

**UNAUDITED RESULTS FOR THE QUARTER ENDED 31 MARCH 2025****CHAIRMAN'S STATEMENT****Introduction**

**Dear Shareholders,**

We are pleased to present the unaudited quarterly results of Tanga Cement Public Limited Company ("Tanga Cement" or the "Company") and its subsidiary (together, the "Group") for the quarter ended 31st March 2025.

**Financial and Operational Overview**

In the first quarter (January to March 2025), operating profit developed well notably due to continuous focus on process optimization and efficiency.

Volatility in the foreign exchange market, particularly the depreciation of TZS against the US dollar, impacted the Group's net income in the first quarter.

We also continue to maintain our focus on improving our sustainability practice through incorporating safer productions methods and delivering customer satisfaction.


**Market Outlook**

Management remains optimistic about the market prospects within 2025. Improved market conditions and the anticipated acceleration of infrastructure projects throughout the year are expected to create favourable opportunities for the Group.

**Appreciation and Future Plans**

Tanga Cement Public Limited Company expresses its gratitude to its dedicated staff, suppliers, loyal customers, and all other stakeholders for their continued support. As Tanzania continues to play a significant role in the East African construction market, the Group is well-positioned to capitalize on growth opportunities within the region. Looking ahead, we reaffirm our commitment to delivering high-quality cement and clinker products, supporting Tanzania's sustainable development goals, and strengthening our position in the market.

For and on behalf of the Board.

  
**Halan Gurdal**  
Chairman of the Board

**TANGA CEMENT PUBLIC LIMITED COMPANY**  
**CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 31 MARCH 2025**

	GROUP		COMPANY	
	March-25	December-24	March-25	December-24
	TZS'000	TZS'000	TZS' 000'	TZS' 000'
Revenue from contracts with customers	69,826,990	81,025,491	69,826,990	81,025,491
Cost of sales	(50,651,625)	(66,931,129)	(50,651,625)	(66,941,933)
<b>Gross profit</b>	<b>19,175,365</b>	<b>14,094,362</b>	<b>19,175,365</b>	<b>14,083,558</b>
Other income	191,366	61,036	191,366	26,508
Other expenses	(1,741,459)	(1,116,388)	(1,741,459)	(1,116,388)
Selling expenses	(467,871)	(1,066,306)	(467,871)	(1,066,306)
Administration expenses	(4,022,263)	(4,303,531)	(4,022,263)	(4,695,209)
Impairment and other charges	-	(200,274)	-	(200,274)
Decrease/(increase) in expected credit losses	-	(138,943)	-	(138,943)
<b>Operating profit</b>	<b>13,135,137</b>	<b>7,329,956</b>	<b>13,135,137</b>	<b>6,892,946</b>
Interest expense	(7,693,427)	(11,266,813)	(7,693,427)	(11,266,813)
Foreign exchange and fair value losses	(21,421,350)	20,700,019	(21,421,350)	25,745,641
<b>Profit/(Loss) before tax</b>	<b>(15,979,640)</b>	<b>16,645,868</b>	<b>(15,979,640)</b>	<b>21,371,774</b>
Income tax (charge)/credit	(1,325,996)	(24,936,100)	(1,325,996)	(24,936,100)
<b>Loss for the period</b>	<b>(14,653,644)</b>	<b>(8,290,232)</b>	<b>(14,653,644)</b>	<b>(3,564,326)</b>
<b>Other comprehensive income</b>				
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):				
Exchange differences on translation of foreign operations	-	-	-	-
<b>Other comprehensive income net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>(14,653,644)</b>	<b>(8,290,232)</b>	<b>(14,653,644)</b>	<b>(3,564,326)</b>
<b>(Loss)/profit for the year attributable to:</b>				
Owners of the parent	(14,653,644)	(8,290,232)	(14,653,644)	(3,564,326)
Non-controlling interests	-	-	-	-
	<b>(14,653,644)</b>	<b>(8,290,232)</b>	<b>(14,653,644)</b>	<b>(3,564,326)</b>
<b>Total comprehensive income for the year attributable to:</b>				
Owners of the parent	(14,653,644)	(8,290,232)	(14,653,644)	(3,564,326)
Non-controlling interests	-	-	-	-
	<b>(14,653,644)</b>	<b>(8,290,232)</b>	<b>(14,653,644)</b>	<b>(3,564,326)</b>

