
<tr>
<td>Free Float</td>
<td>82 837 088</td>
<td>85.56 %</td>
</tr>
<tr>
<td><strong>Total ordinary shares</strong></td>
<td>96 811 004</td>
<td>100 %</td>
</tr>
<tr>
<td><strong>Total preferred shares</strong></td>
<td>2 740</td>
<td>0.003 %</td>
</tr>
</tbody>
</table>
2.5 Group Structure

An organogram of the Rubis Group as at 31st December 2017 is set out below.
Rubis Énergie's ten largest direct and indirect operating subsidiaries ranked by contribution to group sales revenue as at 31st December 2017, are:

<table>
<thead>
<tr>
<th>Name</th>
<th>Business activity &amp; geographical area</th>
<th>Country of incorporation</th>
<th>% holding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rubis Eastern Caribbean Distribution, Support and Services - Caribbean</td>
<td>Distribution, Support and Services - Caribbean</td>
<td>Barbados</td>
<td>100</td>
</tr>
<tr>
<td>Société Anonyme de la Raffinerie des Antilles (SARA)</td>
<td>Refinery – Caribbean (French Guiana)</td>
<td>France</td>
<td>71</td>
</tr>
<tr>
<td>Rubis Antilles Guyane Distribution</td>
<td>Distribution - Caribbean</td>
<td>France</td>
<td>100</td>
</tr>
<tr>
<td>Société Réunionnaise de Produits Pétroliers (SRPP)</td>
<td>Distribution – Africa (Réunion Island)</td>
<td>France</td>
<td>100</td>
</tr>
<tr>
<td>REC Bitumen SRL</td>
<td>Distribution, Support and Services - Caribbean</td>
<td>Barbados</td>
<td>100</td>
</tr>
<tr>
<td>Distributeurs Nationaux SA (DINASA)</td>
<td>Distribution - Caribbean</td>
<td>Haïti</td>
<td>100</td>
</tr>
<tr>
<td>Rubis Energy Jamaica Ltd Distribution</td>
<td>Distribution - Caribbean</td>
<td>Jamaica</td>
<td>100</td>
</tr>
<tr>
<td>Rubis Guyana Inc</td>
<td>Distribution - Caribbean</td>
<td>Guyana</td>
<td>100</td>
</tr>
<tr>
<td>Rubis Bahamas Ltd</td>
<td>Distribution - Caribbean</td>
<td>Bahamas</td>
<td>100</td>
</tr>
<tr>
<td>Rubis Cayman Islands</td>
<td>Distribution - Caribbean</td>
<td>Cayman Islands</td>
<td>100</td>
</tr>
</tbody>
</table>

As set out in the organogram, in addition to its subsidiary operating on Réunion Island, Rubis Énergie owns subsidiaries that operate distribution businesses in Southern Africa (Easigas (Pty) Ltd), West Africa (Ringardas Nigeria Ltd, Eres Togo and Eres Senegal), North Africa (Vitogaz Maroc) as well as the islands of Madagascar (Galana Madagascar and Vitogaz Madagascar), Mauritius (Eccleston Co Ltd) and Comoros (Vitogaz Comoros).

Save for the shares in KenolKobil owned by Rubis Énergie (as set out earlier), Rubis Group has no direct or indirect holding in any company in Kenya or other country in East Africa.

The Rubis Group sees the Offer as an opportunity to make KenolKobil an integral part of the Rubis Énergie Distribution division and, hence, to extend Rubis Group’s operations into East Africa. Therefore, if Rubis Énergie proceeds to complete the Offer, Rubis Énergie intends to use its resulting shareholder votes and position as the single largest shareholder of KenolKobil to appoint the majority of the board of directors of KenolKobil and procure that KenolKobil adopts Rubis Group’s financial and operating policies thereby making KenolKobil a subsidiary of Rubis Énergie. Adopting Rubis Group development strategy may potentially include KenolKobil adopting an increased level of capital investment that may impact KenolKobil’s capacity to maintain its current dividend policy adversely for the next few years but with the aim of improving KenolKobil’s operating capacity in the longer-term.

As set out earlier, Rubis Group has developed capacity to turnaround and restructure businesses, to grow or recalibrate operations and to develop both organically or through acquisitions. Further, Rubis Group chooses to structure its operations in a decentralized manner, leaving local management with autonomy and responsibility while bringing them support in terms of finance and strategic input and its subsidiaries benefit from group procurement and logistics expertise, helping secure competitive supply and access to products.
2.6 Interest in KenolKobil

As at the date of this Offer Document, Rubis Énergie holds 367,793,124 ordinary shares of KES 0.05 each representing twenty-three decimal seven two per cent (23.72%) of KenolKobil’s issued share capital. Rubis Énergie purchased these shares on 23rd October 2018 from Wells via a transaction concluded on the NSE at the prevailing market price of KES 15.30 per Share and in accordance with the NSE’s trading rules.

Pursuant to an agreement dated 23rd October 2018 between Rubis Énergie and Wells, Rubis Énergie agreed that if it were to make a take-over Offer for the Shares before 22nd October 2019, then on the successful conclusion of such Offer, it will pay to Wells, an amount equal to the difference between the Offer price per Share ultimately paid by Rubis Énergie to other shareholders of KenolKobil pursuant to the Offer and the market price of KES 15.30 per Share paid to Wells by Rubis Énergie as set out above for every Share that Rubis Énergie purchased from Wells pursuant to the above transaction on the NSE.

None of the directors of Rubis Énergie holds any shares in KenolKobil.

2.7 Financial Information

A summary of Rubis Énergie’s financial information is provided in APPENDIX 1 below. Detailed financial statements can be obtained on Rubis Énergie’s website at www.rubis.fr.
3.1 Nature of the Offer

The Offer is a cash Offer for the acquisition of the Offer Shares.

3.2 Acquiring entity

The Offer is made by Rubis Énergie to each KenolKobil shareholder.

3.3 Conditions Precedent

The Offer will be subject to fulfilment (or waiver at the sole discretion of Rubis Énergie subject to obtaining the necessary regulatory consents) where appropriate of the following Conditions:

(a) approvals in terms acceptable to Rubis Énergie of the transaction contemplated herein by the Competition Authority of Kenya (obtained on 7th December 2018), the COMESA Competition Authority (obtained on 7th December 2018), the Energy Regulatory Commission and any other relevant regulator as applicable in the various jurisdictions in which KenolKobil and its subsidiaries operate;

(b) the board of KenolKobil recommending acceptance of the Offer to the shareholders of KenolKobil;

(c) such number of acceptances having been received from KenolKobil’s shareholders that would bring Rubis Énergie’s aggregate shareholding in KenolKobil to at least 50%-1 Share;

(d) no governmental, revenue collection or regulatory body having decided to take any action or proceedings or make an investigation that might:

(i) make the acquisition of ordinary shares of KenolKobil pursuant to the Offer void or illegal;

(ii) impose any restriction on the ability of KenolKobil to carry on its business as the same was carried on prior to the date of the Notice of Intention; or

(iii) otherwise materially affect the business profits or prospects of KenolKobil or Rubis Énergie;

(e) no material litigation or other legal proceedings having been commenced against KenolKobil or any of its subsidiaries and no order being given by a court or authority to prevent or restrict the transfer of any ordinary shares in KenolKobil under the Offer;

(f) there having been no material change in the condition, financial or otherwise, or in the earnings, business, prospects or operations of KenolKobil or the Offer Shares, or any development, circumstance, ongoing occurrence or event which is likely to result in such a change, and which is fundamental to the willingness of Rubis Énergie to proceed with the investment on the terms contemplated by the Offer; and

(g) the Offer having been completed by 5:00 p.m. on 30th July 2019 (Long Stop Date), unless such date is extended by Rubis Énergie, with the approval of the CMA.

Rubis Énergie shall at its sole and absolute discretion waive any Condition which is legally capable of waiver.

For the avoidance of doubt, Conditions (a) shall not be capable of waiver by Rubis Énergie.

In the event of a waiver of a Condition, the appropriate notices will be given to the CMA, the NSE and the shareholders and notification of such waiver will be published in two English language daily newspapers with national circulation in Kenya.

3.4 Further terms of the Offer

(a) Acceptances

KenolKobil shareholders may only accept the Offer in respect of their entire holding of KenolKobil Shares. No KenolKobil shareholder shall be entitled to accept the Offer in respect of less than his/her entire holding of KenolKobil Shares.

(b) Acceptance period

The Offer will be open for acceptance until 5:00 p.m. on 18th February 2019.

Rubis Énergie reserves the right, subject to obtaining the necessary regulatory consents, to extend the Offer Period beyond such time and/or date. Any such extension will be notified to KenolKobil shareholders through a notice in any two English language daily newspapers with national circulation in Kenya.
All references in this document to the Closing Date shall (except where the context otherwise requires), if the Offer Period is extended, be deemed to refer to the expiry date of the Offer Period as so extended.

(c) Revision of the Offer

In accordance with regulation 16 of the Take-over Regulations, Rubis Énergie reserves the right to vary the terms and conditions of the Offer provided such variation is made at least five days before the Closing Date. Rubis Énergie shall send a revised Offer Document to KenolKobil, the CMA and the NSE within 24 hours of its decision to vary the Offer, and shall publish a press announcement in any two English language daily newspapers with national circulation in Kenya.

