

AA Kenya Restricted Public Offer (RPO)



Investor Briefing #2

Wednesday,

15th November 2023

Is it the right time to invest in AA Kenya

If I invest my Kshs. 10m in AA Kenya today,
what Return-on-Investment do I expect in a 2 years?





Our Operating Environment - What is happening in Kenya today?

Depreciation of
the Kenya
Shilling

Declining Share
Performance at the
NSE - Overall year-to-
date loss of 29.91%. N

Increasing
Interest Rates

Decreasing Consumer
Purchasing Power

Current Situation for Most NSE Listed Companies - A Bear Market

A bear market - most stocks are declining in value.

- The share prices reflected for most listed companies today do not reflect the true value of the company

Why is NSE performance declining?

- depreciation of the Kenyan currency,
 - rising inflation,
 - interest rates,
 - Global economic slowdown
-
- Generally, this is the best time to invest in shares for an opportunity to make gains when the shares prices start going up



Why is AA Kenya selling shares now?

To raise capital for Expansion



How do Companies Raise Capital ?

1

From Retained Earnings

2

Debt Financing e.g. Bank Loans, Corporate Bonds

3

Equity Financing e.g. through an Initial Public Offering

4

Private Equity Investors e.g., from Venture Capital, Angel Investors or Strategic partners

5

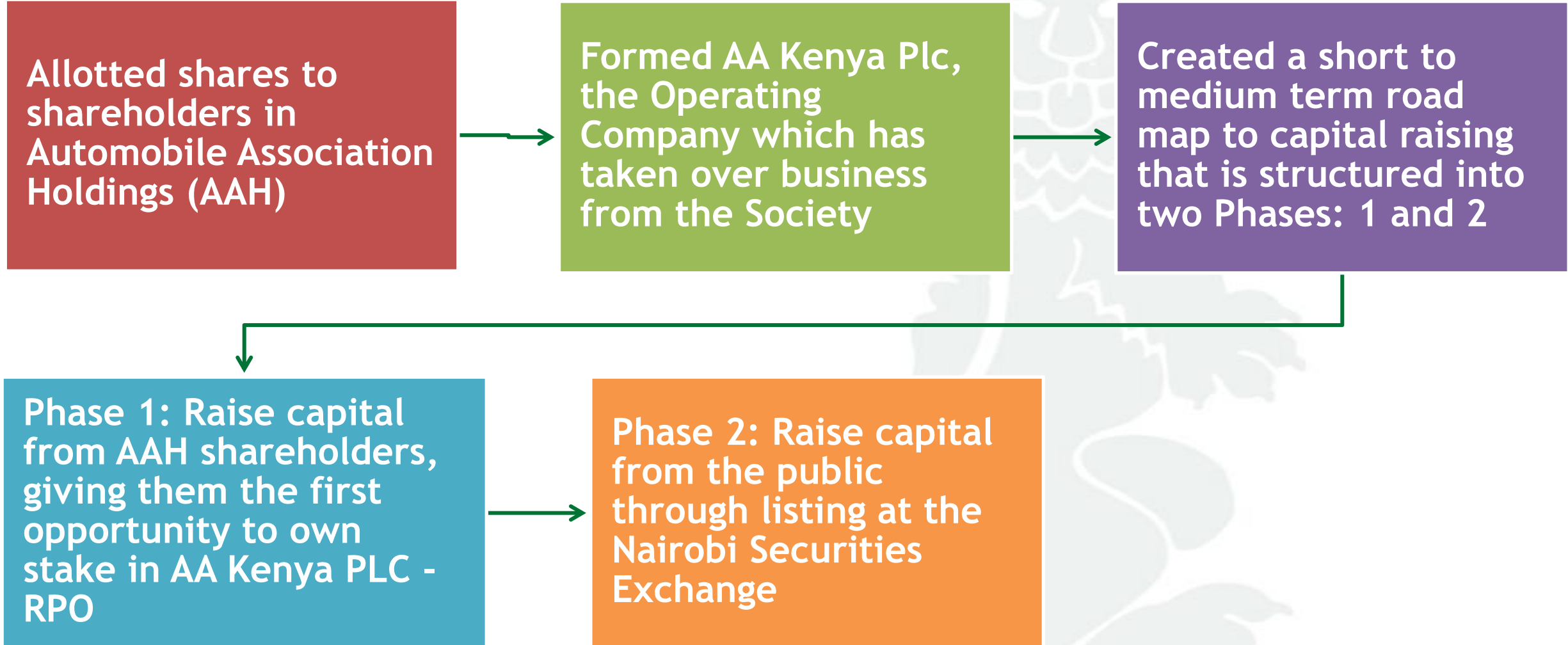
From existing Shareholders through Private Placements or Restricted Public Offers

