

Kigali on: 3rd June 2021
Ref. N^o: 093/2021/CIM/FIN

Mr. Pierre Celestin RWABUKUMBA
The Chief Executive Officer,
Rwanda Stock Exchange (RSE)
1st floor, Kigali City Tower,
P.O.Box 3882, Kigali Rwanda.



Dear Mr. RWABUKUMBA,

RE: CIMERWA PLC Half Year Financial Results, 2021

I am pleased to share with you CIMERWA Plc's Half Year unaudited financial results for the period ended 30th March 2021.

The detailed Press Release is attached for your convenience.

Sincerely,



Godfrey Kamukunde,
Company Secretary



CC: CMA - Rwanda

INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

STATEMENT OF FINANCIAL POSITION AS AT 31 March 2021

	March '21 Frw'000	March '20 Frw'000
Non-current assets		
Property, plant and equipment	78,240,698	85,211,143
Exploration and evaluation asset	416,091	80,212
Intangible assets	173,910	-
Right of use assets	24,796	38,321
Rehabilitation Assets	135,400	-
	78,990,894	85,329,677
Current assets		
Inventories	16,641,895	9,986,967
Current income tax	-	35,443
Trade and other receivables	4,340,661	5,602,675
Cash and cash balances	8,773,069	828,538
	29,755,625	16,453,624
Total assets	108,746,520	101,783,300
Equity and liabilities		
Equity attributable to owners		
Share capital	35,161,000	35,161,000
Share premium	22,251,000	22,251,000
Retained earnings/ (accumulated losses)	1,934,030	-3,283,382
	59,346,030	54,128,618
Liabilities		
Non-current liabilities		
Deferred income tax	1,039,500	-162,855
Borrowings	29,713,747	31,346,574
Rehabilitation and decommissioning provisions	172,040	186,083
	30,925,287	31,369,803
Current liabilities		
Trade and other payables	7,315,708	6,830,253
Bank borrowings	10,351,300	9,070,211
Amounts due to related parties	808,194	384,416
	18,475,203	16,284,880
Total equity and liabilities	108,746,520	101,783,300

STATEMENT OF COMPREHENSIVE INCOME FOR SIX MONTH ENDED 31 March 2021

	March '21 Frw'000	March '20 Frw'000
Revenue	30,125,707	26,366,879
Cost of sales	22,926,852	23,949,337
Gross profit	7,198,855	2,417,542
Other income	85,710	127,383
Interest income	89,482	76,095
Administrative expenses	-2,815,703	-2,362,445
Impairment losses on financial assets	-	-
Operating profit	4,558,344	258,575
Finance costs	-3,306,963	-3,490,741
Profit before income tax	1,251,381	-3,232,166
Income tax credit/ (expense)	-250,276	969,650
Profit for the year	1,001,105	-2,262,516
Other comprehensive income	-	-
Total comprehensive income for the year	1,001,105	-2,262,516

COMMENTARY NOTES TO THE FINANCIALS

1. **Non-current assets** – reduction Y-O-Y relates to annual depreciation.

2. **Inventories** – increase is due to increased strategic stock holding. These include mainly clinker stock and cement in preparation for May 2021 annual planned kiln maintenance.

- Similarly, there is an increase in spare parts in preparation of the May 2021 planned maintenance.
3. **Trade & other receivables** – comprised mainly of prepayments Rwf 2.1Bn and trade receivables Rwf 2.2Bn.
 4. **Cash & cash equivalents** – Increase in the period compared to prior year is due to improved operational performance, lower loan repayments as a result of moratorium coupled with less CAPEX in the period.
 5. **Borrowings** – This relates to project financing for construction of our 600Kt capacity plant. Repayment in line with facility agreement moratorium period offered from April 2020 to October 2020.
 6. **Trade & other payables** – Increase is mainly due to trade payables such as raw material suppliers (Rwf 4.6 bn), cement transporters, electricity, customer deposits, intercompany balances etc.
 7. **Revenue** - revenue was 14% (Rwf 3.7 bn) up compared to similar period last year despite impact of January 2021 COVID-19 lockdown in Kigali. This was due to effective execution of route-to-market strategy and price optimization actions.
 8. **Cost of Sales** - Cost of Sales of Rwf 22.9 billion which is 4% (Rwf 1.02 bn) below last year due to decrease in sales volumes and our cost savings program.
 9. **Gross profit** - Gross profit margin of 24% is above 9% for similar period last year due to better margin optimization through selling price optimization and costs savings initiatives.
 10. **Finance cost** - These comprise interest expense of Rwf 2.8 bn and unrealized forex exchange loss of Rwf 0.423bn.
 11. **Profit Before Tax** – is Rwf 1.0 bn, which is 144% above prior year that had a loss of Rwf 2.3bn.