TransCentury

Corporate Profile

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Investing in Africa

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- **Executive Summary**
- Operating Divisions
- Infrastructure Projects
- Working with the Community – Skill and job development
- Management

Executive summary

- Trans-Century Limited ("TCL") is a Kenya–headquartered infrastructure company with operations across East, Central & Southern Africa
  - 2014 revenues of over USD 114 million
  - 2014 total assets of over USD 220 million
- ***Uniqueness of TCL:***
  - Founded by entrepreneurial Kenyan business people and investors
  - Focus on Power, Engineering and Infrastructure Projects
  - Operating companies led by dynamic management with extensive experience & in-depth exceptional capabilities

Entrepreneurial

Infrastructure focus

Ability to execute

- ***TCL investment view:***
  - African markets display under-penetration & inefficiency, particularly infrastructure
    - Poor service delivered expensively to too few people
  - Opportunity to build scale businesses that target existing market inefficiencies
    - Focus on strong cash generation and capital gains

TransCentury's Infrastructure Focus

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Power infrastructure

Strategic Focus

- **Electrification Play**: Consolidation of electrification business under a common Group CEO

Business activities

- **E.A.Cables** – manufacture aluminium & copper cable
- **Tanelec TZ**– transformers, switchgear etc.
- **Tanelec Zambia** – Mining Services
- **Kewberg** - specialty cables manufacturer
- **CDC** – manufacture copper cables

- Leading manufacturer and supplier of cables and transformers for electrification projects

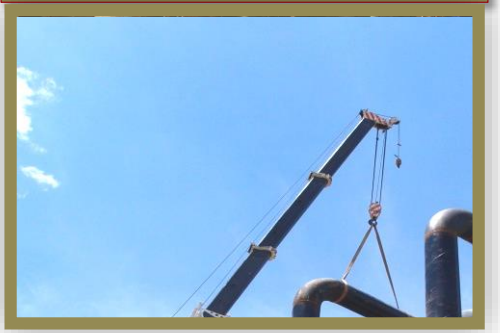
Engineering

- **Oil & Gas Services Play:** Specialised engineering, logistics and EPC contracting for the Oil & Gas, Power and Mining sector

- **Civicon –** Civil, mechanical engineering, cranage & erection and logistics
- **AEA** – Weigh Bridges, generators , bearings, sub-stations

- Already serving **Tullow Oil** and **TOTAL** in Kenya and Uganda respectively who are the two largest Oil & Gas exploration players in the Region

Infrastructure Projects



- **Energy and Transportation /logistics play:** Critical Energy and transport infrastructure to support key pillars of the domestic and export economy

- Part of a consortium awarded a **35MW Geothermal Power Generation** Plant in Menengai in Kenya. Power Purchase Agreement (PPA) already initialled

- **Preferred bidder** for Lot 1 & 4 in the Annuity Road programme in Kenya.

- **Strong pipeline** of other similar **infrastructure concessions** across East Africa in Energy and Transportation Infrastructure in particular

- Overview
- **Operating Divisions**
- Infrastructure Projects
- Working with the Community – Skill and job development
- Management

Power division

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Power division overview

Description

- Through the power division, TCL is a leading manufacturer of electrical cables, conductors and electrical equipment.
- The division operates through 8 factories across East, Central and Southern Africa.
- Consolidation of the power division operations ongoing so as to unlock the businesses' inherent value
- The division had revenues of US$ 75 mm in 2014

Leading East Africa electrical components manufacturer

- Leading power cable manufacturer with 5 plants in East and Central Africa, through EAC and CDC.
- Predominant manufacturer of transmission equipment in East and Central Africa, through Tanelec
- Leading manufacturer of specialised cables in East, Central Africa and Southern Africa, through Kewberg
- Leading manufacturer of low and medium voltage switch gear through Tanelec.

Products:

Cables

- Overhead Conductors
- Power & Control
- Specialty & Design
- Building Wire
- Data & Communication
- Instrumentation & Control Cables
- Mining Cables

Transformers

- Distribution transformers
- Power transformers
- Transformer Servicing

Switch gear

- Low voltage Switchgear
- Medium voltage Switchgear
- Automation & Control Products

