

# AUDITED RESULTS

## FOR THE YEAR ENDED 31 DECEMBER 2020

### CHAIRMAN'S STATEMENT

Despite many challenges posed in the year 2020, Tanzania Portland Cement Public Limited Company (TPCPLC) delivered a strong operating result when compared to the year 2019. Turnover and sales volume increased by 13% and 6% respectively. The increased revenue combined with disciplined cost management led to the operating profit of 104.9BTZS.

The operating performance of the plant and availability of the machinery was good, ensuring clinker production reached record levels, all within an environment where the Health and

Safety of our employees and contractors is paramount. The continued focus on maintaining excellent customer relations and producing high quality products enabled TPCPLC to again demonstrate its strength as the leading player in the industry.

### Prospects

The cement demand in Tanzania and in the East-African region has been growing steadily in recent years. TPCPLC is well placed to meet this growing demand and will continue to work to maintain its market leadership and position.

### Dividend

The Board proposes a dividend for year 2020 of TZS 390. The Register of Members will close on 10 May 2021, and the last day of trading cum dividend will be 5 May 2021. The dividend will be paid on or about 30 June 2021.

### Appreciation

The Board would like to thank all its stakeholders for their support during the past year. We have every confidence that TPCPLC will continue to deliver value for the shareholders in the future.

INCOME STATEMENT	2020 TZS'000	2019 TZS'000
Revenue	393,739,557	348,828,076
Cost of sales	(258,416,416)	(229,954,588)
<b>Gross profit</b>	<b>135,323,141</b>	<b>118,873,488</b>
Other operating income	2,250,391	4,293,998
Selling and administrative expenses	(2,942,285)	(2,746,244)
Administrative expenses	(25,976,365)	(26,629,390)
Other operating expenses	(3,709,781)	(6,536,148)
<b>Operating profit</b>	<b>104,945,101</b>	<b>87,255,704</b>
Financial items	2,484,133	(1,380,718)
<b>Profit before tax</b>	<b>107,429,234</b>	<b>85,874,986</b>
Taxes on income	(32,752,864)	(26,171,702)
<b>Profit for the year</b>	<b>74,676,370</b>	<b>59,703,284</b>
Other comprehensive income, net of tax	1,028,800	(988,050)
<b>Total Comprehensive Income</b>	<b>75,705,170</b>	<b>58,715,234</b>
Number of Shares	179,923,100	179,923,100

BY ORDER OF THE BOARD

Hakan Gurdal  
Chairman of the Board  
14.04.2021

BALANCE SHEET	2020 TZS'000	2019 TZS'000
<b>ASSETS</b>		
Intangible fixed assets	797,216	849,314
Tangible fixed assets	134,429,769	137,094,378
Right of use assets	4,198,644	7,430,771
Non-current financial assets	1,346,000	5,905,187
<b>Non-current assets</b>	<b>140,771,629</b>	<b>151,279,650</b>
Inventories	52,404,781	61,598,827
Trade and other receivables	55,571,973	52,006,440
Other current financial assets	600,000	4,721,453
Cash and cash equivalents	103,855,770	72,684,693
<b>Current assets</b>	<b>212,432,524</b>	<b>191,011,413</b>
<b>TOTAL ASSETS</b>	<b>353,204,153</b>	<b>342,291,063</b>

### EQUITY & LIABILITIES

<b>Equity</b>	<b>255,000,767</b>	<b>231,473,296</b>
Lease liabilities	1,231,231	3,097,244
Long term provisions	6,337,102	7,620,008
Provision for deferred taxes	14,273,690	17,573,518
<b>Non-current liabilities</b>	<b>21,842,023</b>	<b>28,290,760</b>
Lease liabilities	3,725,915	4,974,507
Current income tax payable	1,013,768	1,027,428
Trade and other payables	68,765,217	73,307,570
Dividend payable	2,856,463	3,217,502
<b>Current liabilities</b>	<b>76,361,363</b>	<b>82,527,007</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>353,204,153</b>	<b>342,291,063</b>