Any revised Offer made to KenolKobil shareholders will be deemed to have been accepted by any KenolKobil shareholder who has already accepted the Offer in its original or any previously revised form(s) provided the revised Offer is at a price no less than the Offer Price stated in this document.

(d) Announcements

As soon as practicable following the day on which the Offer is due to become unconditional in all respects or is revised or extended, KenolKobil will make an appropriate announcement in any two English language daily newspapers with national circulation in Kenya.

(e) Variations

Upon submission of the Form of Acceptance any KenolKobil shareholder who has accepted the Offer shall be deemed to have accepted any variations to the Offer unless such variations are material. For the purposes of this paragraph, material variations will be variations where the Offer Price is lowered or the Conditions altered.

(f) Non-resident KenolKobil shareholders

This Offer Document does not intend to and does not constitute or form part of any Offer to sell or to subscribe for or an invitation to purchase or subscribe for any securities in any jurisdiction pursuant to the Offer or otherwise, nor shall there be any sale, purchase issuance or transfer of securities in any jurisdiction in contravention of applicable law.

The Offer is for securities of a company incorporated under the laws of Kenya and is subject to the procedure and disclosure requirements of Kenyan law. Since this document has been prepared in accordance with Kenyan law and the Take-over Regulations, the information disclosed may not be the same as that which would have been prepared in accordance with the laws of any other jurisdiction.

The making of the Offer to KenolKobil shareholders who are citizens, residents or nationals of jurisdictions outside Kenya or to any custodian or nominee of, or trustee for, any such person may be affected by the laws of the relevant foreign jurisdiction. Each such person should inform himself of and observe any applicable legal requirements in relation to the Offer.

(g) Rights to the Shares

In all respects, the ordinary shares of KenolKobil will be acquired free from all liens, charges, encumbrances and other interests and together with all rights now and hereafter attaching thereto, including the right to receive all dividends and other distributions declared, made or paid after the date of the Notice of Intention.

(h) Form of Acceptance

Each KenolKobil shareholder by whom, or on whose behalf, a Form of Acceptance is executed irrevocably undertakes, authorises, represents, warrants and agrees to and with Rubis Énergie (so as to bind it/him/her and its/his/her successors and assigns) that:

(i) it/he/she is irrevocably and unconditionally entitled to transfer the legal and beneficial ownership of the Offer Shares comprised in the acceptance of the Offer;

(ii) the Offer Shares are sold free from all liens, charges, encumbrances, equities and other interests and together with all rights now or subsequently attaching to them including the rights to all dividends and distributions declared, made or paid thereafter;

(iii) it/he/she, has fully complied with the laws of any relevant jurisdiction in connection with the Offer;

(iv) if KenolKobil declares and pays a dividend to its shareholders after 20th December 2018 and before the completion of the Offer,
then it/he/she authorizes Rubis Énergie to deduct (and retain) such amount of the gross dividend per Share paid to KenolKobil shareholders from the Offer Price payable to it/him/her;

(v) the execution of the Form of Acceptance shall constitute a valid acceptance of the Offer in respect of the number of Offer Shares inserted, or deemed inserted, in the Form of Acceptance, in each case on and subject to the terms and conditions set out or referred to in this document;

(vi) the execution of the Form of Acceptance shall constitute an undertaking to execute all or any documents and/or give any such further assurance as may be required to enable Rubis Énergie to obtain the full benefit of the terms of this document and/or to perfect any of the authorities expressed to be given hereunder;

(vii) the execution of the Form of Acceptance constitutes, subject to the Offer becoming or being declared unconditional in all respects in accordance with its terms, the irrevocable authority and instruction to CDSC to transfer its/his/her KenolKobil Shares from its/his/her CDS Account to Rubis Énergie’s CDS Account or to the order or instructions of Rubis Énergie;

(viii) the execution of the Form of Acceptance constitutes, subject to the Offer becoming or being declared unconditional in all respects in accordance with its terms, the irrevocable appointment of any Rubis Énergie director (or other individual(s) appointed in writing by any Rubis Énergie director) as such shareholder’s attorney and agent, and an irrevocable instruction and authority to the attorney to:

(aa) procure that it/he/she is paid the Offer Price in the manner set out in the Form of Acceptance;

(bb) complete and execute all or any form(s) of transfer and/or other document(s) (including deeds or any document required to be signed, sealed and delivered) as may be necessary or desirable in the attorney’s discretion in relation to the Offer Shares referred to in paragraph (h)(i) above in favour of Rubis Énergie;

(cc) deliver any such form(s) of transfer and/or other document(s) together with the certificate(s) and/or other document(s) of title relating to the Offer Shares in the attorney’s discretion for registration within 30 days following the Offer becoming unconditional in all respects; and

(dd) execute all such other documents and do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the acceptance of the Offer and to vest in Rubis Énergie such Offer Shares.

(i) Compulsory acquisition and De-listing of KenolKobil

If the Offer is accepted by shareholders owning at least ninety per cent (90%) of the Shares of KenolKobil which are subject of the Offer, Rubis Énergie shall apply the provisions of Part XXIV, Division 4 of the Companies Act to compulsorily acquire the remaining issued Shares of KenolKobil. Further, Rubis Énergie will initiate a process to obtain the required shareholder and regulatory approvals to de-list KenolKobil Shares from the NSE.

In the event that, on completion of the Offer, Rubis Énergie owns more than 75% but fewer than 90% of the issued Shares in KenolKobil, Rubis Énergie may initiate process to obtain the required shareholder and regulatory approvals required to de-list KenolKobil’s Shares from the NSE. In such an event, Rubis Énergie intends to vote in favour of a shareholders’ resolution to de-list KenolKobil’s Shares and seek the support of other shareholders to vote likewise. If the shareholders’ resolution meets the criteria specified in the CMA regulations (i.e. a special resolution in favour of a de-listing by KenolKobil shareholders at a shareholders’ meeting at which a minimum of 75% of KenolKobil shareholders are represented without objection to the proposed withdrawal from at least 10% of the holders of the Shares) then KenolKobil will proceed to apply for regulatory approvals and, on receipt, de-list from the exchange.

If KenolKobil is so de-listed, KenolKobil’s shareholders who do not wish to accept the Offer and whose Shares are not acquired in the circumstances provided in the Companies
Act will, in such an event, remain minority shareholders in an unlisted company, thereby limiting the liquidity in the trading of their Shares.

In other circumstances, after the Offer completes KenolKobil will remain a listed entity until such time as (i) Rubis Énergie and its fellow KenolKobil shareholders vote to de-list the company and obtain the required regulatory approvals to do so or (ii) CMA requires NSE to de-list the Shares of KenolKobil for other reasons specified in Regulation 22(4) and 22(5) of the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002. However, as stated earlier, Rubis Énergie intends to use its resulting shareholder votes and position as the single largest shareholder of KenolKobil to appoint the majority of the board of directors of KenolKobil and procure that KenolKobil adopts Rubis Group’s financial and operating policies thereby making KenolKobil a subsidiary of Rubis Énergie.

In the circumstances outlined in the paragraph above, KenolKobil shareholders will remain minority shareholders in a listed company controlled by Rubis Énergie. Whilst KenolKobil will comply with corporate governance regulations applicable to such entities, it is possible that the financial and operating policies that KenolKobil adopts will differ significantly from those it applied prior to the Offer. In particular, as a result of a higher expected level of capital expenditure allocated to growth and to bringing assets in line with Rubis Group requirements, dividends per Share may be reduced.

(j) Dividends

In all respects, the Offer Shares will be acquired free from all liens, charges, encumbrances and other interests and together with all rights now and hereafter attaching thereto including the right to receive all dividends and other distributions declared, made or paid after their acquisition.

If KenolKobil declares and pays a dividend to its shareholders after 20th December 2018 and before the completion of the Offer, then Rubis Énergie will deduct (and retain) such amount of the gross dividend per Share paid to KenolKobil shareholders from the Offer Price payable to Accepting Shareholders.

(k) General

(i) The Offer will be open for acceptance from 9:00 a.m. on 20th December 2018.

(ii) The Offer will remain open for acceptance until 5:00 p.m. on 18th February 2019. Subject to obtaining the consent of the CMA, Rubis Énergie reserves the right to extend the Offer Period beyond such time and/or date. Any extension of the Offer Period will be announced by Rubis Énergie in two English language daily newspapers with national circulation in Kenya.

(iii) Without prejudice to any other provision of this PART 3, Rubis Énergie reserves the right to treat acceptances of the Offer as valid if not entirely in order or not accompanied by the relevant share certificate(s) and/or other relevant document(s) of title where the KenolKobil Shares are not dematerialised.

In that event, no payment of cash will be made under the Offer until the relevant share certificate(s) and/or other document(s) of title and/or indemnity in the form approved by Rubis Énergie have been received.

(iv) Each KenolKobil shareholder shall be responsible for all communications, notices, certificates, documents of title and other documents and remittances to be delivered by or to, or sent to or from, him/her or it or his/her or its designated agent.

(v) Any omission to dispatch this document to, or any failure to receive it by, any person to whom the Offer is made, or should be made, shall not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person. The Offer extends to any KenolKobil shareholder to whom this document may not have been dispatched. All reasonable efforts shall be made to send the Offer Document to all KenolKobil shareholders on the register of members as at the Record Date. The Offer Document shall be sent to the address provided by shareholders in the register of members or the last known address of such shareholder.