**TANGA CEMENT PUBLIC LIMITED COMPANY**  
**CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025**

	GROUP		COMPANY	
	March -25	December -24	March-25	December-24
	TZS'000	TZS'000	TZS' 000	TZS' 000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant, and equipment	267,370,007	270,087,504	267,370,007	270,085,876
Right-of-use assets	223,147	223,147	223,147	223,147
Investment property	965,111	963,482	-	-
Investment in subsidiary	-	-	420,995	420,995
Financial asset - Interest rate cap	-	-	-	-
<b>Total non-current assets</b>	<b>268,558,265</b>	<b>271,274,133</b>	<b>268,014,149</b>	<b>270,730,018</b>
<b>Current assets</b>				
Due from employees' share trust	1,490,682	1,490,682	1,490,682	1,490,682
Inventories	93,589,195	82,894,194	93,589,195	82,894,194
Trade and other receivables	39,252,433	21,798,208	36,730,939	20,807,093
Cash and bank balances	10,866,488	19,495,552	10,722,921	19,351,986
<b>Total current assets</b>	<b>145,198,798</b>	<b>125,678,636</b>	<b>142,533,737</b>	<b>124,543,955</b>
<b>TOTAL ASSETS</b>	<b>413,757,062</b>	<b>396,952,769</b>	<b>410,547,886</b>	<b>395,273,973</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Issued capital	1,375,421	1,273,421	1,273,421	1,273,421
Treasury shares	-	-	-	-
Retained earnings	(32,129,773)	(17,476,129)	(32,552,701)	(17,899,057)
<b>Equity attributable to owners of the parent</b>	<b>(30,856,352)</b>	<b>(16,202,708)</b>	<b>(31,279,280)</b>	<b>(16,625,636)</b>
<b>Total equity</b>	<b>(30,856,352)</b>	<b>(16,202,708)</b>	<b>(31,279,280)</b>	<b>(16,625,636)</b>
<b>Non-current liabilities</b>				
Lease liabilities	239,793	306,284	239,793	306,284
Provision for site restoration	30,328	30,328	30,328	30,328
Term borrowings: Non-current portion	291,247,358	263,044,995	291,247,358	263,044,995
Deferred tax liability	17,976,593	21,922,994	18,242,877	21,922,994
<b>Total non-current liabilities</b>	<b>309,494,072</b>	<b>285,304,601</b>	<b>309,760,357</b>	<b>285,304,601</b>
<b>Current liabilities</b>				
Lease liabilities	-	-	-	-
Trade and other payables	82,500,479	70,285,904	79,447,948	69,030,036
Contract liabilities	3,899,696	3,127,626	3,899,696	3,127,626
Borrowings: Current portion	33,865,261	41,522,816	33,865,261	41,522,816
Bank overdrafts	14,853,905	12,914,530	14,853,905	12,914,530
<b>Total current liabilities</b>	<b>135,119,341</b>	<b>127,850,876</b>	<b>132,066,810</b>	<b>126,595,008</b>
<b>Total liabilities</b>	<b>444,613,414</b>	<b>413,155,477</b>	<b>441,827,166</b>	<b>411,899,609</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>413,757,062</b>	<b>396,952,769</b>	<b>410,547,886</b>	<b>395,273,973</b>

