

**UNAUDITED RESULTS FOR THE QUARTER ENDED 31 DECEMBER 2024**

**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 December 2024.

**Financial and Operational Overview**

In the fourth quarter (October to December 2024), the Group's revenue increased by 29% compared to the preceding quarter, driven by increased sales volumes following a positive market demand in the country, especially on clinker. A significant turnaround in key operational areas, including increased clinker production, enhanced operational efficiency, and machine availability, contributed to this growth. These improvements translated into reduced maintenance and fixed costs.

Throughout this period, our unwavering commitment to customer satisfaction and sustainability remained central to our business strategy.

**Market Outlook**

Management remains optimistic about the market prospects in 2025. Improved market conditions and the anticipated acceleration of infrastructure projects throughout the upcoming 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.



**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 2024**

	GROUP		COMPANY	
	December-24	September-24	December-24	September-24
	TZS'000	TZS' 000	TZS' 000'	TZS' 000
Revenue from contracts with customers	81,025,491	62,829,695	81,025,491	62,829,695
Cost of sales	(66,931,129)	(48,128,691)	(66,941,933)	(48,128,691)
<b>Gross profit</b>	<b>14,094,362</b>	<b>14,701,004</b>	<b>14,083,558</b>	<b>14,701,004</b>
Other income	61,036	217,821	26,508	59,921
Other expenses	(1,116,388)	(392,084)	(1,116,388)	(392,084)
Selling expenses	(1,066,306)	(503,925)	(1,066,306)	(503,925)
Administration expenses	(4,303,531)	(3,644,549)	(4,695,209)	(3,483,178)
Impairment and other charges	(200,274)	-	(200,274)	-
Decrease/(increase) in expected credit losses	(138,943)	-	(138,943)	-
<b>Operating profit</b>	<b>7,329,956</b>	<b>10,358,267</b>	<b>6,892,946</b>	<b>10,381,738</b>
Interest expense	(11,266,813)	(9,442,034)	(11,266,813)	(9,442,034)
Foreign exchange and fair value losses	20,700,019	(11,826,063)	25,745,641	(11,826,826)
<b>Profit/(Loss) before tax</b>	<b>16,645,868</b>	<b>(10,909,830)</b>	<b>21,371,774</b>	<b>(10,887,122)</b>
Income tax (charge)/credit	(24,936,100)	-	(24,936,100)	-
<b>Loss for the period</b>	<b>(8,290,232)</b>	<b>(10,909,830)</b>	<b>(3,564,326)</b>	<b>(10,887,122)</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>(8,290,232)</b>	<b>(10,909,830)</b>	<b>(3,564,326)</b>	<b>(10,887,122)</b>
<b>(Loss)/profit for the year attributable to:</b>				
Owners of the parent	(8,290,232)	(10,909,830)	(3,564,326)	(10,887,122)
Non-controlling interests	-	-	-	-
	<b>(8,290,232)</b>	<b>(10,909,830)</b>	<b>(3,564,326)</b>	<b>(10,887,122)</b>
<b>Total comprehensive income for the year attributable to:</b>				
Owners of the parent	(8,290,232)	(10,909,830)	(3,564,326)	(10,887,122)
Non-controlling interests	-	-	-	-
	<b>(8,290,232)</b>	<b>(10,909,830)</b>	<b>(3,564,326)</b>	<b>(10,887,122)</b>

**TANGA CEMENT PUBLIC LIMITED COMPANY**  
**CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024**

	GROUP		COMPANY	
	December -24 TZS'000	September -24 TZS' 000	December-24 TZS' 000	September-24 TZS' 000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant, and equipment	270,087,504	260,420,946	270,085,876	260,418,815
Right-of-use assets	223,147	52,917	223,147	52,917
Investment property	963,482	983,787	-	-
Investment in subsidiary	-	-	420,995	420,995
Financial asset - Interest rate cap	-	-	-	-
<b>Total non-current assets</b>	<b>271,274,133</b>	<b>261,457,650</b>	<b>270,730,018</b>	<b>260,892,727</b>
<b>Current assets</b>				
Due from employees' share trust	1,490,682	-	1,490,682	1,490,682
Inventories	82,894,194	83,178,325	82,894,194	83,178,325
Trade and other receivables	21,798,208	14,645,175	20,807,093	14,188,823
Cash and bank balances	19,495,552	20,856,370	19,351,986	20,720,538
<b>Total current assets</b>	<b>125,678,636</b>	<b>118,679,870</b>	<b>124,543,955</b>	<b>119,578,368</b>
<b>TOTAL ASSETS</b>	<b>396,952,769</b>	<b>380,137,520</b>	<b>395,273,973</b>	<b>380,471,095</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Issued capital	1,273,421	1,273,421	1,273,421	1,273,421
Treasury shares	-	(1,490,682)	-	-
Retained earnings	(17,476,129)	(17,027,081)	(17,899,057)	(17,912,554)
<b>Equity attributable to owners of the parent</b>	<b>(16,202,708)</b>	<b>(17,244,342)</b>	<b>(16,625,636)</b>	<b>(16,639,133)</b>
<b>Total equity</b>	<b>(16,202,708)</b>	<b>(17,244,342)</b>	<b>(16,625,636)</b>	<b>(16,639,133)</b>
<b>Non-current liabilities</b>				
Lease liabilities	306,284	261,791	306,284	261,791
Provision for site restoration	30,328	30,325	30,328	30,328
Term borrowings: Non-current portion	263,044,995	276,037,028	263,044,995	276,037,028
Deferred tax liability	21,922,994	950,783	21,922,994	950,784
<b>Total non-current liabilities</b>	<b>285,304,601</b>	<b>277,279,927</b>	<b>285,304,601</b>	<b>277,279,931</b>
<b>Current liabilities</b>				
Lease liabilities	-	39,118	-	39,118
Trade and other payables	70,285,904	57,327,997	69,030,036	57,056,360
Contract liabilities	3,127,626	619,579	3,127,626	619,579
Term borrowings: Current portion	41,522,816	45,347,590	41,522,816	45,347,590
Bank overdrafts	12,914,530	16,767,650	12,914,530	16,767,650
<b>Total current liabilities</b>	<b>127,850,876</b>	<b>120,101,934</b>	<b>126,595,008</b>	<b>119,830,297</b>
<b>Total liabilities</b>	<b>413,155,477</b>	<b>397,381,861</b>	<b>411,899,609</b>	<b>397,110,228</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>396,952,769</b>	<b>380,137,520</b>	<b>395,273,973</b>	<b>380,471,095</b>