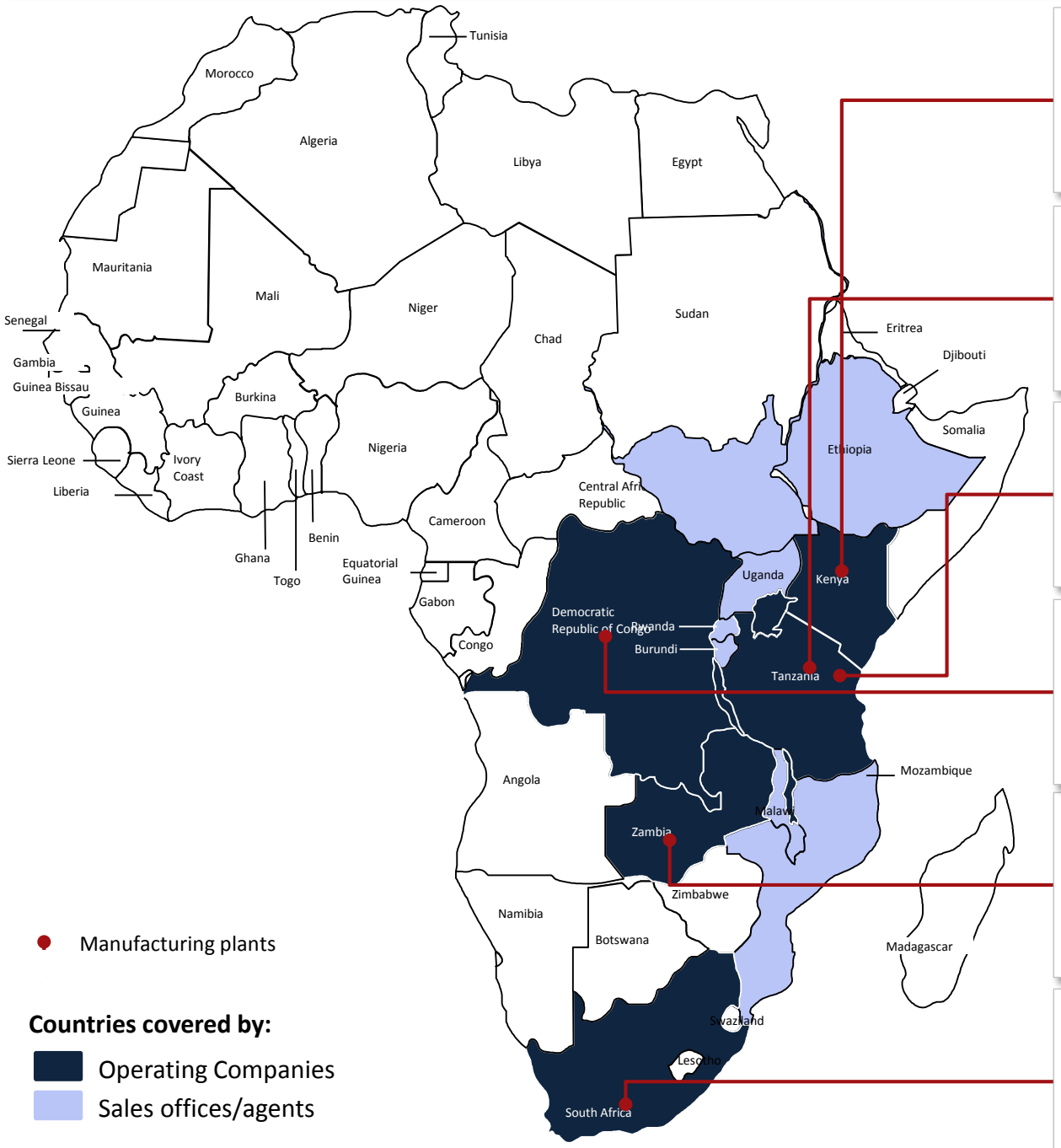
Generators

- SDMO Generators
- Power Source
- Yor Power Generators

Contracting Projects

- Distribution & Transmission Lines
- Substations

Geographical presence in Power



NBO, Kenya
- Copper – house wires
- Copper – armoured cables
- Aluminium conductors
- Data Cables

Arusha, Tanzania
- Transformers
- Switchgear

DAR, Tanzania
- Copper – house wires
- Copper – armoured cables
- Aluminium conductors
- Enamel winding wire

KINSHASA, DRC
- Copper – house wires
- Copper – armoured cables

KITWE, Zambia
- Turnkey electrical projects
- Electrical Engineering/ products
- Industrial Products

JHB, South Africa
- Speciality cables – instrumentation, mining and control cables

Despite recent growth, the Power Sector remains highly underserved

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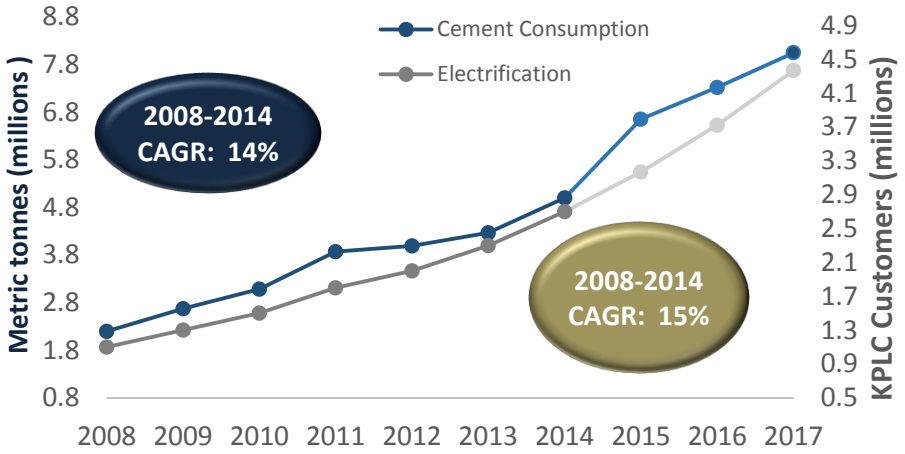
Fundamentals: Strong growth

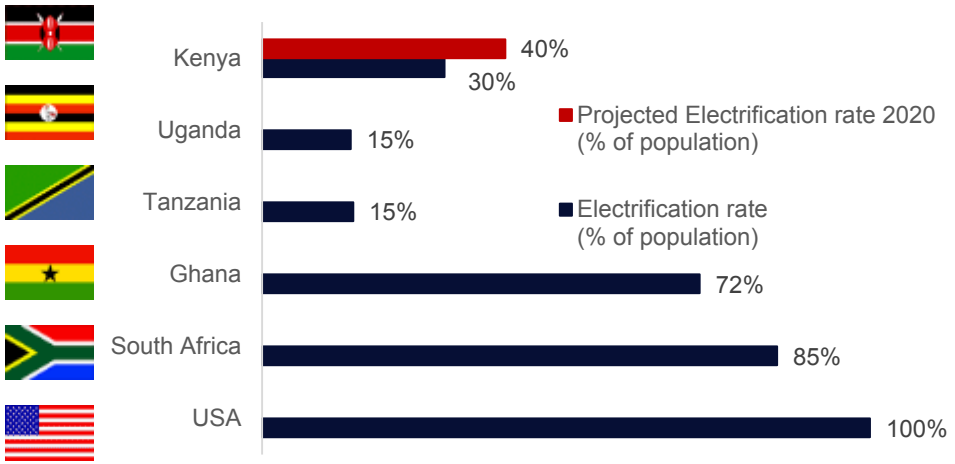
Cement consumption and electrification



Source: KPLC and KNBS

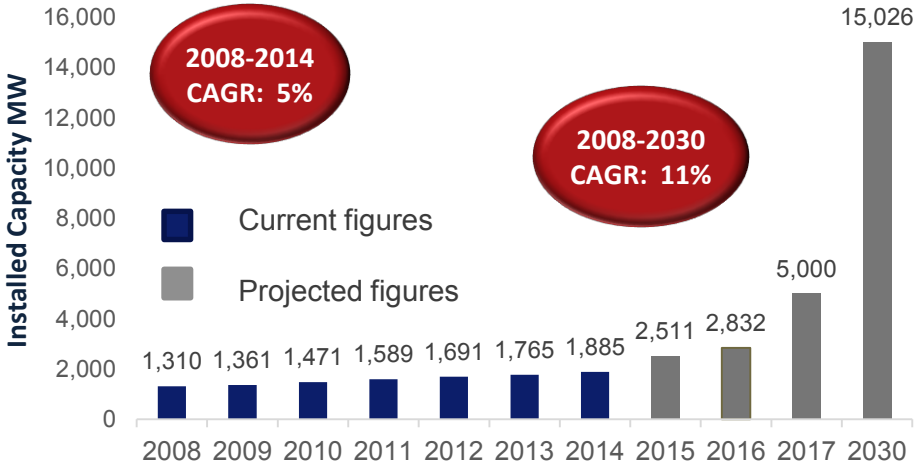
Market potential: Still underserved

Electrification rate: % of population



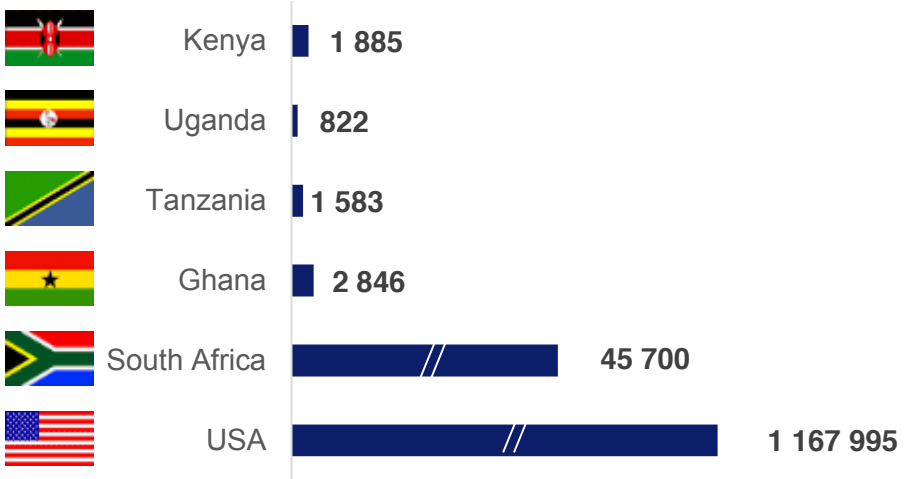
Source: World Energy Outlook , Kengen

Power generation capacity



Source: KPLC, ERC

Current Installed capacity (MW)



