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A message from the CEO



Dear Stakeholders,

It is with great pleasure that I introduce the first edition of the TransCentury newsletter. Our purpose is to ensure that you stay informed on new developments and interesting projects within TransCentury Group. The newsletter will also showcase new and existing talent who will help TransCentury achieve lofty growth plans across our three key divisions: Power, Transport and Engineering.

Our optimism is driven by the strong fundamentals we see within our target sectors:

Power

1. Low electrification rates across the region have created pent up demand building and expansion of grids
2. Continued growth of the regional construction sector, despite high interest rate environment

Transport

1. Strong growth of Mombasa port volumes, with + 10% growth of containerized cargo at the port of Mombasa
2. Low market share of the rail, with 8% of Mombasa port traffic, makes the case for rehabilitation of the rail to increase its capacity

Engineering

1. Regional need for increased power generation capacity continues to create more demand for engineering capabilities
2. Recent discovery of natural resources across the region is creating near-term construction activity

Human capital is the key to executing our growth strategy. As such, we have recently bolstered our team with new hires who we have highlighted in this newsletter edition. We also feature noteworthy projects TransCentury has been involved in, including our engineering divisions work to expand the Orpower geothermal power plant in Naivasha, as well as our Transport division's success in RVR's turnaround programme.

At TransCentury, we are committed to finding innovative solutions which represent greater focus and growth prospects for the TransCentury Group. We also realize that we cannot effectively take advantage of the strong market fundamentals without the help of all our stakeholders; including our employees, our investors, our suppliers and customers.

We look forward to working together to execute the opportunities available across the region.

Please also remember to visit our new look website at www.transcentury.co.ke. Our aim was to make the website more user friendly and informative, so give us your feedback on our email address info@transcentury.co.ke.

Dr Gachao Kiuna
Chief Executive Officer and Managing Director

OUR PEOPLE

We are delighted to announce the following new staff appointments. Please join us in officially welcoming them to the TransCentury Group family and to wish them well in their new roles.

ENGINEERING

Nigel Horner



We brought on board an action-oriented and results-focused Chief Executive Officer Nigel Horner to head Civicon's extensive operations across the region. He is a decisive professional who brings to the table 30 years of experience in the construction industry with the last 18 years focused on senior management at Director Level.

Ben Kiilu



Newly appointed Chief Operating Officer Ben Kiilu is responsible for the performance, development and growth of Civicon's Engineering and Construction Division. A Cambridge University graduate, Ben worked with United Utilities, a FTSE 100 company, where he was the Head of Engineering Services.

TRANSPORT

Darlan De David



International industry veteran Darlan De David joins RVR as Chief Executive Officer having previously steered RVR as Chief Operations Officer from October 2010 to March 2012. Darlan is responsible for the overall day-to-day running of the business and to ensure that the company achieves its mission and strategic objectives.

Bong Yoon



Having over 10 years experience in the transport industry as well as experience in various Finance, Internal Audit and Operational management capacities, Bong Yoon RVR's new Chief Finance Officer holds an MBA from California State University. He has a proven track record of developing and implementing both financial and operational controls to mitigate risks while improving efficiencies.

POWER

Jose Miguel



With an Electrical Engineering degree from Instituto Superior Técnico in Portugal, Jose Miguel brings to Tanalec over 30 years experience in Management, Planning, Design, Contract Management, Construction Supervision and Documentation in six countries - Portugal, France, Angola, Mozambique, Lesotho, South Africa and Ghana. Prior to joining Tanalec, Miguel worked at JM Services & Projects Pty Ltd, ZEST Electric, Brolaz Projects (Pty) as well as CME Mozambique.

Nicholus Kithinji



In his role as Commercial Manager, Nicholus Kithinji is in charge of business development and sales operations across our Industrial Products division. As an Agricultural Engineering graduate he joins Avery (East Africa) with a wealth of experience in industry having worked in various companies at various levels including Mantrac (K) Ltd, Achelis Ltd and MACs Tanzania Ltd where he was the Group Sales Manager.

OUR PROJECTS

TRANSPORT



The team celebrates after completing the refurbishment of locomotive 9313

We are pleased to announce the commencement of the locomotive refurbishment plan. The plan will result in the overhaul 43 locomotives (32 mainline and 13 shunting).

The locomotive refurbishment project will be a major step towards the attainment of the overall capex program which includes among other things - rebuilding of the culverts in Uganda, replacing approximately 70kms of rail track between Mombasa and Nairobi as well as overhauling of around 760 wagons.

“We plan to overhaul 43 locomotives 32 mainline and 13 shunting”

POWER



The commissioned Ngara Civil Servants Housing Estate

Our Power division was involved with several noteworthy projects in 2012, a good example being the Ngara Civil Servants Estate that was officially opened by President Mwai Kibaki in October.

East African Cables provided a range of copper house wires as well as copper armored cables for the lighting circuits during installation process. The project is the largest single housing project in the country boasting a complex with a 10- classroom nursery school, a shopping mall, a parking space that can hold about 1,000 vehicles, as well as a jogging track.

The Civil Servants Housing Scheme Fund, which funded construction of the Ngara Estate, is estimated to have gifted over 3,000 civil servants across Kenya new houses,

“The largest single housing project in the country”

ENGINEERING



The Orpower IV geothermal plant in Naivasha

OrPower 4, a subsidiary of Ormat Technologies Inc. (NYSE: "ORA"), approached Civicon in early 2012 to help build a 50MW geothermal power station as part of their expansion for the current Orpower site in Naivasha.

Later on in July Civicon was awarded the civil and mechanical works for the construction of the power station which included three Ormat Energy Conversion units.

The project is on track to be completed on time and on budget in February 2013.



EAC CEO, Mr. George Mwangi gives an electrician the accreditation agreement after successfully completing the training program

More benefits for Fundi Bora Club members

The birth of Fundi Bora Club back in 2011 has led to the transformation of Kenya's electrical sector, thanks to East African Cables (EAC) who envisaged a programme aimed at providing training courses to electricians, electrical contractors and electrical traders.

The Club currently has over 1,000 qualified and licensed technicians and its 2013 strategy is to equip members of the Club with business and financial skills that technicians in the field currently lack.

By training and registering electricians, East African Cables is also taking a strategic step to ensure that the construction industry continues to tap into a pool of trained electrical technicians. In conjunction with TechnoServe, TransCentury, East African Cables and Equity Group Foundation, Fundi Bora Club is set to transform the electrical sector.

"We are now embarking on a long-term initiative to empower cable installers with skills to enable them undertake quality installations that primarily guarantee safety and value for money," East African Cables Group CEO Mr. George Mwangi explained.

Equity Group Foundation's Financial Literacy Program will cover modules on budgeting, savings, debt management and financial services.

"We are now embarking on a long-term initiative to empower cable installers"

In addition to training, Club members also enjoy discounts on selected products and are provided with an identification badge showing them as accredited EAC electricians. East African Cables looks forward to extending the membership to other countries in East and Central Africa, where they have a growing presence.