

UNAUDITED RESULTS FOR THE QUARTER ENDED 31 DECEMBER 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 subsidiaries (together, the "Group") for the quarter ended 31st December 2025.

Market Outlook

The Group remains committed to supporting demand across domestic and regional markets. During 2025, Tanga Cement achieved robust sales growth of 29%, reflecting increased demand and successful market expansion initiatives. This performance demonstrates the Group's ability to capture new opportunities and strengthen its competitive position in the industry.

Financial Outlook

The Company continues to optimize production process and cost. This, combined with higher volumes, translated into improving profit in year 2025. Operating profit for quarter four (October – December) was lower compared to quarter three (July – September) notably due to seasonality impact. On a yearly basis, the Operating Profit has improved by 26% compared to 2024, reflecting the effectiveness of the Company's strategic initiatives and operational efficiencies.

In November 2025, Tanga Cement PLC raised TZS 203.75 billion by way of a rights issue of 127,342,090 new ordinary shares. The proceeds of the rights issue were used to repay term borrowings and bank loans, which improved the company's capital structure and liquidity.

Appreciation and Future Plans

Tanga Cement 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.



Hakan 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 DECEMBER 2025

	GROUP		COMPANY	
	DEC-25	SEPT-25	DEC-25	SEPT-25
	TZS'000	TZS'000	TZS' 000	TZS' 000
Revenue from contracts with customers	78,590,322	84,688,029	78,590,322	84,688,029
Cost of sales	<u>(70,037,204)</u>	<u>(69,327,968)</u>	<u>(69,987,265)</u>	<u>(69,327,968)</u>
Gross profit	8,553,118	15,360,061	8,603,057	15,360,061
Other income	675,958	122,153	654,772	122,153
Other expenses	(6,420,659)	(481,285)	(6,420,659)	(481,285)
Selling expenses	(441,515)	(410,481)	(441,515)	(410,481)
Administration expenses	(3,762,508)	(3,912,253)	(3,747,476)	(3,912,253)
Decrease/(increase) in expected credit losses	<u>534,873</u>	<u>-</u>	<u>534,873</u>	<u>-</u>
Operating profit/(loss)	(860,733)	10,678,195	(816,948)	10,678,195
Interest expense	(5,394,742)	(7,538,816)	(5,394,742)	(7,538,816)
Foreign exchange gains/(losses)	<u>4,827,668</u>	<u>18,929,588</u>	<u>4,827,668</u>	<u>18,929,588</u>
Profit/(loss) before tax	<u>(1,427,807)</u>	<u>22,068,967</u>	<u>(1,384,022)</u>	<u>22,068,967</u>
Income tax	<u>383,788</u>	<u>(1,144,896)</u>	<u>383,788</u>	<u>(1,144,896)</u>
Profit/(loss) for the period	(1,044,019)	20,942,071	(1,000,234)	20,942,071
Other comprehensive income:				
Total comprehensive income for the year, net of tax	<u>(1,044,219)</u>	<u>20,942,071</u>	<u>(1,000,234)</u>	<u>20,942,071</u>

TANGA CEMENT PUBLIC LIMITED COMPANY

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	GROUP		COMPANY	
	DEC-25	SEPT -25	DEC-25	SEPT-25
	TZS'000	TZS'000	TZS' 000	TZS' 000
ASSETS				
Non-current assets				
Property, plant, and equipment	277,312,047	269,047,098	277,311,626	269,045,469
Right-of-use assets	83,933	223,147	83,933	223,147
Investment property	914,751	963,482	-	-
Intangible assets	407,638	433,030	407,638	433,030
Investment in subsidiary	-	-	420,995	420,995
Total non-current assets	278,718,369	270,666,757	278,224,192	270,122,641
Current assets				
Inventories	71,367,125	90,676,995	71,367,125	90,676,995
Trade and other receivables	47,960,418	50,592,435	47,521,005	50,566,621
Cash and bank balances	20,757,802	15,840,090	20,614,205	15,696,524
Total current assets	140,085,345	157,109,520	139,502,335	156,940,140
TOTAL ASSETS	418,803,714	427,776,277	417,726,527	427,062,781
EQUITY AND LIABILITIES				
Equity				
Issued capital	203,010,774	1,273,421	203,010,774	1,273,421
Treasury shares	(1,825,920)	(1,825,920)	(1,825,920)	(1,825,920)
Retained earnings	16,916,215	17,960,234	16,111,081	17,111,315
Equity attributable to owners of the parent	218,101,069	17,407,735	217,295,935	16,558,816
Total equity	218,101,069	17,407,735	217,295,935	16,558,816
Non-current liabilities				
Lease liabilities	105,639	170,918	105,639	170,918
Provision for site restoration	59,574	30,328	59,574	30,328
Term borrowings: Non-current portion	94,613,560	285,995,905	94,613,560	285,995,905
Deferred tax liability	684,500	950,783	950,783	950,783
Total non-current liabilities	95,463,273	287,147,934	95,729,556	287,147,934
Current liabilities				
Trade and other payables	98,399,597	89,179,407	97,868,224	89,314,830
Contract liabilities	6,839,775	2,629,815	6,832,812	2,629,815
Borrowings: Current portion	-	31,411,386	-	31,411,386
Total current liabilities	105,239,372	123,220,608	104,701,036	123,356,031
Total liabilities	200,702,645	410,368,542	200,430,592	410,503,965
TOTAL EQUITY AND LIABILITIES	418,803,714	427,776,277	417,726,527	427,062,781