(vi) The instructions, authorities, terms and provisions contained in or deemed to be incorporated in the rest of this document and the accompanying Form of Acceptance constitute part of the terms of the Offer.
(vii) All references in this document to 18th February 2019 (the Closing Date) shall (except where the context otherwise requires), if the Offer Period is extended, be deemed to refer to the expiry date of the Offer Period as so extended.

(viii) The Offer, all acceptances of it, and all contracts arising from or pursuant to any of them and all action made or taken or deemed to have been made or taken under any term of the Offer shall be governed by and construed in accordance with Kenyan law.

3.5 Disclosures

(a) Financing arrangements

It is estimated that acceptance of the Offer by all KenolKobil shareholders would require the payment by Rubis Energie of approximately KES 27.2 billion in cash. The cash consideration required to implement the Offer will be provided from existing lines of credit or current account advances from its sole shareholder, Rubis SCA, and has sufficient funds to do so.

SBG Securities, Rubis Énergie’s financial adviser and sponsoring stockbroker has confirmed that it is satisfied that sufficient resources are available to Rubis Énergie to satisfy the maximum amount of cash payable under the Offer. A copy of the comfort letter from SBG Securities Limited, confirming the existence of adequate funds to pay the maximum amount of cash payable under the Offer is set out in APPENDIX 2.

(b) Existing Shares

As at the date of the Notice of Intention, Rubis Énergie holds 367,793,124 ordinary shares of KES 0.05 each representing twenty-three decimal seven two percent (23.72%) of KenolKobil’s issued share capital.

(c) Arrangements and Understandings

Rubis Énergie has received irrevocable undertakings from certain shareholders of KenolKobil to accept the Offer as it relates to the Shares in KenolKobil that they either hold or in respect of which they have some entitlement (“Subject Shares”) as follows:

<table>
<thead>
<tr>
<th>Name and address of the person giving the irrevocable undertaking</th>
<th>Date of undertaking</th>
<th>Number of Shares covered by the irrevocable undertaking</th>
<th>Percentage of total issued Shares on the date of this Offer Document</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tasmin Limited</td>
<td>23rd October 2018</td>
<td>62,396,334</td>
<td>4.17%</td>
</tr>
<tr>
<td>David Ohana</td>
<td>24th October 2018</td>
<td>88,000,000</td>
<td>5.67%</td>
</tr>
</tbody>
</table>

Under the terms of the irrevocable undertaking Tasmin Limited has represented, warranted and undertaken to Rubis Energie, inter alia:

(i). not to solicit, entertain or accept any Offer to purchase the Subject Shares other than with respect to the Offer;

(ii). to accept the Offer within 10 Business Days of the beginning of the Offer period stipulated in the Offer document to be provided in relation to the Offer;

(iii). not to withdraw (or allow any person to withdraw) any acceptance of the Offer in respect of the Subject Shares or any of them notwithstanding that the Offer may contain rights for shareholders to withdraw acceptances;

(iv). not to sell, transfer, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, charging or other disposition or creation or grant of any other encumbrance or option of or over all of any of the Subject Shares or interest in the Subject Shares except under the Offer;

(v). not to requisition any shareholder meeting of the Company without the consent of Rubis Énergie;

(vi). not to acquire any ordinary shares or any other interest in any other securities of KenolKobil; and

(vii). to vote the Subject Shares in favour of any resolution that may be required in
connection with the Offer and the takeover transaction contemplated by the Offer.

On 1st January 2017, David Ohana, KenolKobil’s Chief Executive Officer was granted a right, under the terms of the KenolKobil Employee Share Ownership Scheme (“ESOP”), to acquire options over eighty eight million (88,000,000) units in the ESOP on diverse future dates, at a subscription price of KES 10.30. Each such unit in the ESOP is the equivalent of one (1) ordinary Share in the issued share capital of KenolKobil. The options over units can be exercised by Mr. Ohana on the relevant exercise dates or within 6 months of a ‘Change in Ownership’, which includes a replacement of the largest shareholder of KenolKobil which has occurred by Rubis Énergie acquiring the Shares of Wells as stated above.

By an undertaking dated 24th October 2018 to Rubis Énergie, Mr. Ohana agreed that he will:

(i) exercise his above options, pursuant to which the ESOP will allot to him 88,000,000 units in the ESOP; and
(ii) redeem such units and instruct the trustees of the ESOP to sell the underlying 88,000,000 Shares by accepting the Offer.

(d) Persons acting in concert and options to acquire Shares

Rubis Énergie is not acting in concert with any person (whether pursuant to a formal or informal agreement or understanding) in relation to the acquisition of the Offer Shares.

Neither Rubis Énergie, nor any of its related companies or any person associated or acting in concert with it has an option to acquire any Shares in KenolKobil (save as set out above in respect of various undertakings from Tasmin Limited and David Ohana).

(e) Miscellaneous

(i) Save for the Offer to purchase the Shares that David Ohana, (the KenolKobil Chief Executive Officer) is entitled to under the ESOP for the Offer Price (as stated above), and the Offer to purchase the Shares held by Tasmin Limited, no payment or other benefit is proposed to be made or to be given to any director of KenolKobil or of any other company related to him/her as consideration, or in connection with, their retirement from office, by Rubis Énergie or any company or any person associated or acting in concert with it.

(ii) Save for the undertaking to Rubis Énergie from David Ohana, (the KenolKobil Chief Executive Officer), as set out above, there is no other agreement or arrangement made between Rubis Énergie and any of the directors of KenolKobil in connection with or conditional upon the outcome of the Offer.

(iii) Rubis Énergie intends to acquire all of KenolKobil’s Shares and has no present intention of disposing of them and intends to continue carrying on the business of KenolKobil which will be operated as a trading subsidiary carrying on the Kenyan operations of the Rubis Group.

(iv) There is no agreement or arrangement by which any of KenolKobil’s Shares acquired by Rubis Énergie in pursuance of the Offer will or may be transferred to any other person.

(v) No voting shares acquired in pursuance of the Offer will be transferred within a foreseeable period from the date of this Offer Document to any other person.

(vi) Rubis Énergie has no plans to introduce major changes to the business of KenolKobil arising directly from the Offer, it has no plans to liquidate KenolKobil, sell its assets, re-deploy its assets or otherwise effect major changes to KenolKobil’s operations. However, the future development of Rubis Group’s business in Kenya will be determined by the executive management. The board of directors of KenolKobil will be constituted in a manner consistent with the operation of KenolKobil as a subsidiary of Rubis Énergie. No significant changes to the management and employees of KenolKobil are expected to be made as a direct result of the Offer.

(vii) Save for the 367,793,124 Shares acquired by Rubis Énergie on the NSE on 23rd October 2018 as described more fully in Part 2.6, it has not dealt in the voting shares in KenolKobil during the period commencing six months prior to the beginning of the Offer and ending with the latest practicable date prior to the sending of the Offer Document.
4.1 Completing the Form of Acceptance

To accept the Offer you must complete the accompanying Form of Acceptance in accordance with the instructions set out in the Form of Acceptance.

KenolKobil shareholders may only accept the Offer in respect of their entire holding of KenolKobil Shares. No KenolKobil shareholder shall be entitled to accept the Offer and in respect of less than their entire holding of KenolKobil Shares.

4.2 Returning your completed Form of Acceptance

A properly completed and duly executed Form of Acceptance, (together with the share certificate(s) for your KenolKobil Shares and/or other document(s) of title where the Shares are not dematerialised at the CDS), should be returned to an Authorised Acceptance Agent. Forms of Acceptance should be returned as soon as possible but in any event so as to be received no later than 5:00 p.m. on 18th February 2019.

The method of delivery of the Forms of Acceptance, together with the relevant share certificate(s) and/or other document(s) of title, is at the election and responsibility of each accepting KenolKobil shareholder. If delivery is by mail, accepting KenolKobil shareholders are advised to use registered mail. In all cases, sufficient time must be allowed to ensure delivery to an Authorised Acceptance Agent by 5:00 p.m. on 18th February 2019.

If your shares are not dematerialised at the CDS and your Share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, you should contact Image Registrars Limited. In such circumstances, Image Registrars Limited will prepare a letter of indemnity that you may collect from its offices provided you present suitable identification (i.e. an identity card, passport or other type of formal identification). This letter of indemnity should then be completed in accordance with the instructions printed thereon and lodged, together with a properly completed and duly executed Form of Acceptance, with an Authorised Acceptance Agent as soon as possible but in any event so as to be received no later than 5:00 p.m. 18th February 2019.

4.3 Validity of acceptances

Rubis Énergie reserves the right to treat as valid, in whole or in part, any acceptance of the Offer which is not accompanied by the relevant share certificate(s) and/or other document(s) of title where the Shares are not dematerialised under the CDS. In that event, no payment of cash will be made until after the relevant share certificate(s) and/or other document(s) of title or an indemnity satisfactory to Rubis Énergie have been received.

4.4 Non-resident KenolKobil shareholders

If you receive a copy of this document and/or the accompanying Form of Acceptance in a jurisdiction other than Kenya, you may not treat it as constituting an invitation or offer to you, nor should you in any event use such Form of Acceptance, unless, in the relevant jurisdiction, the Offer could lawfully be made to, and accepted by, you. It is your responsibility if you are outside Kenya and/or subject to the laws of any other jurisdiction and if you receive a copy of this document and/or the accompanying Form of Acceptance and wish to accept the Offer, to satisfy yourself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any government or other consents and compliance with other necessary formalities, and to pay any transfer or other taxes or duties required to be paid in such jurisdiction in respect of the Offer.
Part 5
Settlement

5.1 Processing

Upon submitting the Form of Acceptance, the Authorised Acceptance Agent shall verify that the forms have been duly completed.