**TANGA CEMENT PUBLIC LIMITED COMPANY  
CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2024**

	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 2023	1,273,421			115,155,572	116,428,993
<i>Loss for the year</i>		-	-	(61,827,004)	(61,827,004)
<i>Other comprehensive income</i>		-		-	-
Total comprehensive income	-	-	-	(61,827,004)	(61,827,004)
<b>At 31 December 2023</b>	<b>1,273,421</b>	<b>-</b>	<b>-</b>	<b>53,328,568</b>	<b>54,601,989</b>
At 1 January 2024	1,273,421	-	-	53,328,568	54,601,989
<i>Loss for the year</i>	-	-	-	(71,227,625)	(71,227,625)
<i>Other comprehensive income</i>	-	-		-	-
Total comprehensive income	-	-	-	(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>
<b>GROUP</b>					
At 1 January 2023	1,273,421	-	(773,466)	116,547,002	117,046,957
<i>Loss for the year</i>	-	-	-	(62,230,786)	(62,230,786)
<i>Other comprehensive income</i>	-	-	-	-	-
Total comprehensive income	-	-	-	(62,230,786)	(62,230,786)
Changes in treasury shares	-	-	(717,216)	-	(717,216)
<b>At 31 December 2023</b>	<b>1,273,421</b>	<b>-</b>	<b>(1,490,682)</b>	<b>54,316,216</b>	<b>54,098,955</b>
At 1 January 2024	1,273,421	-	(1,490,682)	54,316,216	54,098,955
<i>Loss for the year</i>	-	-	-	(71,792,345)	(71,792,345)
<i>Other comprehensive income</i>	-	-	-	-	-
Total comprehensive income	-	-	-	(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>

\*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 DEC 2024**

	GROUP		COMPANY	
	December -24 TZS' 000	September -24 TZS' 000	December -24 TZS' 000	September-24 TZS' 000
<b>OPERATING ACTIVITIES</b>				
Cash generated from operating activities	32,902,495	10,113,652	32,902,495	10,113,652
Income taxes paid	(1,549,549)	(901,614)	(1,549,549)	(901,614)
<b>Net cash flows (used)/ from operating activities</b>	<b>31,352,946</b>	<b>9,212,038</b>	<b>31,352,946</b>	<b>9,212,038</b>
<b>INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	(24,666,399)	(8,506,841)	(24,666,399)	(8,506,841)
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>(25,771,578)</b>	<b>(8,506,841)</b>	<b>(24,771,578)</b>	<b>(8,506,841)</b>
<b>FINANCING ACTIVITIES</b>				
Principal repayments - lease liabilities	(246,553)	(176,632)	(246,553)	(176,632)
Lease liability interest paid	-	-	-	-
Interest paid - overdrafts	(2,099,251)	(1,731,544)	(2,099,251)	(1,731,544)
Interest paid - short-term borrowings	(2,808,870)	(2,376,474)	(2,808,870)	(2,376,474)
Principal repayments - short term borrowings	(3,654,000)	(1,194,000)	(3,654,000)	(1,194,000)
Short-Term Loan proceeds	43,772,061	43,772,061	43,772,061	43,772,061
<b>Net cash flows from/(used) in financing activities</b>	<b>34,963,387</b>	<b>38,293,411</b>	<b>34,963,387</b>	<b>38,293,411</b>
<b>Net increase in cash and cash equivalents</b>	<b>41,544,755</b>	<b>38,998,608</b>	<b>41,544,755</b>	<b>38,998,608</b>
Net foreign exchange differences	(498,011)	(513,022)	(641,577)	(579,998)
Cash and cash equivalents at 1 January	(34,465,722)	(34,396,866)	(34,465,722)	(34,465,722)
<b>Cash and cash equivalents at end of period</b>	<b>6,581,022</b>	<b>4,088,720</b>	<b>6,437,456</b>	<b>3,952,888</b>