So why did AA Kenya choose option 5 - RPO?

- To give first priority to our Holding Company's shareholders (Members) to own AA Kenya
- Our members know us better and understand the potential in their organisation
- Equity capital is cheaper and faster to raise
- To protect AA Kenya from aggressive Angel investors



The AA Capital Raising Journey





Who is AA Kenya?

Who are we?

What do we do?

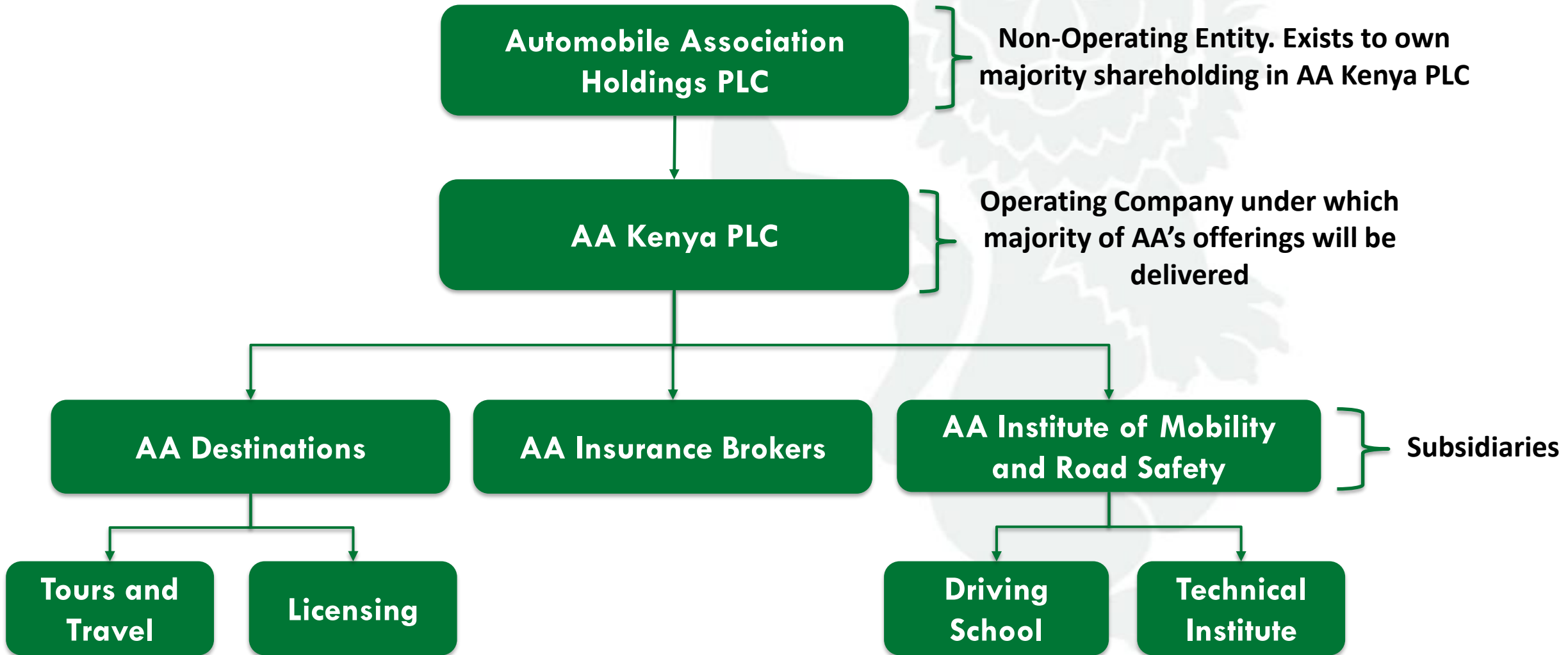
Who do we deal with?