Rubis Énergie will appoint a processing agent who shall:

(a) receive all Forms of Acceptances from the Authorised Acceptance Agents and secure their safe custody;

(b) verify that all the details in the Form of Acceptance are duly filled in;

(c) return any rejected Forms of Acceptance that have not been duly completed to the Authorised Acceptance Agents within 48 hours of receipt;

(d) prepare the final reconciled acceptance list showing shareholders who have accepted the Offer and amounts payable against each;

(e) prepare a global acceptance report to be submitted to the CMA for approval to publish the result; and

(f) upon final acceptance, ensure that all Accepted Shares are registered in the name of Rubis Énergie at the CDSC.

5.2 Settlement

Subject to the Offer becoming or being declared unconditional in all respects, settlement of the Offer Price to which any KenolKobil shareholder is entitled under the Offer will be effected, in the case of acceptances received, complete in all respects, by the date on which the Offer becomes unconditional in all respects, within 14 days of such date.

The settlement of the Offer Price shall be effected through the Paying Bank. The Paying Bank shall procure that payments are processed in accordance with this Offer Document and the Form of Acceptance. The Paying Bank shall organise the payment of the Accepted Shares by:

(a) Mobile Money (M-Pesa, Airtel Money, T-Kash) for amounts between KES 50 and KES 70,000 to the mobile phone number provided by the Accepting Shareholder. This option is only applicable to individuals and is not applicable to persons whose Shares are held in a joint account or to a company, society or other corporate entity. Mobile money details must correspond with data from the provider or the payment will be defaulted to cheque and mailed to the address on the register or as indicated on the Form of Acceptance. Where a shareholder is entitled to receive less than KES 50, the sum shall be paid by means of a cheque:

(b) cheque to the mailing address of the shareholder as set out in Box 1 of the Form of Acceptance. However where the net proceeds payable to a KenolKobil shareholder exceed KES 1,000,000 the payment will be effected by electronic funds transfer and the shareholder must provide accurate bank details on the Form of Acceptance; or

(c) electronic funds transfer (“EFT”). A KenolKobil shareholder may elect to receive payment by EFT. The shareholder must provide accurate bank account details in the Form of Acceptance. All amounts in excess of KES 1,000,000 shall be effected by way of EFT.

If a shareholder does not provide any valid payment details, the funds will be remitted to its CDA.

5.3 Settlement of pledged Shares

If a shareholder’s Shares in KenolKobil are pledged to a financial institution or any third party (“Pledgee”), the Offer Price shall be payable to the Pledgee in accordance with the rules of the CDSC. KenolKobil shareholders who have pledged their Shares are advised to consult the Pledgee and where the pledge has been satisfied:

(a) obtain a discharge of the pledge from the Pledgee and lodge this with the CDSC for discharge of the pledge; or

(b) obtain all relevant documentation on the discharge of the pledge (including a duly executed form CDS 6) and send this together with the Form of Acceptance to the Authorised Acceptance Agent. The documentation shall be lodged with the CDSC for verification, processing, and discharge of the pledge in accordance with the CDSC rules. In the event that the CDSC does not approve or verify the discharge of the pledge, the Offer Price shall be payable to the Pledgee in accordance with the rules of the CDSC.
5.4 General

KenolKobil shareholders are responsible for the safe delivery of all documents sent by or to them in connection with the Offer.

If the Offer does not become or is not declared unconditional in all respects, the share certificate(s) and/or other document(s) of title in respect of KenolKobil shareholders that have accepted the Offer will be returned to the CDA through whom they were delivered or where they were sent by post, they will be mailed back by post within 21 days of the Offer lapsing to the person or agent whose name and address is set out in Box 1 on the accompanying Form of Acceptance or, if none is set out, to the first-named holder at his or her registered address.


6.1 General

SBG Securities has given and not withdrawn its consent to the issue of this Offer Document with the inclusion herein of its letter and name and the reference thereto, in the form and context in which they appear respectively.

6.2 Documents available for inspection

Copies of the following documents will be available for inspection, free of charge, at the registered office of SBG Securities at Stanbic Centre, Chiromo Road, Nairobi, Kenya during normal business hours on any weekday (public holidays excepted), until the Closing Date:

(a) the letters from the CMA containing the regulatory approvals referred to in paragraph 1.14 of this document;
(b) Rubis SCA’s consolidated financial statements; and
(c) Letter dated 20th December 2018 from SBG Securities Limited.
Appendix 1
Financial Information on Rubis Énergie

Rubis Énergie prepares statutory financial statements to 31st December each year in accordance with the accounting standards defined by applicable French regulations in force, in compliance with Autorité des normes comptables (“ANC”) Regulation 2014-03. Further, Rubis Énergie has applied the recommendations of the National Accounting Council, the Order of Auditors and Certified Accountants and the National Council of Auditors, as well as other generally accepted French accounting principles. These financial statements have been subject to audit and have received unqualified audit reports from Rubis Énergie’s auditors - Mazars.

As Rubis Énergie is a wholly owned subsidiary of Rubis SCA that produces consolidated financial statements incorporating the results and financial position of Rubis Énergie and its subsidiaries, the statutory financial statements that Rubis Énergie prepares are for the company as a separate entity only. Consequently, the tables below set out summary unconsolidated financial statements for Rubis Énergie.

As set out above, Rubis SCA produces consolidated financial statements for the Rubis Group in accordance with International Financial Reporting Standards (IFRS) that incorporate the results and financial position of Rubis Énergie and its subsidiaries. Further, in these consolidated financial statements set out information on business segments as required by IFRS – including summary income statement and balance sheet items attributable to the “Rubis Énergie Distribution division” and “Rubis Énergie Support and Services division” that primarily comprises the business activities conducted by Rubis Énergie and its subsidiaries.

Consequently, to provide you with a fuller understanding of the financial results and financial position of Rubis Énergie and its subsidiaries we have set out the segmental information that aggregates the financial information for the Rubis Énergie Distribution division and the financial information for the Rubis Énergie Support and Services division as extracted from the Rubis SCA audited financial statements for the year ended 31st December 2017. These business segments together represent the entire scope of business activities conducted by Rubis Énergie and its subsidiaries. In addition, we have set out summaries of the Rubis Group consolidated financial statements for the years ended 31st December 2016, year ended 31st December 2017 and for the six-month period ended 30th June 2018.

(a) Summary separate financial statements for Rubis Énergie

The sections below set out extracts from Rubis Énergie’s audited financial statements for the two financial periods to 31st December 2016 and 31st December 2017. Rubis Énergie prepares its financial statements in Euro. For illustrative purposes only, the summary financial statements to 31st December 2017 have also been translated into Kenya Shilling equivalents using the closing mean exchange rate as at 29th December 2017 of KES 123.2797 per EUR as published on the Central Bank of Kenya website.
(i) **Summary balance sheet**

<table>
<thead>
<tr>
<th>Rubis Énergie separate financial statements</th>
<th>As at 31 Dec 16</th>
<th>As at 31 Dec 17</th>
<th>KES equivalent as at 31 Dec 17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUR million</td>
<td>EUR million</td>
<td>KES million</td>
</tr>
<tr>
<td>Fixed assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>0.1</td>
<td>0.1</td>
<td>7</td>
</tr>
<tr>
<td>Property Plant and Equipment</td>
<td>0.2</td>
<td>0.3</td>
<td>32</td>
</tr>
<tr>
<td>Investment in subsidiaries</td>
<td>1,413.5</td>
<td>1,960.3</td>
<td>241,662</td>
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<tr>
<td>Other long-term financial assets</td>
<td>0.3</td>
<td>0.5</td>
<td>67</td>
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<tr>
<td></td>
<td>1,414.0</td>
<td>1,961.1</td>
<td>241,768</td>
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<tr>
<td>Current assets</td>
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<tr>
<td>Inventories</td>
<td>7.6</td>
<td>8.8</td>
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<td>Receivables</td>
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<td>Cash and cash equivalents</td>
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<td>Pre-paid expenses</td>
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<tr>
<td>Positive exchange differences</td>
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<tr>
<td><strong>Total assets</strong></td>
<td><strong>1,459.2</strong></td>
<td><strong>2,015.1</strong></td>
<td><strong>248,423</strong></td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Paid-up capital</td>
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<tr>
<td>Share, merger, contribution premiums</td>
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<tr>
<td>Retained earnings</td>
<td>35.7</td>
<td>43.4</td>
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<tr>
<td>Other reserves</td>
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<td>39.4</td>
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<tr>
<td></td>
<td>514.7</td>
<td>732.9</td>
<td>90,346</td>
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<tr>
<td>Provisions</td>
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<td>0.2</td>
<td>29</td>
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<tr>
<td>Financial and other liabilities</td>
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<tr>
<td>Financial debts</td>
<td>924.6</td>
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<td>Operating liabilities</td>
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<td>Other liabilities and accruals</td>
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<td></td>
<td>943.3</td>
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<tr>
<td>Conversion variances</td>
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<td>0</td>
</tr>
<tr>
<td><strong>Total shareholders’ funds and liabilities</strong></td>
<td><strong>1,459.2</strong></td>
<td><strong>2,015.1</strong></td>
<td><strong>248,423</strong></td>
</tr>
</tbody>
</table>

