



CAUTIONARY NOTICE TO MEMBERS

TANGA CEMENT PUBLIC LIMITED COMPANY (DSE: TCPLC) (INCORPORATED IN THE UNITED REPUBLIC OF TANZANIA) ("TANGA CEMENT PLC")

In accordance with the rule 74(6) of the Dar es Salaam Stock Exchange Rules, companies are required to publish a cautionary notice as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported upon next will differ by at least 25% from the financial results for the previous corresponding period.

This cautionary notice is issued to members in accordance with the new reporting framework of the updated DSE listing rules ("rules") which became effective on 1 April 2022. The rules require all listed companies to prepare and publish quarterly financial results. The comparative period for the quarter reported used is previous quarter. Therefore, in reporting the financial results for the second quarter of 2022 (i.e. April to June 2022), Tanga Cement Plc uses the first quarter of 2022 (i.e. January to March 2022) as the comparative period.

Tanga Cement PLC also expects its loss per Share for the quarter ended 30 June 2022 to be between TZS 40 per share and TZS 20 per share, being between 233% and 67% higher than its Loss per Share of TZS 12 per share for the quarter ended 31 March 2022.

The contributing factors to this movement are the seasonality and cyclical nature of the cement business between the first and the second quarter as well as the impact of the change in fair valuation of the foreign currency denominated Interest Rate Cap hedge on our USD term loans. The decline in performance has further been impacted by factors like the increase in fuel prices and logistics costs which lead to an increase in raw material prices, frequent electrical power cuts which resulted in increased fuel consumption for own generators and increased maintenance costs of equipment caused by power dips. Unreliable electricity resulted in a decrease in production volumes.

The company expects to publish its unaudited quarterly financial results for the quarter ended 30 June 2022 by no later than 9 September 2022.

Shareholders are accordingly advised to exercise caution when trading with the company's securities.

The financial information on which this trading statement is based has not been audited by Tanga Cement PLC's auditors.

On behalf of the Board.

Lawrence Masha
Chairman of the Board
7 September 2022