



TRANS-CENTURY LIMITED

Incorporated in Kenya under the Companies Act (Act Number 17 of 2015, Laws of Kenya)
(Registration Number C. 4/2009)

Circular to Shareholders

Proposed allotment and issue of 93,776,173 new ordinary shares of Trans-Century Limited and 70,120 cumulative preference shares in TC Mauritius Holdings to Kuramo Africa Opportunity Kenyan Vehicle Ltd following an injection of USD 20 million and listing of the ordinary shares on the Nairobi Securities Exchange

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you have disposed of all your shares in Trans-Century Limited ("TCL"), please forward this document to the Stockbroker, Investment Banker or other agent through whom you disposed of the shares.

Approval has been obtained from the Capital Markets Authority ("CMA") in respect of the compliance of this Circular with the provisions of the Capital Markets Act and applicable regulations. As a matter of policy, the CMA assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Circular. Approval of the Circular by the CMA is not to be taken as an indication of the merits of the Listing or as a recommendation by CMA to the shareholders of TCL.

A Notice of an Extra-Ordinary General Meeting of TCL which is to be held at Fairmont, The Norfolk Hotel, Nairobi, on Friday, 16th September, 2016 at 11.00 a.m. is set out at the end of this document. A form of proxy for use by shareholders is also enclosed.

The document is important for making a decision to approve the issue of new ordinary shares of TCL to a strategic investor and requires your careful attention as it includes important information and timelines.

Shareholders are advised to read and satisfy themselves on the merits and risks involved in approving the issue of new ordinary shares.

THIS CIRCULAR IS DATED 15th September 2016

The Capital Markets Authority has not yet granted permission for the Issue and Listing of New Ordinary Shares of the Company pending the shareholders' approval of the transaction during the forthcoming Extra-Ordinary General Meeting of TCL. As a matter of policy, the Capital Markets Authority and the Nairobi Securities Exchange Limited do not assume responsibility for the correctness of any statement or opinion made or report contained in this Circular.

IMPORTANT NOTICE

This document is a Circular with respect to approval for the issue of Ninety Three Million Seven Hundred Seventy Six Thousand One Hundred and Seventy Three (93,776,173) new fully paid ordinary shares of par value Kshs 0.50/- each in **Trans-Century Limited** (TCL) to be listed on the Alternate Investment Market Segment of the Nairobi Securities Exchange Limited, under terms outlined herein.

This Circular is presented to enable shareholders make an informed decision on the issue and listing of new shares to a strategic investor and subsequent listing of the same shares.

Shareholders should carefully consider the matters set forth in this document. The document will only be made available by electronic version on TCL website www.transcentury.co.ke.

This Circular is not a prospectus and contains information that is in compliance with the requirements of the Companies Act, 2015.

This Circular contains information that is provided in compliance with the requirements of the Capital Markets Legislation and Regulations.

The Capital Markets Authority has granted permission for the circulation of this Circular. As a matter of policy, the Capital Markets Authority and the Nairobi Securities Exchange Limited do not assume responsibility for the correctness of any statement or opinion made or report contained in this Circular.

No person has been authorised to give any information or to make any representation other than those contained in this Circular and, if given or made, such information or representation must not be relied upon as having been authorised.

This Circular does not constitute an offer to sell or the solicitation of an offer to buy TCL shares by the existing shareholders. Persons who receive this Circular are required by TCL to inform themselves about that restriction.

The shareholders shall, upon passing the proposed ordinary and special resolutions at the upcoming Extra-Ordinary General Meeting of TCL, waive their pre-emption rights as far as the new shares are concerned. The shareholders had also given an approval to the directors at the AGM held on 24th May 2012 to allot and issue shares of the company to such investors as they may approve for the purpose of raising capital.

The new ordinary shares of TCL will carry the right to participate in all future dividends and other distributions to be declared and paid from the date of the issue of the new shares in the share capital of TCL to Kuramo Africa Opportunity Kenyan Vehicle Ltd (Kuramo Africa) an SPV managed by Kuramo Capital Management LLC. Each new ordinary share carries one vote at a general meeting of TCL.

These new ordinary shares will be freely traded on the Nairobi Securities Exchange Limited and will be subject to governance by the Capital Markets Legislation and the Articles of Association of TCL.

Directors of TCL have given their assurances that to the greatest extent possible and to the best of their knowledge all information in this Circular is correct.

