

ANNUAL FINANCIAL REPORT

'23



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CIMERWA

STRENGTHENING RWANDA

CELEBRATING

40YEARS

OF STRENGTHENING RWANDA

TABLE OF CONTENTS

04 40 years of Strengthening Rwanda

06 Introduction

10 Chairperson's Statement

13 CEO's Statement

17 Outgoing Board Members

23 New Board Directors

31 Executive Team

35 Notice of the Annual General Meeting

36 Proposed Resolutions

37 Strengthening Rwanda - Our Strategy

40 Supply Chain & Logistical Highlights

41 Human Resources Management

42 Occupational Health, Safety & Environment Highlights

44 Corporate Governance Report

46 Shareholder's Report

48 Director's Report

49 Independent Auditor's Report

52 Statement of profit or loss and other comprehensive income

52 Statement of financial position

54 Statement of changes in equity

55 Statement of cashflows

56 Notes to the financial statements

98 Forward Looking Statements

99 Proxy Form

40 YEARS OF STRENGTHENING RWANDA

It is the strength of our name and our promise to our customers, stakeholders, staff and communities.



In the heart of Rwanda, nestled in the picturesque Bugarama region of Rusizi, CIMERWA began its journey. In the 1970s, the discovery of a limestone deposit marked the inception of what would become Rwanda's first integrated cement manufacturer, a visionary venture that would shape the nation's growth and leave an indelible mark on its landscape. In 1976, with the promise of progress and development, an agreement was forged to establish a 50,000-ton-per-year cement plant. Little did Rwanda know that this humble beginning would evolve into a four-decade story of resilience and success. As the plant's capacity was upgraded to 100,000 tons per annum in 2001, CIMERWA emerged as a key player in the country's industrial landscape.

The year 2013 marked a pivotal moment in CIMERWA's history when PPC Africa acquired a 51% stake, injecting fresh energy and expertise into the company. With this partnership, CIMERWA's commitment to excellence only intensified. A new corporate identity was unveiled, and a state-of-the-art operations plant with a capacity of 600,000 tons was commissioned.

In 2017, CIMERWA extended its influence beyond the production line and into the social fabric of Rwanda by hosting the inaugural CIMEGOLF tournament. What began as a humble golf event soon blossomed into the largest golf tournament in the nation. Two years later, in 2019, CIMERWA embraced product diversification with the introduction of 'SURERANGE.' This innovative move showcased the company's commitment to meeting the evolving needs of its customers while maintaining the highest standards of quality. The year 2020 witnessed another milestone as CIMERWA made its debut on the Rwanda Stock Exchange. This not only solidified its position in the market but also allowed the people of Rwanda to share in its success story.

As CIMERWA celebrates its 40th anniversary, the year 2024 brings a new chapter in its journey. National cement acquired a 99.9% stake inCIMERWA, signaling a seamless transition of leadership and ownership. The union of these two industry giants promises to usher in a new era of growth and prosperity for CIMERWA, its employees and the nation it has served faithfully for four decades. Throughout its journey, CIMERWA has consistently demonstrated a profound commitment to uplifting the communities in which it operates.

Through its 'BECAUSE of CIMERWA' initiatives, the company developed a series of impactful social initiatives that extended beyond the realm of cement production. CIMERWA takes pride in giving back to the community and leaving a positive legacy that transcends the industrial landscape. The company's philanthropic endeavors include the construction of a school, a clinic, a market, and a tailoring workshop, providing essential services and opportunities for education and economic Empowerment. Additionally, CIMERWA took a holistic approach to community development by establishing a water treatment plant to ensure access to clean and safe water. The company also played a pivotal role in infrastructure development, contributing to the construction of roads that connected remote areas, fostering accessibility. Through these initiatives, CIMERWA demonstrated that its impact went beyond the manufacturing of cement; it was a catalyst for positive change, enhancing the quality of life for the people it served.

Reflecting on this remarkable journey, CIMERWA stands tall as a testament to the spirit of resilience and innovation. Its legacy is etched in the iconic structures it helped build, such as the BK Arena, the Bugesera National Airport, the Amahoro National Stadium and many more. The next 40 years hold the promise of even greater accomplishments, as CIMERWA continues to contribute to the growth and prosperity of Rwanda, leaving a lasting imprint on the nation it has called home for decades.

YEARS OF CIMERWA Plc

CIMERWA Plc is Rwanda's only integrated cement manufacturer and a significant player in the Great Lakes region.

Our story started in 1984 and as we near our 40th anniversary, here is a brief look at the events that shaped CIMERWA into the company it is today.

2024 National Cement acquires 99.9% stake in CIMERWA.

2022 CIMERWA introduces 22.5X cement SUREWALL

2020 CIMERWA lists on the Rwanda Stock Exchange

2019 CIMERWA introduces 'SURERANGE' in promotion of product diversification.

2018 CIMERWA hosts first annual CIMEGOLF tournament

2015 CIMERWA launches a new corporate identity and commissions an operations plant of 600 KT.

2013 PPC Africa acquires a 51% share of CIMERWA

2011 Shareholding changes to several Rwandan based institutions

2006 CIMERWA is privatized under the Rwanda Investment Group

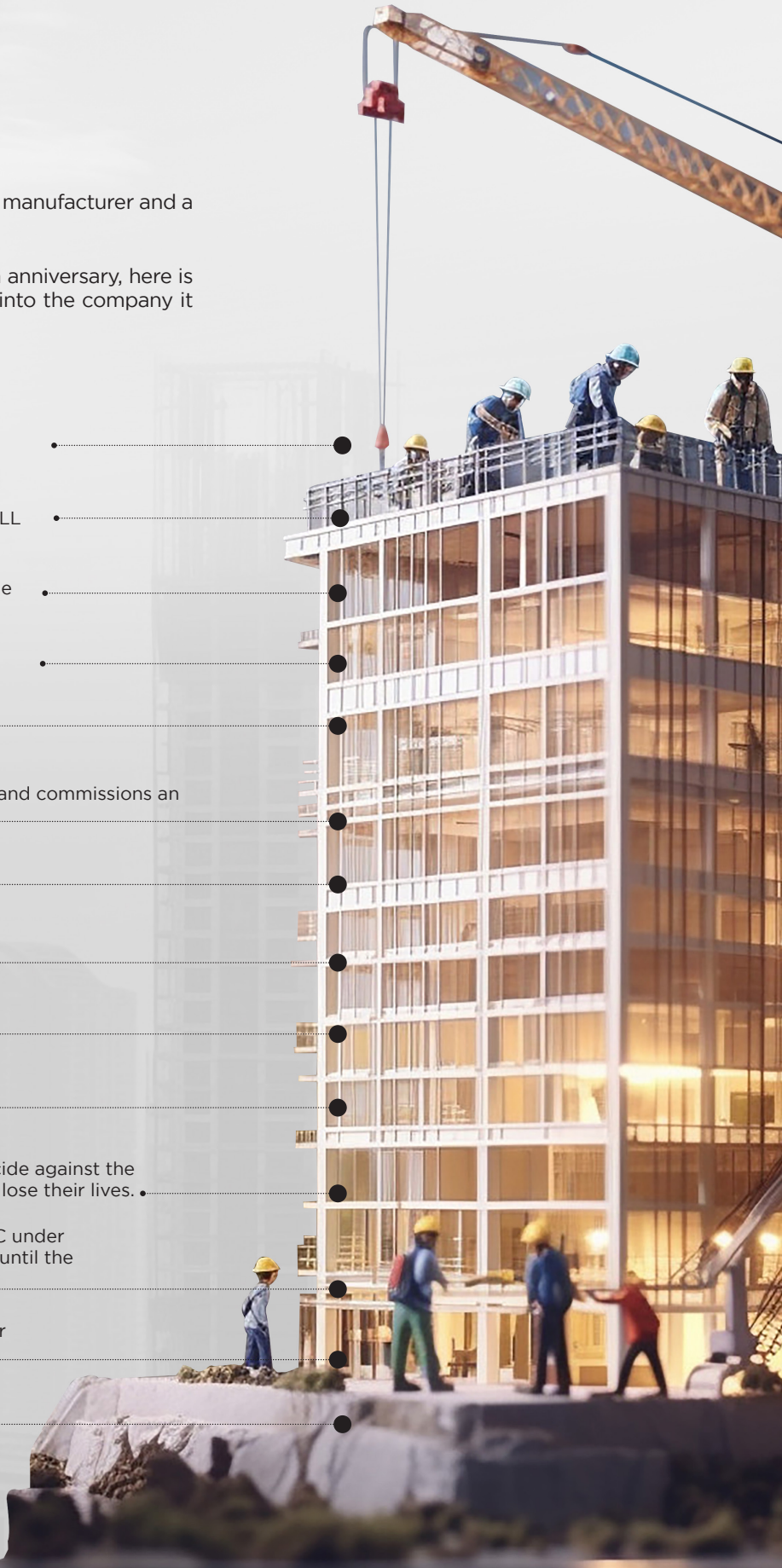
2001 Plant capacity is upgraded to 100,000 tons per annum

1994 Operations suspended during the 1994 Genocide against the Tutsi which saw 58 CIMERWA team members lose their lives.

1984 Plant is commissioned and managed by CBMC under a build, own, operate and transfer agreement until the end of the loan term in July 2006.

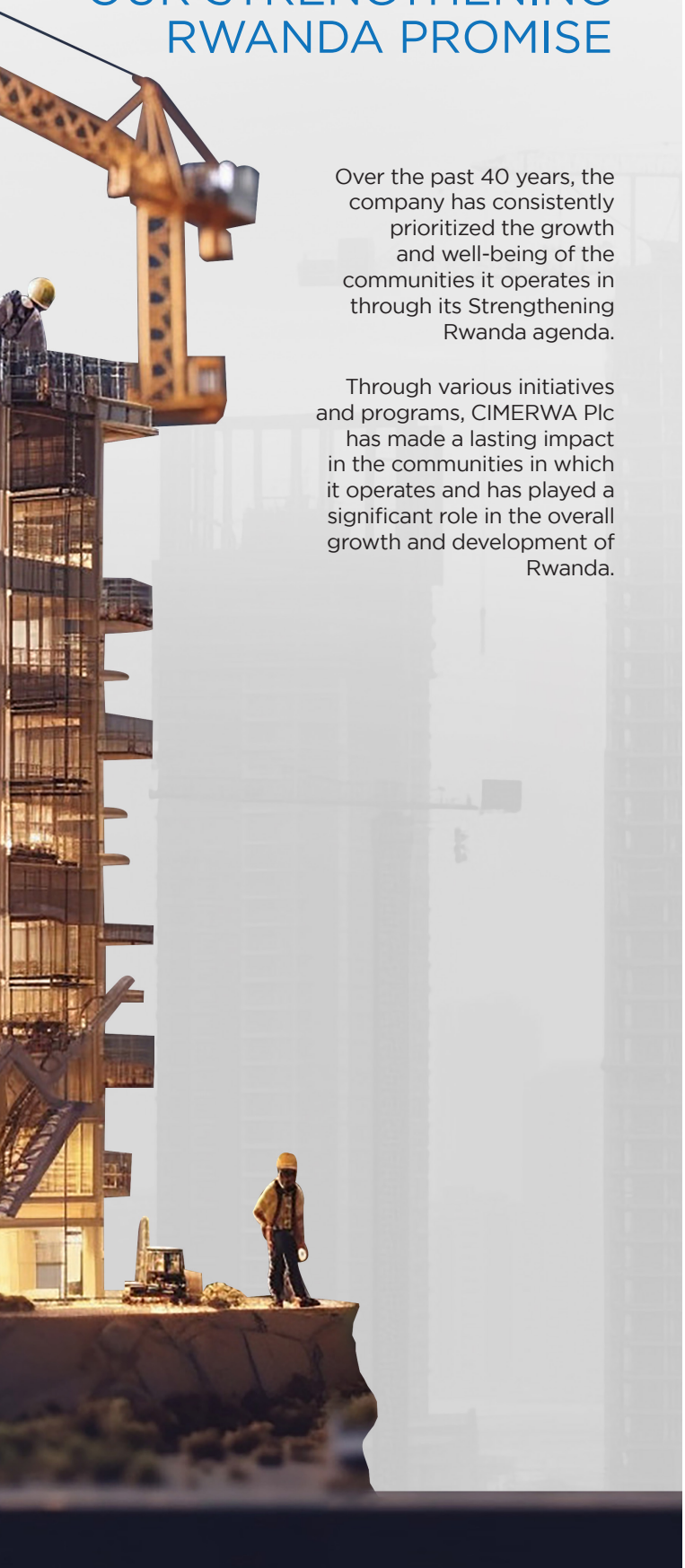
1976 Agreement to set up the 50,000 tons per year cement plant.

1970s Discovery of limestone deposit at a hot spring in Bugarama, Rusizi district in South Western Rwanda.



INTRODUCTION

OUR STRENGTHENING RWANDA PROMISE



Over the past 40 years, the company has consistently prioritized the growth and well-being of the communities it operates in through its Strengthening Rwanda agenda.

Through various initiatives and programs, CIMERWA Plc has made a lasting impact in the communities in which it operates and has played a significant role in the overall growth and development of Rwanda.

- **Strengthening Education:** The education pillar is driven by our belief in shaping young minds for a better tomorrow, through l'educateur Nursery and Primary School children are able to benefit from good, affordable and accessible education in Bugarama. Moreover, the school has and continues to produce graduates who have since excelled to greater heights in different disciplines.

- **Strengthening Health:** Good Health is precious, a fact that was made more poignant by the recent COVID-19 pandemic. This pillar focuses on our initiatives in the health space. With a clinic that was established right alongside the plant in 1984 and handwashing stations built during the pandemic in high traffic areas, CIMERWA has contributed to the health and wellbeing of the citizens of Bugarama for the past couple of decades.

- **Strengthening Entrepreneurship:** This pillar is focused on equipping people with the right skills to better their lives. CIMERWA built a market point and a tailoring cooperative and it supplied both operations with a building in which they operate from, electricity, water and other amenities as well as machines necessary for their operations. Through these projects and many others, employment has been created, incomes generated and the general welfare of the people around the factory improved.

- **Strengthening Infrastructure:** Our infrastructure pillar focuses on the development projects we've helped bring to life across Rwanda with our SIMANYARWANDA including The Kigali Arena, The Prime Minister's Headquarters, Gasabo District HQ, in addition to some projects that are still under construction i.e. The Bugesera International Airport and the refurbishment of the Amahoro National Stadium.

