

INTERIM STATEMENT TO SHAREHOLDERS GROUP UNAUDITED RESULTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2018

STATEMENT OF PROFIT OR LOSS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2018

	GROUP		COMPANY	
	30-Jun-18 Kshs'000	30-Jun-17 Kshs'000	30-Jun-18 Kshs'000	30-Jun-17 Kshs'000
Turnover	2,283,692	2,993,560	-	-
Cost of Sales	(1,658,661)	(2,587,088)	-	-
Gross Profit	625,031	406,472	-	-
Net other income	145,037	18,019	70,608	29,324
Operating expenses	(695,775)	(865,005)	(111,689)	(137,590)
Profit/(Loss) from operations/EBITDA	74,293	(440,514)	(41,081)	(108,266)
Depreciation & Impairment	(314,714)	(330,215)	(593)	(2,130)
Net finance costs	(444,404)	(504,756)	(800)	(49,053)
Loss before income tax	(684,825)	(1,275,485)	(42,474)	(159,449)
Income tax credit	-	235,153	-	-
Loss for the period	(684,825)	(1,040,332)	(42,474)	(159,449)
Loss for the period attributable to:				
Equity holders of parent company	(508,467)	(944,762)	-	-
Non-controlling interest	(176,358)	(95,570)	-	-
Loss for the period	(684,825)	(1,040,332)	-	-
Basic and diluted EPS (Kshs/Share)	(1.36)	(2.88)	-	-

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	GROUP		COMPANY	
	30-Jun-18 Kshs'000	31-Dec-17 Kshs'000	30-Jun-18 Kshs'000	31-Dec-17 Kshs'000
Assets				
Non-current assets	12,530,426	12,936,460	10,438,300	10,443,529
Current assets	5,133,446	5,804,504	1,999,433	2,008,589
Total assets	17,663,872	18,740,964	12,437,733	12,452,118
Equity and liabilities				
Share Capital	187,601	187,601	187,601	187,601
Reserves	(1,616,398)	(1,132,182)	8,752,088	8,794,562
Non-controlling interest	644,728	832,548	-	-
Non-current liabilities	4,125,151	4,515,968	1,002,603	1,023,490
Current liabilities	14,322,790	14,337,029	2,495,441	2,446,465
Total equity and liabilities	17,663,872	18,740,964	12,437,733	12,452,118

STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2018

	GROUP		COMPANY	
	30-Jun-18 Kshs'000	31-Dec-17 Kshs'000	30-Jun-18 Kshs'000	31-Dec-17 Kshs'000
Share capital	187,601	187,601	187,601	187,601
Share premium	1,873,089	1,873,089	1,873,089	1,873,089
Revenue reserves	(6,082,790)	(5,132,661)	(1,404,865)	(1,362,391)
Translation reserve	353,430	(105,583)	-	-
Available for sale reserve	120,677	120,677	8,283,864	8,283,864
Revaluation reserve	2,119,196	2,112,296	-	-
Total equity attributable to equity holders of company	(1,428,797)	(944,581)	8,939,689	8,982,163
Non-controlling interest	644,728	832,548	-	-
Total Equity	(784,069)	(112,033)	8,939,689	8,982,163

STATEMENT OF CASH FLOWS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2018

	GROUP		COMPANY	
	30-Jun-18 Kshs'000	31-Dec-17 Kshs'000	30-Jun-18 Kshs'000	31-Dec-17 Kshs'000
Cash generated from/(used in) operations	216,709	(1,535,265)	3,018	(184,506)
Income taxes paid	(13,738)	(28,676)	(3,028)	(7,867)
Dividends returned	-	708	-	708
Cash generated from/(used in) operating activities	202,971	(1,563,233)	(10)	(191,665)
Cash used in investing activities	(25,192)	(83,489)	(483)	(585)
Cash (used in)/generated from financing activities	(40,370)	1,807,395	(1,062)	192,974
Increase/(decrease) in cash and cash equivalents	137,409	160,673	(1,555)	724
Cash and cash equivalents at 1 January	(35,442)	(196,115)	1,906	1,182
Cash and cash equivalents at	101,967	(35,442)	351	1,906

TransCentury PLC ("TC") is pleased to announce its financial results for the six months period ended 30 June 2018.

Key highlights:

- Key gains from operational improvements and disciplined capital allocation resulting in gross profit margin improvement from 14% in 2017 to 27% in the period under review.
- Focused cost optimization resulting in 20% reduction in operating costs, saving Kshs 169 million.
- Traction in turn-around strategy with Kshs 74 million profits from operations (EBITDA) compared to loss of Kshs 441 million reported in a similar period last year.
- Positive cash generated from operations of Kshs 217 million resulting from improved performance and focused working capital management.
- Completion of Company debt re-profiling in Q2 resulting in reduction of finance cost by Kshs 48 million at Company level, and overall drop of 12% at Group level.
- Strong financial position at Company level with Equity at Kshs 8,940 million.
- Continued focus on debt re-profiling and working capital financing at operating units, with debt at a key unit fully refinanced and enhanced in early Q3.

Interim dividend:

The Board of Directors does not recommend payment of an interim dividend.

Outlook:

The improved performance in the 1st half of the year has been achieved against the backdrop of a tough liquidity environment. As we continue to implement our turnaround plan that includes the re-profiling of operating units' debt, and securing working capital funding, the Group is well set to realize the benefits of the pent up value in the order book. The Board and Management are committed to the turnaround plan that will lead to profitability and value creation.

By Order of the Board

Virginia Ndunge
Company Secretary
Nairobi
27 August 2018