



THE NATIONAL TREASURY

OFFICE OF THE CABINET SECRETARY

Talking Notes CS The National Treasury & Economic Planning.

Share Transfer Agreement Signing Ceremony on Acquisition of Kenya Petroleum Refineries Limited (KPRL) by Kenya Pipeline Company Limited (KPC) to held at the National Treasury 27th October 2023.

Ladies and Gentlemen

I am delighted to be here today to sign the Share Transfer Agreement on the acquisition of Kenya Petroleum Refineries Limited (KPRL) by Kenya Pipeline Company Limited (KPC). I will not dwell on the policy matters since my counterpart Cabinet secretary for Energy and Petroleum has done an excellent job while delivering his statement.

Ladies and Gentlemen

The Government through the National Treasury is transferring 100% of its shares held at KPRL to KPC without any monetary consideration.

The signing of this Share Transfer Agreement is to formalize and deepen the governance and operational relationship between



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KPC and KPRL hence creating a subsidiary- parent relationship between the two state corporations.

Indeed, the resilient and excellent performance of KPC since inception, gives us the confidence that this takeover will produce a robust, virtuous and value creating business model between the two state corporations.

During the transition period, KPC should carefully evaluate and determine the long-term mandate and existence of KPRL, and I promise that the National Treasury will guide and support all efforts towards achievement of this goal. The Government therefore expects KPC to therefore seize this opportunity to consolidate its business leadership in the region and maximize value to the shareholder, employees, and society at large.

In conclusion, I echo Davis and thank the Steering Committee and its Technical team for working on strict timelines and making this Agreement a reality. With goodwill, clear ambitions, and a strong commitment to working together, the next steps will be easier to manage with deliberate efforts to deliver enhanced profits to KPC and dividends to the shareholder.

Thank you