

TRANSCENTURY PLC 25th ANNUAL GENERAL MEETING HELD ON 28th JUNE 2024
SHAREHOLDERS QUESTIONS & ANSWERS.

SHAREHOLDER	QUESTIONS (clustered into thematic areas)	ANSWERS
Dividends		
<ul style="list-style-type: none"> • NGUMBI,FEDINARD MUMO • NJOROGE ,NEWTON CHEGE • MUMO,VINCENT MWENDWA • MAINA,PETER MWANGI • KINUTHIA,JUDY NYANJAU • AWUOR,ODIYO ONYANGO • KISISWA,LYNETTE KAGEHA • YOGO,WYCLIFF ODIWUOR • MATHENGE ,SAMUEL GITONGA • NGUMBA,LINAH WAITHERERO • BWAJUMA,JAFAR MWIJUMA • KIURU,PAUL GATARWA WANDIA,NACKSAS MWANGI • KIRURI MIRIAM NJOKI 	<ol style="list-style-type: none"> 1. When are dividends paid and at what rate? 2. How much dividends do the shareholders get in a year 3. When will we get our dividends? 4. Why are members not receiving dividends? 5. Can dividends be paid via mobile phone? 6. How do I access and receive dividends? 7. Based on the company internal forecasts, in which year is the company envisaged to resume paying dividends to shareholders? 8. How much dividend does 100 shares earn 9. Any dividends? 10. When will be dividends be paid? 11. When is dividend due? 	<ul style="list-style-type: none"> • The Directors do not recommend the payment of a dividend for 2024. • The Group has made significant progress in key levers of the business that include; <ul style="list-style-type: none"> ○ Consistent growth in revenues in the last 4 years ○ Positive EBITDA – Operationally profitable ○ Consistent reduction in losses (excluding impairments and forex) from 2018 • The Board is confident that with this sustained growth, the business will be able to give a return to shareholders in the near future. The business would like to express sincere gratitude and appreciation to all stakeholders for the support and patience accorded thus far. • On dividend payment via mobile - Yes, Payment can be made through mobile phone, shareholders encouraged to contact their broker for guidance.

Finance Bill		
<ul style="list-style-type: none"> • KIMANI,ELIUD KURIA 	<p>12. Finance Bill impact</p>	<ul style="list-style-type: none"> • There are select levies and taxes that are bound to have an impact on the TC Group businesses, however we await to see the conclusion of the ongoing process. • We have actively engaged with Government through Industry advocacy bodies to provide industry feedback to seek a favourable tax regime for industry growth.
TC Share Price		
<ul style="list-style-type: none"> • MWADORI,THOMPSON NYANJE • MUTICHILO,MIKE 	<p>13. What efforts or measures have been put in place to make sure that the share price appreciates?</p> <p>14. Why isn't the share price increasing?</p>	<ul style="list-style-type: none"> • While share price is determined by forces of demand and supply, there has been a general slump in the stock market which has affected most of the counters. However, the performance of the business is also a key factor. The Board and management are on-course in improving the business performance and we are making good progress as outlined in the GCEO presentation; <ol style="list-style-type: none"> 1. In 2022 the Group recorded a 3% top line growth and a compounded annual growth of 8% every year for the last 4 years driven by; <ul style="list-style-type: none"> ▪ Innovation – New products and services introduced in the business in response to market demands ▪ Efficient capital allocation 2. In the 1st Half of 2023 the Group recorded; <ul style="list-style-type: none"> ▪ 9% year-on-year revenue growth driven by strong demand for TC Group products and services ▪ Gross profit grew by 55% driven by Improved margins and growth in the topline.

		<ul style="list-style-type: none"> ▪ Kshs 145 million in profit from operations marking a return to operational profitability line with strategy. ▪ Sustainable costs management saw a 7% operating expense savings driven by Improved operating efficiencies across the Group <p>3. In the 1st Qtr. of 2024, we have seen the same trajectory.</p> <p>4. Our focus on infrastructure positions us favourably to leverage on the enormous opportunities we continue to see in the focus sectors of Energy, Transport, Water, Agriculture.</p> <ul style="list-style-type: none"> • Confident that the focus we are putting in our strategy and the traction we continue to gain will play a key role in rallying the TC share price in the near future
TC Financials & Business Performance		
<ul style="list-style-type: none"> • OCHIENG,PHILIP OKWARO • MURITHI,JOHN MAINA • MATHENGE SAMUEL GITONGA • KIMANI STEPHEN IRUNGU 	<p>15. Is there an issue with our finances?</p> <p>16. I would kindly like to know about the company financial statement</p> <p>17. Aren't we supposed to be in the 2023/2024 financial years?</p>	<ul style="list-style-type: none"> • TC released the Full Year 2022 and H1-2023 financial statements on 31st May 2024 and both together with the 2022 integrated report can be viewed in the Company website www.transcentury.co.ke • The Group has been working diligently towards returning to regular reporting cycles. • The delays have been impacted by;. <ul style="list-style-type: none"> ○ Significant restructuring process, in addition to a