Source: ERA, VRA, TANESCO, US Energy Information Administration

Power outlook in Eastern Africa

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Kenya

- Power Generation Capacity planned to increase to 5,246 MW by 2016
  - Geothermal → 1,646 MW
  - Natural Gas → 1,050 MW
  - Wind → 630 MW
  - Coal → 1,920 MW
- Additional 4,800km of Transmission lines by 2016
- Additional 72,824km of Distribution lines by 2020
- Addional capacity of 9,088 MVA of substations by 2020

Source: National Energy Policy, Energy day Prospectus

Tanzania

- Key 2016 Targets
- Power Generation Capacity planned to increase to 3,000 MW
  - Gas → 1,600 MW
  - Wind → 50 MW
  - HFO → 63 MW
- Additional Transmission lines planned amounting to 2,977 km
- Discovery of significant gas finds in Mtwara and Songo Songo with initial production alreeady in progress

Uganda

- Power Generation Capacity planned to increase by 3,000 MW by 2020
  - Hydro → 1,500MW
  - Geothermal → 1,500 MW
- Additional 2,904 kms of Transmission and Distribution lines planned
- Privatisation of Power Sector including distribution infrastructure (Umeme)

Rwanda

- Power Generation Capacity increased to 595 MW by 2020 in addition to improved power grid
  - Hydro → 200MW
  - Geothermal → 160 MW
  - Methane → 100 MW
  - Peat → 115 MW
  - HFO → 20 MW
- Add 555 kms of Transmission lines
- Additional 1,400kms of Distribution lines
- Additional 1,200MVA of Substation capacity

Source: National Energy Policy, Energy day Prospectus; AFDB

Supporting Regional Rural Electrification Authorities in building out of grid

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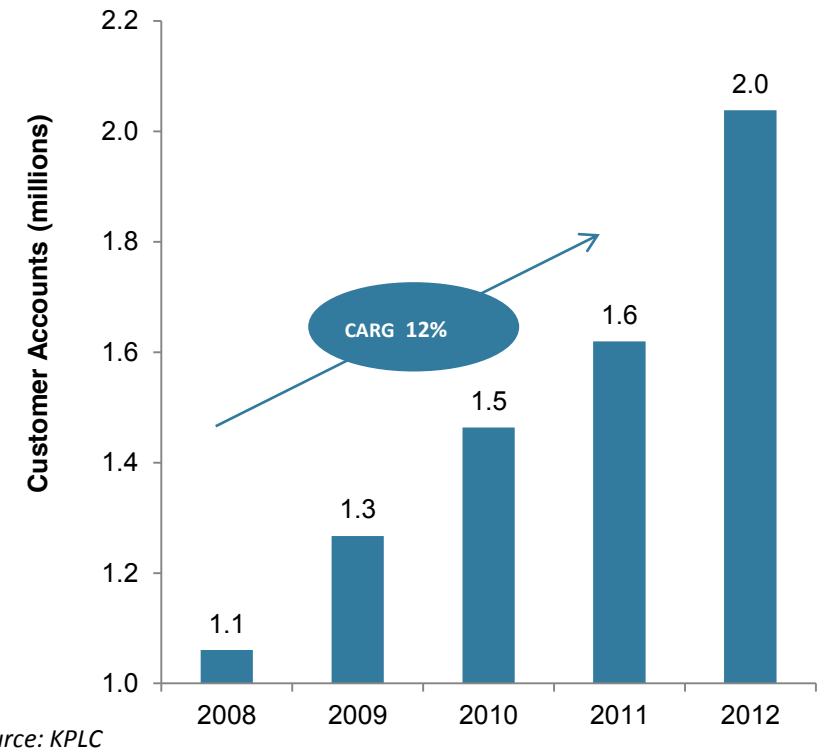
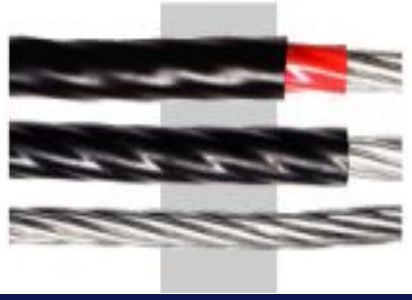
Electricity connections in rural Areas

Kenya Power Connections



Source: KPLC

Power Cables



Aluminum Conductors

Distribution Transformers

Turnkey Projects

Supporting Major Infrastructure Projects

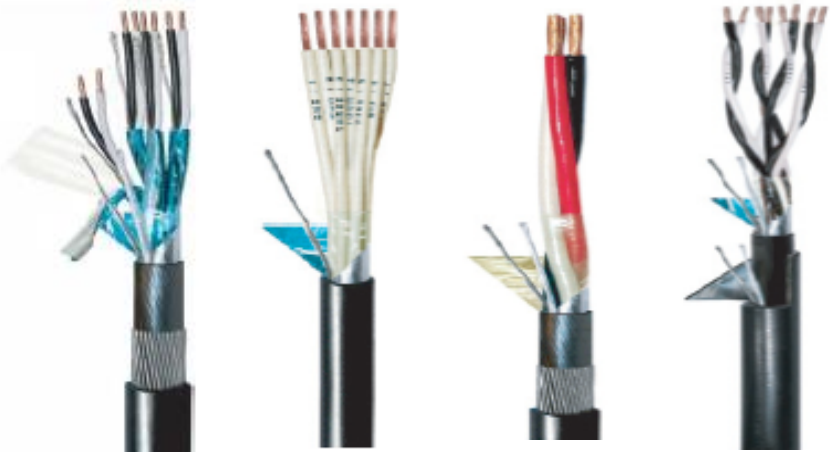
Kusile Power Plant Construction, 4800 MW

Project Details

- Country: South Africa
- Customer: Eskom
- Capacity: 4,800 MW
- Plant type: coal power plant
- Current status: ongoing, expected completion in 5 years

TCL Power's Participation

Solution	▪ Supply of instrumentation cables for the power station
Timing	▪ Orders to be placed over 4 years, to be manufactured locally in South Africa
Delivery	▪ Just-in-time supply of mission-critical cables through local manufacture



TCL Power cables used for the project

Supporting construction of Terminal 4 Kenya Airport Authority

Construction of Terminal 4

Project Details

- Country: Kenya
- Customer: Kenya Airport Authority (KAA)
- Project type: Terminal Construction
- Current status: expected completion by December, 2013

East African Cables Participation

Solution	▪ Construction of the new JKIA terminal 4
Timing	▪ Ongoing
Delivery	▪ Just-in-time supply of cables, lighten working capital requirements for customer