What growth opportunity is presented here?





AA's Structure





AA today serves the Mobility Ecosystem

Sell or Buy Vehicles
AA AutoMart

Get a Repair
AA Appointed Garages

Travel the world
AA Destinations

Know the condition of your Vehicle
AA Valuation and Inspection



Learn how to Drive
AA Driving School
AA Driving Test App

Upgrade your Driving
AA Defensive Driving

Travel Internationally
AA International Driving License
AA Car Passports (Carnet de Passage)

Drive Safely
AA Heavy Goods Vehicles Inspection
AA Brake Testing

Drive Day to Day
AA Mileage Rates
AA Insurance
AA Fuel Planning
AA Driver Monitoring

Incase of Break Down
AA Road Assistance
AA Accident Scene Management
Fuel Assist
Battery Care
Key Retrieval



AA is currently in the “Growth and Acceleration” Phase

Growth in 2023

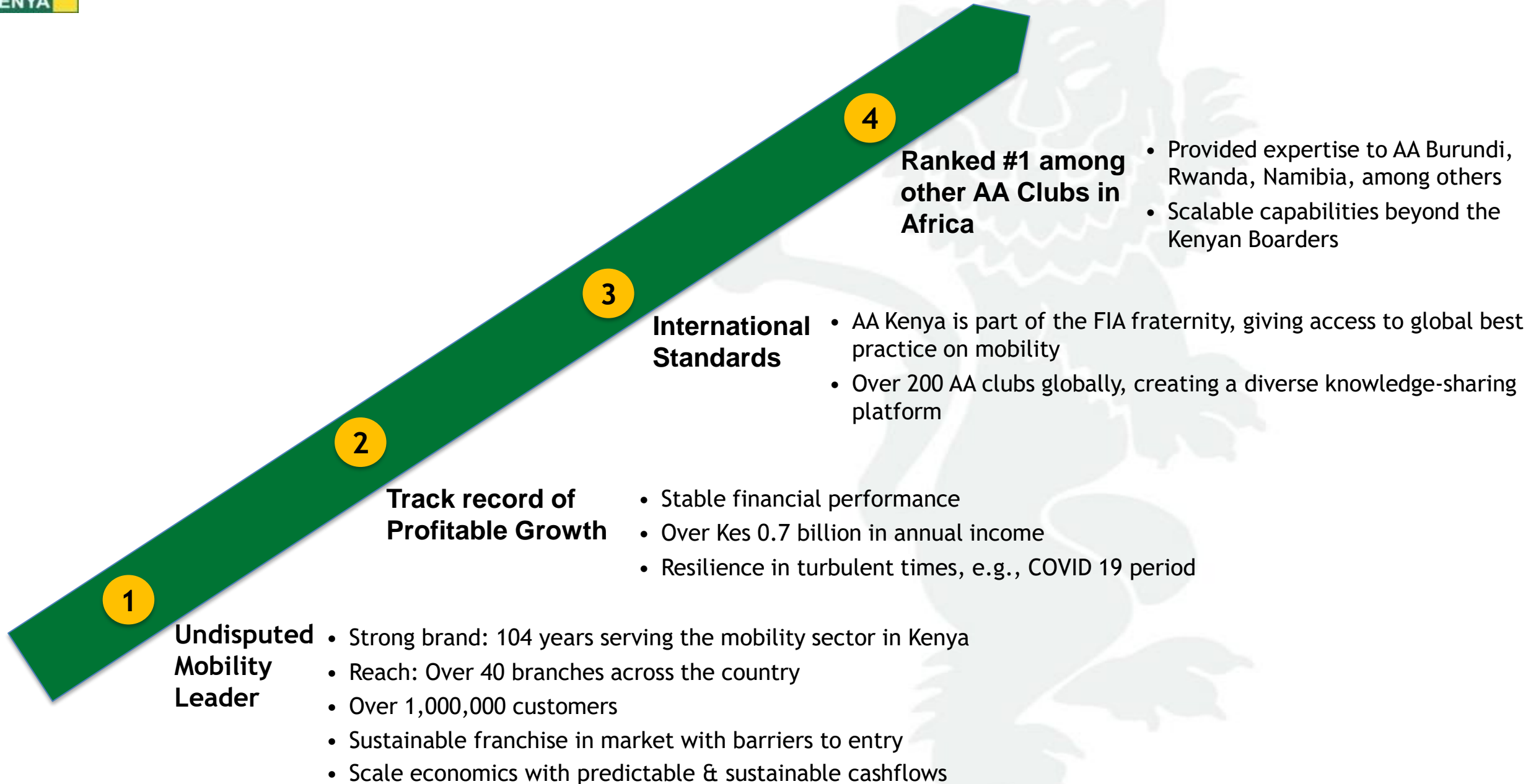
1. Bamburi
2. Eastleigh
3. Juja
4. Kahawa West
5. Karen
6. Kawangware
7. Kayole
8. Limuru
9. Ruiru
10. Various Outposts