	18. Why is the 2022 AGM held now?	<ul style="list-style-type: none"> ○ Litigation development in the reporting year re: receivership threat, that inadvertently led to further statutory and audit procedures ● We deeply regret the inconvenience this delay has caused and are fully committed to returning to our normal reporting schedule within the year.
● RATEMO,ABEL MAETA	19. What are the profit margins that we are seeing and projecting for the next 3 years?	<ul style="list-style-type: none"> ● TC continues to record consistent Gross margins of 29% driven by; <ul style="list-style-type: none"> ○ Efficiency in production processes ○ Right product mix ● Targeting EBITDA margins of +15%
● MUTISO,SAMUEL MBITHI	20. How much is your company capitalization	Ksh 451,211,328
● OCHIENG,JASTINE AWUOR	21. How many personnel are required for the preparation of financial statements?	<ul style="list-style-type: none"> ● The financial reports are prepared in compliance with global best practice and prudent accounting frameworks for existing and prospective investors. The report is aligned to Companies Act,2015, Capital Markets Authority (CMA) guidelines and the Nairobi Securities Exchange (NSE). This Report is also in compliance with the International Integrated Reporting Council (IIRC) Guidelines. ● Being a Group, we consolidate multiple entities, currently 27 in different jurisdictions. ● Financial statements are prepared by the Finance Department team and audited by Company External Auditor – RSM. <p>For more detailed information, you can access our financial statements from www.transcentury.co.ke</p>

		<ul style="list-style-type: none"> We deeply regret the inconvenience the delay in releasing the latest financials has caused and are fully committed to returning to our normal reporting schedule within the year.
<ul style="list-style-type: none"> MURUGA, KIRATHIMO KIMANI STEPHEN IRUNGU 	<p>22. Why hasn't the company made profits for years.</p> <p>23. The Group had losses and emphasis of matter in going concern due to losses.</p>	<ul style="list-style-type: none"> We understand your concerns. TC Group has been implementing a turnaround strategy aimed at getting the business back to profitability. It has required significant financial resources to be injected in the business. The turn around plan was a multi-year plan meant to <ol style="list-style-type: none"> Stabilise business Regain market and grow topline Restructure to streamline operations and realign debt to operation capacity Retain the right skills at both Board and Management We are glad to report traction in all the key levers. <p><u>Traction Gained</u></p> <p>Despite the significant challenge that the Group faced in June 2023 from an appointment of receivers by a lender, the Group is on-course in improving the business noting the following key milestones;</p> <ol style="list-style-type: none"> In 2022 the Group recorded a 3% top line growth and a compounded annual growth of 8% every year for the last 4 years driven by; <ul style="list-style-type: none"> Innovation – New products and services introduced in the business in response to market demands Efficient capital allocation In the 1st Half of 2023 the Group recorded; <ul style="list-style-type: none"> 9% year-on-year revenue growth driven by strong demand for TC Group products and services

		<ul style="list-style-type: none"> ▪ Gross profit grew by 55% driven by Improved margins and growth in the top line. ▪ Kshs 145 million in profit from operations marking a return to operational profitability line with strategy. ▪ Sustainable costs management saw a 7% operating expense savings driven by Improved operating efficiencies across the Group <p>3. Our focus in infrastructure positions us favourably to leverage on the enormous opportunities we continue to see in the focus sectors of Energy, Transport, Water, Agriculture.</p>
<ul style="list-style-type: none"> • MAOGA,GEOFFREY BETHUEL 	<p>24. Consider having a service provider like IMAGE REGISTRARS as they are professionals in virtual conferencing and are preferred by stakeholders.</p>	<ul style="list-style-type: none"> • Effective 1st April 2024, TC PLC appointed Image Registrars as the Company Share Registrar. <ul style="list-style-type: none"> ○ Announcement on the change of Registrar was in the local dailies on 3rd April 2024.
<ul style="list-style-type: none"> • NGWALLA,DONALD OWILI 	<p>25. Where can I access the full financial statements?</p>	<ul style="list-style-type: none"> • The TC 2022 Integrated report can be accessed on the company website www.transcentury.co.ke
<ul style="list-style-type: none"> • MUDOGA,ISAAC AYEKHA • FELIX,MAYEGA ONKANGI 	<p>26. The company CEO said Transcentury is going in acceleration stage during last rights issue. I request to know if his projections still stand or if not what the negatives and possible positives,</p> <p>27. What is financial Health of the business?</p>	<p>The Group's progress is still on course with significant progress made on key levers of the business;</p> <p>4. In 2022 the Group recorded a 3% top line growth and a compounded annual growth of 8% every year for the last 4 years driven by;</p> <ul style="list-style-type: none"> ▪ Innovation – New products and services introduced in the business in response to market demands ▪ Efficient capital allocation <p>5. In the 1st Half of 2023 the Group recorded;</p>