- **Strengthening Environmental Protection:** To ensure the company builds a thriving business while remaining a responsible corporate citizen, we have invested in effective environmental and energy management. By doing this, we have ensured that business continues to create sustainable value for stakeholders. Various initiatives have been implemented: the planting of trees, reduction of dust and noise emissions, water conservation, waste water treatment, carbon emissions (green cement, substitution of coal with alternative fuel, etc)


OUR VALUES
WE ALWAYS DO THE RIGHT THING.
WE STRIVE FOR EXCELLENCE IN ALL WE DO.
OUR PEOPLE ARE OUR STRENGTH.
WE HAVE PASSION FOR WINNING.
WE ARE CUSTOMER FOCUSED.

OUR MISSION & VISION STATEMENTS



CIMERWA'S mission

At its core, CIMERWA is fully focused on the journey of strengthening Rwanda in its efforts to strengthen Rwanda for future generation

CIMERWA'S vision

To be the leading producer and supplier of quality cement and related products as well as solutions in the Great Lakes Region while maximising stakeholder value







CHAIRPERSON'S STATEMENT

CIMERWA DEMONSTRATED REMARKABLE GROWTH, ACHIEVING A REVENUE OF RWF 103.0 BILLION, AN IMPRESSIVE 11.9% INCREASE OVER THE PREVIOUS YEAR

DEVANG NARENDRA RAVAL
BOARD CHAIRPERSON

I am thrilled to present CIMERWA Plc's annual financial report, showcasing the company's strong performance during the fiscal year ending on September 30, 2023. This performance is a testament to the company's ability to navigate a dynamic market landscape and the resilience of our team.

CIMERWA demonstrated remarkable growth, achieving a revenue of RWF 103.0 billion, an impressive 11.9% increase over the previous year. This exceptional performance not only underscores the robust foundation of our company but also paves the way for future growth and success. Despite great improvement in Profit After Tax that closed at Rwf 15.6 billion, the Board of Directors will not be proposing dividend pay for the fiscal year ended on September 30, 2023, due to the recent corporate action that closed on 25th February 2024
Sustainability remains at the forefront of our priorities, and we have strengthened our commitment through a robust Environmental and Social Governance (ESG) framework.

Our initiatives have focused on carbon footprint reduction and increased reliance on renewable energy solutions.

This year, we achieved a remarkable 10% reduction in CO2 emissions per ton of clinker, demonstrating the company's commitment to advancing sustainable practices.

The future holds so much promise for CIMERWA as we celebrate our 40th anniversary and embark on a new chapter of our journey with the National Cement Company as a strategic partner and majority owner. The recent acquisition of PPC International Holding and local minority institutional shareholders signifies a strategic alignment, with the National Cement Holding assuming the mantle of stewardship as we move forward. This partnership not only brings fresh opportunities but also promises innovation in the cement industry that will fortify CIMERWA's market leadership position in the Great Lakes region.

Looking ahead to 2024, the Board envisions a year of strategic growth and resilience for CIMERWA Plc. Leveraging our rich legacy and the strategic partnership with the National Cement Company, we anticipate dynamic opportunities for innovation and market expansion within the Great Lakes region. With a steadfast commitment to sustainability, operational excellence, and robust cost management practices, we aim to further strengthen our market position and deliver value to our shareholders and the communities we serve.

Lastly, I extend sincere appreciation to our esteemed shareholders, dedicated board of directors, valued partners, particularly PPC International Holding, who were until 25th February 2024 CIMERWA's managing partners, and our diligent management team and employees for their unwavering support and contribution to CIMERWA Plc's journey. Your trust and collaboration are integral as we navigate the promising path ahead, shaping an even brighter future together.





CHIEF EXECUTIVE OFFICER'S STATEMENT

AS WE REFLECT ON OUR ROLE IN RWANDA'S GROWTH NARRATIVE, WE TAKE PRIDE IN THE TRANSFORMATIVE IMPACT WE HAVE HAD ON THE COUNTRY'S INFRASTRUCTURE.

JAMES ODUOR
CHIEF EXECUTIVE OFFICER

As we celebrate CIMERWA Plc's remarkable 40-year journey, I extend my heartfelt appreciation to every individual who has contributed to shaping the enduring legacy of our company. This milestone stands as a testament to the dedication and resilience demonstrated by our shareholders, Board of Directors, our extraordinary staff and stakeholders. I also express gratitude to PPC International Holding, who were until 25th February 2024 CIMERWA's managing partners, for their invaluable contribution during our shared journey.

Financial Performance

The revenue in 2023 was RWF 103.0bn, that is 11.9% above prior year, due to improved production coupled with effective execution of our route-to-market strategy involving optimization of selling prices as well as distribution channels for both domestic and export markets.

Our Gross Profit increased by RWF 1.8bn to RWF 30.5Bn, but the gross profit margin declined to 30% in 2023 from 31% in the previous year due to the impact of inflationary pressure and local currency devaluation against the USD on key input costs Profit Before Tax (PBT) stood at RWF 20.1bn, an improvement of 19.2% versus the prior year.

This was on account of declining finance costs in line with the reducing debt facility as the loans got repaid.

The above improved profitability drove Earnings Per Share (EPS) up to RWF 22.21, from RWF 18.74 in the prior year, an increase of 18.5% The Company continued to maintain a healthy cash balance of RWF 17.5bn as at 30th September 2023.

Cash flows from operations remained flat y-o-y despite an increase in prepayments by 50.7% to RWF 6.7bn that went into financing key plant projects that will result in production capacity improving going forward. The company benefitted from robust working capital management measures bolstered by optimization of inventory levels.

Borrowing related to project financing for construction of our 600,000 metric tons capacity plant commissioned in 2015. The decline in the period is due to loan repayments in line with the facility agreement as we near maturity of the facility in August 2024.

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Operational Performance

We continued the journey to improving our operational performance, registering record-breaking results in clinker and cement production and sales in the past year. Recognizing our market leadership, we continued with the implementation of our decarbonization agenda using biomass in place coal in the pyro processing. This together with the commitment to planting 20,000 trees annually represent the company's environmental stewardship. CIMERWA will pioneer new frontiers in the cement manufacturing space in Rwanda. Additionally, we maintained our ISO IMS Certification and achieved a zero Lost Time Injuries (0 LTI) milestone, highlighting our commitment to safety and product quality. These operational triumphs position us as a leading player in the cement industry, setting new benchmarks and reinforcing our pursuit for excellence.

Shared Journey and Community Impact

Our journey over the past four decades has been truly remarkable. As we reflect on our role in Rwanda's growth narrative, we take pride in the transformative impact we've had on the country's infrastructure.

The evolving skyline, now adorned with iconic landmarks such as the Bk Arena, the Amahoro Stadium, the Gahanga Cricket Stadium, the New Bugesera Airport, Prime Minister's Office, Gasabo HQ, and more, stands as a testament to our integral role in Rwanda's evolution and infrastructural development.

We have not only emerged as a market leader. Our influence extends far beyond business success. We have made significant contributions in the communities we serve, investing in critical infrastructure projects like schools, roads, water treatment plants, and more in the Bugarama area, where our operations are centered. These endeavors underscore our commitment to sustainable development and affirm our position as a conscientious corporate citizen.

Today CIMERWA stands not just as a producer of cement but as a dedicated partner to this nation's progress.

2024 Outlook

Looking ahead to 2024, we anticipate the continued market growth in Rwanda and key export markets. The next chapter in CIMERWA's story is one that will be written on the back of Devki Group's financial and technical strength and solid footprint in the East African region. We look ahead with optimism, committed to innovation, sustainability, and continued excellence. As Rwanda's only integrated cement company and building upon our operational achievements and strengthened financial position, we are poised for a year of strategic growth and resilience.

Appreciation

I extend my sincere gratitude to the Shareholders, Board of Directors, management and staff of CIMERWA and stakeholders for their support over the past year. Your commitment and hard work have been integral to our success, and as we look to the future, I am confident that together, we will continue to achieve new heights of excellence and make lasting contributions to the industry and our community. Thank you for being an indispensable part of the CIMERWA journey.







MOMENTS OF 2023









CORPORATE INFORMATION

Company Executive	Position
Mr, James Oduor	Chief Executive Officer

Company Secretary	Auditor
GODFREY KAMUKUNDE CIMERWA Plc P.O. Box 644 Kigali/Rwanda Tel: (250) 788 302 021 Email: godfrey.kamukunde@cimerwa.rw	KPMG Rwanda Limited Certified Public Accountants 5th Floor Grand Pension Plaza PO Box 6755 Kigali, Rwanda

Registered Office & Principal Place of Business	Financial Calendar
Registered Office Address: Kimihurura, Gasabo, Umujyi wa Kigali, Rwanda Tel: (250) 788 381 134 Email: cimerwa@cimerwa.rw Principal Place of Business: Western Province/ Rusizi District P.O. Box 21 Rusizi-Rwanda | P.O. Box 644 | Kigali-Rwanda	Year end: 30 September Half year: 31 March

Principal Bankers	
Equity Bank Rwanda Plc P.O. Box 494 Kigali, Rwanda	Bank of Africa | P.O. Box 265 Kigali, Rwanda
I&M Bank Rwanda Plc P.O. Box 354 Kigali, Rwanda	GT Bank Rwanda Plc P.O. Box 331 Kigali, Rwanda
Ecobank Rwanda Plc P. O Box 3268 Kigali, Rwanda	Banque Populaire du Rwanda Plc P.O. Box 1348 Kigali, Rwanda
Access Bank Rwanda Plc P.O. Box 354	Cogebanque Plc P.O. Box 4062 Kigali, Rwanda
Bank of Kigali Plc P.O. Box 175 Kigali, Rwanda	KCB Bank Rwanda Plc P.O. Box 5612 Kigali, Rwanda
NCBA Rwanda Plc P.O. Box 6774 Kigali, Rwanda	

Lawyers
Abayo & CO.Advocates KG 18 Ave Remera | Airport avenue NR3 PO. Box: 4170, | Kigali-Rwanda
Fountain Advocates |I&M Bank Rwanda Plc P.O. Box 354 Kigali, Rwanda
Center for Research and Analysis Kimironko-Gasabo Kigali-Rwanda
Justicia Omnibus Chambers Kagarama - Kicukiro Kigali-Rwanda

OUTGOING BOARD DIRECTORS



REGIS RUGEMANSHURO
BOARD CHAIRPERSON

Regis has served as CIMERWA's Board Chairperson since 2020, lending his invaluable expertise to further enhance CIMERWA's strategic endeavours. He is the Director General of the Rwanda Social Security Board (RSSB) and prior to holding this position he was the Chief Digital Officer (CDO) at the Bank of Kigali Plc, leading the digital transformation of the bank.

Mr. Rugemanshuro was the first Chief Executive Officer of BK TecHouse Ltd, the Tech subsidiary of Bank of Kigali Group Plc where his work in the two years he spent there earned him the 2018 All Africa Business Leaders Award (AABLA) as Finalist for East Africa Innovator of the Year. Under his leadership, BK TecHouse was voted and awarded the 2017 Best Technology Company in Rwanda by the Smart Service Awards.

Mr. Rugemanshuro spent the early years of his career in the United States consulting for the global Tech giants such as Hewlett Packard (HP) as a Program Manager and later with Accenture Plc in Seattle, Washington.

During his time there, his main clients included Microsoft and T-Mobile. His area of focus is at the intersection of Business and Technology; his expertise is in helping organizations realize the promise of the digital revolution via adoption of modern engineering platforms and practices.

He is a servant leader known for his high energy and contagious passion for solving complex problems.

He is also a Certified Project Management Professional (PMP) by the Global Project Management Institute (PMI) as well as a Certified SAFE Program Consultant (SPC4) by the Global Scaled Agile Academy. He has a bachelor's degree in science information technologies and an MBA in Management both from Misericordia University in Pennsylvania.

Outgoing board directors (Continued)



CHRISSIE MOLOSENI
VICE CHAIRPERSON

For the past two years, Ms. Chrissie has served as CIMERWA's Board Vice Chairperson, playing a pivotal role in steering the company towards success.

Ms. Chrissie Moloseni is a Chartered Global Management Accountant (CGMA) with Chartered Institute of Management Accounts UK. She has over 20 years experience in leading financial functions of service and manufacturing operations in Finance and Operations Management with a track record of delivering performance.

She holds an MBA from the University of Bradford School of Management (UK) and a Bachelor of Accountancy Degree from the University of Malawi. She further obtained Executive leadership training from IMD, Geneva Switzerland and INSEAD Business School, Paris, France and Gordon Business School in South Africa.

Chrissie Moloseni is a member of the Institute of Chartered Accountants in Malawi.

Ms. Chrissie Moloseni is the Head of Finance for PPC International covering the PPC Africa operations in Rwanda, DRC, Ethiopia and Zimbabwe.

Prior to joining the PPC Group in South Africa, She worked for the LafargeHolcim Group as Chief Financial Officer for Lafarge South Africa and prior to that she was Chief Financial Officer for Lafarge Zambia Plc.

Before joining Lafarge Group she worked as the Finance Director for Alexander Forbes Malawi Ltd. She serves as a director and Chairperson of CIMERWA Plc, a director and a member of the Board of PPC Zimbabwe, a member of PPC Barnet DRC and serves as a Chairperson of the Audit Committee of the PPC Barnet Group.

Chrissie has also served on various boards in the manufacturing and financial institutions in South Africa and Sub-Saharan Region in Africa over the period.

Outgoing board directors (Continued)



NYIRIMIHIGO J.M VIANNEY
BOARD MEMBER

Over the last five years, Mr. Nyirimihigo has served as an advisor on CIMERWA's board. He is a career banker with over 30 years' experience in project financing. He previously worked with the Central Bank of Burundi and later was Director General of Rwanda Development Bank and Director General of the African Guarantee Fund in Niger.

He is now in private business as a real estate developer and is a Board member of Rwanda Investment Group. Mr. Nyirimihigo is a graduate of Nairobi University and has a post graduate diploma in Banking from CNAM University of France.



ROLAND VAN WIJNEN
BOARD MEMBER

With over 25 years of experience in the cement industry, Roland van Wijnen has been a valuable advisor on CIMERWA's board, significantly influencing the company's strategic journey. He served as Group CEO of PPC Ltd, and was in charge of overseeing the activities of the group across South Africa, Botswana, Rwanda, the Democratic Republic of Congo (DRC) and Zimbabwe.

Over the course of his career, he has gained experience by working for a variety of international industrial B2B companies in different countries and under different economic scenarios.
His academic accomplishments include a Master of Science degree in Industrial Engineering from Twente University in the Netherlands. Post-graduation he has participated in leadership programs at leading business schools such as Harvard Business School, IMD and IE. Prior to his time at PPC Ltd, Roland van Wijnen held positions as CEO for Holcim Trading, Holcim Philippines and Holcim North Danube (Slovakia, Czech Republic and East Austria).