Source: Rubis Énergie audited financial statements for the year ended 31 December 2017
### (ii) Summary income statement

<table>
<thead>
<tr>
<th>Rubis Énergie separate financial statements</th>
<th>Year ended 31 Dec 16</th>
<th>Year ended 31 Dec 17</th>
<th>KES equivalent Year ended 31 Dec 17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUR million</td>
<td>EUR million</td>
<td>KES million</td>
</tr>
<tr>
<td>Sales revenue</td>
<td>250.1</td>
<td>256.5</td>
<td>31,616</td>
</tr>
<tr>
<td>Other operating income</td>
<td>0.5</td>
<td>0.3</td>
<td>33</td>
</tr>
<tr>
<td>Operating revenue</td>
<td>250.5</td>
<td>256.7</td>
<td>31,649</td>
</tr>
<tr>
<td>Operating costs</td>
<td>(262.1)</td>
<td>(271.5)</td>
<td>(33,474)</td>
</tr>
<tr>
<td>Operating profit / (loss)</td>
<td>(11.5)</td>
<td>(14.8)</td>
<td>(1,825)</td>
</tr>
<tr>
<td>Financial income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit from joint ventures</td>
<td>0.1</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>Financial income from equity investments</td>
<td>135.6</td>
<td>152.2</td>
<td>18,766</td>
</tr>
<tr>
<td>Interest and similar income</td>
<td>0.5</td>
<td>0.1</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>136.2</td>
<td>152.3</td>
<td>18,774</td>
</tr>
<tr>
<td>Financial expenses</td>
<td>(12.4)</td>
<td>(12.0)</td>
<td>(1,474)</td>
</tr>
<tr>
<td>Net income before tax from recurring activities</td>
<td>112.1</td>
<td>125.5</td>
<td>15,475</td>
</tr>
<tr>
<td>Net Non-recurring income / (expense)</td>
<td>4.7</td>
<td>(1.9)</td>
<td>(234)</td>
</tr>
<tr>
<td>Income tax</td>
<td>(0.0)</td>
<td>(0.0)</td>
<td>(0)</td>
</tr>
<tr>
<td><strong>Net profit after tax</strong></td>
<td><strong>116.8</strong></td>
<td><strong>123.6</strong></td>
<td><strong>15,241</strong></td>
</tr>
</tbody>
</table>

Source: Rubis Énergie audited financial statements for the year ended 31 December 2017
(iii) Summary statement of changes in equity

<table>
<thead>
<tr>
<th>Rubis Énergie separate financial statements</th>
<th>Year ended 31 Dec 17 Audited EUR million</th>
<th>KES equivalent Year ended 31 Dec 17 KES million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders’ equity at beginning of the period</td>
<td>514.7</td>
<td>63,448</td>
</tr>
<tr>
<td>Changes in the period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in paid up capital</td>
<td>35.0</td>
<td>4,315</td>
</tr>
<tr>
<td>Increase in share premium</td>
<td>168.0</td>
<td>20,711</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>123.6</td>
<td>15,236</td>
</tr>
<tr>
<td>Distributions to owners</td>
<td>(110.4)</td>
<td>(13,610)</td>
</tr>
<tr>
<td>Change in regulated and other provisions</td>
<td>2.0</td>
<td>246</td>
</tr>
<tr>
<td></td>
<td>218.2</td>
<td>26,898</td>
</tr>
<tr>
<td>Shareholders’ equity at end of period</td>
<td>732.9</td>
<td>90,346</td>
</tr>
</tbody>
</table>

Source: Rubis Énergie audited financial statements for the year ended 31 December 2017
(iv) Summary statement of cash flows

In accordance with French generally accepted accounting principles, Rubis Énergie does not produce cash flow statements. However, a summary of the Rubis Group consolidated cash flow statements is set out in section (c)(iv) below.

(v) Earnings per share

In accordance with French generally accepted accounting principles, Rubis Énergie does not publish earnings per share information. However, a summary of the Rubis Group consolidated earnings per share is set out in section (c)(v). below

(b) Summary segment financial information attributed to Rubis Énergie Distribution division and Rubis Énergie Support and Services division

The tables below set out extracts of segment financial information relating to the Rubis Énergie Distribution division and the Rubis Énergie Support and Services division (fully part of Rubis Énergie) extracted from the consolidated financial statements published by Rubis SCA for the year ended 31st December 2016 and the year ended 31st December 2017. Rubis SCA prepares its financial statements in Euro. For illustrative purposes only, the summary financial statements to 31st December 2017 have also been translated into Kenya Shilling equivalents using the closing mean exchange rate as at 29th December 2017 of KES 123.2797 per EUR as published on the Central Bank of Kenya website.

(i) Balance sheet items

<table>
<thead>
<tr>
<th>Group balance sheet items attributed to Rubis Énergie Distribution division and Rubis Énergie Support and Services division</th>
<th>As at 31 Dec 16 Audited EUR million</th>
<th>As at 31 Dec 17 Audited EUR million</th>
<th>KES equivalent as at 31 Dec 17 KES million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>1,558.6</td>
<td>1,974.0</td>
<td>243,356</td>
</tr>
<tr>
<td>Equity interests</td>
<td>176.4</td>
<td>283.0</td>
<td>34,883</td>
</tr>
<tr>
<td>Investments in joint ventures</td>
<td>0.0</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>12.4</td>
<td>6.9</td>
<td>854</td>
</tr>
<tr>
<td>Segment assets</td>
<td>983.8</td>
<td>1,204.8</td>
<td>148,532</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>2,731.1</td>
<td>3,468.7</td>
<td>427,625</td>
</tr>
<tr>
<td>Consolidated shareholders’ equity</td>
<td>1,089.2</td>
<td>1,364.3</td>
<td>168,188</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td>786.4</td>
<td>1,211.5</td>
<td>149,351</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>12.7</td>
<td>14.9</td>
<td>1,839</td>
</tr>
<tr>
<td>Segment liabilities</td>
<td>842.9</td>
<td>878.1</td>
<td>108,246</td>
</tr>
<tr>
<td>TOTAL LIABILITIES</td>
<td>2,731.1</td>
<td>3,468.7</td>
<td>427,625</td>
</tr>
<tr>
<td>Borrowings and financial debt</td>
<td>786.4</td>
<td>1,211.5</td>
<td>149,351</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>411.4</td>
<td>402.7</td>
<td>49,645</td>
</tr>
<tr>
<td>NET FINANCIAL DEBT</td>
<td>375.0</td>
<td>808.8</td>
<td>99,706</td>
</tr>
<tr>
<td>CAPITAL EXPENDITURE</td>
<td>95.7</td>
<td>134.6</td>
<td>16,595</td>
</tr>
</tbody>
</table>

Source: Rubis SCA audited financial statements for the year ended 31st December 2017
(ii) Income statement items

<table>
<thead>
<tr>
<th>Group income statement items attributed to</th>
<th>Year ended 31 Dec 16</th>
<th>Year ended 31 Dec 17</th>
<th>KES equivalent year ended 31 Dec 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rubis Énergie Distribution division and Rubis Énergie Support and Services division</td>
<td>Audited EUR million</td>
<td>Audited EUR million</td>
<td>KES million</td>
</tr>
<tr>
<td>Sales revenue from third-parties</td>
<td>2,715.7</td>
<td>3,603.8</td>
<td>444,280</td>
</tr>
<tr>
<td>EBITDA</td>
<td>351.9</td>
<td>412.2</td>
<td>50,816</td>
</tr>
<tr>
<td>Earnings Before Interest and Tax</td>
<td>261.4</td>
<td>317.5</td>
<td>39,135</td>
</tr>
<tr>
<td>Share of income from joint ventures</td>
<td>0.0</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>Operating income after profit/loss from joint ventures</td>
<td>265.2</td>
<td>314.0</td>
<td>38,714</td>
</tr>
<tr>
<td>Cost of net financial debt</td>
<td>(12.3)</td>
<td>(13.8)</td>
<td>(1,701)</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>(46.8)</td>
<td>(62.2)</td>
<td>(7,668)</td>
</tr>
<tr>
<td>Total net income</td>
<td><strong>200.4</strong></td>
<td><strong>240.9</strong></td>
<td><strong>29,699</strong></td>
</tr>
</tbody>
</table>

Source: Rubis SCA audited financial statements for the year ended 31st December 2017

(c) Summary Rubis SCA consolidated financial information

The sections below set out extracts from Rubis SCA’s audited financial statements for the two financial periods to 31st December 2016 and 31st December 2017 and the unaudited half-year financial statements to 30th June 2018.