East African cables used for the project

Power subsidiaries – East African Cables

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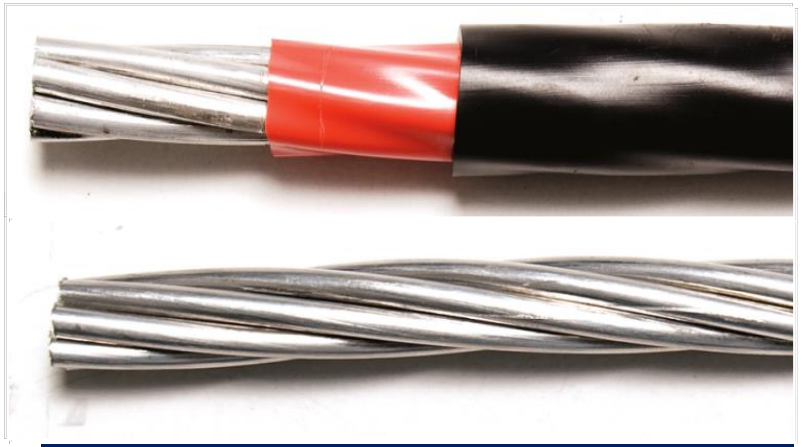
Selected Products

Power Cables



Overhead Conductors

Business overview:

- East African Cables is a premier aluminium & copper cable manufacturer, with a footprint that spreads across East and Central Africa
- The company has four manufacturing facilities;
  - Two in Nairobi, Kenya,
  - One in Dar es Salaam Tanzania and
  - One in Eastern DRC
- In addition, EAC is present in Uganda, Rwanda, Burundi, Southern Sudan and Ethiopia, through a distribution network
- EAC manufactures low voltage electrical cables for applications in domestic and industrial lighting, as well as transmission and distribution of electricity. The company also offers Data, Telecommunication and Fiber Optic solutions with requisite accessories

Power subsidiaries – East African Cables

Business Model

Key Activities

- EAC manufactures low, medium and high voltage electrical cables including:
  - Copper electrical cables and conductors for domestic as well as industrial applications - PVC and XLPE based products.
  - Aluminum conductors and cables used for power distribution and transmission over national gridlines - AAC, ACSR and ABC Products

Key Partners

- Nexans – EAC has a strategic partnership with Nexans, a French cable manufacturer that has been a technical partner as well as a supplier for medium voltage cables
- LS Cables – EAC has an agreement with LS cables for the supply of data cables and its accessories.

Customer Segmentation and contribution to revenue

- Retail customers – Route to this segment is through an exclusive distributors model – 40%
- Projects – Route to this segment is through lead consultants – 40%
- Utilities – Tender based business – 20%

Cost Structure

- Copper and Alunminium take 70% of costs in cable manufacture both are imported and are traded based on the London metal exchange (LME)

Power subsidiaries - East African Cables

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Future growth opportunities

- Improving market for value-added products which have better margins
  - ABC conductor sales in Kenya, Uganda, Tanzania & Rwanda
  - Concentric cable sales in Kenya
- On-going programs by utilities to rehabilitate existing grids, increase new connections and enhance power generation
  - This will take place in 24 phases and will include removing overhead cables & replacing them with underground medium voltage cables around Nairobi
- Copper demand is being driven by the increasing number of construction projects (growth in housing demand) in Kenya
- The government has introduced legislation that requires at least 40 % local content in all public projects. EAC stands to gain by increasing its market size through improved capacity utilization via increased capital expenditure
- New transmission lines to cater for new power plants, regional interconnection between countries and increase in demand patterns requiring higher capacity lines

Power subsidiaries – East African Cables

Management team

Peter Arina
Chief Executive Officer

- BSc in Commerce
- Over 20 years experience in Telecoms (Safaricom Ltd) and FMCG (Unilever) management

Tom Oyugi
Commercial Manager

- BSc in Commerce, Marketing option, Executive MBA candidate
- 15 years Sales and Marketing experience

Joseph Kinyua
Group Finance Manager

- Masters Degree in Business Administration, CPA (K)
- Over 11 years experience in Audit, Accountancy and Financial Management

David Mwangi
Group Technical Manager

- BSc in Mechanical Engineering
- Over 20 years experience in manufacturing

Phyllis Gachau
Group Marketing Manager

- BSc in International Business Administration with a Marketing minor
- Over 10 years experience in Marketing and Advertising

Power subsidiaries - Tanelec

Power Transformers

Distribution Transformers

Low Voltage Switchgear

Medium Voltage Switchgear

Business overview:

- TANELEC Limited commenced its operations in Arusha, Tanzania in 1981. It distributes transformers and switchgear
- The following are its products and services:
  - Distribution transformers
  - Power transformers
  - Transformer Servicing
  - Low voltage Switchgear
  - Medium voltage Switchgear
  - Automation & Control Products

Power subsidiaries – Tanelec business model

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Key activities

Tanelec's products include:

Small & Medium Oil Filled Transformers

- 25 KVA to 3 MVA at 11 & 33kV
- Sealed and conservator types
- Cover mounted bushings and cable boxes
- Full range of optional accessories
- Manufactured under technical licence with ABB

Switchgear

- Transformer and generator changeover controls
- Motor control and protection
- Power factor correction equipment
- Distribution panels
- Metering panels and boxes

Key partners

Customers include:

Mining sector

- African Barrick Gold Mine Tanzania
- Bulyanhulu Gold Mine Limited,
- Minjungu Mines
- Prima Gems

Manufacturing & Industrial

- Tanzania Breweries
- Serengeti Breweries
- Grundfos (Pty) Ltd
- Trans Africa Water
- Alliance One Tobacco tanzania Ltd
- Coast Millers Ltd
- Kagera Sugar
- Mt. Meru Group
- Mtibwa Sugar

Power Sector

- Tanzania Electric Supply Company Limited (TANESCO LTD)
- Zanzibar Electricity Supply Corporation Limited (ZECO)
- Rural Energy Agency
- Symbion Power
- Aggreko

Revenue streams

- Tanelec's main revenue streams come from transformer units and repair sales. This accounts for circa 70% of their annual revenue
- Approximately 30% comes from Switchgear

Power subsidiaries - Tanelec

Future growth opportunities

- Electrification programs that are being implemented by the government
- Leveraging on the growth in the construction market to improve switchgear sales
- Synergies between the power subsidiaries to improve revenues
- Improve on designs to more efficient/cost competitive designs
- Invest in new technology/machinery to improve the product offering
- Leveraging on the increasing number of transformers coming into the market to improve servicing and repair revenues (e.g. circa 25,000 transformers for repair in East Africa due to poor grid stability, vandalism and poor quality imports)

Power subsidiaries - Tanelec

Management team

John Mugo
General Manager

- BSc in Mechanical Engineering
- Certified Chartered Accountant (ACCA).
- Years of Experience - 11