The Legal Advisor has given and not withdrawn their consent to the inclusion in this Circular the references to its name, in the form and context in which it appears.

Investment by Kuramo Africa in TCL entails financial risk that can affect the value of the investment positively or negatively. Investors' investment objectives and financial position vary. Prior to approving the issue of new ordinary shares in TCL, shareholders should carefully consider the "Material Risks" relating to TCL's business and the industry it operates in together with any other information contained in this Circular and any other information in the public domain.

If at any time between the date of the Circular and the Listing Date of the new ordinary shares there is a significant change affecting any matter contained in this Circular that shareholders would reasonably require, TCL shall prepare a Supplementary Circular in regard to the Issue and Listing of the new ordinary shares and seek the approval of the Capital Markets Authority. This action would be in compliance with any other regulation and legal requirements prior to the release of the Supplementary Circular.

This Circular will be available on TCL's website (www.transcentury.co.ke) on 15 September 2016.

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DEFINITIONS & ABBREVIATIONS

In this Circular and related documentation, unless otherwise stated, the following expressions shall have the following definitions and abbreviations: The following definitions apply throughout this Circular, unless the context requires otherwise:

"Articles of Association"	The articles of association of TCL
"Bondholders"	The holders of the USD 60,270,000 six percent guaranteed convertible bond in TCM as defined in the deed of amendment relating to the terms and conditions of the USD 60,270,000 six per cent guaranteed convertible bonds dated 24 March 2016 and restating the terms of the fiscal agreements relating to the convertible bond.
"Bondholder Payment"	The amount of USD 20,000,000 due and owing by TCL to the Bondholders in accordance with the composite deed of amendment relating to the terms and conditions of the USD 60,270,000 six per cent guaranteed convertible bonds dated 24 March 2016 and restating the terms of the fiscal agreements relating to the convertible bond.
"CMA"	The Capital Markets Authority, established under the Capital Markets Act (Chapter 485A of the Laws of Kenya)
"Civicon"	The two subsidiaries, Civicon Africa Group Limited and Civicon DRC Holdings Limited which were acquired as Civicon business in 2011.
"Convertible Loan"	The USD 20,000,000 convertible loan to be advanced by Kuramo Africa to TCM, the proceeds of which shall be used to offset the Bondholder Payment.
"Convertible Loan Agreement"	An agreement to be entered into between TCL, TCM and Kuramo Africa, setting out the terms on which the Convertible Loan shall be availed to TCL and TCM.
"Directors" or "Board"	The board of directors of TCL
"EGM"	Extra-Ordinary General Meeting of TCL to be held on 16 th September 2016
"Group"	TCL, its subsidiaries and Development Bank of Kenya Limited (each individually being a Group Company and together being the Group Companies)
"KES"	Kenya Shillings
"KPMG"	KPMG Kenya
"Kuramo Capital"	Kuramo Capital Management LLC, an African focused investment manager
"Kuramo Africa"	Kuramo Africa Opportunity Kenyan Vehicle Ltd, the special purpose vehicle incorporated by Kuramo Capital for purposes of the Transaction
"Listing"	Admission of the New Shares to the Official List of the NSE.

"Listing Regulations"	The Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002.
"Major Shareholders"	The top 10 shareholders in TCL by percentage of ordinary shares held
"New Shares"	93,776,173 new ordinary shares of KES 0.50 each in TCL to be issued and credited as fully paid to Kuramo Africa.
"NSE"	The Nairobi Securities Exchange Limited.
"ordinary shares"	Ordinary shares of KES 0.50 each in the capital of TCL.
"Preference Shares"	70,120 cumulative redeemable preference shares of USD 100 each in the capital of TCM.
"Share Subscription Agreement"	The agreement entered into between Kuramo Africa and TCL in relation to the subscription for New Shares by Kuramo
"Transaction"	The proposed investment by Kuramo Africa of USD 20 million in exchange for the New Shares and the Preference Shares as further described in this document.
"TCL"	Trans-Century Limited, a public limited liability company (incorporated in Kenya under registration number C. 4/2009), listed on the NSE
"TCM"	TC Mauritius Holdings a wholly owned subsidiary of TCL incorporated in Mauritius.