Rubis SCA prepares its financial statements in Euro. For illustrative purposes only, the summary financial statements to 31st December 2017 have also been translated into Kenya Shilling equivalents using the closing mean exchange rate as at 29th December 2017 of KES 123.2797 per EUR as published on the Central Bank of Kenya website.
(i) Summary balance sheet

<table>
<thead>
<tr>
<th>Rubis Group consolidated balance sheet</th>
<th>As at 31 Dec 16 Audited EUR million</th>
<th>As at 31 Dec 17 Audited EUR million</th>
<th>KES equivalent As at 31 Dec 17 KES million</th>
<th>As at 30 Jun 18 Unaudited EUR million</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets (including goodwill)</td>
<td>795.9</td>
<td>1,136.9</td>
<td>140,156</td>
<td>1,164.1</td>
</tr>
<tr>
<td>Property Plant and Equipment</td>
<td>1,192.3</td>
<td>1,475.4</td>
<td>181,885</td>
<td>1,523.6</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>235.4</td>
<td>99.6</td>
<td>12,272</td>
<td>98.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,223.6</td>
<td>2,711.8</td>
<td>334,313</td>
<td>2,786.0</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories and work in progress</td>
<td>246.6</td>
<td>286.3</td>
<td>35,297</td>
<td>361.0</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>381.6</td>
<td>515.7</td>
<td>63,577</td>
<td>529.3</td>
</tr>
<tr>
<td>Income tax receivables</td>
<td>9.9</td>
<td>39.9</td>
<td>4,914</td>
<td>31.7</td>
</tr>
<tr>
<td>Other current assets</td>
<td>19.2</td>
<td>33.2</td>
<td>4,090</td>
<td>28.4</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>833.7</td>
<td>825.3</td>
<td>101,743</td>
<td>942.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,491.0</td>
<td>1,700.4</td>
<td>209,621</td>
<td>1,892.9</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>3,714.6</td>
<td>4,412.2</td>
<td>543,934</td>
<td>4,678.8</td>
</tr>
<tr>
<td><strong>Shareholders’ equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paid-up capital</td>
<td>113.6</td>
<td>117.3</td>
<td>14,465</td>
<td>121.0</td>
</tr>
<tr>
<td>Share, merger, contribution premiums</td>
<td>1,084.3</td>
<td>1,196.0</td>
<td>147,438</td>
<td>1,350.7</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>659.5</td>
<td>630.8</td>
<td>77,762</td>
<td>614.6</td>
</tr>
<tr>
<td>Total attributable to owners</td>
<td>1,857.4</td>
<td>1,944.1</td>
<td>239,665</td>
<td>2,084.4</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>129.0</td>
<td>134.4</td>
<td>16,563</td>
<td>125.7</td>
</tr>
<tr>
<td><strong>Total shareholders’ funds and liabilities</strong></td>
<td>1,986.4</td>
<td>2,078.4</td>
<td>256,228</td>
<td>2,212.1</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td>798.9</td>
<td>1,234.3</td>
<td>152,158.2</td>
<td>1,159.5</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>281.3</td>
<td>307.1</td>
<td>37,856.6</td>
<td>320.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,080.2</td>
<td>1,541.3</td>
<td>190,015</td>
<td>1,480.0</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td>262.5</td>
<td>277.7</td>
<td>34,232</td>
<td>327.9</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>355.2</td>
<td>457.9</td>
<td>56,446</td>
<td>604.7</td>
</tr>
<tr>
<td>Income tax and other current liabilities</td>
<td>30.3</td>
<td>56.9</td>
<td>7,013</td>
<td>54.2</td>
</tr>
<tr>
<td><strong>Total shareholders’ funds and liabilities</strong></td>
<td>648.0</td>
<td>792.4</td>
<td>97,691</td>
<td>986.8</td>
</tr>
</tbody>
</table>

Source: Rubis SCA audited financial statements for the year ended 31st December 2017 and half-year financial report as of 30th June 2018
## (ii) Summary income statement

<table>
<thead>
<tr>
<th>Rubis Group consolidated Income Statement</th>
<th>Year ended 31 Dec 16 Audited EUR million</th>
<th>Year ended 31 Dec 17 Audited EUR million</th>
<th>KES equivalent year ended 31 Dec 17 KES million</th>
<th>Year ended 30 Jun 18 Unaudited EUR million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>3,003.9</td>
<td>3,932.7</td>
<td>484,816</td>
<td>2,402.5</td>
</tr>
<tr>
<td>Net operating expenses</td>
<td>(2,704.2)</td>
<td>(3,564.6)</td>
<td>(439,448)</td>
<td>(2,200.8)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>299.7</td>
<td>368.0</td>
<td>45,368</td>
<td>201.7</td>
</tr>
<tr>
<td>Other operating income</td>
<td>1.5</td>
<td>2.2</td>
<td>269</td>
<td>(19.4)</td>
</tr>
<tr>
<td>Share of earnings of joint ventures</td>
<td>6.8</td>
<td>3.3</td>
<td>402</td>
<td>2.2</td>
</tr>
<tr>
<td>Operating income after profit/loss from joint ventures</td>
<td>308.0</td>
<td>373.5</td>
<td>46,040</td>
<td>184.6</td>
</tr>
<tr>
<td>Net financial expenses</td>
<td>(16.3)</td>
<td>(11.2)</td>
<td>(1,378)</td>
<td>(9.7)</td>
</tr>
<tr>
<td>Income before tax</td>
<td>291.7</td>
<td>362.3</td>
<td>44,661</td>
<td>174.9</td>
</tr>
<tr>
<td>Income tax</td>
<td>(64.3)</td>
<td>(79.4)</td>
<td>(9,793)</td>
<td>(38.5)</td>
</tr>
<tr>
<td><strong>Total net income</strong></td>
<td><strong>227.4</strong></td>
<td><strong>282.8</strong></td>
<td><strong>34,868</strong></td>
<td><strong>136.3</strong></td>
</tr>
<tr>
<td>Net income, Group share</td>
<td>208.0</td>
<td>265.6</td>
<td>32,741</td>
<td>129.0</td>
</tr>
<tr>
<td>Net income, minority interests</td>
<td>19.4</td>
<td>17.3</td>
<td>2,127</td>
<td>7.3</td>
</tr>
<tr>
<td>Undiluted earnings per share</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(in Euro)*</td>
<td>2.35</td>
<td>2.87</td>
<td>354</td>
<td>1.37</td>
</tr>
<tr>
<td>Diluted earnings per share</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(in Euro)*</td>
<td>2.32</td>
<td>2.84</td>
<td>350</td>
<td>1.35</td>
</tr>
<tr>
<td>Total consolidated net income as above</td>
<td><strong>227.4</strong></td>
<td><strong>282.8</strong></td>
<td><strong>34,868</strong></td>
<td><strong>136.3</strong></td>
</tr>
<tr>
<td>Items that will subsequently be recycled in P&amp;L</td>
<td>17.0</td>
<td>(163.8)</td>
<td>(20,125)</td>
<td>18.7</td>
</tr>
<tr>
<td>Items that will not subsequently be recycled in P&amp;L</td>
<td>(0.6)</td>
<td>(0.2)</td>
<td>(19)</td>
<td>1.5</td>
</tr>
<tr>
<td><strong>Comprehensive income for the period</strong></td>
<td><strong>243.8</strong></td>
<td><strong>119.9</strong></td>
<td><strong>14,725</strong></td>
<td><strong>156.5</strong></td>
</tr>
<tr>
<td>Share attributable to owners of the Group’s parent company</td>
<td>221.1</td>
<td>104.5</td>
<td>12,881</td>
<td>150.2</td>
</tr>
<tr>
<td>Share attributable to non-controlling interest</td>
<td>22.7</td>
<td>15.4</td>
<td>1,904</td>
<td>6.0</td>
</tr>
</tbody>
</table>

Source: Rubis SCA audited financial statements for the year ended 31st December 2017 and half-year financial report as of 30th June 2018
### (iii) Summary statement of changes in equity

<table>
<thead>
<tr>
<th>Rubis Group statement of changes in shareholders’ equity for the year ended 31 Dec 17</th>
<th>Shareholders’ equity attributable to the owners of the Group’s parent</th>
<th>Non-controlling (minority interests) interests</th>
<th>Total Shareholders’ equity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EUR million</td>
<td>EUR million</td>
<td>EUR million</td>
</tr>
<tr>
<td>Shareholders’ equity at beginning of the period</td>
<td>1,857.4</td>
<td>129.0</td>
<td>1,986.4</td>
</tr>
<tr>
<td>Comprehensive income for the period</td>
<td>104.5</td>
<td>15.4</td>
<td>119.9</td>
</tr>
<tr>
<td>Change in interest</td>
<td>(7.9)</td>
<td>4.2</td>
<td>(3.7)</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>6.7</td>
<td>0.0</td>
<td>6.7</td>
</tr>
<tr>
<td>Capital increase</td>
<td>115.8</td>
<td>0.2</td>
<td>116.0</td>
</tr>
<tr>
<td>Treasury shares</td>
<td>0.6</td>
<td>0.0</td>
<td>0.6</td>
</tr>
<tr>
<td>Dividend payment</td>
<td>(133.0)</td>
<td>(14.6)</td>
<td>(147.6)</td>
</tr>
<tr>
<td>Other changes</td>
<td>(0.0)</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Shareholders’ equity at end of period</td>
<td>1,944.1</td>
<td>134.4</td>
<td>2,078.4</td>
</tr>
</tbody>
</table>

Source: Rubis SCA audited financial statements for the year ended 31st December 2017

### (iv) Summary statement of cash flows

<table>
<thead>
<tr>
<th>Rubis Group consolidated statement of cash flows</th>
<th>Year ended 31 Dec 16 Audited EUR million</th>
<th>Year ended 31 Dec 17 Audited EUR million</th>
<th>KES equivalent</th>
<th>Six months ended 30 Jun 18 Unaudited EUR million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow related to operations</td>
<td>311.3</td>
<td>327.8</td>
<td>40,414</td>
<td>198.3</td>
</tr>
<tr>
<td>Cash flow related to investment activities</td>
<td>(165.3)</td>
<td>(641.6)</td>
<td>(79,095)</td>
<td>(108.5)</td>
</tr>
<tr>
<td>Cash flow related to financing activities</td>
<td>(102.1)</td>
<td>341.6</td>
<td>42,118</td>
<td>20.9</td>
</tr>
<tr>
<td>Impact of exchange rate changes</td>
<td>3.3</td>
<td>(36.2)</td>
<td>(4,466)</td>
<td>6.6</td>
</tr>
<tr>
<td>Change in cash and cash equivalents</td>
<td>47.2</td>
<td>(8.4)</td>
<td>(1,029)</td>
<td>117.2</td>
</tr>
</tbody>
</table>

Source: Rubis SCA audited financial statements for the year ended 31 December 2017 and half-year financial report as of 30 June 2018
(v) Earnings per share

As set out in section (c) (ii) above, Rubis SCA reported undiluted earnings per share of EUR 2.87 and diluted earnings per share of EUR 2.84 per share for the year ended 31st December 2017. The undiluted earnings per share is based on the net income of EUR 265.6 million divided by the weighted average number of shares outstanding during the fiscal year. Diluted net earnings per share is calculated by dividing net income by the weighted average number of ordinary shares outstanding, increased by the maximal amount of impact from the conversion of all dilutive instruments.