He started his career as international project manager at Philips Electronics and gained further experience as management consultant supporting companies to implement operational improvements and design growth strategies. Currently, Roland van Wijnen serves as Executive Director on the Board of PPC Ltd as well as non-Executive director at PPC Barnet (DRC) and PPC Botswana.

Outgoing board directors (Continued)



EDOUARD OKARO
BOARD MEMBER

Edward has been a member of CIMERWA's board for the past two years. He is the Managing Director of Tendo Consulting SA (Pty) Ltd. Prior to that he was a partner at Ernst & Young Advisory Services in South Africa where he serviced in various capacities over a 26 year period. A holder of CA(SA), CPA(K), MBA (Manchester University) and Bcomm (UON), Edward's core competencies revolve around: financial management and reporting, risk management and control transformation.

He also serves in boards and audit committees of other organizations in East and South Africa across the private and as well as public sector.



JOHN BUGUNYA
BOARD MEMBER

John has held the position of Chief Financial Officer at CIMERWA since 2017 and has served on the company's board of directors for two years, playing a key role in overseeing the company's financial management and contributing to its overall success. He has wide experience in strategic management processes, corporate governance, Risk management, Compliance and Accounting advisory gained from over 20 years post qualification experience.

Before joining CIMERWA, John was the Chief Executive Officer of Prime Insurance Limited for three years (January 2015 - April 2017) and previously worked with Bank of Kigali as Chief Finance Officer for five years (December 2009 - December 2014). He also worked in external assurance advisory with deloitte in the United Kingdom and EY (previously "Ernst & Young") in Uganda.

John is a qualified accountant and is a fellow of the Association of Certified Chartered Accountants (ACCA) - UK and a member of the institute of Certified Public Accountats of Rwanda (ICPAR).

Previously, he served as a Board Director for various institutions such as Akagera Aviation Limited, Unguka Bank Limited, among others. He was also the Chairperson of the Rwanda Insurance Association

Outgoing board directors (Continued)



STERNFORD MOYO
BOARD MEMBER

Sternford Moyo has served as an advisor on CIMERWA's board for the past two years where he lent his 40 year law experience to guiding the company's strategic decisions.

He is the Senior Partner of Scanlen and Holderness, one of the largest law firms in Zimbabwe established in 1894 It is ranked in band one by Chambers Directory. Mr Moyo is individually ranked in band one by the same directory. He specializes in commercial law, corporate law and mining law.

Mr Moyo is a former President of the Law Society of Zimbabwe and the Southern African Development Community Lawyers Association. Presently, he is the President of the International Bar Association. He is the first African lawyer to be elected to that position in the 74 years of the association. During his many years in practice as a lawyer, he has acted as a director of a number of companies. He is a former director and chairperson of Stanbic Bank Zimbabwe Limited, a member of the Standard Bank Group which is one of the leading commercial banks in Zimbabwe. He is, furthermore, a former chairperson of the Zimbabwe Revenue Authority and Schweppes Zimbabwe Limited, one of the leading bottling companies

in Zimbabwe. Presently, he is the chairperson of Delta Corporation Limited, one of the largest Zimbabwean companies listed on the Zimbabwe Stock Exchange. He is, furthermore, a director of Padenga Holdings Limited, a company listed on the Zimbabwe Stock Exchange which has interests in crocodiles and mining, PPC Zimbabwe Limited, the leading cement company in Zimbabwe and Alpha Media Holdings Limited, the largest independent media company in Zimbabwe.



EUNICE NYALA
BOARD MEMBER

Eunice Nyala has served as an invaluable advisor on CIMERWA's board of directors for the past two years.

With over 25 years of commercial and leadership experience in financial services, mainly retail banking and card merchant services with full P&L responsibilities, Eunice has Notable expertise in commercial strategy, business building and expansion through acquisitions and organic growth in highly regulated multinational companies – Absa Bank Kenya Ltd (formerly Barclays Bank Kenya), Barclays Head Office London, UK and she also held a regional job in Barclaycard International with responsibility in 32 countries in Africa.

She has Sector expertise in commercial risk & security having worked at executive levels for G4S Kenya, an international integrated security solutions provider with presence in over 120 countries, second largest employer globally with PBITA of approximately £427M.



HOME OF SIMA NYA RWANDA

STRENGTHENING RWANDA SINCE 1984.

3222
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CIMERWA | STRENGTHENING RWANDA

NEW BOARD OF DIRECTORS



DEVANG NARENDRA RAVAL
BOARD CHAIRPERSON

Introducing Mr. Devang Narendra Raval, a distinguished leader with over a decade of multifaceted expertise in finance, audit, tax, corporate finance, mergers, and acquisitions.

His academic journey led him to Harvard Business School and Brunel University where he graduated with honors, enriching his understanding of global business dynamics As the Director of the Devki Group of Companies, Mr. Raval assumes a central role in orchestrating multifaceted projects, crafting strategic blueprints, optimizing procurement strategies, driving sales and marketing initiatives, and meticulously
managing costs and overseeing specific segments and companies within the group.

His visionary leadership has been instrumental in steering the success of numerous subsidiaries, including Maisha Packaging, Maisha Mabati Mills, National Cement and Devki Mills among others.

Mr. Raval's ascent to this esteemed position was marked by his dedication and hands-on approach at Devki Steel Mills Limited, where he meticulously navigated various roles, showcasing his profound understanding of operational intricacies and commitment to organizational excellence.

Beyond his corporate responsibilities, Mr. Raval has left an indelible mark on Stemcor Holdings, driving strategic initiatives and spearheading fundraising endeavors during his tenure at Brunel University. His extensive trading experience and active involvement in critical decision-making process have further enriched him
with a versatile skill set, positioning him as a formidable force in the corporate landscape.

In every facet of his career, Mr. Raval exemplifies unparalleled dedication, visionary leadership, and a relentless pursuit of excellence. His multifaceted expertise, honed through prestigious academic achievements and hands-on experience, coupled with his strategic acumen and proven track record of success, position him as a formidable force in the corporate landscape.



IZA IRAME
VICE CHAIRPERSON

Iza Irame is a distinguished leader with a proven track record in steering the financial and corporate landscape, particularly within Rwanda's dynamic investment sector. As the Chief Investment Officer at Crystal Ventures Limited, Iza has played a pivotal role in shaping the organization's strategic direction.

In her tenure, Iza led the development and implementation of the investment strategy for the entire group, identifying high-return opportunities that create social-economic value. Her role extended to advising on divestment strategies, raising equity, and alternative debt financing, showcasing her comprehensive understanding of the investment landscape. Additionally, she spearheaded the communication and marketing strategy for the group, contributing to its prominent position in the market.

Prior to this, Iza served as the Chief Executive Officer of Crystal Telecom Limited, where she represented the company and ensured compliance with regulatory requirements.

Iza has held key positions in various organizations, including Horizon Group, CDH Rwanda, and the Office of the Prosecutor General, showcasing her versatility in financial management, strategic planning, and leadership.



JAMES ODUOR
BOARD MEMBER

James Oduor has been a valuable member of CIMERWA's board of directors since 2023, contributing his expertise and insight to the company's strategic direction. He is a highly experienced business executive with over 20 years of multicultural and cross-industrial experience gained from various multinational companies.

He holds a Bachelor of Commerce degree from the University of Nairobi, and is a Certified Public Accountant of Kenya (CPAK), Certified Public Secretary (CPS), and Certified Information Systems Auditor (CISA). James has a wealth of experience in General Management, Commercial and Business Strategy, Sales and Business Development, Finance and Supply Chain Operations.

Prior to joining CIMERWA Plc, James worked for Habesha Cement in Ethiopia, where he demonstrated his ability in business turnaround and transformation. Prior to joining Habesha Cement, James was the Managing Director of Kenchic Limited, the largest integrated poultry operation in East and Central Africa.

He also served for nine years across a range of senior leadership roles at Bamburi Cement Limited based in Nairobi and Lafarge Africa based in Lagos.

He started his career at East African Breweries Limited (a Diageo subsidiary) where he worked for five years in Finance and Internal Audit functions. James is a transformational and adaptable leader described as a confident, articulate and measured business leader with strong stakeholder management abilities at all organizational levels; the right captain for the ship.

New board of directors (Continued)



BHARGAV PANDIT
BOARD MEMBER

Meet Bhargav Pandit, a seasoned professional with over 10 years of extensive experience in finance, audit, tax, corporate finance, mergers, and acquisitions. His journey in the financial landscape has been marked by a remarkable ability to not only identify but implement effective auditing procedures, evaluating accounting systems for optimal efficiency.

Bhargav's expertise lies in identifying areas for improvement, thereby maximizing the profitability of companies. Through his keen insights, he has consistently played a pivotal role in enhancing operational efficiency within financial processes.

With a comprehensive skill set, he excels in analyzing, interpreting, and evaluating financial statements. His proficiency extends to a holistic understanding of the intricate facets of financial management.

Bhargav has honed his expertise while working with prominent entities such as Devki Group and PKF Kenya. His association with these organizations has further enriched his knowledge and provided him with invaluable insights into diverse financial landscapes.



NAIDU RAJASEKHAR
BOARD MEMBER

Naidu Rajasekhar is a seasoned finance professional with over 15 years of experience in Finance, Accounting, Audit, Costing, Taxation, and Management Information Systems (MIS). His journey in the financial landscape includes a significant tenure of 3 years at Deloitte India, one of the prestigious Big 4 public accounting firms.

Throughout his career, Naidu has consistently demonstrated his abilities in finance management, showcasing expertise in identifying internal control weaknesses, exploring cost reduction possibilities, managing product costing, and enhancing financial processes and systems. His keen analytical skills and strategic mindset have enabled him to review complex financial data with precision, contributing to informed decision-making within organizations.

One of Naidu's distinctive qualities is his passion for leveraging technology for the betterment of the workplace. Embracing the intersection of finance and technology, he remains dedicated to implementing innovative solutions that streamline processes, enhance efficiency, and drive overall improvements in financial operations.

New board of directors (Continued)



FRANCIS MUGISHA
BOARD MEMBER

Francis is a management consultant with over 21 years of experience in Rwanda and across Sub- Saharan Africa in unlocking sustainable value across institutions of all sizes and complexity.

Francis is increasingly working in startups looking to scale. He advises CEOs, Boards, development partners and governments – and has been at the forefront of Rwanda's largely successful Public Financial Management Reforms.

Francis is a former CEO of Rwandair and he served as the inaugural vice president - and later president of ICPAR (Institute of Certified Public Accountants of Rwanda). He also served as a Non-Executive Director (NED) on the post inaugural PAFA (Pan African Federation of Accountants) Board and was the inaugural chairman for the ICPAR Examination Board.

He is a Fellow of the Chartered Institute of Management Accountants (FCMA); a Chartered Global Management Accountant (CGMA); and a Fellow of the "African Leadership Initiative (ALI) / Aspen Global Leadership Network (AGLN); a Certified Chartered Director (CERT IoD, London); a certified Balanced Scorecard Master Professional (BSMP).



NILESH MEHTA
BOARD MEMBER

With an illustrious career spanning 26 years, Nilesh Mehta is a seasoned financial professional renowned for adeptly managing the end-to-end financial accounting cycle within the realms of large manufacturing and trading organizations, both in India and internationally.

Having honed his expertise across diverse geographies and industries, Nilesh possesses a comprehensive understanding of the intricate finance and accounting requirements inherent to manufacturing and trading setups. His proficiency extends to the meticulous preparation and management of accounting documents, culminating in a thorough command over financial processes up to the creation of Balance Sheets.

A trailblazer in his field, he has demonstrated visionary leadership by introducing innovative accounting practices. These practices have not only streamlined operations but have also contributed significantly to cost savings, particularly in areas such as cash flow management and inventory control.

A highlight of Nilesh's career includes serving as a Functional Expert, where he successfully spearheaded the implementation of a new ERP system for a manufacturing company based in Nigeria. His strategic acumen and technological foresight have played a pivotal role in enhancing operational efficiency and modernizing financial systems.

New board directors (Continued)



LOKESH KUMAR
BOARD MEMBER

With an illustrious career spanning over 30 years, Lokesh Kumar is an expert in the field of commercial functions, projects coordination, financial planning, accounts & costing, fund management, auditing, taxation & MIS, and commercial contracts.

A seasoned professional with a proven track record, Lokesh has consistently contributed to higher organic growth and improved financial performance throughout his distinguished career. As a versatile leader, he has demonstrated proficiency in financial accounting, receivables & payables management, bank reconciliation, and finalization of accounts. His strong leadership acumen has not only led to improved financial performance but has also resulted in enhanced team productivity.

With a legacy of accomplishments and a reputation for driving growth, Lokesh serves as a director in the esteemed Devki Group of companies and remains a distinguished leader in the realm of finance and commercial operations. His multifaceted experience, strategic insights, and commitment to excellence make him a valuable asset to any organization.



KAUSHIK K. PANDIT
BOARD MEMBER

Mr. Kaushik K. Pandit, currently holds the position of Managing Director within the esteemed Devki Group, a robust enterprise with a formidable presence valued at US$400 Million.

In addition to his role as Managing Director, Pandit is a shareholder in key subsidiaries of the Devki Group, including Devki Steel Mills Limited, Maisha Mabati Mills Limited, and National Cement Company Limited. His strategic involvement as a shareholder reflects his commitment to the growth and success of these prominent entities. His pivotal role within the Devki Group encompasses a range of responsibilities crucial to its operational excellence and continued expansion. He oversees Sales, Marketing, and Distribution activities across the Group, playing a vital role in enhancing market presence and driving revenue growth. His strategic vision extends to business development, where he actively explores opportunities to propel the Group forward.

With a keen eye for operational efficiency, He plays a critical role in overseeing all plant operations at multiple locations and facilities within the Group. His leadership extends to heading the strategic business units of Steel and Roofing Sheets, where he helps in shaping the direction and success of these core components of the business.

A forward-thinking professional, Pandit is instrumental in sourcing cutting-edge machinery and technology for the Devki Group. His strategic approach includes fostering partnerships for technology transfer, ensuring that the Group remains at the forefront of innovation and competitiveness in the market.

New board directors (Continued)



FLORIDA KABASINGA
BOARD MEMBER

Florida Kabasinga is the Founder and Managing Partner of Certa Law Chambers, one of Rwanda's leading Law Firms. After almost a decade practicing on the international legal circuit with the International Criminal Tribunal for Rwanda as a Case Manager, Assistant Appeals Counsel and Appeals Counsel. Florida returned to Rwanda where she occupied different positions from 2012. In 2016, Florida established Certa Law which primarily represents banks and commercial clients. She sits on the Board of Guaranty Trust Bank. Florida leads Certa's strategic vision and heads its Alternative Dispute Resolution practice (mediation & arbitration).