New Lines of Business

1. Tours and Travel
2. Accident Scene Management
3. AA AutoMart
4. AA Flight Delay Assistance



A chance to be part of Kenya's #1 Mobility Provider



Ongoing Innovations

Automart

Flight Delay Assistance

Driving Test Application

Accident Scene Management

Road Rescue Platform

Drone Academy

Home Assist

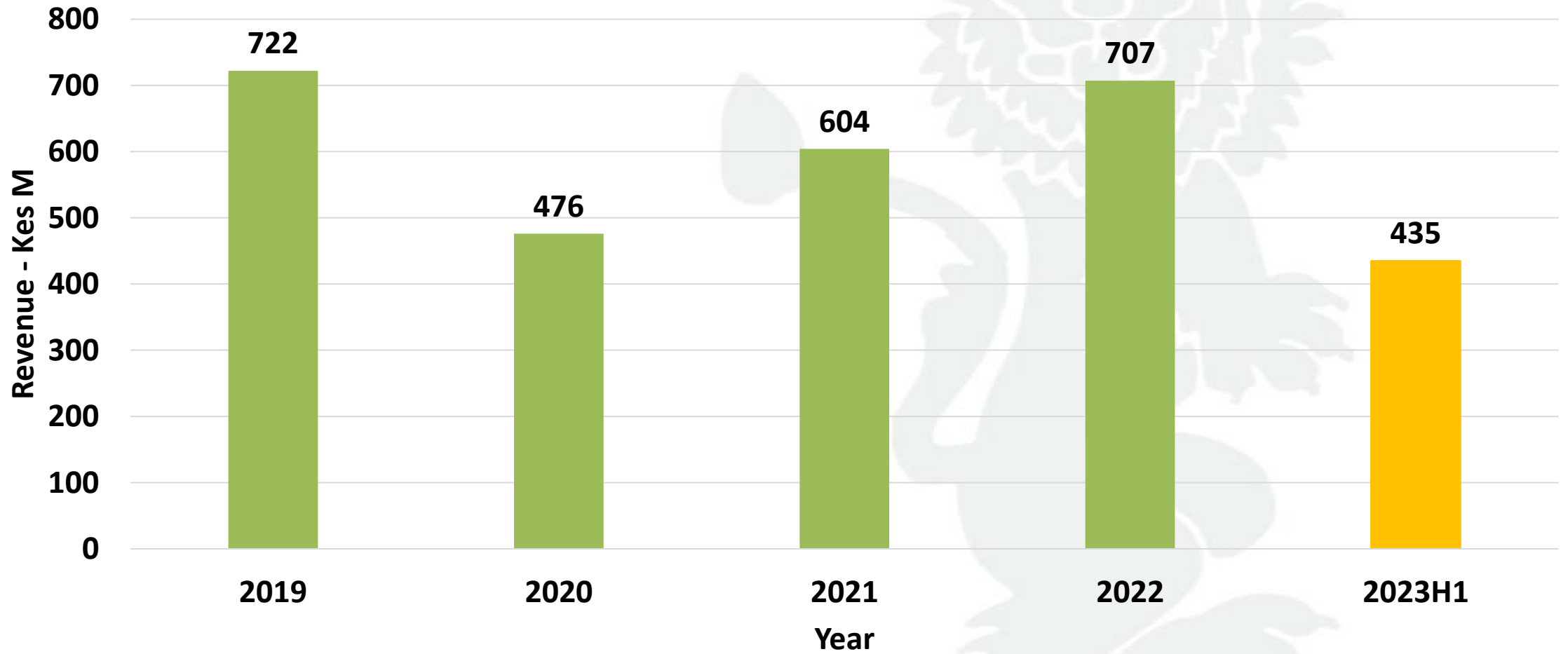
Heavy Goods Vehicle (HGV) Inspections

Safe to Load



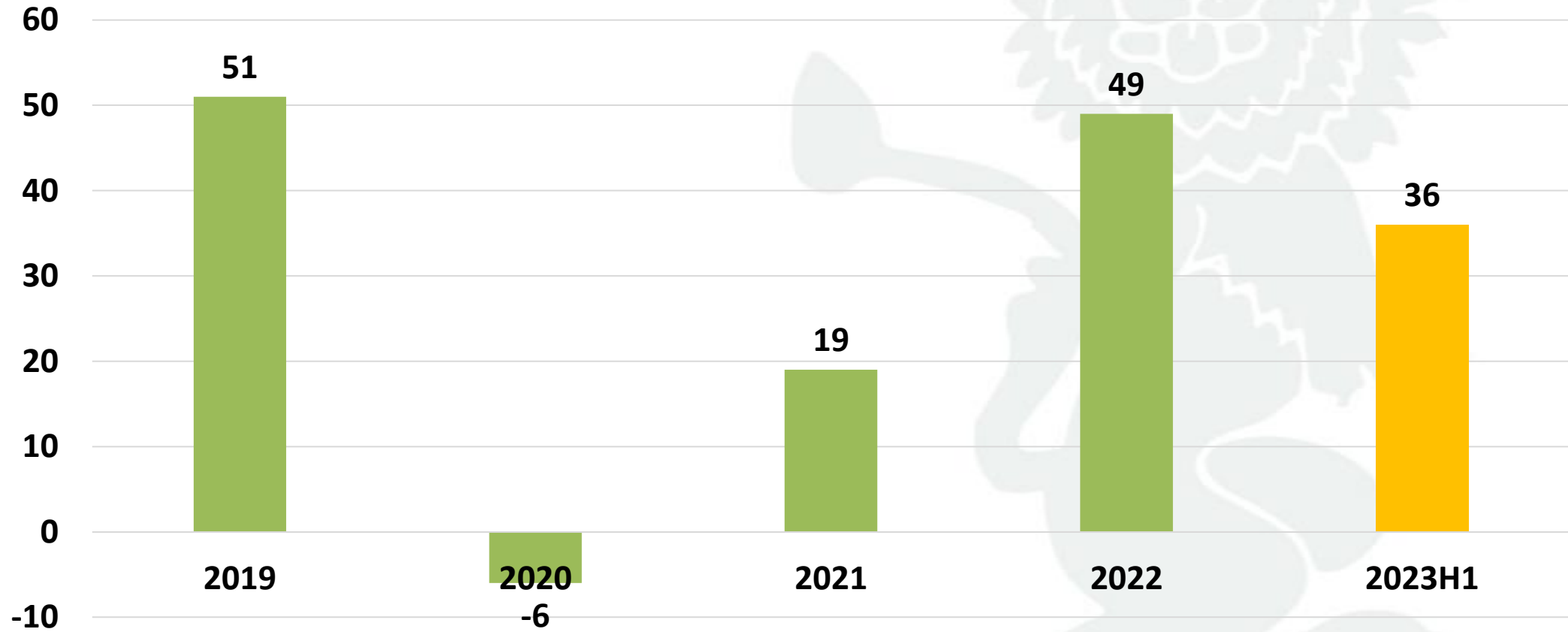
A Company with Strong Financial Performance