Justin Gitia
Finance Manager

- B.Sc. Economics, Certified Public Accountant
- Years of Experience - 8

Maneesh Kahol
Chief Operations Officer

- MBA, B.Sc Mechanical Engineering
- Years of Experience - 11

Michael Gichohi
Business Development Manager

- B.Sc Civil Engineering
- Years of Experience – 11

Kusungulwa Mitto
Production Manager

- M.Sc, B.Sc Electrical Engineering
- Years of Experience - 27

Peter Mwanga
Manager Service and Repair

- B.Sc Electrical Mechanical Engineering
- Years of Experience - 6

Chinna Sami
Quality Manager

- B.E. Electrical Engineering
- Years of Experience – 4

Power subsidiaries - Kewberg

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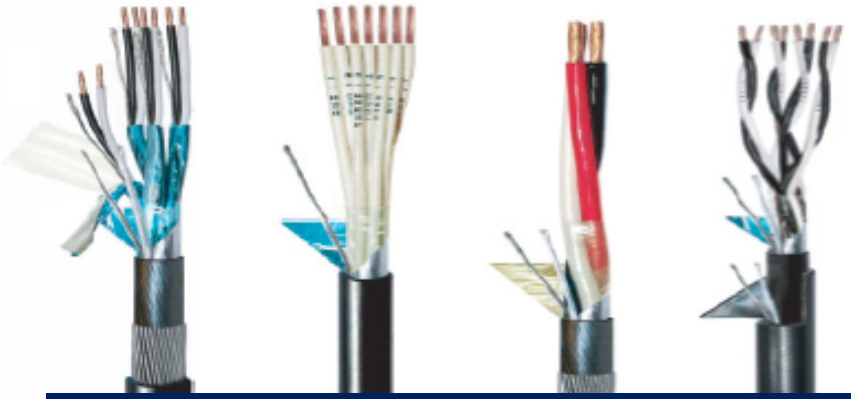
Runway Lighting Cables	
Pendant cables	
Flat elevator crane cables	
Special design cables	

Specialty & Design Cables



Instrumentation & Control Cables

Business overview:

- Kewberg is a leading manufacturer of instrumentation and control cables, mining and other specialised cables manufactured according to customer specifications

- They manufacture and sell a wide range of state of the art products with customer specific adaptation, design capabilities and full technical back-up service

- TCL acquired Kewberg in September, 2007 from two entrepreneurs; Stephen Richard Van Rensburg & Hermann Naude & invested R 75 m in the company

Power subsidiaries – Kewberg business model

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Key activities

– Kewberg manufactures specialised cables

Products include:

- Instrumentation cables
- Control cables
- Mining cables
- Power cables
- defense spec cables
- Security cables
- Runway lighting cables
- Telephone cables
- Specialised cables

Key partners

Customers include:

- Power supply authorities
- Railway and transport organisations
- Municipalities
- Infrastructure companies
- Mineral resource companies

Supplier Name	Material
Palabora Copper	Copper
Continental Compounders	PVC
Presidents Plastic	PVC
Alpha Plast	PVC
Panbuld Denne	Wood Planks
Sagentra	Galvanized Steel Wire
Cape Gate	Galvanized Steel Wire
Polyslit	Tapes
Hoto Trading	Tapes
Masterbatch	Masterbatch
Solvay	XLPE
Polyworld	PE

Revenue streams

Kewberg's main revenue streams come from copper sales

Installed capacity over the last four years has been maintained at 85 metric tonnes per month

Power subsidiaries - Kewberg

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Future growth opportunities

- Government initiative on electrification which will utilize instrumentation cables expected to run unto 2018
- Infrastructure upgrade in petrochemical industry
- Railway infrastructure upgrade; this will utilize mainly railway signalling cables
- Increased installation of power plants across the region
- Increased exploitation in the Mining and Oil & Gas sectors across the region
- Current order book at R14m
- Use of TC Power platform to expand geographical reach across Africa
- Capacity enhancement to increase productivity

Power subsidiaries- Kewberg

Management Team

Steven Wanyoike
General Manager

- Master graduate in Finance & Entrepreneurship
- Over 25 years experience

Steve Irving
Production Manager

- Millwright (Electrical and Mechanical Technician) certificate
- Over 25 years experience

Wandy Ntlangula
Industrial Relations Officer

- Btech in Human Resource Manager
- Over 10 years experience

Power subsidiaries – Cableries du Congo

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Selected Products

Copper Winding Wires

Building Wire

Business overview:

- Câbleries du Congo is a sister company to East African Cables
- Established in Kinshasa in April 2010 as a local manufacturer of electric cables in response to market needs, CDC has set the goal of being well represented in the country by ensuring proximity to end users of their products

Power subsidiaries - Cableries du Congo

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Business Model

Key activities

- CDC manufactures and sells electrical copper cables
- It also trades on group products i.e. Tanelec and EAC products
- Key products include: Low voltage armoured cables, house wirings, traded products such transformers, medium & high voltage cables and aluminium conductors

Customer Segmentation and contribution to revenue

- **Utilities:** current partnership with SNEL DRC and future prospects with neighbouring countries utility companies and & Private power generation companies
- **Contractors**: Partnership with local contractors such as Malta Forrest, Safricas, Setrema
- **Distributors:** Partnership with established distributors for distribution of our products .Current distributors; Hasson et Frere, Serie sprl, Self Service Company. Future distributor's prospects; ATCO, Proton, Mson Plethuno
- **Regional Market:** Expansion to regional markets such as Bas-congo & Bandundu provinces through rural electrification, distributorship and contractors
- **End Users:** Sale of products to other consumers in the market

Value proposition

Competitive pricing

High products quality

Short delivery time/delay

Local manufacturing/Availability

Power subsidiaries - Cableries du Congo

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Future growth opportunities

- Rural electrification in DRC
  - Government plan to increase access to electricity and rural electrification though increased power generation to 60% from the current access of 9% by 2025. (INGA 111 PROJECT)

- Liberalization of power distribution in DRC which will lead to increased demand for cables as electrification ramps up

- Construction opportunities
  - Expansion of cities & increased housing projects will drive demand for electric cables

- Supply of all Cables, transformers, substations and switchgear as part of the partnership agreement with Power Plant Control (PPC). This is for the electrification and installation of smart meters for power distribution in Matete municipality which is in Mont Amba district of Kinshasa.

- Supply and installation of solar panels as part of the consortium engaged for the establishment of a transmission of electoral data system for the Commission Electrorale Nationale Independante (CENI).

Power subsidiaries – Cableries du Congo

Management team

Phili Fundu
General Manager

- Degree in Civil Engineering
- Previously worked for Schneider Electric for 7 years with the last 3 years as DRC-Congo Country Manager before joining Câbleries Congo in June 2011

Joshua Mauti
Finance Manager

- Bachelor's degree in Business Management Finance Option, CPA (K)
- 7 years of experience in accounting and Finance

Bomesi Patrick
Plant Manager

- Has a wealth of experience in Technical & Administration having worked for over 20 years in Cable industry.