She is an expert in labor matters and is a prolific litigator, mediator and arbitrator in different aspects of legal practice in Rwanda. She has appeared as an expert witness in different national jurisdictions and lectures in law at different universities. Florida holds a Master of Laws degree (Magna cum Laude) from the University of Notre Dame in Indiana, USA and a Bachelor of Laws degree (Hons) from Makerere University in Kampala, Uganda.

She is a member of the Rwanda Bar Association, the East African Law Society, the American Bar Association, the Chartered Institute of Arbitrators, the Kigali Arbitration Center and is a court appointed mediator.



ANITA D. UMUHIRE
BOARD MEMBER

Anita D. Umuhire is a dynamic Chartered Accountant with over 14 years' experience in Finance gained in various sectors: banking, audit, not-for-profit and the FMCG (Fast-Moving Consumer Goods) industry; spanning markets such as South Africa, Rwanda and Kenya. She is a member in good standing with both the South African Institute of Chartered Accountants and the Institute of Certified Public Accountants of Rwanda.

She holds an MBA in Leadership and Sustainability from the University of Cumbria, Robert Kennedy College and is currently pursuing CFA level II. She is currently the Chief Finance Officer of Bank of Kigali Plc


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EXECUTIVE TEAM



JAMES ODUOR
CHIEF EXECUTIVE OFFICER

James Oduor joined CIMERWA Plc as Chief Executive Officer on 7th January 2023. He is a highly experienced business executive with over 20 years of multicultural and cross-industrial experience gained from various multinational companies. He holds a Bachelor of Commerce degree from the University of Nairobi, and is a Certified Public Accountant of Kenya (CPAK), Certified Public Secretary (CPS), and Certified Information Systems Auditor (CISA).

James has a wealth of experience in General Management, Commercial and Business Strategy, Sales and Business Development, Finance and Supply Chain Operations. Prior to joining CIMERWA Plc, James worked for Habesha Cement in Ethiopia, where he demonstrated his ability in business turnaround and transformation. Prior to joining Habesha Cement, James was the Managing Director of Kenchic Limited, the largest integrated poultry operation in East and Central Africa.

He also served for nine years across a range of senior leadership roles at Bamburi Cement Limited based in Nairobi and Lafarge Africa based in Lagos. He started his career at East African Breweries Limited (a Diageo subsidiary) where he worked for five years in Finance and Internal Audit functions. James is a transformational and adaptable leader described as a confident, articulate and measured business leader with strong stakeholder management abilities at all organizational levels; the right captain for the ship.



JOHN BUGUNYA
CHIEF FINANCE OFFICER

John has held the position of Chief Financial Officer at CIMERWA since 2017 and has served on the company's board of directors for two years, playing a key role in overseeing the company's financial management and contributing to its overall success. He has wide experience in strategic management processes, corporate governance, Risk management, Compliance and Accounting advisory gained from over 20 years post qualification experience.

Before joining CIMERWA, John was the Chief Executive Officer of Prime Insurance Limited for three years (January 2015 - April 2017) and previously worked with Bank of Kigali as Chief Finance Officer for five years (December 2009 - December 2014). He also worked in external assurance advisory with deloitte in the United Kingdom and EY (previously "Ernst & Young") in Uganda.

John is a qualified accountant and is a fellow of the Association of Certified Chartered Accountants (ACCA) - UK and a member of the institute of Certified Public Accountats of Rwanda (ICPAR).

Previously, he served as a Board Director for various institutions such as Akagera Aviation Limited, Unguka Bank Limited, among others. He was also the Chairperson of the Rwanda Insurance Association

Executive Team (Continued)



GODFREY KAMUKUNDE
HEAD, LEGAL & COMPANY SECRETARY

Godfrey has served as CIMERWA's Head of Corporate Affairs and Company Secretary for over 4 years. He has been instrumental in helping streamline the functioning of the Legal and Corporate affairs Department and he oversees legal and regulatory compliance. Prior to joining CIMERWA, Godfrey worked as the Legal advisor and Company Secretary for BRALIRWA Plc (Heineken and Coca-Cola Rwanda). He also worked with the Rwanda Social Security Board (RSSB) as the Legal Director, Head of the Modernisation Team and Principal Internal affairs. His experience in the legal realm spans disciplines such as legal advisory, corporate governance, teaching/lecturing law and Consulting in different areas of law.

Godfrey has in past consulted for various Non-governmental organizations (USAID, University of Massachusetts- Boston-USA, International Labour Organisation (ILO), TROCAIRE international, Great Lakes Initiative for Human Rights and Development (GLIHD), Winrock International, Tetra Link East Africa, Institute of Policy Analysis and Research (IPAR)-Rwanda, etc); and Ministries and Institutions (MINIJUST, MIFOTRA, REMA, MINEAC, ILPD, etc).

He holds a Bachelor of Laws (LLB) from the University of Rwanda and Master's degree in Commercial Law (LLM) from the University of Cape Town - South Africa. He also holds a Diplome d'étude en langue française from the University of Rwanda and several certificates in various areas of law, good governance and performance evaluation and management.



RIZAH MUGABE
HEAD, SUPPLY CHAIN

For the last three years, Rizah has led CIMERWA's supply chain team, showcasing commendable leadership and making substantial contributions to enhance the efficiency of the company's supply chain operations. She manages strategic relationships with business partners and clients in order to enable supply chain optimization.

Rizah's career spans over fifteen years in Supply Chain, both in Rwanda and Kenya. Over the last eight years, she worked as Supply chain manager at Heineken Bralirwa and three years as Procurement Manager at KCB Bank tasked with local supply chain operations, customer service, supply planning, inbound/outbound logistics, warehousing and strategic sourcing.

She has a first-class honor master's degree in Operations and Production from India and a bachelor's degree in Business Administration from the National University of Rwanda. Rizah has excellent leadership and influence skills, able to bring vision to a group and cross departments by demonstrating a strong customer service mindset required. Rizah is a strong communicator, resourceful and creative with a capability of turning ideas into plans and executing them impeccably.

Executive Team (Continued)



PAUL NKUSI
HEAD, HUMAN RESOURCES

Having worked in the public sector with the National Capacity Building secretariat, Supreme Court of Rwanda, National Bank of Rwanda and now the private sector with CIMERWA, Paul comes with multifaceted perspectives on people management Paul has helped CIMERWA develop a people first culture that enables better output for the organization as a whole. Paul is a graduate of Makerere University.



MAMY ANDRIAMASIHARIVONY
PLANT MANAGER

Hailing from Madagascar, Mamy comes equipped with more than 20 years of cement industry experience with LaFargeHolcim. He worked across different markets including Madagascar, Philippines, Comoros and Malawi and has held various positions including Maintenance Manager, Production Manager, Project Manager and Plant Manager.

He is a motivational leader with a master's degree in mechanical engineering coupled with hands-on technical knowledge. He is also a good communicator, listener and relationship-builder across departments.



MARK MUGARURA
HEAD, SALES & MARKETING

A Marketing, Sales and Business Development professional with over 13 years of experience in executive-level positions that support the achievement of business and financial objectives. Mark's sector experience includes telecoms, food and beverage, and digital health. He holds a Bachelor of Commerce degree with a specialization in Entrepreneurship.

He has a track record of growing early-stage businesses into market leadership positions within their respective market spaces, whilst achieving corporate goals.




CIMERWA



NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 4th Annual General Meeting (AGM) of shareholders of CIMERWA Plc as a listed company will be held by teleconference on Friday 15th March 2024 at 2:30 pm for the following purposes:

Ordinary Business:

1. Consideration of the annual report.
2. Receiving the auditor's report.
3. Consideration and approval of the financial statements.
4. Appropriation of profit and total comprehensive income for the year.
5. Discharge of the Directors and Auditors for the financial year 2023.
6. Appointment of Directors.
7. Appointment of Independent Auditors.

Notes:

(a) Proxies

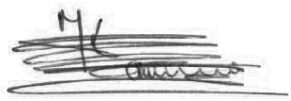
A member of the Company entitled to attend, and vote is entitled to appoint a proxy to attend instead of him/her. A proxy for a corporation may vote on a poll. A proxy form is attached to the Annual Report and Accounts.

If the proxy form is to be valid for the purposes of the meeting, it must be completed and deposited (or sent via e-mail to: bkcapital@bk.rw at the head office of BK Capital Ltd, the registrars located in Kigali at KN 4 Ave, Street No.12, Tel: +250788143241, by 15th March 2024.

(b) Dividend

A proposal not to pay a cash dividend for 2023 will be proposed to the annual general meeting of shareholders on 15th March 2024. Please take note that the book close date for CIMERWA Plc shares will be 5th March 2024, meaning that if a decision to pay out any dividend is taken, only shareholders whose names appear in the Register of Shareholders at the close of business on that day will be considered.

By order of the Board



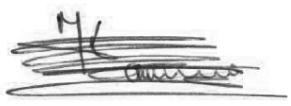
Godfrey KAMUKUNDE,
Company Secretary
Kigali, 18th February 2024.

PROPOSED RESOLUTIONS

To the annual general meeting of shareholders of CIMERWA Plc to be held on 15th March 2024

RESOLUTION 1	RESOLUTION 2
CONSIDERATION OF THE ANNUAL REPORT	**RECEIVING THE AUDITOR'S REPORT**
The annual general meeting of shareholders considers and approves by ordinary resolution the annual report presented by the Chairman of the Board and thanks the Directors for the performance during the accounting year ended 30th September 2023.	The annual general meeting of shareholders receives and approves the auditor's report by ordinary resolution and notes the opinion of the auditors on the CIMERWA Plc 2023 audited financial statements.
RESOLUTION 3	**RESOLUTION 4**
CONSIDERATION AND APPROVAL OF FINANCIAL STATEMENTS	**APPROPRIATION OF PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR**
The annual general meeting of shareholders considers and approves by ordinary resolution the CIMERWA Plc 2023 audited financial statements.	The annual general meeting of shareholders approves the profit and the total comprehensive income for the year 2023 of Rwf **15,615,600,000** and receives the recommendation of the Board of Directors not to declare a dividend for the financial year ended 30th September 2023. The annual general meeting of shareholders approves the decision not to declare a dividend for the financial year ended 30th September 2023. The annual general meeting of shareholders decides that the book close date is 5th March 2024. Should a decision to distribute a dividend be taken, the final dividend will be paid on the 16th of April 2024.
RESOLUTION 5	**RESOLUTION 6**
DISCHARGE OF DIRECTORS AND AUDITORS FOR THE FINANCIAL YEAR 2023	**APPOINTMENT OF DIRECTORS**
The annual general meeting of shareholders discharges the members of the Board and the Auditors for the financial year 2023.	The annual general meeting of shareholders appoints by ordinary resolution the following persons as Directors of CIMERWA Plc for a period of one year: • Mr. Devang Narendra Raval • Ms. Iza Irame • Mr. Kaushik Pandit • Mr. Nilesh Mehta • Mr. Lokesh Kumar • Ms. Anita Dancilla Umuhire • Mr. Bhargav Pandit • Ms. Florida Kabasinga • Mr. Francis Mugisha • Mr. James Onyango Oduor • Mr. Gali Rajsekhar Naidu The annual general meeting of shareholders requests the Directors to elect the Chairperson and the Vice Chairperson among themselves. To this end, the annual general meeting of shareholders asks Mr. Devang Narendra Raval to convene and chair the first meeting of new Board of Directors.
RESOLUTION 7	
The annual general meeting of shareholders appoints by ordinary resolution KPMG – Rwanda Ltd as Auditor for a period of one year. The annual general meeting of shareholders asks the Board of Directors to determine the fees and other expenses of the auditors.	

By order of the Board,



Godfrey Kamukunde
Company Secretary
Kigali, 15th March 2024

STRENGTHENING RWANDA - OUR STRATEGY



We will invest in human capital development. By nurturing talent, providing training and mentorship programs, and promoting a culture of continuous learning,

We are filled with optimism as we look into the future, contemplating the remarkable potential of Rwanda. With the projected growth of Rwanda's GDP at an estimated rate of 7%, we envision a positive future ahead. We are thrilled to witness the progress of essential infrastructure initiatives, such as the New Bugesera International Airport. These developments lay a solid foundation for our company's strategic endeavors.

In CIMERWA, we have crafted a comprehensive strategy put in place to capitalize on Rwanda's growth trajectory. Our strategy focuses on harnessing the country's economic potential, fostering sustainable development, and maximizing opportunities in key sectors.

First and foremost, we aim to leverage Rwanda's favorable business environment and supportive government policies. By aligning ourselves with the nation's strategic priorities, we can ensure that our operations contribute to the overall socio-economic progress of Rwanda. Through partnerships and collaborations, we seek to forge strong relationships with local stakeholders, promoting shared prosperity and mutual growth.

Furthermore, we recognize the significance of innovation and technology in driving Rwanda's future. Embracing the digital revolution, we will invest in cutting-edge technologies, enabling us to optimize our operations, enhance efficiency, and deliver innovative solutions to our customers. By embracing digital transformation, we position ourselves at the forefront of Rwanda's evolving market, ready to seize emerging opportunities.
Sustainable development lies at the core of our strategy. We are committed to environmental stewardship, social responsibility, and ethical business practices.
By integrating sustainability into our operations, we strive to generate a positive impact while safeguarding Rwanda's natural resources for future generations. Our focus on sustainability also extends to our workforce, as we prioritize employee well-being, diversity, and inclusion, fostering a culture of growth and empowerment.

To ensure the success of our strategy, we will invest in human capital development. By nurturing talent, providing training and mentorship programs, and promoting a culture of continuous learning, we equip our team with the skills and knowledge necessary to drive our company forward. We believe that investing in our people is an investment in Rwanda's future.

As we embark on this exciting journey, we remain steadfast in our commitment to delivering exceptional results and creating value for all stakeholders. By aligning our strategy with Rwanda's vision for inclusive growth and sustainable development, we aim to contribute meaningfully to the nation's economic prosperity.
In conclusion, the path ahead is filled with promise, and we embrace the opportunities that lie before us.

Strengthening Rwanda is not merely a goal; it is our unwavering commitment. With a clear vision, a robust strategy, and a passionate team, we are ready to shape Rwanda's future, driving progress and prosperity for all.

As a responsible cement company, we are deeply committed to sustainability and recognize the vital role we play in shaping a greener future. At CIMERWA, we have identified key sustainability drivers that guide our actions and establish our sustainable value proposition.

- **Using Alternative Fuels:** We understand the environmental impact of traditional coal usage and are dedicated to reducing our carbon footprint. By actively seeking and implementing alternative fuels, such as biomass, waste materials, and renewable energy sources, we aim to minimize our reliance on coal and contribute to a cleaner, more sustainable energy mix.

- **Improving Plant Efficiency:** We continuously strive to enhance the overall efficiency of our cement manufacturing plant. Through the implementation of advanced technologies, process optimization, and energy management systems, we aim to reduce energy consumption and improve resource utilization. By doing so, we not only reduce operating costs but also minimize our environmental impact.