Revenue Performance (Kes M)



A Company with Strong Financial Performance

Profits (Kes M)





AA compelling five-year strategy is focused on:

**Diversification:
Set up of AA
Service Centres**

**Innovations in
Mobility, e.g.,
Home Assist**

**Regional Centre
of Excellence: The
Africa School of
Mobility**

**Digitization of
the Business**

**Regional
Expansion: (Burundi,
Rwanda, Ethiopia)**

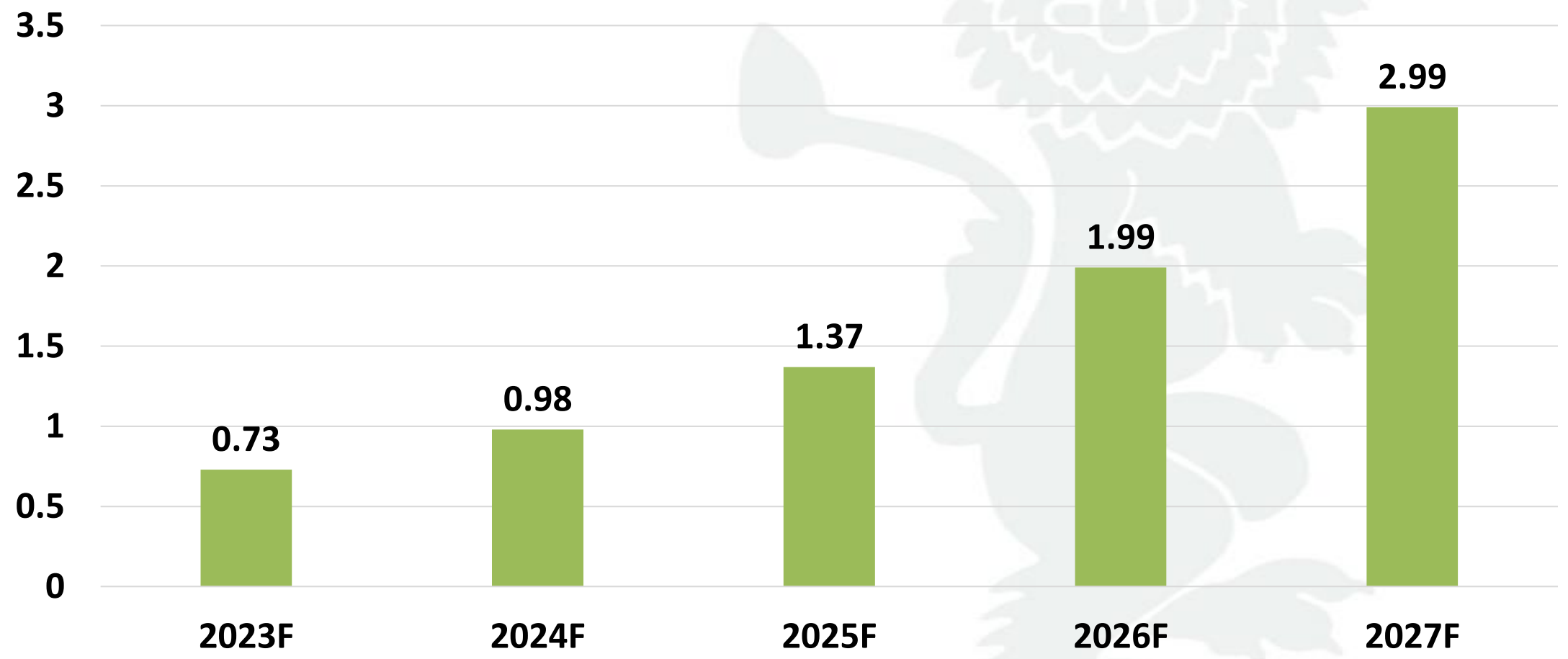
**Digitization of the
Business**

**Branch (footprint)
expansion**



This Strategy will propel AA's performance even further

Projected Revenue (Kes M)