Except where the context otherwise requires (i) words denoting the singular include the plural and vice versa; (ii) words denoting any one gender include all genders; (iii) words denoting persons include firms and corporations and vice versa and (iv) capitalized terms used in the accompanying forms will be construed and interpreted in accordance with this Circular.

CORPORATE INFORMATION

Title	Commentary
Registration Number:	C. 4/2009
Date of Incorporation:	1997
Registered Office and Principal Place of Business:	Trans-Century Limited 8 th Floor, Wing B, West End Towers, Off Waiyaki Way P. O. Box 42334 - 00100 Nairobi GPO
Status:	Public company with limited liability whose shares are listed on the NSE.
Company Secretary:	Virginia Ndunge Kaplan & Stratton Advocates 9 th Floor, Williamson House 4 th Ngong Avenue P. O. Box 40111, 00100 Nairobi GPO
Auditors:	KPMG Kenya, Certified Public Accountants ABC Towers, 8 th Floor ABC Place, Waiyaki Way, P.O. Box 40612-00100, Nairobi
Principal Bankers:	Equity Bank (Kenya) Limited Lavington Supreme P. O. Box 75104- 00200, Nairobi City Square Citibank NA-Kenya Branches P. O. Box 30711-00100, Nairobi GPO
PIN:	P051137008Q
Nominal Share Capital:	1,200,000,000 ordinary shares of KES 0.50 each
Issued and Fully Paid Share Capital	281,426,593 ordinary shares of KES 0.50 each
Financial Year End	31 st December

ADVISORS

Investment Banker	Francis Drummond & Company Limited Hughes Building, 2nd Floor, Kenyatta Avenue/Muindi Mbingu Street P.O. Box 45465 – 00100, Nairobi, Kenya Tel: 3318690/3318689, Cell: +254 724 256815 Email: info@drummond.co.ke
Legal Advisor	Kaplan & Stratton, Advocates 9 th Floor, Williamson House, 4 th Ngong Avenue P.O. Box 40111-00100, Nairobi, Kenya Tel: +254 20 2841000: Email: AmarGT@Kapstrat.com
Registrar	Cooperative Bank of Kenya Limited Share Registration Services 13th Floor, Cooperative Bank House, Haile Selassie Avenue PO Box 48231, 00100 Nairobi GPO Tel: +254 (020) 3276236, Email: NMaore@co-opbank.co.ke

**LETTER FROM THE CHAIRMAN
TRANS-CENTURY LIMITED**



Dear Shareholder/Investor,

On behalf of the Board of TCL, it is my pleasure to present this Circular to you relating to the approval and subsequent Listing of the New Shares on the Alternate Investment Market Segment on the NSE.

This Circular provides significant amount of information and we therefore urge you to read it carefully.

On behalf of the Board, I look forward to welcoming you at the EGM as a shareholder of TCL on 16th September 2016.

.....
**Mr. Zephaniah Mbugua,
Chairman**

DIRECTORS' STATEMENT

The Board of TCL accepts responsibility for the information in this Circular. We declare that to the best of our knowledge and belief, the Board of TCL have taken reasonable care to ensure that the information contained in this Circular is in accordance with the facts and that the Circular makes no omission likely to affect the import of such information or which, in the opinion of the Board of TCL, should be included in this Circular.

We therefore in good faith take responsibility for the information in this Circular.

We confirm that TCL will comply where applicable with the Capital Markets Act and attendant Regulations and the Companies Act to all the extents permitted by the said Acts. This includes Regulation 19 (Continuing Obligations) of The Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002. TCL will apply and comply with the NSE Listing Manual.

**Mr. Zephaniah Mbugua
Chairman**

**Mr. Ng'ang'a Njiinu
Ag. Chief Executive Officer**

TIME TABLE OF KEY EVENTS

Key events	Date
Execution of the Share Subscription Agreement	14 th September 2016
Extra-Ordinary General Meeting	16 th September 2016
Fulfilment of suspensive condition and Issuance of Convertible Loan by Kuramo Africa	20 th September 2016
Payment to Bondholders	20 th September 2016
Completion of the issuance of the New Shares of TCL and the Preference Shares of TCM	3 Business Days after satisfaction of all conditions precedent of the Transaction
Long Stop Date	23 rd December, 2016
Press Announcement following completion of the Transaction	23 rd December 2016*
Date for admission of the New Shares to Listing	3 Business Days after satisfaction or waiver of all conditions precedent of the Transaction

***These dates are subject to change.**

Notes:

1. All references to times in this Circular are Kenyan local time, except as otherwise stated.
2. If any date falls on a public holiday suddenly announced, the applicable date shall be the next working day.
3. The above dates are subject to change at the discretion of the Board of Directors of TCL but subject to the approval of the Capital Markets Authority.
4. Any changes will be communicated in the public media.