- **Reducing Clinker Factor:** Clinker, a key component in cement production, has a significant carbon footprint associated with its manufacturing process. We are committed to reducing our clinker factor by incorporating supplementary cementitious materials and innovative blending techniques. This approach allows us to produce high-quality cement while reducing the overall environmental impact of our operations.

- **Planting Trees:** We recognize the importance of preserving and restoring natural ecosystems. In line with our commitment to environmental stewardship, we actively engage in tree-planting initiatives. By restoring green spaces and contributing to reforestation efforts, we aim to offset carbon emissions, enhance biodiversity, and create a more sustainable future for generations to come.

- **Optimizing Logistics Operations:** We understand the environmental impact of transportation and logistics. By implementing efficient supply chain strategies, optimizing routes, and embracing innovative logistics technologies, we aim to minimize fuel consumption, reduce greenhouse gas emissions, and improve overall efficiency in our transportation operations.
-

These key sustainability drivers form the foundation of our sustainable value proposition. We believe that by integrating sustainability into every aspect of our business, we can create shared value for our stakeholders, the environment, and the communities in which we operate.

Through our sustainable initiatives, we aim to lead the cement industry's transition towards a low-carbon and resource-efficient future. We understand the importance of collaboration and actively seek partnerships with like-minded organizations, industry associations, and government bodies to drive positive change at a broader scale.

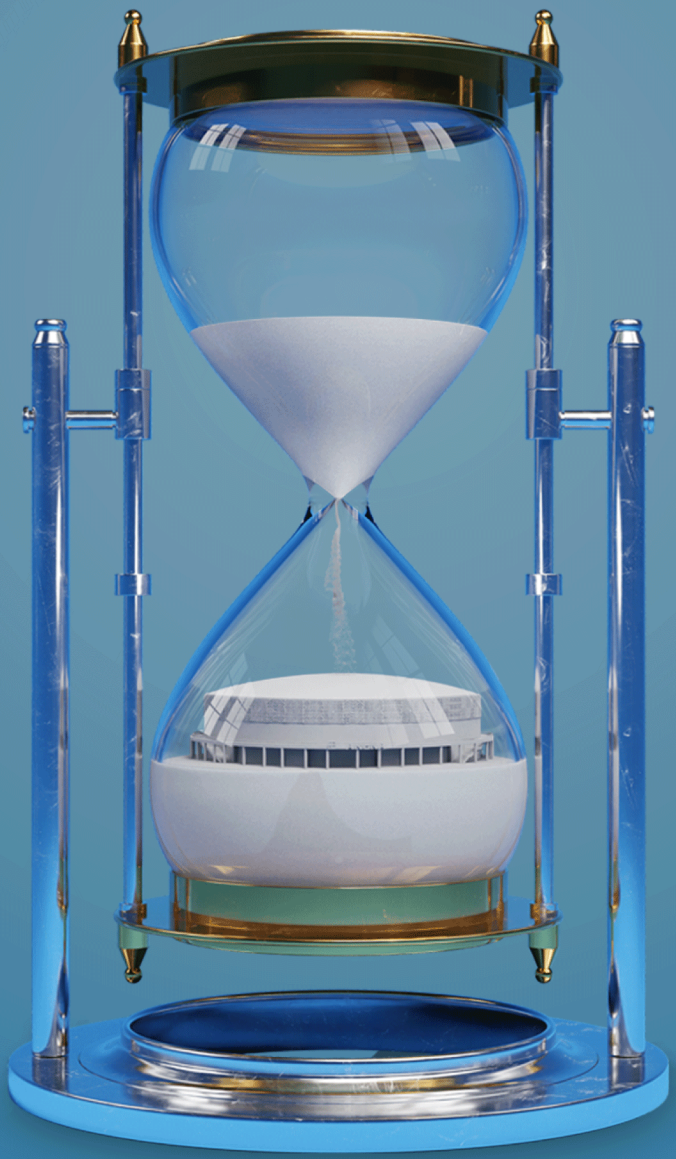
As we continue on our sustainability journey, we remain committed to transparent reporting, continuous improvement, and the pursuit of innovative solutions. We believe that by setting ambitious goals, engaging our employees, and embracing emerging technologies, we can pave the way for a more sustainable and prosperous future.

In conclusion, sustainability is not just a buzzword for CIMERWA; it is an integral part of our DNA. By finding and using alternative fuels, improving plant efficiency, reducing our clinker factor, planting trees, optimizing logistics operations, and embracing green construction techniques, we are actively shaping a sustainable future for the cement industry in Rwanda.

CELEBRATING 40 YEARS OF SIMANYARWANDA

CELEBRATING 40 YEARS

OF STRENGTHENING RWANDA



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SUPPLY CHAIN & LOGISTICS HIGHLIGHTS

In 2023, the world continued to experience disruptions to supply chain operations arising from new geo-political conflicts, climate change events and inflationary pressures among others. This negatively impacted access to goods through reduction in ocean freight availability and port hold ups resulting in a surge in logistical costs. CIMERWA is looking to get on the front foot by building resilient supply chain risk management strategies such as diversifying suppliers, enhancing supplier communication, embedding technology and automation like supply chain analytics among others. Below are some key achievements during this period:

1. Optimisation of Logistics cost

- **Road safety:** Safety first! To ensure the safety of our staff and merchandise, CIMERWA invested in a consultant who would support in all matters of road safety. Road safety means journey management, vehicle inspection, driver behavior training and fatigue management. The program has significantly contributed to the reduction of fatal accidents. The aim is to NEVER lose life again while in line of duty.

- **Bulk cost renegotiations:** We reassessed bulk operating costs. Renegotiated downwards. This has significantly reduced the average cost per ton from $60/ton to $ 40/t with priority being given to local bulker carriers.

- **Technology solutions**: Establishing a better process to manage the fleet by using modern technology solutions will increase the efficiency of our fleet. This also brings operating costs down in the long run by improving the output/truck turnaround time. **CIMERWA** moved fast to onboard an In-Vehicle Movement Tracking System (IVMS) that tracks movement and provides visibility of fleet. The telematics system is expected to reduce the turn-around time from 24 hours to 12 hours to Kigali and Bugesera airport. The IVMS system is also known to increase truck efficiency, monitor driver behavior, track fuel usage, and highlight the general mechanical condition of the vehicles. All these are engines that will lead to the safety of personnel and logistics cost reduction.

2. Supplier Diversification

Supplier diversification helped us to intentional process and worker with multiple suppliers for the procurement of goods and services. The goal of supplier diversification is to create a more resilient supply chain that can better withstand shocks and disruptions. Supplier diversification helped us to Reduced dependence on any one supplier: By working with multiple suppliers, organizations can reduce their dependence on any single supplier. This reduces the risk of disruptions to the supply chain in the event that one supplier experiences problems.

- Increased competition among suppliers: With increased competition among suppliers and helped us to negotiate better terms, prices, and service levels. This led us to cost savings of 4% in 2022-23.

- Greater flexibility in sourcing. Diversified sourcing gave CIMERWA greater flexibility in where they source their goods and services. 2023 was the year we looked for adjacent sources and products to our current offerings and locked in a few suppliers, both as primary and as a backup. We locked-in all key contracts for transporters, Raw materials, key framework contracts and critical spare parts, more than 10% of contracts with OEMs (Original Equipment manufacturers) have been signed in China, Europe, and South Africa spare parts were shipped by sea at 98% instead of air transport. This reduced our freight costs in comparison to previous years by 30%.

- Improved risk management: By diversifying suppliers, organizations can spread out their risk across multiple supplier relationships. This can help to mitigate the impact of any one supplier experiencing problems. Tighter control of daily operations through continuous cost optimization across order planning & execution, and dynamic invoice matching were also factors that helped us ease the process.

3. Supply Chain Sustainability- Coal substitution

There is a global rising trend towards incorporating sustainability in supply chain strategies, particularly as economies transition towards a post-pandemic outlook where Environmental, Social, and Governance (ESG) programs are being incorporated into company goals.

Decarbonization and reusable energy is in the realm of sustainable solutions that CIMERWA has adopted as strategic solutions in response to Rwanda`s ambition to reduce greenhouse gas emissions by 38% by 2030 and achieving carbon neutrality by 2050. CIMERWA embarked on a journey to find coal substitutes. Such as biomass, palm kernels, rice husks and coffee husks have been sourced and they now represent a 20% substitute to coal in the combustion process.

HUMAN RESOURCES MANAGEMENT

As the market leader, CIMERWA Plc reviewed and adopted an improved organizational blueprint during the year. Critical positions have been filled with the right skills and competencies supported by simplified Human Resource Management systems such as Pay space for payroll, Management, and SAP HCM for employee data management.

We continued to entrench the high-performance driven culture by enforcing the spirit of “JABALI”. Key areas of focus were employee engagement thereby creating clear purpose and direction, leadership development from top leadership (EXCO) to mid-level Managers., clear purpose and direction, structure alignment and focus through blueprint reviews. There were concerted and deliberate efforts geared towards Talent Management to optimize our business processes and systems as well as ensuring continuous improvement across the board.

OCCUPATIONAL HEALTH, SAFETY & ENVIRONMENT HIGHLIGHTS

In the past year, CIMERWA achieved a remarkable safety milestone with zero Lost Time Injuries (LTIs) and no recorded fatalities, resulting in a commendable Lost Time Injury Frequency Rate (LTIFR) of 0.00. The company's dedication to safety is further exemplified by the attainment of an Environmental Audit certificate from the Rwanda Environmental Management Authority (REMA). With a total of 2,039,910 LTI-free hours and water intensity well within limits, CIMERWA has demonstrated its unwavering commitment to creating a secure working environment.

Additionally, CIMERWA recorded a 10% reduction in CO2 emissions, a major milestone in its journey to de-carbonization. On the compliance front, employees and contractors were taken through health and safety assessments, an exercise that is vital to the maintenance of the company's integrated certification to ISO 9001, 14001 & 45001 standards.

We have listened to our community's concerns, and taken swift action to address them. Concerns regarding the Dust and noise emissions prompted us to collaborate with various institutions, both governmental and private, to find solutions. We also identified an uptake in hypertension among our employees and launched a proactive plan, including a hypertension campaign and measures to control non-communicable diseases.

Over the course of the past year, we achieved an impressive coal substitution rate of 16.5% against a target of 15%. The clinker factor improved to 64.5, and 20,000 trees were planted as part of our Environmental conservation plan.

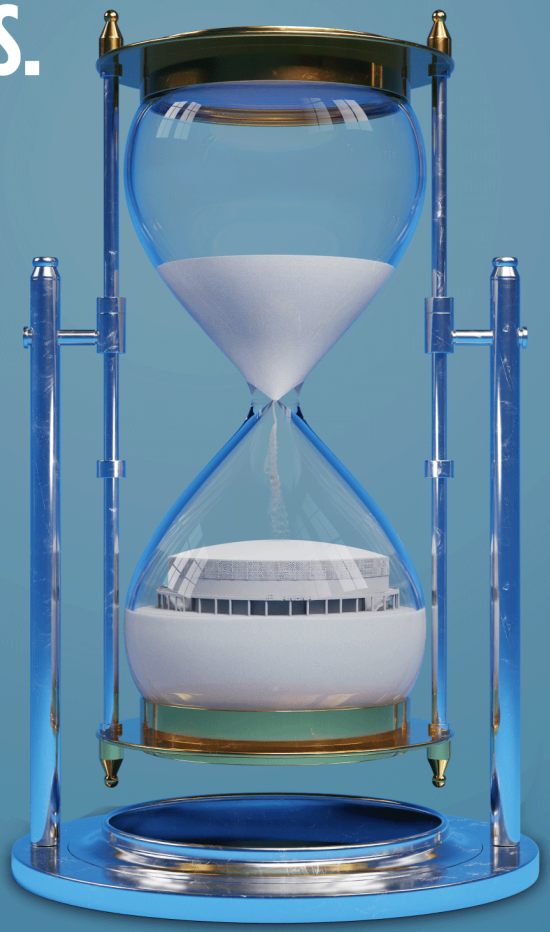
Acknowledging the energy-intensive nature of its operations, CIMERWA remains committed to efficient energy usage and optimal resource management. The Bugarama plant was outfitted with a 50kW solar photovoltaic plant, with plans to increase its capacity to 1MW. Additionally, a focus on thermal efficiency and reduced clinker production is in line with CIMERWA's dedication to combating climate change.

CIMERWA's waste management program emphasizes recycling and reducing waste sent to landfills. The company has achieved an average coal substitution rate of 16.5%, showcasing its commitment to sustainable waste solutions.

The adoption of a zero-waste strategy at CIMERWA has encouraged everyone in the company to recycle and reuse. This initiative also promotes circularity ensuring the reduction of waste sent to landfills.

40 YEARS OF

STRENGTHENING SPORTS.



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CIMERWA | STRENGTHENING RWANDA

CORPORATE GOVERNANCE REPORT

Introduction

The company is governed by Rwanda corporate and securities laws, its Articles of Association, and the decision of the Board and Management respectively.

Its corporate governance framework is also based on the Rwandan Corporate Governance Code (dated July 2, 2012), Rwanda's Capital Markets Authority (CMA) laws, regulations, guidelines, and East African Community Directives and RSE rules and guidelines governing listed entities in Rwanda.

Additionally, the Board and Management have implemented various underlying policies and procedures as well as separate codes of ethics and conduct that apply to all employees working with the company.

Highlights

CIMERWA's corporate governance in the past year witnessed two significant milestones, starting with the acquisition of 99.9% of CIMERWA's shares by The National Cement Holding Ltd. and the signing and closure of the share purchase agreement. This transaction saw the majority
shareholder, PPC International Holding (Pty) Ltd, with a 51.0% stake, and minority shareholders - Rwanda Social Security Board, Agaciro Development Fund Ltd, Rwanda Investment Group Ltd, and SONARWA General Insurance company Ltd, selling the entirety of their
shares to National Cement Holding Ltd.

The completion of this acquisition marked a significant milestone in National Cement's regional expansion strategy.

National Cement, part of the Devki Group, brings its solid foothold in the East African region and growth ambitions aligned with regional infrastructure development to CIMERWA. Dr. Narendra Raval, Chairman of Devki Group, affirmed confidence in CIMERWA's potential under National Cement's stewardship and expressed gratitude to former shareholders, customers, and partners.

Our board

Our board of directors is ultimately accountable to CIMERWA shareholders and stakeholders for the management of the Company. It oversees governance of the company and is responsible for the company's strategic direction and control.

The board exercises under the Company's governance framework and gives a strategic direction that guides the Management in all company activities.
The directors individually and collectively conduct themselves with integrity, competence, responsibility, accountability, fairness, and transparency as they discharge their duties.