Isaac Nyakwi
Administrator

- Degree in tax legislation
- 11 years of professional experience in accounting and tax legislation

Engineering division

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Leading EPC contractor in Eastern Africa

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Workshops

- 5 fully equipped workshops across the East African region

People

- Over 50 engineers
- Over 2,000 staff

Standards

- In house Quality Assurance and Quality Control

Equipment

- Over 1,000 pieces of well maintained heavy equipment

Snapshot of Engineering projects across Africa

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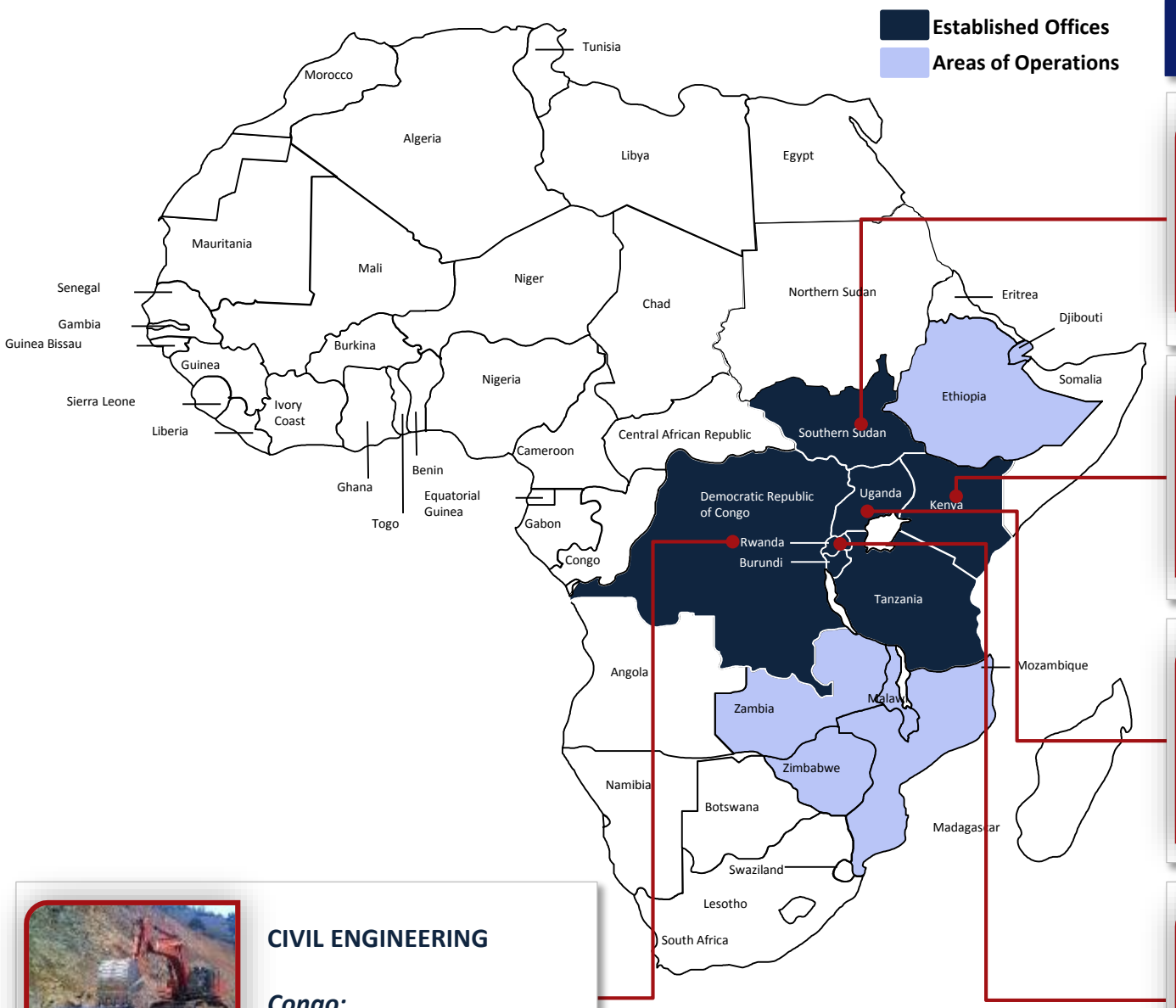

Selected projects in various countries

CIVIL ENGINEERING

South Sudan:

Road construction: -

- *Maintenance of 113 kms Yei Juba road*
- *Reconstruction of 45kms of Ame-Magwi road*

MECHANICAL ENGINEERING

Kenya:

Construction of:

- *Geothermal plant in Olkaria*
- *GZI can factory*
- *East Africa Portland filter conversion and packing line*

LOGISTICS

Uganda:

Transport of brewery vessels

CIVIL ENGINEERING

Congo:

Mining services for a 5.6 million ounce mine

CRANAGE & ERECTION

Rwanda:

Construction of a 25MW HFO plant in Kigali

Engineering opportunities in East Africa

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Kenya

- Development of the oil & gas sector. Currently 38 exploration blocks granted for upstream exploration with Tullow Oil and Africa Oil being leading players
- Expansion of power generation capacity and transmission networks in line with vision 2030
- Government and private infrastructure projects to support growth in the energy and transportation sectors
- Development of the mining sector leading to new mine development (e.g. Kwale Mineral Sands Project)
- Development of industrial factory/plants (e.g. GZI Industries and The Wrigley Company East Africa)

Uganda

- Development of the oil & gas sector. Currently 13 exploration blocks with TOTAL, Tullow and CNOC being the key players
- Development of infrastructure to evacuate the oil set to be drilled in 2017
- Development of a refinery to support petroleum products demand growth in the economy
- Expansion of power generation capacity and transmission networks in line with vision 2040
- Development of mini hydro (large potential)

Tanzania

- Discovery of large gas deposits in Southern Tanzania near Mozambique border in Mtwara
- Expansion of power generation capacity and transmission networks.
- Government and private infrastructure projects to support growth in the energy and transportation sectors
- Development of new sea port at Bagamoyo
- Rehabilitation and extension of Airports
- Well established mining sector

DRC, Rwanda, Burundi and Zambia

- **Rwanda**
  - Developments of power generation capacity and transmission networks.
- **Burundi and North Eastern DRC**
  - Exploitation of abundant natural resources with easiest access being throough the Port on Mombasa
- **Zambia and South Eastern DRC**
  - Large Mining and Captive Power opportunities

Case example - geothermal power plants

ORPOWER 50 MW SCOPE - SMPP

Earthworks

- 200,000 m^3 of cut and fill earthworks in 8 weeks
- 2,000m of fencing
- 10,000 m^2 of stone pitching

Concrete Works

- Construction of all concrete foundations for the Power Station
- 1,700 m^3 of concrete constructed in 5 months
- QA/QC Testing: Cube tests

Structural & Mechanical Installations

- All structural steel and mechanical installations
- 13km of steam pipes (16" to 42") installed complete with pipe supports

Case 1: Orpower IV 50 MW

Client	Ormat
Contractor	Civicon Limited
Location	Naivasha, Kenya
Start	July 2012
Completion	Feb 2013
Duration	8 Month Build
Value	USD 13.1 m
Scope	Construction of a 50MW geothermal power plant including all earthworks, civil works and mechanical Installation

