PRESS RELEASE

TransCentury PLC records a 46% reduction in loss before tax in H1 2018, demonstrating traction in turnaround plan

Key Numbers

- *Growth in gross profit margins from 14% to 27%.*
- *Kshs 74m Profit from operations (EBITDA)*
- *20% reduction in operating costs saving Kshs 169m*
- *Positive cash generated from operations of Ksh 217m*
- *Reduced finance costs by 12% at Group level*

Nairobi, August 28, 2018: TransCentury PLC ('TC") today announced its financial results for the six months period ended June 30, 2018.

The Group recorded a significant improvement in gross profit margins from 14% in 2017 to 27% in the period under review attributable to operational improvement and disciplined allocation of capital supported by the Group's unique product offering and positioning.

"Improved performance in the first half of the year has been achieved on the back of a tough liquidity environment. We however continue to focus on the implementation of our turnaround plan that includes the re-profiling of debt and securing additional working capital funding. We believe the Group is well set to realize the benefits of the pent-up value in the order book," said Nganga Njiinu, TransCentury Group CEO and Managing Director.

Results of the ongoing turnaround plan whose focus remains; delivering a robust and fundable orderbook, debt re-profiling to match cash flows, fundraising and efficient execution of order book are already evident in the Group's delivery of an unprecedented confirmed order book in excess of KSh26 billion at the start of the year, a 62% growth from 2017. Overall, the Group has recorded a 46% reduction in loss before tax demonstrating traction in turning around the Group's performance.

TC continues to benefit from improved efficiencies and financial discipline reducing the Group's operating expenses by 20%. This has led to the Group reporting growth in gross profit by 54%. The improved gross margins in 2018 are also indicative of the existing demand from the Group's markets and ability to allocate resources to high margin orderbook.

Following the completion of Company debt re-profiling in Q2, the benefits are starting to accrue with an overall 12% drop in finance costs. The debt re-profiling focus has now shifted to the operating units and to date, debt in one key unit has been fully refinanced and enhanced giving access to the required additional working capital.

"TransCentury remains strongly anchored on its competitive advantage that includes; unrivaled capacity, a robust orderbook and an innovative and entrepreneurial team" added Mr. Njiinu.

Ends

About Transcentury

Transcentury PLC is a Kenyan headquartered investment Group with an infrastructure focus and operations across East, Central & Southern Africa and *is listed on the Nairobi Securities Exchange (NSE). The company has three divisions firstly **TC Power Division**: Leading manufacturer of Electrical Cables, Conductors, Transformers and Switchgears with 8 factories across the region and a wide distribution network. The companies under this division include East African Cables, Tanelec (Transformer and Switchgear plant in Arusha Tanzania and Zambia), Cablerie du congo (Cable plant in Kinshasa Drc), Kewberg (Specialized cable plant in Johannesburg, South Africa). Secondly, **TC Engineering Division** a leading provider of Mechanical Engineering, Civil Engineering, Transportation, Logistics, Craneage & Erection services* and distributes and services mission-critical industrial equipment*. The companies under this division include Civicon group and AEA (formerly Avery East Africa. Lastly, **TC Infrastructure Projects Division providing**; Critical Energy and Transport infrastructure projects focusing on Power, Engineering and other infrastructure projects to support key pillars of the domestic and export economy.*

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