The Board is accountable to the General Meeting of Shareholders for the fulfillment of its respective duties. The Management is entrusted with the day today management of the company.

The other senior staff members support the Management in the fulfilment of its managerial duties as assigned by the Board.

Board composition

CIMERWA's board is committed to leading the Company objectively and effectively. The board therefore consists of the appropriate mix of knowledge, skills, experience, diversity, gender and independence which is commensurate with the nature, scale and complexity of the business and risks of CIMERWA.

At the end of the financial year, our board comprised nine non-executive and two executive Directors.

The board has four standing committees to which it delegated certain functions with the specific objective of evaluating key areas of its mandate on a more detailed basis. These committees include:

- The Audit, Risk and Compliance Committee (ARCC).
- The Human Resources Social Ethics and Transformation Committee (HRSET).
- The Strategy and investment Committee, and
- Adhoc/Special Assignments Committee.

While delegation to committees promotes independent judgement and assists with the balance of power, it does not relieve the board of its duties.
Our board of directors meets as often as required but at least four times annually.

Board committees

CIMERWA's board committees are instrumental in streamlining corporate governance and improving internal controls in the company. Each committee has an approved and documented terms of reference which are reviewed at least every second year and is constituted with due regard to the skills required by each committee to ensure the necessary knowledge, skills, experience and capacity to fully execute its duties. The committees report to the Board on material issues that arise in the year.

Audit, Risk and Compliance Committee (ARCC)

The ARCC exists pursuant to article 156 of law n° 007/2021 of 05/02/2021 governing companies as amended to date. It is chaired by Mr. Edward Okaro Omolo and provides independent oversight of the effectiveness of CIMERWA's internal audit, finance and assurance functions and services, risk management, systems of governance, and technology and information governance, along with ensuring the company complies with all relevant laws and regulations.

The ARCC further recommends the appointment of an external auditor, oversees the external audit process and the integrity of the company's interim and preliminary announcements and any other announcements pertaining to results. The ARCC also assists the board to monitor CIMERWA's reporting activities, including the annual report and other external reporting.

Human Resources Social Ethics and Transformation Committee (HRSET).

Chaired by Ms. Eunice Nyala, the HRSET provides oversight of CIMERWA's ethical, environmental, and social performance, monitoring CIMERWA's activities against relevant legislation, legal requirements or prevailing codes of best practice on matters relating to social and economic development, transformation, the environment, health and public safety, stakeholder relationships, and labour and employment.
It also assists the board in ensuring that the company is, and remains committed to being, a socially responsible corporate citizen by creating a sustainable business and having regard to CIMERWA's economic, social and environmental impact on the communities in which it operates.

The Strategy and Investment Committee.

Chaired by Ms. Anita Dancilla Umuhire, the Committee comprises at least two non-executive Directors (NEDs), the majority of whom are independent, with the required skills and experience.
The Committee assists the Board with evaluating and reviewing the company's investment framework, considers, evaluates, and analyses potential investments, acquisitions, divestments, and joint ventures; reviews post-project audits on major CAPEX and investments where applicable and addresses any identified gaps in the various investment projects in line with its charter.

Adhoc/Special Assignments Committee.

This Committee is indeed adhoc and is only fully constituted on a need basis to handle special assignments as may be assigned by the Board from time to time. Once constituted, the Committee members elect from among themselves the Chairperson who reports to the Board regarding the assignment provided.

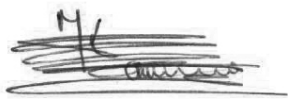
Shareholder's report

Analysis of CIMERWA shareholding as at 30th September 2023

Capital	Number and Class of Shares Percentage of Issued Shareholder	
PPC International Holdings (Pty) Ltd	358,641,960 ordinary shares	51%
Rwanda Social Security Board	142,306,060 ordinary shares	20%
AGDF Corporate Trust Fund Ltd	115,948,560 ordinary shares	16.5%
Rwanda Investment Group Ltd	80,550,600 ordinary shares	11. 5%
Sonarwa Holdings Limited	5,370,040 ordinary shares	1%
Local individuals	377,100 ordinary shares	0%
Foreign Individuals	25,200 ordinary shares	0%
Total	703,219,520 ordinary shares	100%

2 Approval of Financial Statements

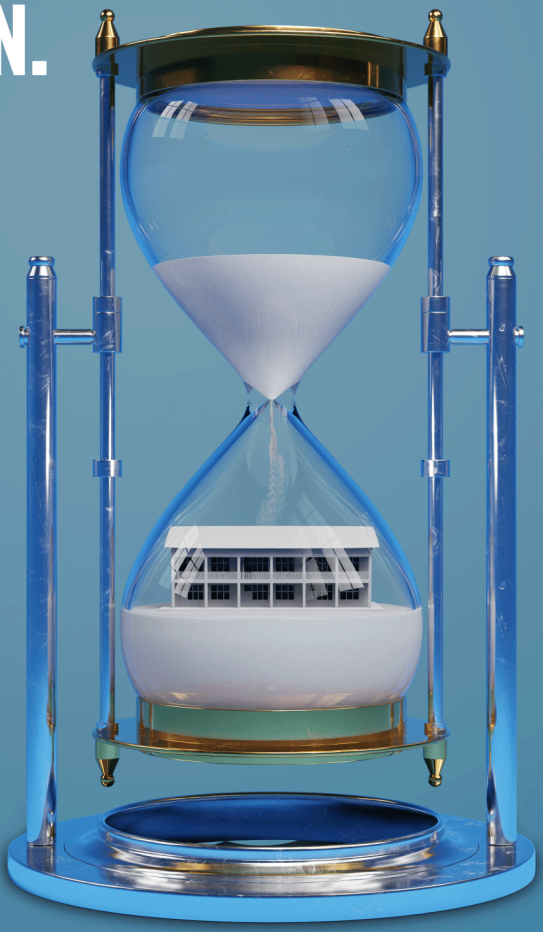
The financial statements were approved at a meeting of the directors held on 30th November 2023.



By order of the Board
COMPANY SECRETARY
Godfrey KAMUKUNDE

40 YEARS OF

STRENGTHENING EDUCATION.



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CIMERWA | STRENGTHENING RWANDA

DIRECTORS' REPORT

The Directors submit their report together with the audited financial statements for the year ended 30 September 2023, which disclose the state of affairs of CIMERWA PLC (the "Company").

Incorporation

CIMERWA PLC is incorporated in Rwanda under Law No. 007/2021 of 05/02/2021 Governing Companies and is domiciled in Rwanda.

Principal Activities

The principal activity of the Company is the manufacture and sale of cement and other related products.

Results

The results for the year ended 30 September 2023 are set out on page 57.

Dividend

The Directors do not recommend payment of a dividend for the year ended 30 September 2023 (2022: Frw 10,500,000,000).

Directors

The Directors who served during the year and up to the date of this report are set out on page 17.

Auditor

KPMG Rwanda Limited, was appointed as the auditor during the year and being eligible, has expressed willingness to continue in office in accordance with Law No. 007/2021 of 05/02/2021 Governing Companies.

Going Concern

The Directors have made an assessment of the ability of the Company to continue as going concern and having taken into account all information at hand, have no reason to believe that the business will not be a going concern for at least the next twelve months from the date of this statement.

Company Secretary

The Directors are responsible for the preparation and presentation of financial statements that give a true and fair view of CIMERWA PLC, set out on pages 52 to 97, which comprise the statement of financial position as at 30 September 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies, in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards) and in the manner required by Law No. 007/2021 of 05/02/2021 Governing Companies.

The Directors are also responsible for such internal controls as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management. The Directors have made an assessment of the ability of the Company to continue as going concern and having taken into account all information at hand, have no reason to believe that the business will not be a going concern for at least the next twelve months from the date of this statement.

The independent auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the IFRS Standards and in a manner required by Law No. 007/2021 of 05/02/2021 Governing Companies.

Approval of Financial Statements

The financial statements of CIMERWA PLC, as identified in the first paragraph, were approved and authorised for issuance by the Board of Directors on 21st December 2023.

Director **Director**





Date: 21st December 2023.

INDEPENDENT AUDITOR'S REPORT

To the shareholders of CIMERWA Plc

Report on the audit of the financial statements

Opinion

We have audited the financial statements of CIMERWA Plc ("the Company") as set out on pages 52 to 97, which comprise the statement of financial position as at 30 September 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 September 2023, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards) and in the manner required by Law No. 007/2021 of 05/02/2021 Governing Companies.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.
We are independent of the Company in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the matter was addressed in our audit
Assessing the recoverable amount of the cash generating unit (CGU)	
Refer to Notes 23 (iii) of the financial statements	
The Company operates as a single cash-generating unit (CGU). As at 30 September 2023, its property, plant and equipment (PPE) had a carrying value of RWF 70,965 million. The Directors have carried out an impairment analysis of the CGU during the year which involved comparing the carrying amount of the CGU to its value in use (the recoverable amount).	Our audit procedures in this area included: • Identifying impairment triggers by evaluating management's process for identifying impairment indicators, as well as conducting our own assessment of potential internal and external triggers of impairment. • Evaluating the competence and independence of the independent expert used by the Directors in determining the useful life of the limestone reserves. • Assessing and evaluating the director's plans to obtain alternative sources of limestone reserves.
Assumptions and judgements made by the Directors in assessing the expected cashflows to be generated by the CGU used in determination of its value in use included: • Evaluation of Limestone reserves resulting in the estimated remaining useful life of plant of 14 years. • Sales growth assumptions over the projected period of a compounded growth rate; • Expected cost of inflation per annum used to adjust the future prices and costs of production; and • The weighted average cost of capital applied in discounting the future cash flows to arrive at the value in use. Due to these assumptions and judgements applied in determination of value in use, we have determined assessing the recoverable amount of the CGU to be a key audit matter.	• Assessing the reasonableness of sales forecasts based on the historical performance experience, the 2023 contracted and pipeline of sales and factoring the prevailing economic environment. • Assessing the accuracy of value in use computation by involving our valuation specialists in performing independent recalculation of the value in use and comparing with what Directors have computed, • Involving our own valuation specialist in evaluating the reasonableness of the weighted average costs of capital used to discount the cash flows by recalculating it and comparing it to industry averages; • Compared inflation rate used in the impairment model to externally available economic forecast data, • Performing our own sensitivity analysis over the key assumptions used in the computation; and • Evaluating the adequacy of disclosures in the financial statements regarding key judgements and assumptions made by the Directors in assessing impairment.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the CIMERWA Plc report and financial statements for the year ended 30 September 2023 but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and other information to be included in the CIMERWA Plc annual report, which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Standards and in the manner required by Law No. 007/2021 of 05/02/2021 Governing Companies, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors
- Conclude on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the provisions of Article 135 of Law No. 007/2021 of 05/02/2021 Governing Companies, we report to you based on our audit, that:

- We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit;
- Proper accounting records have been kept by the company, so far as appears from our examination;
- We have no relationship, interest or debt with the CIMERWA Plc. As indicated in our report on the financial statements, we comply with ethical requirements. These are the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which includes comprehensive independence and other requirements;
- We have reported internal control matters together with our recommendations to management in a separate management letter; and
- According to the best of the information and the explanations given to us as auditors, as shown by the accounting and other documents of the company, the annual accounts comply with Article 125 of Law No. 007/2021 of 05/02/2021 Governing Companies.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Wilson Kaindi PC/CPA/0642/0123.



KPMG Rwanda Limited
Certified Public Accountants
P.O. Box 6755
Kigali, Rwanda

Date: 23rd December 2023

Statement of Profit or loss and other comprehensive income for the year ended 30 September 2023

	Note	2023 RWF'000	2022 RWF'000
Revenue	4	103,068,104	92,086,581
Cost of sales	5	(72,551,764)	(63,435,925)
Gross profit		**30,516,340**	**28,650,656**
Other income	6	256,225	310,942
Administrative expenses	7 (a)	(9,726,094)	(7,518,237)
Impairment losses on financial assets	7 (b)	(166,616)	(56,068)
Operating profit		**20,879,855**	**21,387,293**
Net foreign exchange losses	8 (a)	1,611,989	(420,515)
Net finance costs	8 (b)	(2,391,678)	(4,106,357)
Profit before tax		**20,100,166**	**16,860,421**
Income tax expense	9	(4,484,566)	(3,685,555)
Profit for the year		**15,615,600**	**13,174,866**
Other comprehensive income		-	-
Total comprehensive income for the year		**15,615,600**	**13,174,866**

Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company:

Basic earnings per share	15	**22.21**	**18.74**
Diluted earnings per share	15	**22.21**	**18.74**

The notes on pages 56 to 97 are an integral part of these financial statements.

Statement of financial position as at 30 September 2023

	Note	2023 RWF'000	2022 RWF'000
Assets - Non-current assets			
Property, plant and equipment	10	70,964,707	73,710,795
Intangible assets	11	883,558	568,452
Right of use asset	21 (a)	60,073	4,509
Environmental guarantee	20 (b)	8,710	8,710
		71,917,048	**74,292,466**
Current Assets			
Inventories	12	14,302,732	15,029,371
Current income tax receivable	9	129,087	133,476
Trade and other receivables	13	8,302,849	6,112,822
Restricted Cash	20 (c)	151,150	-
Cash and cash balances	14	17,597,912	20,059,115
		40,483,730	**41,334,784**
Total assets		**112,400,778**	**115,627,250**

Statement of financial position as at 30 September 2023 (Continued)

	Note	2023 RWF'000	2022 RWF'000
Equity and liabilities			
Equity attributable to owners			
Share capital	15	35,160,976	35,160,976
Share premium	15	22,251,408	22,251,408
Retained earnings	Page 12	22,577,562	17,461,962
		79,989,946	**74,874,346**
Liabilities			
Non-current liabilities			
Deferred tax liabilities	16	5,914,822	6,112,163
Loans and borrowings	18(a)	-	10,526,547
Rehabilitation and decommissioning provisions	20(a)	209,052	192,360
Lease liabilities	21(b)	33,052	-
		6,156,926	**16,831,070**
Current liabilities			
Trade and other payables	17	10,946,369	12,199,833
Loans and borrowings	18	10,697,542	10,653,606
Current income tax payable	9	4,357,909	409,815
Amounts due to related parties	19 (f)	225,136	653,059
Current lease liabilities	21 (b)	26,950	5,521
		26,253,906	**23,921,834**
Total equity and liabilities		**112,400,778**	**115,627,250**

The financial statements on pages 52 to 97 were approved and authorised for issue by the Board of Directors on 21st December 2023.

Director **Director**





The notes on pages 66 to 97 are an integral part of these financial statements.

