

KOKO LAUNCHES SMART COMMERCE PLATFORM FOR URBAN AFRICA

First offering on KOKO platform is a disruptive energy solution from SmartCook®

20 April 2017: KOKO Networks today announced the Nairobi launch of its technology platform, which seeks to transform mass-market commerce in Africa's cities. The first consumer offering available through KOKO is SmartCook®, a modern cooking solution that competes with traditional cooking fuels on cost, safety and convenience.

At the heart of KOKO's platform is a dense network of physical, cloud-connected e-commerce kiosks – known as KOKOpoints – located inside neighbourhood shops in target cities. An interactive touchscreen on each KOKOpoint enables mass-market consumers to learn about, purchase, and take delivery of a wider range of products and services than is typically available from such shops. KOKO's cloud-based systems securely handle all payment and supply chain management functions, ensuring the seamless movement of money and goods between suppliers, shopkeepers and customers.

Overall, the KOKO platform delivers unique benefits to each player in the commerce chain: deeper market reach for suppliers and service providers; unprecedented convenience, value and choice for mass-market consumers; and vital growth opportunities for neighbourhood shopkeepers, who have significant influence over local consumer demand, but struggle with merchandising, inventory management, and competitive differentiation.

KOKOpoints are franchised to carefully-selected shopkeepers who, in return for paying KOKO a franchise fee, can immediately diversify their product range and boost footfall. These KOKO Agents encourage their existing clientele to start using KOKOpoints to order consumer goods and services that are otherwise inaccessible in the local market.

Customers pay electronically for their purchases – via mobile money, or through a range of payment options arranged with third-party lenders. Once an order is placed, KOKO's systems ensure that delivery from the supplier to the local shop is completed in less than 24 hours. Customers then pick up their KOKO package at their convenience from the shop location, using a unique digital code sent to their phone.

The first consumer offering on the KOKO platform is SmartCook® – an innovative cooking solution that consists of a modern 2-burner stove and a reusable smart fuel canister that can be docked and refilled at KOKOpoints, which function like fuel ATMs. SmartCook fuel is made from denatured liquid ethanol, which is produced from molasses, a byproduct of the sugar industry in most parts of Africa.

SmartCook's stove and canister kit is priced at approximately half the cost of a comparable LPG kit in the Nairobi market. SmartCook fuel is priced to be cost-competitive with other fuels, and cheaper than charcoal or ethanol-gel for most Nairobi households.

SmartCook customers visit KOKOpoints twice a week on average, and can choose to dispense fuel for one to seven days' worth of cooking on each visit. While refilling, KOKOpoints display targeted video ads, incentivised surveys, or promotional offers for SmartCook or other brands that have purchased advertising services from KOKO.

KOKOpoints contain a wide range of electronic sensors that enable the technical health, fuel inventory levels, video advertising inventory and other data points from across the city to be tracked closely at the KOKO Network Operations Centre. Each unit is tough and installed securely to the wall, with backup power and data network connectivity services housed within the main enclosure.

The SmartCook technology suite contains industry-leading performance and safety innovations. Both KOKO and SmartCook's patent-pending hardware and software systems are currently produced in partnership with specialised contractors in Kenya and India. Significant expansion of KOKO's internal team is underway in both locations to support rapid growth in scale of deployment.

Greg Murray, co-founder and CEO of KOKO Networks, commented:

"KOKO Networks is focused on improving life for everyone in Africa's cities. Our platform enables mass-market consumers, shopkeepers and suppliers to transact with greater speed, efficiency and insight than ever before. This is the future of commerce in urban Africa: smart, local and social."

Amanda Donahue, General Manager of KOKO Networks Kenya, commented:

"More than \$400 million per year is spent on domestic cooking in Nairobi alone, much of that on slow, dirty and unsafe fuels. SmartCook's solution is based on a liquid fuel which is cleaner to burn, safer to store, and cheaper to handle than solid or gaseous fuels. As KOKO expands across Nairobi, every resident will finally have access to a better way to cook."

Sagun Saxena, co-founder and Chief Innovation Officer of KOKO Networks, commented:

"KOKO is pursuing two growth strategies in parallel with the Nairobi launch: first, we are developing business partnerships to bring more products and service on board the KOKO platform, focusing on categories that interest urban African consumers most; and second, we are initiating discussions with global and regional leaders in the consumer goods and energy sectors who want to establish smart commerce networks in other cities by licensing the entire technology suite that we have launched in Nairobi."

About KOKO Networks

KOKO Networks is an international venture-backed technology company with offices in East Africa and India. Our unique suite of technologies enables the delivery of a range of consumer and business solutions that improve life in Africa's cities. Our first network is operational in Nairobi.

Company websites:

www.kokonetworks.com

www.smartcook.co.ke

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