**TANGA CEMENT PUBLIC LIMITED COMPANY**  
**CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 MARCH 2025**

	Issued capital TZS' 000'	Translation reserve* TZS' 000'	Treasury shares TZS'000	Retained earnings TZS' 000'	Total TZS' 000'
<b>COMPANY</b>					
At 1 January 2024	1,273,421	-	-	53,328,568	54,601,989
Loss for the year	-	-	-	(71,227,625)	(71,227,625)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	(71,227,625)	(71,227,625)
<b>At 31 December 2024</b>	<b>1,273,421</b>	<b>-</b>	<b>-</b>	<b>(17,899,057)</b>	<b>(16,625,636)</b>
At 1 January 2025	1,273,421	-	-	(17,899,057)	(16,625,636)
Loss for the year	-	-	-	(14,653,644)	(14,653,644)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	(14,653,644)	(14,653,644)
<b>At 31 March 2025</b>	<b>1,273,421</b>	<b>-</b>	<b>-</b>	<b>(32,552,701)</b>	<b>(31,279,280)</b>
<b>GROUP</b>					
At 1 January 2024	1,273,421	-	(1,490,682)	54,316,216	54,098,955
Loss for the year	-	-	-	(71,792,345)	(71,792,345)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	(71,792,345)	(71,792,345)
Changes in treasury shares	-	-	1,490,682	-	1,490,682
<b>At 31 December 2024</b>	<b>1,273,421</b>	<b>-</b>	<b>-</b>	<b>(17,476,129)</b>	<b>(16,202,708)</b>
At 1 January 2025	1,273,421	-	-	(17,476,129)	(16,202,708)
Loss for the year	-	-	-	(14,653,644)	(14,653,644)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	-	-	-	(14,653,644)	(14,653,644)
Changes in treasury shares	-	-	-	-	-
<b>At 31 March 2025</b>	<b>1,273,421</b>	<b>-</b>	<b>-</b>	<b>(32,129,773)</b>	<b>(30,856,352)</b>

\*The translation reserve comprises of the foreign currency differences arising from the translation of the financial statements of controlled foreign operations.

**TANGA CEMENT PUBLIC LIMITED COMPANY**  
**CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 MARCH 2025**

	GROUP		COMPANY	
	March -25	December -24	March -25	December-24
	TZS' 000	TZS' 000	TZS' 000	TZS' 000
<b>OPERATING ACTIVITIES</b>				
Cash generated from operating activities	3,640,160	32,902,495	3,553,877	32,902,495
Income taxes paid	(800,000)	(1,549,549)	(800,000)	(1,549,549)
<b>Net cash flows (used)/ from operating activities</b>	<b>2,840,160</b>	<b>31,352,946</b>	<b>2,753,877</b>	<b>31,352,946</b>
<b>INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	(3,029,671)	(24,666,399)	(3,029,671)	(24,666,399)
Acquisition of a new right of use assets	-	(243,696)	-	(243,696)
Proceeds from sale of property and equipment	-	138,517	-	138,517
<b>Net cash flows used in investing activities</b>	<b>(3,029,671)</b>	<b>(24,771,578)</b>	<b>(3,029,671)</b>	<b>(24,771,578)</b>
<b>FINANCING ACTIVITIES</b>				
Principal repayments - lease liabilities	-	(246,553)	-	(246,553)
Lease liability interest paid	-	-	-	-
Interest paid - overdrafts	(428,341)	(2,099,251)	(428,341)	(2,099,251)
Interest paid - short-term borrowings	(1,795,177)	(2,808,870)	(1,795,177)	(2,808,870)
Principal repayments - short term borrowings	(40,900,695)	(3,654,000)	(40,900,695)	(3,654,000)
Short-Term Loan proceeds	33,127,705	43,772,061	33,127,705	43,772,061
<b>Net cash flows from/(used) in financing activities</b>	<b>(9,996,508)</b>	<b>34,963,387</b>	<b>(9,996,508)</b>	<b>34,963,387</b>
<b>Net increase in cash and cash equivalents</b>	<b>(10,186,019)</b>	<b>41,544,755</b>	<b>(10,272,302)</b>	<b>41,544,755</b>
Net foreign exchange differences	(382,421)	(498,011)	(296,137)	(641,577)
Cash and cash equivalents at 1 January	6,581,022	(34,465,722)	6,437,456	(34,465,722)
<b>Cash and cash equivalents at 31 March</b>	<b>(3,987,418)</b>	<b>6,581,022</b>	<b>(4,130,984)</b>	<b>6,437,456</b>
<b>Net cash and cash equivalents position:</b>				
Cash and bank balances	10,866,488	19,495,552	10,722,921	19,351,986
Bank overdraft	(14,853,905)	(12,914,530)	(14,853,905)	(12,914,530)
<b>Net cash and cash equivalents as at 31 March</b>	<b>(3,987,418)</b>	<b>6,581,022</b>	<b>(4,130,984)</b>	<b>6,437,456</b>