Statement of changes in equity for the year ended 30 September 2023

	Note	Share capital RWF'000	Share premium RWF'000	Retained earnings RWF'000	Total equity RWF'000
Year ended 30 September 2022					
At 1 October 2021	15	35,160,976	22,251,408	4,287,096	61,699,480
Comprehensive income:					
Profit for the year		-	-	13,174,866	13,174,866
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	-	13,174,866	13,174,866
Transactions with equity holders of the company:					
Dividends Paid	30	-	-	-	-
Retained profit for the year		-	-	13,174,866	13,174,866
At 30 September 2022		**35,160,976**	**22,251,408**	**17,461,962**	**74,874,346**
Year ended 30 September 2023					
At 1 October 2022	15	35,160,976	22,251,408	17,461,962	74,874,346
Comprehensive income:					
Profit for the year		-	-	15,615,600	15,615,600
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	-	15,615,600	15,615,600
Transactions with equity holders of the company:					
Dividends Paid	30	-	-	(10,500,000)	(10,500,000)
Retained profit for the year				5,115,600	5,115,600
At 30 September 2023		**35,160,976**	**22,251,408**	**22,577,562**	**79,989,946**

The notes on pages 56 to 97 are an integral part of these financial statements.

Statement of cash flows for the year ended 30 September 2023

	Note	2023 RWF'000	2022 RWF'000
Cash flows from operating activities:			
Profit before income tax		**20,100,166**	**16,860,421**
Adjustments for:			
Finance costs	8 (b)	2,391,678	4,106,357
(Decrease)/increase of loss allowance on trade receivables	13(b)	(127,291)	69,384
Increase in inventories obsolete provision	12	215,555	173,947
Increase/(decrease) in leave pay provision	17(b)	25,095	(95,691)
Increase in bonus provision	17(b)	98,230	756,023
Decrease in litigations provision	17(b)	(6,421)	(39,446)
Loss on disposal of property, plant and equipment	7 (a)	85,714	136,522
Interest income	6	(116,231)	(97,310)
Depreciation on property, plant and equipment	10	7,015,378	6,841,628
Depreciation on right of use asset	21 (a)	22,308	13,524
Amortisation charge on intangible assets	11	134,664	101,279
Changes in working capital:			
• Restricted cash	20 (c)	(151,150)	-
• Current income tax receivable	9	4,388	(11,198)
• Trade and other receivables	13	(2,062,736)	(2,141,654)
• Inventories	12	511,084	(2,415,175)
• Amounts due to related parties	19 (f)	(427,923)	(505,758)
• Trade and other payables	17(a)	(1,370,368)	3,124,573
Cash generated from operations		**26,342,140**	**26,877,426**
Interest paid on borrowings	18 (a)	(2,201,498)	(3,863,827)
Interest element of lease payments	21(c)	(6,570)	(2,208)
Interest received		116,231	97,310
Income tax paid	9	(733,813)	-
Net cash inflow from operating activities		**23,516,490**	**23,108,701**
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(4,355,003)	(3,010,922)
Purchase of intangible assets	11	(445,692)	-
Net cash used in investing activities		**(4,800,695)**	**(3,010,922)**
Cash flows from financing activities			
Repayments of borrowings	18(b)	(10,653,607)	(14,312,402)
Dividends Paid	30	(10,500,000)	-
Principal element of lease payments	21 (b)	(23,391)	(14,911)
Net cash used in financing activities		**(21,176,998)**	**(14,327,313)**
Net (decrease)/ increase in cash and cash equivalents		**(2,461,203)**	**5,770,466**
Cash and cash equivalents at beginning of year	14	20,059,115	14,288,649
Cash and cash equivalents at end of year	14	**17,597,912**	**20,059,115**

The notes on pages 56 to 97 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Reporting entity

CIMERWA Plc (the 'Company') is a limited liability company incorporated and domiciled in Rwanda under the Law No. 007/2021 of 05/02/2021 Governing Companies. The Company is listed on the Rwanda Stock Exchange. The ultimate holding company is PPC Ltd a company incorporated in South Africa. It was registered on 08 January 2007.

The principal activity of the Company is the manufacture and sale of cement and other related products. The manufacturing process starts with mining of limestone from the mineral reserves.

REGISTERED OFFICE:
Kimihurura Sector Gasabo District
PO Box 644
Kigali – Rwanda

2. Basis of preparation

a) Basis of accounting

The financial statements have been prepared on a going concern basis. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities will occur in the ordinary course of business.

b) Statement of compliance

The financial statements have been prepared in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards) and in the manner required by Law No. 007/2021 of 05/02/2021 Governing Companies.

For the purposes of Law No. 007/2021 of 05/02/2021 Governing Companies, the balance sheet is represented by the statement of financial position and profit or loss account by the statement of comprehensive income in these financial statements. There are no other differences between IFRS Standards and Law No. 007/2021 of 05/02/2021 Governing Companies.

c) Basis of measurement

These financial statements have been prepared under the historical cost convention, except for rehabilitation and decommissioning provisions, which are measured at the present value of future cash flows, and borrowings, which are measured at amortized cost using the effective interest rate method.

d) Functional and presentation currency

The financial statements are presented in Rwanda Francs (RWF), which is the Company's functional currency. All financial information presented in Rwanda Francs has been rounded to the nearest thousand (RWF'000).

e) Use of estimate and judgement

The preparation of these financial statements in conformity with IFRS Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Significant estimates are made for are disclosed in note 23.

3. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Revenue recognition

The Company's revenue is derived from the sale of cement and related products to the Company's customers. Revenue is recognised when the performance obligations are satisfied by transferring control of the promised product to the Company's customers. Revenue is recognised net of indirect taxes, rebates and discounts provided to the customers. Revenue is recognised at a point in time.

The Company applies the five-step approach as per IFRS 15 Revenue from contracts with customers to determine when to recognise revenue and at what amount. The following approach is used:

- Identify contract with customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Company accounts for a contract with a customer only when: there is evidence of an arrangement; the Company can identify each party's rights regarding the goods to be transferred; the contract has commercial substance and collectability is reasonably assured.

Revenue is recognised at the amount of the transaction price that is allocated to each performance obligation. Revenue recognised is based on the amount that depicts the consideration to which the Company expects to be entitled in exchange for transferring the goods and services promised to the customer.

All revenue from the sale of cement and related products is recognised at a point in time.

Sale of cement and related products

The Company manufactures and sells a range of cement and related products that include cement and clinker. Revenue from the sale of cement and related goods is recognised when goods are dispatched from the plant. The logistics services solution is outsourced to local transporters who are responsible for delivery of the goods to the customers and in the event of any loss in transit, would indemnify the company. In line with IFRS 15, a review is undertaken at period end to determine the goods that are not delivered to the customers and the corresponding revenue is reversed and recognized as deferred income. The cost of sales related to the reversed revenue is also reversed into Inventory.

Cement and related products are often sold with retrospective volume rebates based on aggregate sales over a specified period. Revenue from these sales is recognised based on the selling price specified in the contract, net of the estimated volume rebates. Accumulated experience is used to estimate and provide for the rebates using the most likely amount method. In this regard, revenue is recognised to the extent that it is highly probable that a significant reversal will not occur.

(a) Revenue recognition (continued)

A refund liability is recognised for expected volume rebates payable to customers in relation to sales made until the end of the reporting period. As part of the assessment of whether the estimated volume rebate should be constrained, it was noted that there were no significant reversals from the refund liability that were recognised in the current year. The directors will continue to reassess its ability to estimate the expected volume rebates reasonably.

A receivable is recognised when the goods are delivered. This is the point in time that the consideration becomes unconditional as only the passage of time is required before the payment is due. No significant financing element is deemed present as the sales are made with credit terms largely ranging between 7 and 60 days which is consistent with market practice.

The Company does not recognize any contract assets or contract liabilities as a result of the sale of cement and related products. This is because there is no right of return or warranty provision associated with these products. Customers only accept the products after they have passed a stringent quality check at delivery.

3. Significant accounting policies (Continued)

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Rwanda Francs ("RWF") which is the Company's functional currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other income' or 'other expenses'

(c) Property, plant and equipment

Items of property, plant and equipment (PPE) are initially recognized at cost and subsequently measured at cost less accumulated depreciation and impairments.

The cost of self-constructed assets includes expenditures on materials, direct labour and an allocated portion of project overheads. Cost also includes the estimated cost of dismantling and removing the assets and site rehabilitation costs to the extent that they relate to the construction of the asset and are required by local legislation.

The cost of PPE may also include the estimated costs of decommissioning the assets and site rehabilitation costs to the extent that they relate to the asset. Estimating the future costs of these obligations is complex as most of the obligations will only be fulfilled in the foreseeable future. Furthermore, the resulting provisions and assets are influenced by changing technologies and regulations, life of mine, political, environmental, safety, business and statutory considerations in the Country in which the Company operates.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Freehold land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	22 years
Motor vehicles	5 years
Computer equipment	3 years
Plant and machinery	22 years
Equipment and Mobile equipment	5 - 10 years
Furniture	5 years
Road works	15 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, all assets are included because the Company operates as a single cash-generating unit (CGU) and as at 30 September 2023, its property, plant and equipment (PPE) had a carrying value of RWF 70,965 million. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Mineral rights relate to exploration and evaluation costs and the estimated costs of decommissioning the assets and site rehabilitation costs to the extent that they relate to the asset, which are reclassified from Exploration and Evaluation assets into intangible asset upon commencement of the development activities.
Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in profit or loss.

3. Significant accounting policies (Continued)

(d) Leases

Company as a lessee

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company use the definition of a lease in IFRS 16.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreement does not impose any covenants other than the interest in the leased asset that is held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are presented on the statement of financial position and are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date and
- Amounts expected to be payable by the Company under residual value guarantees.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for lease in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- Where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received

- Uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing, and

- makes adjustments specific to the lease, e.g., term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.
Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The Company has chosen not to revalue the right-of-use building.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and vehicles.

(iii)Variable lease payments

There are no variable payment terms in the Company's lease.

(iv) Extension and termination options

Extension and termination options are included in the lease. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the lessor.

(v) Residual value guarantees

The Company has not provided any residual value guarantees on its lease

3. Significant accounting policies (Continued)

(d) Leases (Continued)

Company as a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand- alone prices. When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted-average method-less provision for impairment. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(f) Financial instruments

Accounting for financial instruments

Financial assets and liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at fair value, including transaction costs except for those classified as at fair value through profit or loss which are initially measured at fair value, excluding transaction costs. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets and liabilities are classified as current if expected to be realised or settled within 12 months; if not, they are classified as non-current.

Offsetting financial instruments

Offsetting of financial assets and liabilities arises when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The net amount is reported in the statement of financial position.

Financial instrument classification

The Company classifies its financial instruments into the following categories:

- Financial assets at amortised cost; and
- Financial liabilities at amortised cost.

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

The classification is dependent on the purpose for which the financial instruments were acquired. Directors determine the classification of financial instruments at initial recognition. Financial instruments comprise trade and other receivables, cash and cash equivalents, borrowings and trade and other payables.

Subsequent measurement
Subsequent to initial recognition, financial instruments are measured as described below.

Financial assets
The company's financial assets at amortised cost comprise trade receivables as well as cash and cash equivalents. Trade receivables excludes prepayments.

Financial assets are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial liabilities
Financial liabilities comprise trade and other payables, bank overdrafts, borrowings, and other non-current liabilities (excluding provisions).

3. Significant accounting policies (Continued)

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

De-recognition

Financial assets are derecognised when the rights to receive cash flows from the asset have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Impairment of financial assets

At each reporting date the Company assesses whether there is objective evidence that financial assets not carried at fair value through the statement of profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset and that the loss event has an impact on the future cash flows of the asset than can be estimated reliably.

The Company considers evidence of impairment at both a specific asset and collective level. All individually significant financial assets are assessed for specific impairment. All significant assets found not be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are then collectively assessed for impairment by combining together financial assets with similar risk characteristics.
In assessing collective impairment, the Company uses historical trends of the probability of default timing of recoveries and the amount of loss incurred adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modelling. Default rates loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.
Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial assets and the present value of estimated cash flows discounted at the assets' original effective interest rate. Losses are recognised in the statement of profit or loss.

When a subsequent event causes the amount of impairment loss to decrease the impairment loss is reversed through the statement of profit or loss

The Company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company's trade and other receivables and cash and cash equivalents are subject to the expected credit loss model.

(g) Loans and borrowings

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any differences between proceeds (net of transaction costs) and the redemption value are recognised in profit or loss over the period of the borrowings, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

(h) Advance payments denominated in foreign currency for significant items of property, plant and equipment

Project advance payments denominated in foreign currency are initially recorded at the ruling exchange rate on the date of the payment. The advance payment is treated as a non-monetary asset as there is no expected repayment in units of currency and is thus not translated at each reporting date. On the portion of any invoice for property, plant and equipment that is offset by the advance payment, the amounts capitalized to property, plant and equipment are recorded at the historical carrying amount of the advance payment.

(i) Share capital

Ordinary shares are classified as 'share capital' in equity. Any premium received over and above the par value of the shares is classified as 'share premium' in equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as deduction from the proceeds.

3. Significant accounting policies (Continued)

(j) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position. Impairment of financial assets

Restricted cash

Restricted cash include cash that is held by a company for specific reasons and not available for immediate business use. Reasons for cash being restricted may include bank loan requirements, payment deposits, and collateral pledges.

(l) Employee benefits

(i) Retirement benefit obligations

The Company and all its employees contribute to the Rwanda Social Security Board, which is a defined contribution scheme. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Company's contributions to the defined contribution scheme are recognised as an employee benefit expense when they fall due.

(ii) Other entitlements

The estimated monetary liability for employees' accrued annual leave entitlement at the statement of financial position date is recognised as an expense accrual.

The Company recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Company recognises an accrual where contractually obliged or where there is past practice that has created a constructive obligation. The bonus is payable at the discretion of the Board.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Company recognises termination benefits when it is demonstrably committed to a termination when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

(m) Income tax

(a) Current income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with Rwanda tax legislation. The current income tax charge is calculated on the basis of the tax enacted or substantively enacted at the statement of financial position date. Directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

3. Significant accounting policies (Continued)

(m) Income tax (Continued)

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(n) Dividends

Dividends on ordinary shares are charged to equity when they are approved by the shareholders and paid. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the Company. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after the reporting date.

(o) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(p) Exploration and evaluation assets

Expenses incurred for exploration and evaluation activities under licence are accumulated and carried forward as an asset where the right of tenure of the area of interest is current, provided one of the following conditions is met:

- Such costs are expected to be recouped through production,
- Exploration activities in the area of interest have not reached a stage which permits a reasonable assessment of the existence or otherwise, of recoverable mineral resources, and active and significant operations in relation to the area are continuing.

