
CENTUM INVESTMENT COMPANY PLC ANTICIPATES FY2023 NET EARNINGS TO BE AT LEAST 25% LOWER THAN THAT OF THE PRIOR YEAR



This announcement is made pursuant to Paragraph G.05(1)(f) and Paragraph G.05(3) of the Fifth Schedule to the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations 2002.

The Board of Directors of Centum Investment Company Plc (the "Company") wishes to inform shareholders of the company, and the investing public that based on the assessment of its projected unaudited financial results for the year ended 31 March 2023 ("FY2023"), the consolidated net earnings will be at least 25% lower than that reported in the comparative year ended 31 March 2022 ("FY2022").

Centum's consolidated financial performance in FY2023 is expected to be impacted by impairment provisions relating to the business operations of Two Rivers Development Limited ("TRDL"), a 58% owned subsidiary.

The strategic focus of TRDL over the last year was to reorganize its capital structure through an accelerated asset sale program. In line with this focus, the TRDL board of directors resolved to offer its assets for sale to its shareholders, including all the development rights available across the mixed-use development as well as interests in its subsidiary utility companies.

Centum Investment Company Plc took up the offer by TRDL and acquired the balance of the undeveloped land of TRDL and secured gazettelement of part of the property as a special economic zone. The precinct will be developed under the brand Two Rivers International Finance and Innovation Centre ("TRIFIC") and has attracted sizeable local and foreign investor interest. Management believes that through these initiatives, Centum is well positioned to enhance the returns to shareholders while offering a platform that will provide significant economic and social impact in the region as we continue to attract multinational enterprises and create more job opportunities.

Following this sale and based on a review of the business plans of TRDL, the Board of TRDL made a prudent decision to impair the balance of the unsold assets on its balance sheet. Although TRDL is a 58% subsidiary of Centum, International Financial Reporting Standards requires that the performance of this entity be fully consolidated into the group financials of Centum. These impairments will result in Centum's consolidated profit/loss being at least 25% lower than that recorded in FY2022.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read "J. Mworira", is written over a light blue background.

**DR. JAMES MWORIRA, CFA
CHIEF EXECUTIVE OFFICER
CENTUM INVESTMENT COMPANY LIMITED**