Management of Rubis SCA estimates the proforma impact on the reported earnings per share for the year ended 31st December 2017 would be an increase of approximately 7%.

This proforma calculation is based on the following assumptions:

i. Rubis Énergie had acquired 100% of the issued share capital of KenolKobil as at 1st January 2017 at the proposed Offer Price and paid the aggregate consideration in cash. Assuming average interest yield on cash and cash equivalents utilised of 0.43% per year, this would have resulted in an after-tax reduction in earnings reported by Rubis SCA of approximately EUR 0.9 million.

ii. KenolKobil reported earnings attributable to owners of KES 2,464,703,000 for the year ended 31st December 2017. Rubis SCA would consolidate these earnings in full resulting in an increase in operating earnings after tax of approximately EUR 20 million - assuming that incremental depreciation and amortization charges on fair value uplift applied to KenolKobil tangible assets and separable intangibles recognized on application of acquisition accounting are immaterial.

iii. There would be no change in the weighted average number of shares in issue used to compute the proforma earnings per share.
20 December 2018

The Capital Markets Authority
Embankment Plaza, 3rd Floor
Longonot Road, off Kilimanjaro Avenue
Upper Hill
P.O. Box 74800 - 00200
Nairobi
Kenya

Dear Sirs

SUBJECT: TAKE-OVER OFFER (“OFFER”) BY RUBIS ÉNERGIE S.A.S (“RUBIS ÉNERGIE”) TO ACQUIRE ALL OF THE ISSUED ORDINARY VOTING SHARES OF KENOLKOBIL PLC (“KENOLKOBIL”)

We, as the financial advisers and sponsoring stockbroker of Rubis Énergie, are issuing this letter in accordance with regulation 22(1) of the Capital Markets (Take-overs and Mergers) Regulations, 2002 (the “Take-over Regulations).

We have been provided with a letter dated 18 December 2018 from Rubis Énergie’s parent company, Rubis SCA, in which Rubis SCA undertakes to ensure that Rubis Énergie will have adequate resources (including, if necessary, by making available to it the necessary funds) to perform its obligations if the Offer is accepted. Further, Rubis SCA has provided us with written confirmations from its bankers (HSBC France, BNP Paribas, Caisse D’Epargne et de Prevoyance Ile-De-France, Crédit Industriel et Commercial and Société Générale) confirming that as at the date of its letter, Rubis SCA held on deposit immediately available funds aggregating to Euros 242,347,184. Additionally, we have reviewed the terms of the Offer in particular the cash offer price of KES 23/= per share.

We confirm that sufficient resources are available to Rubis Énergie to satisfy the maximum amount of cash payable under the Offer. We confirm that the Offer will not fail due to insufficient financial capability of Rubis Énergie and that every KenolKobil shareholder who wishes to accept the Offer will be paid in full.

Yours faithfully

Gregory Waweru
Head: Equities
Appendix 3
Share price movements of KenolKobil Shares

(a) Figure 1: KenolKobil Share price movement compared to Offer Price

![Share price and volume data 4-Jul-17 to 18-Dec-18](image)

Source: Bloomberg, SBG Securities

(b) Offer price premium to traded market prices

<table>
<thead>
<tr>
<th>Period</th>
<th>Past 30 trading days to 22-Oct-18</th>
<th>Average on 22-Oct-18</th>
<th>Past 90 calendar days to 22-Oct-18</th>
<th>Past 6 months to 22-Oct-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Period start date</td>
<td>10-Sep-18</td>
<td>22-Oct-18</td>
<td>25-Jul-18</td>
<td>23-Apr-18</td>
</tr>
<tr>
<td>Number of trading days in the period</td>
<td>30</td>
<td>1</td>
<td>62</td>
<td>126</td>
</tr>
<tr>
<td>Sum of number of shares traded in the period</td>
<td>66,082,500</td>
<td>29,505,100</td>
<td>81,158,300</td>
<td>114,167,400</td>
</tr>
<tr>
<td>Sum of value of shares traded in the period (KES)</td>
<td>990,541,035</td>
<td>450,736,400</td>
<td>1,248,680,865</td>
<td>1,861,372,590</td>
</tr>
<tr>
<td>Volume weighted average price (VWAP) for period (KES / share)</td>
<td>14.99</td>
<td>15.28</td>
<td>15.39</td>
<td>16.30</td>
</tr>
<tr>
<td>Offer Price of KES 23.00 per share represents implied premium to VWAP for the stated period of:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>53.4%</td>
<td>50.5%</td>
<td>49.4%</td>
<td>41.1%</td>
</tr>
</tbody>
</table>

Note. In Rubis Énergie’s opinion, the 30-trading day VWAP to the Reference Date best represents the Share price of KenolKobil undisturbed by any indication of potential takeover activity, as the Reference Date of 22nd October 2018 is:

i. one day prior to the day on which Rubis Énergie acquired a 24.99% stake from Wells by way of a trade on the NSE; and

ii. two days prior to the date that Rubis Énergie served its Notice of Intention to the board of KenolKobil and published its public notice specifying its intention to make a take-over offer including the Offer Price.
On 23rd October 2018, 373,457,600 Shares of KenolKobil traded at prices ranging between KES 15.00 per Share and KES 15.35 per Share resulting in aggregate turnover of KES 5,713,900,000 and a volume weighted average price of 15.30 for the day. These trades include 367,793,124 Shares purchased by Rubis Énergie at a price of KES 15.30 per Share as set out in section 1.6 for aggregate consideration of KES 5,627,234,797 that accounts for the bulk of the turnover reported on that day. The computed 30-trading day VWAP up to and including trades on 23rd October 2018 amounts to KES 15.25, reflecting the distorting effect of including this significant trade in the computation of the 30-trading day VWAP.

Rubis Énergie served its Notice of Intention and submitted its public notice to CMA and NSE on the morning of 24th October 2018 before opening of the NSE trading session for the day. On 24th October 2018, 243,100 ordinary shares of KenolKobil traded at prices between KES 18.00 per Share and KES 21.75 per Share resulting in aggregate turnover of KES 4,818,675 and a volume weighted average price of KES 19.82 for the day.

In the period from 24th October 2018 up to and including 19th December 2018, KenolKobil Shares daily VWAP has ranged from a low of KES 18.07 to a high of KES 20.

### (c) Computation of implied Offer Price metrics

<table>
<thead>
<tr>
<th>Extracts from reported financial statements</th>
<th>For the Year ended 31 December 2017 (Column 1)</th>
<th>For the six months ended 30 June 2018 (Column 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(F) Total accounting equity attributable to owners</td>
<td>KES 11,214,835,000</td>
<td>12,228,350,000</td>
</tr>
<tr>
<td>(G) Borrowings - current</td>
<td>KES 10,717,062,000</td>
<td>0</td>
</tr>
<tr>
<td>(H) Borrowings - non-current</td>
<td>KES 3,506,582,000</td>
<td>0</td>
</tr>
<tr>
<td>(I) Cash and cash equivalents</td>
<td>KES 1,550,761,200</td>
<td>1,550,761,200</td>
</tr>
<tr>
<td>(J) Total number of KenolKobil Ordinary Shares in issue #</td>
<td>number 1,550,761,200</td>
<td>1,550,761,200</td>
</tr>
<tr>
<td>(K) Reported Earnings Per Share for the period</td>
<td>KES/Share 1.67</td>
<td>1.12 *</td>
</tr>
<tr>
<td>(L) Profit before income tax</td>
<td>KES 3,680,466,000</td>
<td>2,373,482,000</td>
</tr>
<tr>
<td>(M) Depreciation expense</td>
<td>KES 210,690,000</td>
<td>516,344,000</td>
</tr>
<tr>
<td>(N) Amortisation of operating leases</td>
<td>KES 715,355,000</td>
<td>44,393,000</td>
</tr>
<tr>
<td>(O) Amortisation of intangible assets</td>
<td>KES 340,703,000</td>
<td>132,826,000</td>
</tr>
<tr>
<td>(P) Interest paid</td>
<td>KES 192,967,000</td>
<td>0</td>
</tr>
<tr>
<td>(Q) Interest income</td>
<td>KES 192,967,000</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: KenolKobil Plc's published audited financial statements for the year ended 31 December 2017 (column 1); and KenolKobil Plc's published unaudited financial statements for the six months ended 30 June 2018 (column 2)
### Calculation of metrics