PROPOSED TRANSACTION

Background to and reasons for the Transaction

The management and principal shareholders of TCL believe that TCL is a promising business with a robust product portfolio, market leadership in terms of market share and strong reputational positioning in the high growth power, engineering, and transport infrastructure sectors in East, Central and Southern Africa, with a horizon to expand across Sub-Saharan Africa.

In 2011, the Group issued a United States Dollar (USD) denominated convertible bond through one of its subsidiaries, TC Mauritius Holdings (“TCM”) amounting to USD 60,270,000. Some of the Bondholders converted their portion of the bond to ordinary shares during the year ended 31 December 2011 amounting to USD 3,435,000. The original term of the bond was 5 years maturing on 25 March 2016 with a 6% cash coupon paid annually and a 133.8% redemption premium to be paid on maturity should the bond not be converted. The redemption premium and the final year cash coupon would have resulted in a potential liability of ~USD 80m.

The funds raised from the convertible bond were used to pay for acquisition of a stake in Rift Valley Railways (“RVR”) and Civicon but due to poor performance of RVR, TCL exited the investment in 2014 and recovered the capital invested. The capital was re-deployed into debt reduction and capacity enhancement in the Group’s power as well as engineering divisions. While

valuation of TCL's investments has increased in the 2 years since re-investment, businesses have not had sufficient time to generate enough cash to repay the bond. On 24th March 2016, TCL ("*the guarantor*") and TCM ("*the issuer*") reached a settlement with the majority Bondholders where the total payable bond liability reduced from USD 80m to USD40m with the agreement requiring TCL to pay USD 20m on or before 25th September 2016 and the remainder (USD 20m) to be converted into a 3 year unsecured loan at an interest rate of 8% with a prepayment option.

On 14th September, 2016, TCL entered into an agreement (the **Share Subscription Agreement**) with Kuramo Africa an SPV incorporated by Kuramo Capital, an African focused investment manager to inject USD 20 million (approximately KES 2 billion) of fresh equity in TCL and TCM to part settle the bond obligation subject to certain conditions precedent being satisfied or waived (where applicable) including shareholders' and regulatory approvals. TCL was keen to work with Kuramo Africa as partnership between Kuramo Africa and Trans-Century was clearly a great alliance as both companies have a similar view of investing in Africa's infrastructure space.

Further information on TCL's and Kuramo Africa's businesses is set out in Part 4 of this Circular.

Principal terms of the Transaction

The following are the principal terms of the Transaction:

(a) Terms of the Convertible Loan

Kuramo Africa will provide to TCM a short term convertible loan which will be extinguished and 93,776,173 New Shares of TCL and 70,120 Preference Shares in TCM issued to Kuramo Africa upon satisfaction or waiver (where applicable) of the conditions precedent of the Transaction which include regulatory approvals, and shareholder approvals. The Convertible Loan will be utilised to settle the Bondholder Payment and as a consequence the loan of US\$ 20 million being the remaining bond liability will be rolled over into a three (3) year unsecured loan at an interest rate of 8% with a prepayment option. The Convertible Loan shall be extinguished in exchange for the issue of New Shares and Preference Shares upon the satisfaction of the conditions precedent in the Share Subscription Agreement, which include:

1. Shareholders' approval of the Transaction,
2. CMA and NSE approval of the Transaction
3. Other relevant regulatory approvals
4. Board approval of the transaction.

(b) Allotment and issuance of New shares and Preference shares

Upon the satisfaction of the conditions precedent indicated in (a) above, the Convertible Loan shall be extinguished in exchange for the issuance and allotment of 93,776,173 ordinary shares for USD 12,988,000 in TCL and 70,120 preference shares of USD 7,012,000 in TCM.