Case 2: Eburru, 2.3 MW

Client	Kengen
Contractor	Civicon Limited
Start	February 2011
Completion	August 2011
Value	USD 3.6 m

- Turnkey project of a 2.3 MW geothermal power station., handling the project from the Greenfield site to completion, this included:
  - Civils
  - Piping
  - Foundations

Case example - construction projects

Kwale Mineral Sands Project

The first titanium process plant built in Kenya

Client	Base Titanium Limited
Contractor	Redis-Civicon Kwale Limited
Location	Kwale, Kenya
Start	November 2012
Completion	September 2013
Duration	11 Months (8 Month Build)
Value	USD 32 m
Scope	Structural , Mechanical, Platework and Piping (SMPP)

CIVICON SCOPE - SMPP

- Contractors Camp for 800 persons
- Installation of 2500MT of structural steel work
- Installation of 500MT of mechanical process equipment - processing systems, Process pumps, Conveyor, Steel hoppers, Product storage tanks, Bucket elevators, Steel Support Structures, Gantries & Access walkways for pipe work
- 300MT supply , fabrication and erection of platework - process bins and hoppers

Case example - construction projects

Mombasa - VTTI Oil Terminal

Client	VTTI Kenya limited
Contractor	Civicon
Location	Mombasa, Kenya
Start	March 2011
Completion	August 2012
Duration	18 Months
Value	USD 31.3 m
Scope	Full EPC Contract to construct a 113,000cbm AGO storage terminal with truck loading facility

CIVICON SCOPE – Civil, Structural, Mechanical & Electrical

- Design of all civils, mechanical and electrical works
- 6000m^3 of bulk earth works
- 750nr concrete bored piles 600mm diameter by 30m deep tested to 280T
- 4850 m^3 concrete works (piles and tank foundations)
- 10 tanks up to 14,200 m^3
- 2400MT of steel plate work – cutting, rolling, fitting and welding
- 29,000 m^2 of grit blasting to SA2.5 and epoxy painting
- 850MT of product piping, bulk being 20” diameter

Engineering Subsidiaries - Civicon

Mechanical Engineering

Civil Engineering

Logistics

Cranage & Erection

Business overview:

- Civicon Limited was founded in 1975 and is the leading engineering contractor in Eastern Africa
- The company provides EPC and turnkey approach to Engineering, Construction and Logistics in Africa
- Key operating divisions include:
  - **Mechanical Engineering, Civil Engineering, Logistics, Cranage & Erection**
- ***Uniqueness of Civicon:***
  - **Equipment**- Large asset base boasting well equipped machinery, over 350 pieces of heavy equipment
  - **People**- Dynamic management, engineers and technicians with in-depth capabilities and extensive experience across Africa, over 30 engineers and 2,000 staff
  - **Daring and meets the challenge**- Works in challenging countries with limited infrastructure
  - **Workshop capacity**- Operates 5 fully equipped workshops across Eastern Africa

Engineering subsidiaries – Civicon business model

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Key activities

Mechanical Engineering

- Pipelines & piping
- Marine vessels
- Geothermal steam-fields
- Tankage

Civil Engineering

- Roads & bridges
- Piling
- Well pads
- Plant hire
- Mining services

Logistics

- Heavy loads
- Specialised cargo
- Off road haulage
- Temporary camps/offices
- Camp construction

Cranage & Erection

- Steel erection
- Cranage
- Heavy lift

Key partners
Customers include:

- **Downstream Oil & Gas**- Tank farms, refineries, fuel depots and pipelines & piping
- **Upstream Oil & Gas**- Exploration and production services
- **Power generation**- HFO, geothermal and methane gas extraction plants
- **Power transmission**- Sub stations and transmission lines
- **Roads & bridges**- Construction, rehabilitation and repair services
- **Industry**- Steel fabricated works and out of gauge haulage

Revenue streams

- Civicon's main revenue stream come from construction and mining services contracts which make up over 80% of sales
- Other revenues come from transportation services, equipment rentals and workshop services

Engineering subsidiaries - Civicon

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Future growth opportunities

- Civicon has a strong project pipeline involving:
  - Civil works for power plants
  - Civil works - Well pads, access roads, airstrips
  - Steel Fabrication and Erection - Catwalks and Bucket Elevators
  - EPC - Roads
  - Construction of fuel depots
- Projected increments expenditure within the region on power generation, power transmission
- Increasing focus on Mining and Oil & Gas sectors
- Government projects to improve transport infrastructure, for example; the 10,000 km annuity financed road project in Kenya

Engineering subsidiaries - Civicon

Management team

Jason Horsey

Executive Director/CEO

- Oil & Gas MBA candidate
- Experience in infrastructure development for the downstream oil industry and thermal power capacity

Ben Kiilu

Head of Business Development

- MPhil in Engineering from Cambridge
- Vast experience in project management, engineering design, business advisory and management

Ivan Colladon

Chief Operations Officer

- B.Sc. in Civil Engineering
- Vast experience in large international engineering companies

Michael Wachira

Chief Finance officer

- MBA – Operations Management
- Vast experience in strategic planning, restructuring, financial systems development and capacity building

Engineering subsidiaries - AEA

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Selected Products

Generators

Weighing Scales

Business overview:

- AEA Limited is an East African company that was incorporated in 1970 in Kenya. The company was initially established to supply, manufacture and service weighing scales.
- TransCentury Limited acquired AEA in 2005
- AEA currently has five main divisions namely:
  - Weighing equipment,
  - Coding and marking equipment,
  - Industrial products,
  - Power systems,
  - Projects

Engineering subsidiaries – AEA business model

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Key activities

- Having a geographical presence in Kenya, Uganda and Tanzania, AEA offers the following brands:
  - weighing solutions – Avery Weigh-Tronix
  - Coding and marking solutions – VIDEOJET
  - Generators – SDMO
  - Industrial bearings – FAG
  - Medium speed generators – General Electric
- Holds exclusive distribution rights for Avery Weigh Tronix, Avery Berkel and Salter Brecknell weighing solutions

Current markets:

- Has more than 300 large industrial companies in Kenya as clients. Deals in the following sectors:
  - Agriculture
    - Tea, Sugar, Dairy, Horticulture.
  - Power Infrastructure
  - Manufacturing
    - Cement, food processing, bottling, breweries
  - Transport, logistics & Warehousing
  - Hospitality
  - Government
  - Construction industries

Revenue streams

- The following is a historical breakdown of AEA's revenue streams on average:
  - Weighing – **33%**
  - Services – **21%**
  - Generators – **14%**
  - Coding – **13%**
  - Projects and management contracts – **15%**
  - Other – **4%**

Engineering subsidiaries - AEA

Future growth opportunities

- Demand for weighbridges is being driven by:
  - Compliance with road regulations that have been becoming more stringent in the recent past
  - Further to this, insecurity is a big issue in the region, therefore, having independent checks of materials coming into and leaving factories is becoming increasingly important to organisations
- Printer volumes are expected to grow owing to greater demand as a result of:
  - More stringent regulations for food products
  - Increasing formalization of retail trade, and enforcement of standards.
- Projected increments in expenditure within the region on power generation, power transmission and highways
- Strong economic growth in the region is driving demand for housing and consumer products, which are the underlying core drivers of industry, the key client base of AEA
- Regional expansion
- Product diversification