<table>
<thead>
<tr>
<th>Description</th>
<th>Formula</th>
<th>Year Ended 31 December 2017 (Column 1)</th>
<th>Year Ended 30 June 2018 (Column 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(R) IFRS book net asset value per Share (F/J)</td>
<td>KES/Share</td>
<td>7.23</td>
<td>7.89</td>
</tr>
<tr>
<td>(S) Unadjusted EBITDA (=L+M+N+O+P-Q)</td>
<td>KES</td>
<td>4,798,640,000</td>
<td>3,022,652,000</td>
</tr>
<tr>
<td>(T) Offer Price per Share</td>
<td>KES/Share</td>
<td>23.00</td>
<td>23.00</td>
</tr>
<tr>
<td>(U) Implied market capitalisation at Offer Price (= T multiplied by J)</td>
<td>KES</td>
<td>35,667,507,600</td>
<td>35,667,507,600</td>
</tr>
<tr>
<td>(V) Implied Enterprise Value at Offer Price (=U+G+H-I)</td>
<td>KES</td>
<td>42,877,987,600</td>
<td>42,877,987,600</td>
</tr>
<tr>
<td>(W) Implied multiple of Enterprise Value at Offer Price to EBITDA for 12 months to 31st December 2018 (=U/S)</td>
<td>multiple</td>
<td>8.94x</td>
<td></td>
</tr>
<tr>
<td>(X) Implied multiple of Enterprise Value at Offer Price to annualised EBITDA for 6 months to 30th June 2018 (=U/(S*12/6))</td>
<td>multiple</td>
<td>7.09x</td>
<td></td>
</tr>
<tr>
<td>(Y) Annual equivalent earnings per Share based on reported earnings per Share for six months to 30th June 2018 (=K*12/6)</td>
<td>KES/Share</td>
<td>2.24</td>
<td></td>
</tr>
</tbody>
</table>

### Computation of multiples

<table>
<thead>
<tr>
<th>Description</th>
<th>Offer Price (KES per Share)</th>
<th>Comparison metric (KES per Share)</th>
<th>Multiple</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offer Price to IFRS Book Net Asset Value as at 31 December 2017 multiple</td>
<td>23.00</td>
<td>7.23</td>
<td>3.18x</td>
</tr>
<tr>
<td>Offer Price to IFRS Book Net Asset Value as at 30 June 2018 multiple</td>
<td>23.00</td>
<td>7.89</td>
<td>2.92x</td>
</tr>
<tr>
<td>Offer Price to Earnings per Share for 12 months to 31 December 2017 multiple</td>
<td>23.00</td>
<td>1.67</td>
<td>13.77x</td>
</tr>
<tr>
<td>Offer Price to annualised earnings per Share reported for the 6 month period to 30 June 2018 multiple</td>
<td>23.00</td>
<td>2.24</td>
<td>10.27x</td>
</tr>
<tr>
<td>Implied Enterprise Value at Offer Price to EBITDA for 12 months to 31 December 2017 multiple</td>
<td></td>
<td></td>
<td>8.94x</td>
</tr>
<tr>
<td>Implied Enterprise Value at Offer Price to annualised EBITDA for 6 months to 30 June 2018 multiple</td>
<td></td>
<td></td>
<td>7.09x</td>
</tr>
</tbody>
</table>

*Reported profit after tax of KES 1,651,042,000 for the period divided by 1,471,761,200 shares in issue

*Includes 79 million shares allotted to KenolKobil ESOP in October 2018 and listed on 31st October 2018*
Appendix 4
Authorised Acceptance Agents

Sponsoring Stockbroker and Lead Acceptance Agent
SBG Securities Ltd.
Stanbic Centre, 58 Westlands Road
P. O. Box 47198 - 00100, Nairobi.
Tel: +254 - 20 - 3639900
Email: sbgs@stanbic.com
Web: www.sbgsecurities.co.ke

Dyer & Blair Investment Bank Ltd
Goodman Tower, 7th floor,
P. O. Box 45396 00100
Tel: 020 - 224379, 2241408
Fax: 2241392
Email: info@dyerandblair.com
Web: www.dyerandblair.com

Francis Drummond & Company Limited
Hughes Building, 2nd floor,
P. O. Box 49465 00100
Tel: 020 - 318690/318689
Fax: 2223061
Email: info@drummond.co.ke
Web: www.drummond.co.ke

Equity Investment Bank Limited
Equity Centre, Hospital Road, Upper Hill,
P. O. Box 75104 - 00200
Tel: +254-20-2262477
Mobile: +254-732-312477 / +254-711-026477
Fax: +254-20-2711439
Web: www.equitybankgroup.com

Suntra Investment Bank Ltd
Nation Centre, 7th Floor,
P. O. Box 47198 - 00100
Tel: +254 - 2262477 / 2262628 / 2262557
Fax: +254-733-222216
Email: info@suntra.co.ke
Web: www.suntra.co.ke

Old Mutual Securities Ltd
IPS Building, 6th Floor,
P. O. Box 50338 - 00200
Tel: 020 - 2241392
Fax: 2241392
Email: info@oldsms.co.ke
Web: www.oldmutual.co.ke

SBG Securities Ltd
Stanbic Centre, 58 Westlands Road,
P. O. Box 47198 - 00100
Tel: 020 - 3638900
Fax: 3752950
Email: sbgs@stanbic.com
Web: www.sbgsecurities.co.ke

Kingdom Securities Ltd
Co-operative Bank House, 5th Floor,
P. O. Box 48231 - 00100
Tel: 020 - 3276256 / 3276154
Fax: 3752950
Email: info@kingdomsecurities.co.ke
Web: www.kingdomsecurities.co.ke

AIB Capital Ltd
Finance House, 9th Floor,
P. O. Box 41019 - 00100
Tel: 020 - 2222606 / 2221283
Fax: 343639
Email: info@aibcapital.com
Web: www.aibcapital.com

ABC Capital Ltd
IPS Building, 5th floor,
P. O. Box 3417 - 00100
Tel: 020 - 224379, 2241408
Fax: 2241392
Email: headoffice@abccapital.co.ke
Web: www.abccapital.co.ke/

ApexAfrica Capital Ltd
The Riverfront, 1st Floor, Prof. David Wasawo Drive, Off Riverside Drive,
P. O. Box 43676 - 00100
Tel: +254-20-7602525 / 020-2226440
Email: invest@apexafrica.com
Web: www.apexafrica.com

Fida Investment Bank Ltd
Crawford Business park, Ground Floor,
State House Road,
P. O. Box 45226 - 00100
Tel: +254-20-7606026-35
Fax: 2243814
Email: info@fida.co.ke
Web: www.fida.co.ke

NIC Securities Limited
Ground Floor, NIC House,
Masaba Road,
P. O. Box 44599 - 00100
Tel: 020 - 2888-444, 0711-041-444
Fax: 2888-505
Email: info@nic-securities.com
Web: www.nic-securities.com

Standard Investment Bank Ltd
ICEA Building, 16th Floor
P. O. Box 13714 - 00800
Tel: 020 - 2228963/2228967/2228969
Fax: 240297
Email: info@sib.co.ke
Web: www.sib.co.ke/

Kestrel Capital (EA) Limited
Orbit Place, 2nd Floor,
Westlands Road,
P. O. Box 40005 - 00100
Tel: 020 - 2257159 / 2251893 / 2251893
Fax: 2243264
Email: info@kestrelcapital.com
Web: www.kestrelcapital.com

CBA Capital Limited
CBA Centre Mara Ragali Road Junction, Upper Hill,
P. O. Box 30473 - 00100
Tel: +254 20 3270000 / 2851000 / 2852000
Fax: 200, +254 711 026477
Email: investmentbanking@kcb.co.ke
Web: www.kcb.co.ke

African Alliance Kenya
1st Floor, Wing B, Trans-national Plaza,
P. O. Box 27639 - 00506
Tel: 020 - 276260/ 2762628 / 2762557, 0733333340
Fax: 2731162
Email: securities@africanalliance.co.ke
Web: www.africanalliance.com

Renaisance Capital (Kenya) Ltd
Purshottam Place, 6th Floor,
Westlands, Chromo Road,
P. O. Box 40600 - 00100
Tel: 020 - 3638900/3754422
Fax: 3632339
Email: info@renicap.com
Web: www.rencap.com

Genghis Capital Ltd
Prudential Building, 5th Floor,
P. O. Box 1670 - 00100
Tel: 020 - 800851, 2337535/36, 237398/986/969
Fax: 246334
Email: info@gencap.com
Web: www.gencap.com

Securities Africa Kenya Limited
The Exchange Building, 2nd Floor,
Westlands Road,
P. O. Box 19018-00100
Tel: +254-735 571530, +254-741
Fax: 240297
Email: info@securesafarica.com
Web: www.securitiesafrica.com

EFG Hermes Kenya Limited
Orbit Place, 6th Floor,
Westlands Road,
P. O. Box 349, 00623
Tel: +254 (020) 3743040
Email: kenyaiteractions@EFG-HERMES.com
Web: www.EFG-HERMES.com

Sterling Capital Ltd
Barclays Plaza,
13th Floor, Loita Street
P. O. Box 45080 - 00100
Tel: 020 - 2213914 / 244077 / 0713253219 / 0734219146
Fax: 2243814
Email: info@sterlingib.com
Web: www.sterlingib.com

Web: www.suntra.co.ke