It has been agreed that the price per New Share to be allotted to Kuramo Africa is KES 13.85 which is above the volume weighted average price (VWAP) of TCL's shares for the 30 trading days on the NSE - expiring on 31st August 2016, of KES 4.78. This represents a premium of approximately 190% which demonstrates our view and Kuramo Africa's confidence in TCL's valuation. The number of New Shares has been calculated by direct reference to the aforesaid price per share of KES 13.85 using an exchange rate of KES/USD 100. The New Shares allotted to

Kuramo Africa which shall rank *pari passu* in all respects with the existing ordinary shares, shall have a par value of KES 0.50 each.

The number of preference shares being 70,120 preference shares to be allotted to Kuramo Africa has been calculated by direct reference to the Transaction Preference Share price of USD 100. The Preference Shares shall have a par value of USD 100 each, will be non-convertible and only redeemable after 7 years with a 4.9% coupon and 1.75 times redemption value.

Unlike transactions involving unlisted entities for which there is no pre-determined fair market valuation, the share valuation in the Transaction is above the stock market price. The Share Subscription Agreement is conditional upon, amongst other things, obtaining approvals from the shareholders, CMA, NSE and competition authorities.

(c) New Board Composition

For as long as Kuramo Africa (or an affiliate of Kuramo Capital) is a shareholder in TCL, the Board shall consist of nine (9) directors and Kuramo Africa shall be entitled to appoint three (3) directors (the **Investor Directors**), the Major Shareholders shall be entitled to appoint three (3) directors and all the shareholders acting together shall appoint three (3) independent directors.

(d) Reserved matters

Upon completion of the Transaction:

- 1 The following matters shall require the affirmative vote of Kuramo Africa, or an Investor Director or (in the case of a Group Company) a director appointed by Kuramo Africa:
 - 1.1 Purchase or disposal whether by sale or otherwise of significant assets for amounts in excess of 10% of the entity's total assets or purchase of any real property;
 - 1.2 Selection, compensation and removal of the chief executive officer/managing director and the chief financial officer;
 - 1.3 Issuance or redemption of significant debt (including guarantees) or granting of security interests in significant assets for amounts in excess of 10% of the entity's total assets;
 - 1.4 Entering into, amending in any material respect, waiving or terminating any related-party transactions; and
 - 1.5 The issue of further shares or quasi-equity instruments;
- 2 The following matters shall require the affirmative votes of seven (7) members of the Board or (in the case of a Group Company) directors of the board of a Group Company:
 - 2.1 Authorizing senior management and/or related persons or entities to form or engage in a competing business;
 - 2.2 Commencing or settling any lawsuit, action, dispute or other proceeding or otherwise assume any liability with a value in excess of 5% of the entity's total assets or agreeing to the provision of any equitable relief by the entity or waiving of material rights;
 - 2.3 Entering into or amending any material term of (i) any employment agreement or arrangement with any senior employee (ii) the compensation (including salary, bonus, deferred compensation or otherwise) or benefits of any senior employee, (iii) any employee share purchase or similar equity-based plans, (iv) any benefit, severance or other similar plan or (v) any annual bonus plan or any management equity plan. Senior employees refers to employees earning more than USD75,000 per annum;
 - 2.4 Approving risk policies, employment policies, compliance policies, insurance policies, and performance objectives including guidelines on salary and equity incentive programs for senior management of TCL and/ or any Group Company;

- 2.5 The sale, licensing, or transferring any of the entity's patents, copyrights, trademarks or other intellectual property other than in the ordinary course of its business;
- 2.6 Extension or guarantee of any debt or financial obligation exceeding USD500,000;
- 2.7 Provision of any loans to any director, officer or employee or affiliate exceeding USD10,000;
- 2.8 Changing accounting methods or policies, or appointing and/or reappointing an auditor;
- 2.9 Establishing committees of the board of directors, such as, but not limited to, investment committee, audit committee, compliance committee, corporate social responsibility committee;
- 2.10 Any transaction exceeding USD200,000 not provided for in the budget ;
- 2.11 Recommendation of a dividend;
- 2.12 Approval of a dividend policy and any amendments to it;
- 2.13 Approval of the business plan and any amendments to it;
- 2.14 Any other action agreed on in the Transaction documents.

TCL shall within thirty (30) days from the completion date of the Transaction convene an extraordinary general meeting of TCL and of each of the Group Companies to approve the adoption of amended Articles of Association to incorporate, amongst others, the issues set out above.