Capital Raising

AA Kenya was granted approval from the Capital Markets Authority (CMA) to undertake the Restricted Public Offer through our Lead Transaction Advisors on 22nd September 2023



Through the RPO, AA intends to raise Kes 229,738,322



Use of Funds

Aligned to AA's strategic focus areas on diversification, expansion, and alignment with global AA clubs, the funds from the RPO shall be allocated as follows:

Use of Funds	Amount (Kes '000)
Expansion of AA's Geographical Footprint	51,550
AA Service Centres	50,000
Africa School of Mobility	60,000
Digitization	38,450
Transaction Advisors Fee	29,738
Total	229,738

Are you ready to buy now?

How much should you buy?





RPO - Key Offer Details

Offer Information	Details
Period	11 th October to 27 th November 2023
Share Price	Kes 25.80 per share
Minimum number of shares	1,000
Additional in multiples	100
Maximum number of shares	No Maximum for now
Minimum Spend	Kes 25,800
Payment Modes	Bank Transfer- Equity Bank Mpesa Paybill 4121517 Bankers Cheque

The RPO: How do you buy Shares?

1. Make payments can be made through bank transfer, bankers cheque, or M-Pesa

2. Click on link to the share application platform and apply for shares

3. If you wish to more buy shares, the same process would be followed

4. On closure of the offer on 27th November, shares will be allotted and, shareholders communicated to accordingly



Frequently asked Questions

FAQ	Response
What do you stand to gain from investing in AA Kenya PLC?	<ul style="list-style-type: none">▪ Capital gains expected from investing in a company with a positive growth trajectory▪ Dividends▪ Voting Rights

Frequently asked Questions

FAQ	Response
What is the difference between this RPO and the shares bought in 2022?	<ul style="list-style-type: none">▪ In 2021/22, The public was invited to buy into full membership by paying Kes 40,000 & 50,000. Thereafter, they were allotted 1 share each in AA Holdings.▪ This RPO invites AA Holdings shareholders to take up stake in AA Kenya PLC
Can you sell your share in the Holding Company?	<ul style="list-style-type: none">▪ Not for now. Soon after the RPO, AA will register on the Nairobi Securities Exchange Unlisted Securities Platform and from here you can sell the shares if you must.

Frequently asked Questions

FAQ	Response
When can the shareholders enjoy dividends	<ul style="list-style-type: none">▪ After transition period, the performance of AA Kenya will determine the dividend to be paid▪ The timings and amounts of dividends to be paid will also be based on a dividend policy
What happens if there is an over-subscription?	<ul style="list-style-type: none">▪ In the event of an over subscription, the transaction advisors will guide on the process of allocation
What next after the Restricted Public Offer?	<ul style="list-style-type: none">▪ AA will be able to fund investments in the strategic projects▪ Subject to regulatory approvals, AA plans to list at the Nairobi Securities Exchange Main Markets and/or go for an IPO.



An Attractive Investment Opportunity

- Financially strong company with sustained positive growth
- AA is at the Growth and Expansion stage, with a lot of the investments projected to generate even higher returns
- Clear leader in the Mobility Industry in Kenya, and providing its expertise across Africa
- International connection to the FIA gives AA access to best-in-class offerings, knowledge and standards
- The mobility industry is growing so AA is in the right industry
- Strong relationship with the Government, the corporate world and the insurance industry
- High levels of customer loyalty and retention
- Strong Leadership

Invest Now, Watch Your Shares Grow

Thank You..

