



HEIDELBERGCEMENT Group

# TANZANIA PORTLAND CEMENT PUBLIC LIMITED COMPANY

## AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

TZS '000	2022	2021
Revenue from contracts with customers	494,716,182	449,509,301
Cost of sales	(328,592,344)	(293,185,036)
Gross profit	166,123,838	156,324,265
Other operating income	841,677	1,205,920
Selling and marketing expenses	(3,082,702)	(3,010,835)
Administrative expenses	(25,216,626)	(23,514,168)
Other operating expenses	(2,727,675)	(5,423,601)
Operating profit	135,938,512	125,581,581
Finance income	3,139,579	3,258,481
Finance costs	(810,519)	(611,279)
Net gain/ (loss) on foreign currency translation	1,829,994	(191,595)
Profit before tax	140,097,566	128,037,188
Income tax expense	(42,738,964)	(39,555,603)
Profit for the year	97,358,602	88,481,585
Other comprehensive income		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Re-measurement gains/ (losses) on defined benefit plan	448,834	(1,538,346)
Income tax effect	(134,650)	461,504
Other comprehensive income/ (loss) for the year, net of tax	314,184	(1,076,842)
Total comprehensive income for the year, net of tax	97,672,786	87,404,743
Earnings per share		

### CHAIRMAN'S STATEMENT

Tanzania Portland Cement Public Limited Company (TPCPLC) continues to deliver strong operating results when compared to year 2021. Both the sales volume and revenue reached a record high compared to year 2021. Sales volume and revenue increased by 5% and 10% respectively.

This increase is due to the continued increased demand of cement products within Tanzania and outside Tanzania. The high availability and efficiency of the plant and machinery has contributed to the improved performance compared to year 2021, all within an environment where the Health and Safety of our employees and contractors is paramount.

The Company continues to focus on delivering excellent customer service, selling of high quality products and maintaining strong customer relationships to enable TPCPLC to 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 on improving efficiency and operating performance.

#### Dividend

The Board proposes a dividend for year 2022 of TZS 390 per share. The Register of Members will close on 29 May 2023, and the last day of trading cum dividend will be 24 May 2023. The dividend will be paid on or about 30 June 2023.

#### Appreciation

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

#### BY ORDER OF THE BOARD

Hassan Gurdal  
Chairman of the Board

### STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

TZS '000	2022	2021
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	142,330,100	144,842,101
Intangible assets	813,318	1,006,537
Leasehold land	980,929	1,008,775
Right of Use assets	4,333,991	982,483
Other financial assets	574,000	796,000
	149,032,338	148,635,896
Current assets		
Inventories	85,992,840	52,935,488
Trade receivables	53,561,114	46,277,317
Other short-term operating receivables	24,193,735	16,586,868
Other financial assets	600,000	600,000
Cash and cash equivalent	105,512,644	114,278,364
	269,860,333	230,678,037
<b>TOTAL ASSETS</b>	<b>418,892,671</b>	<b>379,313,933</b>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Authorised, issued and fully paid-up share capital	3,598,462	3,598,462
Retained earnings	296,139,811	268,637,039
<b>TOTAL EQUITY</b>	<b>299,738,273</b>	<b>272,235,501</b>
Non-current liabilities		
Lease liabilities	1,149,572	186,758
Employment benefit liabilities	5,339,322	5,306,943
Provision for quarry site restoration	4,266,311	2,432,541
Deferred income tax liability	10,066,585	11,618,859
	20,821,790	19,545,101
Current liabilities		
Lease liabilities	3,461,375	1,044,405
Current income tax payable	521,690	28,859
Trade and other payables	91,444,170	83,611,599
Dividend payable	2,905,373	2,848,468
	98,332,608	87,533,331
<b>TOTAL LIABILITIES</b>	<b>119,154,398</b>	<b>107,078,432</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>418,892,671</b>	<b>379,313,933</b>

### FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### STATEMENT OF CHANGES IN EQUITY

	Share Capital and Share Premium TZS '000	Retained earnings TZS '000	Total Equity TZS '000
As at 01 January 2022	3,598,462	268,637,039	272,235,501
Profit for the year	-	97,358,602	97,358,602
Other comprehensive income, net of tax	-	314,184	314,184
Total comprehensive income, net of tax for the year	-	97,672,786	97,672,786
Transactions with owners in their capacity as owners:			
Dividends	-	(70,170,014)	(70,170,014)
As at 31 December 2022	3,598,462	296,139,811	299,738,273
As at 01 January 2021	3,598,462	251,402,305	255,000,767
Profit for the year	-	88,481,585	88,481,585
Other comprehensive loss, net of tax	-	(1,076,842)	(1,076,842)
Total comprehensive income, net of tax for the year	-	87,404,743	87,404,743
Transactions with owners in their capacity as owners:			
As at 31 December 2021	3,598,462	268,637,039	272,235,501

### FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 DECEMBER 2022

#### STATEMENT OF CASH FLOWS

TZS '000	2022	2021
Operating activities		
Profit before tax	140,097,566	128,037,188
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	20,645,407	18,666,314
Interest expense	1,255,581	1,040,904
Interest income	(3,139,579)	(3,258,481)
Net unrealised exchange loss	801,765	(620,896)
Net provision for slow moving and obsolete inventories	971,658	2,058,943
Increase in site restoration provision	1,833,770	157,519
Post-employment benefit provision	300,810	226,950
Expected credit losses for trade receivables	(339,944)	(421,078)
Gain on disposal of property, plant and equipment	-	(46,610)
Cash flows before changes in working capital items	162,427,034	145,840,753
Working capital adjustments:		
Increase in inventories	(34,029,010)	(2,589,649)
Increase in trade receivables	(6,943,853)	(4,765,323)
Increase in other short-term operating receivables	(7,606,944)	(2,105,812)
Decrease in other financial assets	222,000	550,000
Increase in trade and other payables	7,832,570	14,851,403
Corporation tax paid	(43,932,977)	(42,733,839)
Payment to post-employment benefit - Benefit payments	(264,659)	(950,058)
Interest received	3,139,579	3,253,460
Net cash inflows from operating activities	80,843,740	111,350,935
Investing activities		
Proceeds from disposal of property, plant and equipment	-	46,610
Payment for capital works-in-progress	(14,611,038)	(27,080,581)
Net cash flows used in investing activities	(14,611,038)	(27,033,971)
Financing activities		
Dividends paid	(70,113,111)	(70,178,005)
Payment of liabilities - principal and interest	(4,083,546)	(4,337,262)
Net cash flows used in financing activities	(74,196,657)	(74,515,267)
Net (decrease)/increase in cash and cash equivalents	(7,963,955)	9,801,697
Net foreign exchange difference - unrealised	(801,765)	620,896
Cash and cash equivalents at 01 January	114,278,364	103,855,771
Cash and cash equivalent at 31 December	105,512,644	114,278,364