Engineering subsidiaries - AEA

Management team

Nicholus Kithinji
Managing Director

- MBA – Strategic Management, B.Sc. Agricultural Eng.
- 10 years experience in Sales in Construction and Trading with world class Brands and renowned dealerships in East Africa

Anthony Mwangi
Chief Finance Officer

- BCom (Accounting Option)
- 17 years experience in Finance in FMCG, Manufacturing and Hospitality

Ernest Ndubi
Regional service manager

- B.Sc. Mechanical Eng.
- 12 years experience in production, after-sales support

Simon Mungai
Technical Sales Manager - Industrial Products

- HND Mechanical Engineering(Kenya Polytechnic)
- 16 years of experience in sales of industrial products and power systems

Fredrick Mugo
Sales Manager-Generators

- B.Sc. Energy Engineering (JKUAT)
- 5 years' experience in the power systems field

John Kibuchi
Sales Manager-Weighing & Coding

- HND Electrical and Electronics Engineering (Kenya Polytechnic)
- 8 years of experience in sales of electrical & instrumentation equipment

- Overview
- Operating Divisions
- **Infrastructure Projects**
- Working with the Community
- Management

Infrastructure projects - outlook

- **TransCentury** is developing high return **Infrastructure Projects** in partnerships with key technical partners and has a strong pipeline of projects in excess of **USD 500m of equity**

- Projects phased in **2016, 2017** and **2018** and focused on Power and Transportation Infrastructure projects

- **TransCentury will** add value by **originating**, **building** and **operating infrastructure** projects along with technical partners and Governments

Upcoming Projects

- 35MW Geothermal Power Station in Menengai is the first such Project and will be built in 2015. The Power Purchase Agreement (PPA) is already signed.
- Transcentury has been shortlisted as the preferred bidder for the development of 200MW Kiwira Coal Power Plant Project in Tanzania.
- Annuity Roads Program in Kenya
  - Transcentury has been shortlisted as the preferred bidder for lot 1 of the Annuity Roads Program in Kenya along with its technical partner Eiffage Traveaux a leading European construction and concession holding company operating over 2000km of toll roads globally.

Snapshot of example projects – not exhaustive

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2015 pipeline

Expected Returns' 25%-30%

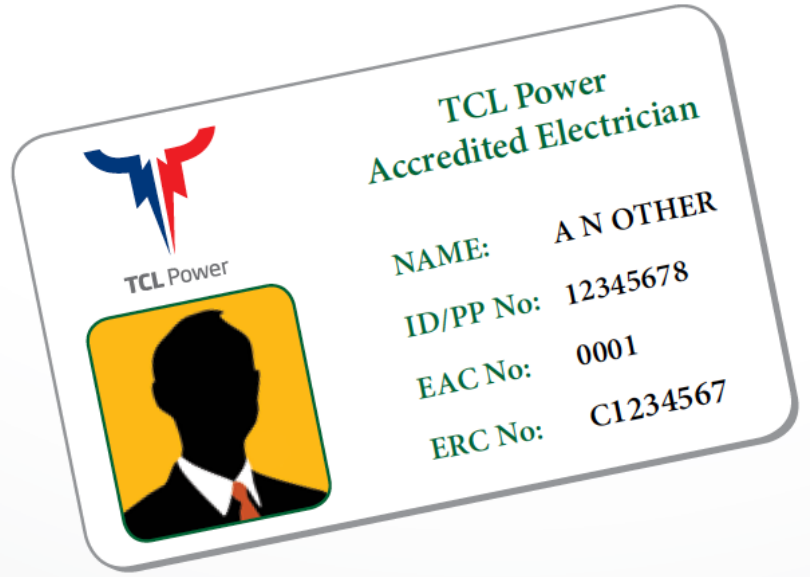
	Project Description	Status	Project value ($m)	% debt	% equity
				70%	30%
1	35 MW Menengai - Geothermal Plant	- Awarded	60	42	18
2	Annuity Road Programme	- Advanced	225	158	68
3	Kiwira Coal Plant 200 MW	- Advanced	500	350	150
4	50 MW Kengen Geothermal Wellhead Leasing	- Advanced	125	87.5	38
5	300 MW Suswa - Geothermal Plant	- Advanced	600	420	180
6	Kasenga Toll Road	- Advanced	300	210	90
7	Mini - Hydro Plants	- In discussion	100	70	30
8	Kisangani 300MW Hydro Plant For East African Power Pool	- In discussion	600	420	180
9	600 MW Gas Power Plant	- In discussion	800	560	240
10	Mombasa Port Lifting Toll Bridge	- In discussion	150	105	45
11	Offshore Oil & Gas Service Center	- In discussion	200	140	60
12	Strategic Fuel Storage Facility - Kenya	- In discussion	100	70	30
13	S. Sudan Skimmer Refinery	- In discussion	100	70	30
14	Kenyan Toll Roads	- In discussion	750	525	225
			4,610	**3,228**	**1,383**

- Overview
- Operating Divisions
- Infrastructure Projects
- **Working with the Community – Skill and job development**
- Management

Working with the Community – Skill and job development

Creating jobs in focus sectors remains a key priority to drive jobs for the youth

TransCentury Fundi Bora and Technical Schools Program.



Fundi Bora program **started in 2011** with the aim of providing technical training

- Over **1,000 qualified and licensed** youth graduate from progamme each year
- Training focused on **Power Sector** (e.g. electricians) and **Oil & Gas** (e.g. welders)
- Basic **management skills** part of program in addition to technical training
- All graduates join **Fundi Bora Club** and participate in training/inspiring others
- Program being expanded for **National Roll-Out** in collaboration with Polytechnics

- Overview
- Operating Divisions
- Infrastructure Projects
- Working with the Community – Skill and job development
- **Management**

TC Investment Team

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Investing in Africa

Dr. Gachao Kiuna

Chief Executive Officer

- Corporate finance & strategy consulting (McKinsey)
- PhD Biotechnology, BSc Biochemistry
- Principal consultant on McKinsey assignment to develop the Vision 2030 project for the Government of Kenya.

Allan Munyua

Division Principal, Power and Engineering

- Business procurement, Financial management advisory
- Masters in settlement & infrastructure development, Bachelors of Architecture

Martin Munyiri

Head of Finance

- Audit & Advisory (KPMG)
- Certified Public Accountant (Kenya)
- Bcom Accounting

Ng'ang'a Njiinu

Division Manager, Engineering & Transport

- Financial analysis, planning & strategy
- Chartered Financial Analyst, MBA finance & investment management

Phyllis Gachau

Group Communications Manager

- Marketing Manager (Marshalls East Africa), Head of Client Services (Oglivy)
- Marketing Manager East African Cables
- Bsc International Business Administration

Geoffrey Njue

Group Head of Internal Audit

- Group audit experience at Nestle and Industrial Promotion Services
- Certified Public Accountant (Kenya)
- BSc in Civil Engineering

Contact us

TransCentury
Investing in Africa

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