

TRANSCENTURY PLC 22<sup>nd</sup> ANNUAL GENERAL MEETING

DATE: 10<sup>TH</sup> JUNE 2021

QUESTIONS AND ANSWERS

Questions (Clustered into thematic areas)	Answers
<p><b>1. TC Group business operations.</b></p>	<p>TransCentury (“TC”) is an Africa focussed infrastructure investment business targeting the <b>Energy, Transport, Agriculture, Industrial and Water sectors.</b></p> <p>TC operates primarily as an active lead investor in businesses, adding value through;</p> <ul style="list-style-type: none"><li>• Deploying capital for growth</li><li>• Operational enhancement through strategic support to operations</li><li>• Offering an unmatched platform for tapping synergies and accelerating growth to investee companies</li></ul> <p>The Group offering in the above sectors includes;</p> <ul style="list-style-type: none"><li>• <b>Power Products</b> – Manufacturers of products that go into key infrastructure.</li><li>• <b>Engineering</b> – Construction of infrastructure projects</li><li>• <b>Infrastructure projects</b> - Development of critical energy and transport infrastructure to support key pillars of the economy.</li></ul>
<p><b>2. Ways of improving the Group business to the next level.</b></p>	<p>In the last 4 years we have focussed on;</p> <ul style="list-style-type: none"><li>• Growing orderbook through concerted commercial efforts</li><li>• Debt reprofiling to match cash flows.</li><li>• Fundraising</li><li>• Orderbook execution</li></ul>

	<p>This is the Groups 4 step turnaround plan. We have made significant progress and the results can already be seen in the remarkable growth in revenue in 2019.</p> <p>The priority now is to complete debt restructure and to secure funding for the Group to ensure our businesses capitalise on the opportunities to accelerate growth.</p>
<b>3. Challenges the Group is facing in the current year.</b>	Funding the business is the biggest challenge the Group faces currently, hence the proposal on an Equity Fund raise – Rights Issue to help close funding gap and provide long term capital.
<b>4. Dividend rate</b>	<p>The company did not recommend a dividend, however;</p> <ul style="list-style-type: none"> <li>• Business is implementing a turnaround strategy with significant progress made.</li> <li>• We expect the business to pay dividends on full recovery.</li> </ul>
<b>5. Long-term loan of Ksh 3b &amp; Ksh 4b</b>	Long term loan of Ksh 3.4b is the non-current portion and Ksh 4b current portion
<b>6. Accumulated losses in the balance sheet/negative revenue reserves</b>	The Board and Management are committed to seeing the business turnaround and significant progress has already been achieved.
<b>7. Plans to improve the balance in regard to current liability vs current asset position as well as receivables vs payables.</b>	The Equity injection proposed to shareholders by way of the Rights Issue is one of the initiatives that will strengthen the balance sheet and subsequently improve the equity position. With funding resolved, the business will capitalise on great opportunities at hand to deliver positive bottom line.
<b>8. Concern of Rights Issue proceeds going to pay debt.</b>	<p>Funds from the Rights issue will support the business by;</p> <ul style="list-style-type: none"> <li>• Deleveraging the business for sustainability <ul style="list-style-type: none"> <li>○ Reduce pressure on operating cashflows.</li> </ul> </li> <li>• Unlock working capital funding from financiers to drive revenue and margin growth.</li> <li>• Support business restructuring initiatives.</li> </ul>

<b>9. Availability of detailed financials.</b>	Detailed Annual Report is available on our website <a href="http://www.transcentury.co.ke">www.transcentury.co.ke</a>
<b>10. Competitiveness of TC in infrastructure given nature of procurement seems to favour imports.</b>	TC is well positioned to leverage on the opportunities in the country's infrastructure drive. Our businesses have the capacity to meet the demand and due to the substantial investments made in the last few years, we are efficient and competitive compared to Global players. In addition, the local content framework allows TC businesses to position favourably against imports.
<b>11. Transcentury positioning to benefit from ongoing infrastructure works in the country.</b>	The Group has participated in major infrastructure projects e.g., Lake Turkana wind roads, VTTI Fuel storage, Base Titanium mine infrastructure, Geothermal power plants, countrywide weigh station technology and management etc. We continue to pursue projects in line with the strategic plan and in collaboration with global partners.
<b>12. Progress on ventilator development and continued contribution to the fight against COVID-19 initiatives.</b>	The discussions on ventilator development are ongoing in collaboration with other relevant stakeholders. Other initiatives including mobile hospitals and facial mask nasal wire are ongoing and have been commercialised.
<b>13. Re-election of directors, their tenure and age (above 70 years)</b>	In line with paragraph 2.5.1 of the Code of Corporate Governance Practices for Issuers of securities, Directors express their willingness to continue serving on the Board and this is presented in the AGM for shareholder approval. Directors who are above 70 years must similarly be approved on an annual basis.
<b>14. Information about Civicon and ongoing projects</b>	Civicon continues to pursue and execute infrastructure projects in the region but has struggled with working capital constraints as reported before. Under the current working capital constrained environment, we continue to look for ways to unlock working capital financing for the business to reach its full potential.

<p><b>15. Completion of roads allocated in the Government of Kenya road annuity programme.</b></p>	<p>The Road annuity program did not take off; however, TC Group is still pursuing and keen to participate.</p>
<p><b>16. Progress on already won road projects.</b></p>	<p>Execution of road projects e.g. Eldoret, Kisii is ongoing with collaboration of partners.</p>
<p><b>17. Efforts been put to increase visibility of the Civicon Brand.</b></p>	<p>Civicon team are working on enhancing the Civicon brand.</p>
<p><b>18. Participation in the growing Oil and Gas sector in Uganda.</b></p>	<p>The Group has been involved in the Oil and gas sector and will continue to pursue projects for all subsidiaries in line with the strategic plan. We continue to pursue additional working capital to allow our businesses to compete favourably.</p>