Effect of the Transaction on Existing Shareholders

The allotment of the New Shares to Kuramo Africa will increase the number of issued and fully paid up shares that qualify to share in TCL earnings and net assets and to participate in future dividend distributions. Based on the proposed issue of 93,776,173 new ordinary shares of KES 0.50 each, the existing shareholders will be diluted by approximately 24.99% percent. It is however expected that the reduction in debt will have a greater impact in unlocking the underlying value of TCL including a cash saving of USD 60 million. Below is a snapshot of the effect of the Transaction to the existing shareholders.

No Shareholders	As at 31 August 2016		Proforma	
	Shares Held	% shareholding	Shares Held	% shareholding
1 Kuramo Africa	-	0.00%	93,776,173	24.99%
1 Standard Chartered Nominees Ac Ke15615	31,065,194	11.04%	31,065,194	8.28%
2 Anne Pearl Karimi Gachui	21,253,190	7.55%	21,253,190	5.66%
3 Michael Gitau Waweru	21,216,380	7.54%	21,216,380	5.65%
4 Peter Tiras Kanyago	15,679,890	5.57%	15,679,890	4.18%
5 Ephraim Kariithi Njogu	12,520,370	4.45%	12,520,370	3.34%
6 Gitau Zephaniah Mbugua	11,984,752	4.26%	11,984,752	3.19%
7 Gath Properties Limited	10,933,000	3.88%	10,933,000	2.91%
8 Robin Munyua Kimotho	10,851,510	3.86%	10,851,510	2.89%
9 Standard Chartered Nominees A/C Ke12424	10,437,800	3.71%	10,437,800	2.78%
10 Stephen Njoroge Waruhii	9,862,971	3.50%	9,862,971	2.63%
11 Others	125,621,536	44.64%	125,621,536	33.48%
Total of Shares	281,426,593	100%	375,202,766	100.00%

Benefits of the Transaction

By approving the Transaction, the following benefits will accrue to the stakeholders of TCL Group:

- Deleveraging TCL's balance sheet by reducing the debt exposure by USD 20 million through Kuramo Africa's fresh equity injection. This reduces the Group's overall forex exposure and will also result in the reduction in the Group's interest costs.
- The amendment of the terms of the convertible bond resulted in a write back of USD 19.4 million of principal and interest charges.
- The Transaction does not result in a takeover of TCL but results in a dilution effect of only 24.99% to the current shareholders.
- The Transaction enhances TCL's opportunity to source for cheaper funds.
- It brings on board a key strategic partner with the same focus as TCL thereby maximizing shareholder value.
- In addition, this also results in a cash saving of USD 60 million which would have been paid out to the Bondholders.

Approvals for the Transaction

An Extraordinary General Meeting will be held at The Norfolk Hotel, Nairobi, on 16th September 2016 at 11:00 am, for shareholders of TCL to consider and if deemed fit approve and ratify the Transaction and authorize TCL Directors to issue and allot shares of TCL to Kuramo Africa.

We intend to lodge the application for the regulatory approval by the CMA under the Capital Markets Act pursuant to the Fourth Schedule of the Listing Regulations and the Capital Markets (Take-overs and Mergers) Regulations, 2002. In addition, an application will also be made to the NSE to list the New Shares on the NSE. Other approvals required include approvals from competition authorities and third party financiers.

Risks Relating to the Transaction

The Transaction is conditional on certain conditions precedent spelt out in the Share Subscription Agreement being satisfied or (where applicable) waived. In addition the Transaction is subject to a suspensive condition that TCL, TCM and Kuramo Africa enter into a loan agreement and related documents in relation to the Convertible Loan.