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

	Issued capital TZS' 000	Treasury Shares TZS' 000	Retained earnings TZS' 000	Total TZS' 000
COMPANY				
At 1 July 2025	1,273,421	(1,825,920)	(3,812,756)	(4,365,255)
<i>Profit for the period</i>	-	-	20,924,071	20,924,071
Total	-	-	20,924,071	20,924,071
At 30 September 2025	<u>1,273,421</u>	<u>(1,825,920)</u>	<u>17,111,315</u>	<u>16,558,816</u>
At 1 October 2025	1,273,421	(1,825,920)	17,111,315	16,558,816
<i>Loss for the period</i>	-	-	(1,000,234)	(1,000,234)
<i>Proceeds from rights issue</i>	203,747,344	-	-	203,747,344
<i>Transaction costs relating to rights issue</i>	(2,009,991)	-	-	(2,009,991)
Total	<u>201,737,353</u>	-	(1,000,234)	<u>200,737,119</u>
At 31 December 2025	<u>203,010,774</u>	<u>(1,825,920)</u>	<u>16,111,081</u>	<u>217,295,935</u>
GROUP				
At 1 July 2025	1,273,421	(1,825,920)	(2,963,837)	(3,516,336)
<i>Profit for the period</i>	-	-	20,924,071	20,924,071
Total	-	-	20,924,071	20,924,071
At 30 September 2025	<u>1,273,421</u>	<u>(1,825,920)</u>	<u>17,960,234</u>	<u>17,407,735</u>
At 1 October 2025	1,273,421	(1,825,920)	17,960,234	17,407,735
<i>Loss for the period</i>	-	-	(1,044,019)	(1,044,019)
<i>Proceeds from rights issue</i>	203,747,344	-	-	203,747,344
<i>Transaction costs relating to rights issue</i>	(2,009,991)	-	-	(2,009,991)
Total	<u>201,737,353</u>	-	(1,044,019)	<u>200,693,334</u>
At 31 December 2025	<u>203,010,774</u>	<u>(1,825,920)</u>	<u>16,916,215</u>	<u>218,101,069</u>

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

	GROUP		COMPANY	
	DEC-25 TZS' 000	SEPT-25 TZS' 000	DEC-25 TZS' 000	SEPT-25 TZS' 000
OPERATING ACTIVITIES				
Cash generated from operating activities	38,543,093	26,300,655	38,326,717	26,300,655
Income taxes paid	(3,588,069)	-	(3,588,069)	-
Net cash flows from operating activities	34,955,024	26,300,655	34,738,648	26,300,655
INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(6,211,626)	(6,226,601)	(6,211,626)	(6,226,601)
Net cash flows used in investing activities	(6,211,626)	(6,226,601)	(6,211,626)	(6,226,601)
FINANCING ACTIVITIES				
Interest paid - overdrafts	(156,212)	(151,805)	(156,212)	(151,805)
Interest paid - short-term borrowings	(732,185)	(788,241)	(732,185)	(788,241)
Principal repayments - short term borrowings	(31,411,386)	(771,000)	(31,411,386)	(771,000)
Repayment of principal portion of Parent co. loan	(191,382,345)		(191,382,345)	
Rights issue proceeds	203,747,344		203,747,344	
Transaction costs on issue of shares	(2,009,991)		(2,009,991)	
Net cash flows used in financing activities	(21,944,775)	(1,711,046)	(21,944,775)	(1,711,046)
Net increase in cash and cash equivalents	6,798,623	18,363,008	6,582,247	18,363,008
Net foreign exchange differences	(1,880,911)	(698,910)	(1,664,566)	(698,910)
Cash and cash equivalents at 1 Oct	15,840,090	(1,824,008)	15,696,524	(1,967,574)
Cash and cash equivalents at 31 December	20,757,802	15,840,090	20,614,205	15,696,524

*Income tax paid during the quarter includes TZS 706 million relating to Q3 2026, which was omitted in error from the previously issued interim cash flow statement. In accordance with IAS 34.15B, the correction of this prior-period error has been reflected in the current quarterly financial statements.