		<ul style="list-style-type: none"> ▪ 9% year-on-year revenue growth driven by strong demand for TC Group products and services ▪ Gross profit grew by 55% driven by Improved margins and growth in the top line. ▪ Kshs 145 million in profit from operations marking a return to operational profitability line with strategy. ▪ Sustainable costs management saw a 7% operating expense savings driven by Improved operating efficiencies across the Group <p>The progress is despite the significant challenge that the Group faced in June 2023 from an attempted appointment of receivers by a lender.</p>
<p>GATHITU, FRANCIS CHEGE</p>	<p>28. After conclusion of the ongoing receivership issue, Is the company exploring shifting its banking elsewhere in light of the unfortunate receivership action taken by Equity bank?</p>	<ul style="list-style-type: none"> • The Group is actively engaging with the main lender as well as other lenders to find an amicable solution for the business.

	<p>29. Pursuant to the statement from the Group CEO and Chairman which indicates a very promising future ahead for the business in the infrastructure sector under the new strategy Ahidi +32% is the company fast tracking the amicable conclusion of the receivership matter, hopefully within the year 2024, since receivership would destroy the value of the company.</p>	<ul style="list-style-type: none"> • The infrastructure sector outlook in Sub-Saharan Africa remains very attractive for TransCentury, aligning with broader economic growth trends and positive developments in the sector driven by the continued expansion of the regional economies. • TC is structured right to take advantage of opportunities in the infrastructure space <ul style="list-style-type: none"> ○ With an already existing platform of major brands ○ Fully integrated infrastructure investment Group able to play across the entire value chain ○ Management with deep operational experience in the infrastructure space • Challenge has been funding and a lot of focus has gone into this, despite the challenges we've managed to deliver consistent (8% compounded in the last 4yrs) and achieve operating profitability. • Absolute priority is to resolve current matter in court. • TC Board and Management is therefore making every effort to ensure an amicable solution is reached to resolve the Receivership matter including ongoing engagements with the bank.
	<p>30. Is the KPMG led negotiations with the lender (Equity bank) for an out of court settlement envisaged to be concluded by end of 2024 to mark the end of the receivership threat?</p>	<ul style="list-style-type: none"> • All efforts are being made to ensure an amicable solution is reached as soon as possible.

	<p>31. Based on the company's internal financial forecasts, in which year is the company projected to return to profitability (profit before tax and profit after tax).</p>	<ul style="list-style-type: none"> • The Group has made significant progress in key levers of the business with; <ul style="list-style-type: none"> ○ Consistent growth in revenues in the last 4 years ○ Positive EBITDA – Operationally profitable ○ Consistent reduction in losses (excluding impairments and forex) from 2018 • Group projected to return to profitability from 2025 <p>The Board is confident that with this sustained growth, the business will be able to give a return to shareholders in the near future.</p>
	<p>32. The rights issue was expected to enable restructuring of the balance sheet through, inter alia, write back of significant accruals/provisions held in the balance sheet. Kindly update on how much write back to retained earnings is envisaged to be done and in which year?</p>	<ul style="list-style-type: none"> • Total benefit from balance sheet restructure is expected to be around Ksh 5b • Process has begun, however impacted by the Court process.
	<p>33. As part of the settlement options for the circa Kes 4 billion debt including through proceeds from sale of non-core assets and investments, has the company also considered sourcing for patient long term financing from international financiers e.g. AFDB, IFC, DEG, Proparco, AFD etc.. to refinance part of</p>	<ul style="list-style-type: none"> • In addition to the ongoing engagement with the main lender the TC Board and Management are actively engaging with other funding partners to find the right funding structure for TC and its subsidiaries.

	the outstanding debt from Equity bank?	
	34. What is the current value of the pipeline of business (order book) that the group has to execute?	<ul style="list-style-type: none"> • TC and its subsidiary currently sit on a Ksh 1b orderbook/pipeline
KIMANI STEPHEN IRUNGU	<p>35. Key Audit Matter – payables are higher than receivables. Why expected credit losses?</p> <p>36. Why did cost of sales go up?</p> <p>37. Contingent liabilities with bankers</p> <p>38. Why are current liabilities up than current assets.</p>	<ul style="list-style-type: none"> • Expected credit losses are computed as guided by IFRS 9 and further disclosed in the integrated report note 4(f) on pages 103 and 104. The Group is aggressively working on collecting outstanding receivables and minimize any receivables impairments. • Cost of sales have grown relatively to the movement in revenues. The Group has had consistent impressive gross margins of 29% in line with the cost optimisation efforts in our businesses. • Contingent liabilities have been disclosed under note 33 in the integrated report on page 161. • This is largely due to the commercial debt being due upon demand that has resulted in the classification as current liability <p>Confident that the focus we are putting guided by our strategy and the traction we have gained will play a key role in improving the business performance and return to profitability.</p>