Recommendation

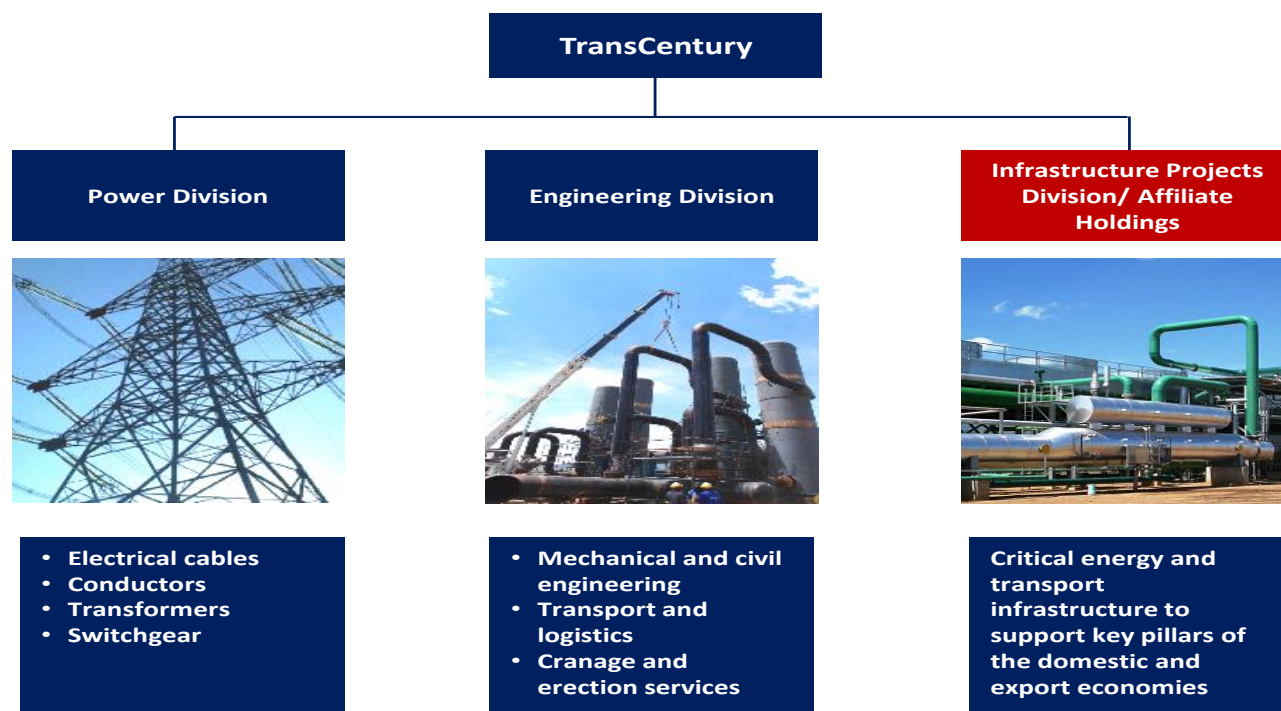
The Board considers that the Transaction will contribute positively towards enabling TCL achieve its objectives of maximising shareholder value. The Board believes that the Transaction is in the best interests of TCL and its shareholders. Accordingly, the Directors unanimously recommend that all shareholders support this Transaction.

If you are in any doubt as to the matters set out in this Circular you are recommended to seek independent advice from your stockbroker, investment banker, lawyer or other professional adviser.

INFORMATION ON TCL

TCL is an infrastructure company based in Kenya, with a track record for delivering and executing for success attractive investment opportunities. TCL is listed on the Nairobi Securities Exchange (NSE) and subject to the regulations of the Capital Markets Authority (CMA).

TCL's core strategic focus is to seek out markets in Africa that display elements of under-penetration and inefficiency and to invest to bring financial, technical and managerial capacity into such sectors. TCL operating divisions include:



Further information on TCL can be accessed on our website www.transcentury.co.ke.

Company's Investment Data

The key statistics are as follows:

	Data	
1	Par value of TCL shares (Kshs)	Kshs 0.50/-
2	Allotment price of new shares to Kuramo Africa (Kshs)	Kshs. 13.85
3	Number of issued and fully paid up shares of TCL	281,426,593
4	Issued and fully paid up share capital of TCL (Kshs)	140,713,297
5	Capitalisation of TCL with New Shares (Kshs)	187,601,383
6	Net asset value (shareholder funds) as of 30 June 2016 (Kshs)	4,739,562,000
7	Profit after tax for half year ended 30 June 2016 (Kshs)	1,266,120,000
8	Earnings per share for half year ended 30 June 2016 (Kshs)	4.91
9	Earnings per share for 31 December 2015 (Kshs)	(2.16)

* Some figures have been rounded up

Company Directors

Name	Designation	Nationality	Personal Address	Age
Mr. Zephaniah Mbugua	Chairman, Non-Executive	Kenyan	P. O. Box 18511- 00500, Nairobi	66
Amb. Dennis Awori	Independent, Non-Executive Director	Kenyan	P. O. Box 65957- 00619, Nairobi	62
Mr. Nganga Njiinu	Executive Director	Kenyan	P. O. Box 26202- 00100, Nairobi	39

INFORMATION ON KURAMO CAPITAL

Kuramo Capital is an independent investment management firm that provides targeted global investment management services to institutional clients and ultra-high net worth individuals, focused on alternative assets in emerging and frontier markets.

