

OUR REF: TCL/CEO/013/18

March 2, 2018

Chief Executive Officer

Capital Markets Authority

Embankment Plaza, 3<sup>rd</sup> Floor

**Nairobi, Kenya.**

Dear Mr. Muthaura,

**RE: TransCentury Group - Profit Warning Announcement**

Pursuant to the provisions of Paragraph G.05 (1) (f) & (2) of the Fifth Schedule to the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002, the Board of Directors of TransCentury Limited (the "Company", together with its subsidiaries, the "Group") wishes to inform the shareholders, potential investors and general public that based on preliminary assessment of the unaudited accounts, the earnings for the financial year ended 31 December 2017 may be more than 25% lower compared to the net earnings for the year ended 31 December 2016.

The decrease in net earnings is attributed to the following:

- 1) Declined performance in the operating units due to delayed spending on infrastructure projects that affected our customers as result of uncertainties brought about by the prolonged electioneering period during the year.
- 2) Continued effects of the prevailing constrained access to credit due to the interest rate capping in Kenya.

The Board and Management are confident that the Group is on a solid foundation and are optimistic that the business environment will rebound in 2018 while they continue to put in place measures to better insulate the business from negative macro influences.

Yours Sincerely

Virginia Ndunge

Company Secretary

Cc: Mr. Geoffrey Odundo  
Chief Executive Officer  
Nairobi Securities Exchange  
55 Westlands Road  
NAIROBI