Kuramo Capital's sole objective is to capture the tremendous growth opportunity in Sub-Saharan Africa for a select group of institutional and high net-worth investors. Kuramo Capital is committed to offering their strategic partners a broad range of approaches to access the opportunity including strategic advice as they build out their sub-Saharan Africa portfolio. Kuramo Capital has global investment experience, extensive local network in Africa and early commitment to investments in sub-Saharan Africa.

Kuramo Capital

Kuramo Capital brings together over 80 years of investment and institutional experience. The firm has an experienced team of African investment professionals who held prior leadership positions at leading institutions with a strong track record in investment management, research, asset allocation, and manager selection across asset classes.

The team has held leadership roles at leading endowments, foundations, pension funds, investment banks, consulting and private investment management organizations; and has been an early leader in committing significant capital to Africa across asset classes. Particulars of the firm's partners are set out below:

Name	Role
Walé F. Adeosun, CFA	Founding Partner and Chief Investment Officer
Shaka M. Kariuki	Partner and Co-Chief Investment Officer
Kamal D. Pallan	Partner and Chief Operating Officer

Kuramo Capital Senior Management

Particulars of the Firms management are set out below:

Name	Role
Mobolaji Adeoye	Managing Director
Sarah Ngamau	Vice President
Efe Ukala, Esq.	Vice President

Kuramo Capital has offices in New York City, United states, Lagos Nigeria and Nairobi Kenya. Further information can be accessed on their website www.kuramocapital.com.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection by shareholders, free of charge, at TCL's offices at 8th Floor, West End Towers, Waiyaki Way P.O. Box 42331 00100 Nairobi between 9.00 a.m. and 5.00 p.m. Monday to Friday (except public holidays) from the date of this Circular until 15th September 2016:

- (a) TCL's Memorandum and Articles of Association;
- (b) The approval of the CMA relating to this Circular;
- (c) The Share Subscription Agreement

EGM Notice

NOTICE IS HEREBY GIVEN that an Extra-Ordinary General Meeting of TransCentury Limited (Company) will be held at Fairmont, The Norfolk Hotel, Nairobi on Friday, 16th September, 2016 at 11.00 a.m. to conduct the following business:

AGENDA

A. ORDINARY BUSINESS

To read the notice convening the meeting and determine the presence of a quorum.

B. SPECIAL BUSINESS

To consider and if deemed fit obtain an authority from shareholders to issue and allot shares of the Company and to approve and/or ratify the following transactions about to be completed by the Company and/or its subsidiaries including all steps taken by the Directors of the Company in connection therewith by way of a special resolution:

1. Kuramo Capital Management LLC

The USD 20 million investment into the Company by Kuramo Capital Management LLC (**Kuramo Capital**), an African focused investment manager, by way of a share subscription, to assist to refinance the TC Mauritius Holdings Limited Senior Unsecured Convertible Bond (**Transaction**).

2. Issue and allotment and other

To authorize the Directors of the Company to:

- (i) issue and allot shares to Kuramo Africa in connection with the Transaction, subject to applicable laws and regulatory approvals. The actual number of the shares to be allotted will be determined on completion of the Transaction but will not exceed 94 million shares;
- (ii) do or procure the doing of all such acts and/or execute or procure the execution of all such documents necessary for giving full effect to Transaction provided that the authorities given to the Directors will expire at completion of the Transaction, being no later than one year from the date of the resolution.

BY ORDER OF THE BOARD

**Company Secretary
P.O. Box 40111-00100
NAIROBI**

Date: 24th August 2016

**TO: The Company Secretary,
TransCentury Limited
P.O. Box 40111-00100
NAIROBI**

PROXY FORM

I
of
being a member/members of
hereby appoint
of
or failing him
of
as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting
16th September, 2016
Of the Company to be held on

And at any adjournment thereof.

Signed/Sealed this Day of, 2016

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NOTE: The proxy form should be completed and returned not later than 48 hours before the meeting or any adjournment thereof. In case of a Corporation, the Proxy must be executed under the Common Seal.