Exploration expenditure failing to meet at least one of the above conditions is written off. Exploration and evaluation assets are initially recognized at cost, they are subsequently measured at cost less any assessed impairment. The amortisation is not calculated and charged off until production commences.
Exploration and evaluation assets are reclassified from Exploration and Evaluation when evaluation procedures have been completed. The Company reclassifies such assets to Mineral rights (an intangible asset) or property plant and equipment for tangible assets. Mineral rights (which is an intangible asset) are amortised over the life of its life of plant. The company has no tangible asset arising from exploration and evaluation activities.
Also included in the cost of exploration and evaluation assets are the estimated costs of decommissioning the assets and site rehabilitation costs to the extent that they relate to the asset. The useful life of the asset with a finite life is reviewed annually to determine whether the finite life assessment continues to be supportable. If not, the change in the useful life assessment is made prospectively.

(q) Provisions

Provisions are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

(r) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3. Significant accounting policies (Continued)

(s) Segment reporting

The chief operating decision making organ is the Company's executive committee as it is the body that examines the Company's performance and allocates resources. The committee has identified the Company as one segment. Therefore, assets and liabilities are deemed to contribute to the overall performance of the Company and separate presentation of balance sheet has not been made.
The committee primarily uses earnings before interest, taxes, depreciation, and amortisation (EBITDA) to assess the performance of the segment.

(t) i. New standards, amendments and interpretations effective and adopted during the period ended 30 September 2023

The following new or amended standards and interpretations have become effective for financial year beginning on or after 1 January 2023:

Standard/Interpretation		Effective date Periods beginning on or after
Amendments to IAS 1	Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
Amendments to IAS 8	Definition of Accounting Estimate (Amendments to IAS 8)	1 January 2023
Amendments to IAS 12 Income taxes	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IFRS 17	Initial Application of IFRS 17 and IFRS 9 Comparative Information (Amendments to IFRS 17)	1 January 2023
Amendments to IAS 12	International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12	23 May 2023

The above amendments did not have a significant impact on the financial statements of the company.

(ii) New standards, amendments and interpretations in issue but not yet effective for the year ended 30 September 2023

The following new standards, amendments to standards and interpretations are not yet effective for the year ended 30 September 2023 and have not been applied in preparing these financial statements.

Standard/Interpretation		Effective date Periods beginning on or after
IFRS 10 and IAS 28 amendments	Sale or contribution of assets between an investor and its associate or joint venture	Available for optional adoption/ effective date deferred indefinitely
Amendments to IAS 1	Non-current liabilities with covenants	1 January 2024
IAS 1 amendments	Classification of liabilities as current or non-current	1 January 2024
IFRS 16 amendments	Lease liability in a sale and leaseback (Amendment to IFRS 16)	1 January 2024
IAS 7 and IFRS 7 amendments	Supplier Finance Arrangements	1 January 2024
IAS 21 amendments	Lack of Exchangeability – Amendments to IAS 21	1 January 2025

All the above standards and Interpretations will be adopted at their effective date (except for those standards and Interpretations that are not applicable to the entity) and are not expected to have a significant impact on the company.

3. Significant accounting policies (continued)

(u) Intangible assets

These relate to software licences for the company's own internal use. The intangible assets are initial recognised at cost incurred to obtain the licences. They are subsequently held at cost less amortisation. The intangible assets are amortised over the life of the software licences. An impairment loss is assessed and recognized whenever the recoverable amount is the asset falls below the carrying amount of the asset. The impairment loss is recognized as an expense in the profit or loss and other comprehensive income.

(v) Reclassifications

Where necessary, reclassifications have been made to the financial statements to ensure information presented is more relevant. The prior year financial statements have also been aligned with the current year classifications.

4. Revenues

The Company has one operating segment. The operations of the Company are located in only one geographic location, Rwanda. The revenue of the operating segment is presented below.

	2023 RWF'000	2022 RWF'000
Local sales	78,753,359	71,610,958
Export sales-DRC	24,261,773	20,475,623
Export sales-BURUNDI	52,972	-
	103,068,104	**92,086,581**

Revenues of approximately RWF 8,077 million (2022: RWF 5,886 million) are derived from a single external customer. All export sales during the year were made to the Democratic Republic of Congo (DRC) and Burundi.

For performance obligations, nature and timing of satisfaction of performance obligations and revenue recognition policy refer to the revenue recognition note in note 3 (a).

5. (a) Cost of sales

	2023 RWF'000	2022 RWF'000
Direct materials	13,251,448	10,028,983
Energy	20,624,156	20,762,840
Employee benefits expense (Note (7 b)	5,346,452	5,217,884
Depreciation (5b)	6,925,563	6,724,326
Change in inventories	2,347,999	2,347,999
Transportation	13,673,141	11,206,597
Outsourced services	1,962,733	1,443,821
Plant repairs and maintenance	6,179,687	4,033,153
Local taxes	541,877	532,650
Insurance	918,567	633,672
Amortization on intangibles (Note 11 b)	100,234	63,673
Other direct costs	679,907	440,327
	72,551,764	**63,435,925**

5. (b) Depreciation

	2023 RWF'000	2022 RWF'000
Depreciation expense is analysed as follows: Included within :		
• Cost of sales above	6,925,563	6,724,326
• Administrative expenses (Note 7 (b))	89,814	117,302
Total depreciation of property, plant and equipment (Note 10)	**7,015,377**	**6,841,628**

6. Other income

	2023 RWF'000	2022 RWF'000
Interest income	116,231	97,310
Insurance refund	-	14,654
Sale of scrap and other items	54,785	136,832
Lease income from rental of staff houses*	28,933	28,274
School fees	46,180	27,322
Medical clinic income	10,096	6,550
	256,225	**310,942**

*Lessor disclosures for maturities or aging of lease receivables are not considered significant to disclose in these financial statements.

Insurance refund

Insurance refund relates to proceeds from insurance company, MUA, for Buffer fees refund that had been applied to cater for possible foreign exchange losses at the time of converting the reinsurance premium from local currency into US dollars.

Sale of scrap and other items

Income from the sale of scrap and other items is recognised at a point in time as the goods are delivered to the customer and it is reasonably certain that the customer will pay.

Lease income from rental of staff houses

Lease income from operating leases is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

School fees and medical clinic income

As part of its community support projects, the Company operates a school and a medical clinic and charges subsidised school and medical services fees, respectively. Income from these activities is recognised over time as the services are provided.

*Lessor disclosures for maturities or ageing of lease receivables are not considered significant to disclose in these financial statements.

7. (a) Administrative expenses

	2023 RWF'000	2022 RWF'000
Employee benefits expense (Note 7 (c))	3,690,883	2,818,797
Professional consultancy costs	277,855	130,090
Depreciation (Note 5b)	89,814	117,302
Travelling and accommodation	792,940	445,813
Sales and marketing	635,246	571,814
Company functions and meals	473,029	349,573
Management support fees	801,466	704,899
Insurance	427,843	347,151
Technical support fees	223,590	174,648
Bank charges	122,892	144,996
Salaries and wages school (Note 7 (c))	103,479	97,924
Health and safety**	223,228	96,503
Auditor's remuneration	58,037	42,224
Repairs and maintenance***	109,619	74,262
Membership and subscription	45,724	32,028
Amortisation on intangible assets (Note 11 (a))	34,430	37,605
Depreciation – right of use asset	22,308	13,525
Office running costs	950,863	734,601
Other administrative expenses*	642,848	584,482
	9,726,094	**7,518,237**

- Other administrative expenses are mainly made up of transport management fees paid to service provider, statutory fees paid to Rwanda Stock exchange Loss on disposal of assets (land and rotary parker), and Directors fees (refer to note 19).

- Health and safety expenses increase was mainly made of one-off services such i.e. environment audit and exploration of RWF 92 million, equipment calibration of RWF 20 million and increase in consumption of safety materials due to increase of number of shutdowns.

- Repairs and maintenance includes a once off repair cost relating to equipment inspections of RWF 71 million.

7 (b) Impairment reversal/ (losses) on financial assets

	2023 RWF'000	2022 RWF'000
Increase /(decrease) in loss allowance on cash and equivalents	293,908	(13,316)
(Reversal) /increase in loss allowance on trade receivables	(127,292)	69,384
Increase in loss allowance on financial assets	**166,616**	**56,068**

7 (c) Employee benefits expense

	2023 RWF'000	2022 RWF'000
Salaries and wages	8,449,928	7,615,717
Retirement benefits costs:		
Contributions to the Rwanda Social Security Board	388,981	339,198
Other staff costs	301,905	179,690
	9,140,814	**8,134,605**
Included within:		
Cost of sales	5,346,452	5,217,884
Administrative expenses	3,690,883	2,818,797
Salaries and wages for school	103,479	97,924
	9,140,814	**8,134,605**

8 (a) Net foreign exchange gains/(losses)

	2023 RWF'000	2022 RWF'000
Foreign exchange gains *	3,768,808	2,678,104
Foreign exchange losses **	(2,156,819)	(3,098,619)
	1,611,989	**(420,515)**

* Increase in foreign exchange gains is due to higher USD denominated cash balances during the year on account of higher export sales.

* Decrease in foreign exchange losses is due to revaluation of the USD debt in the first half of prior year and conversion of the USD debt into local currency in March 2022.

8 (b) Net finance costs

	2023 RWF'000	2022 RWF'000
Interest expense on long term borrowings	2,372,493	4,105,689
Unwinding of discount on rehabilitation and decommissioning provision	12,615	(1,539)
Interest on lease liabilities	6,570	2,207
	2,391,678	**4,106,357**

9) Income tax expense

	2023 RWF'000	2022 RWF'000
Current income tax	4,681,907	409,815
Deferred income (credit)/ tax expense (Note 16)	(197,341)	3,275,740
	4,484,566	**3,685,555**

The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	Effective tax rate	2023 RWF'000	Effective tax rate	2022 RWF'000
Profit before income tax		**20,100,166**		**16,860,421**
Tax calculated at the statutory income tax rate	20.00%	4,020,033	20.00%	3,372,084
Tax effects of:				
Expenses not deductible for tax purposes	2.31%	464,533	1.86%	313,471
Income tax expense	**22. 31%**	**4,484,566**	**21.86%**	**3,685,555**

The current income tax asset on the statement of financial position is analysed as follows:

	2023 RWF'000	2022 RWF'000
At start of year	133,475	122,277
Withholding tax paid during the year	7,223	-
Withholding tax recovered during the year	(11,611)	11,199
Current income tax receivable at 30 September*	**129,087**	**133,476**

This mainly relates to 15% withholding tax on our interest received in prior years up to 2021 when the company was still in a tax loss position. Given that the company is now in a taxable position, we will request for a refund/credit note from the tax authority (RRA).

	2023 RWF'000	2022 RWF'000
At start of year	409,815	-
Income tax charge for the year	4,681,907	409,815
Income tax paid during the year	(733,813)	-
Current income tax payable at 30 September:	**4,357,909**	**409,815**

10. Property, plant and equipment

	Land RWF'000	Road Works RWF'000	Buildings RWF'000	Motor Vehicles RWF'000	Computer equipment RWF'000	Plant & Machinery RWF'000	Office furniture & equipmennt RWF'000	Work in progress RWF'000	Total RWF'000
At 1 October 2022									
Cost	1,505,260	2,695,354	2,892,748	2,548,695	881,214	114,044,057	871,015	2,017,784	127,456,127
Accumulated depreciation	-	(1,303,498)	(1,076,157)	(2,171,972)	(809,474)	(47,673,845)	(710,386)	-	(53,745,332)
Carrying amount	**1,505,260**	**1,391,856**	**1,816,591**	**376,723**	**71,740**	**66,370,212**	**160,629**	**2,017,784**	**73,710,795**
Year ended 30 September 2023									
Opening carrying amount	1,505,260	1,391,856	1,816,591	376,723	71,740	66,370,212	160,629	2,017,784	73,710,795
Disposals at cost	-	-	-	(515,759)	-	(1,394,751)	-	-	(1,910,510)
Additions	-	-	157,490	142,620	143,147	2,453,571	105,004	1,353,171	4,355,003
Disposals – accumulated depreciation	-	-	-	515,759	-	1,309,037	-	-	1,824,796
Depreciation	-	(175,814)	(174,419)	(152,491)	(86,764)	(6,301,547)	(124,343)	-	(7,015,378)
Closing carrying amount	**1,505,260**	**1,216,042**	**1,799,662**	**366,852**	**128,123**	**62,436,522**	**141,291**	**3,370,953**	**70,964,707**
At 30 September 2023									
Cost	1,505,260	2,695,354	3,050,238	-	1,024,361	115,102,877	976,019	3,370,955	129,900,620
Accumulated depreciation	-	(1,479,312)	(1,250,576)	-	(896,238)	(52,666,354)	(834,729)	-	(58,935,913)
Closing carrying amount	**1,505,260**	**1,216,042**	**1,799,662**	**366,852**	**366,852**	**62,436,523**	**141,290**	**3,370,955**	**70,964,707**

Property, plant and equipment pledged as security is as disclosed on note 18.

10. Property, plant and equipment (Continued)

	Land RWF'000	Road Works RWF'000	Buildings RWF'000	Motor Vehicles RWF'000	Computer equipment RWF'000	Plant & Machinery RWF'000	Office furniture & equipmennt RWF'000	Work in progress RWF'000	Total RWF'000
At 1 October 2022									
Cost	1,544,857	2,695,354	2,774,710	2,341,992	820,827	112,356,334	872,469	1,242,580	124,649,123
Accumulated depreciation	-	(1,127,686)	(911,925)	(2,022,503)	(744,332)	(41,603,000)	(561,654)	-	(46,971,100)
Carrying amount	**1,544,857**	**1,567,668**	**1,862,785**	**319,489**	**76,495**	**70,753,334**	**310,815**	**1,242,580**	**77,678,023**
Year ended 30 September 2022									
Opening carrying amount	1,544,857	1,567,668	1,862,786	319,489	76,495	70,753,333	310,816	1,242,580	77,678,023
Disposals at cost	(39,597)	-	-	-	(7,450)	(154,924)	(1,947)	-	(203,918)
Additions	-	-	118,038	206,703	67,837	1,505,956	492	1,111,896	3,010,922
Transfers from work in progress	-	-	-	-	-	336,692	-	(336,692)	-
Disposals – accumulated depreciation	-	-	-	-	7,400	58,048	1,948	-	67,396
Depreciation		(175,813)	(164,233)	(149,469)	(72,542)	(6,128,893)	(150,678)	-	(6,841,628)
Closing carrying amount	**1,505,260**	**1,391,856**	**1,816,591**	**376,723**	**71,740**	**66,370,212**	**160,630**	**2,017,784**	**73,710,795**
At 30 September 2022									
Cost	1,505,206	2,695,354	2,892,748	2,548,695	881,214	114,044,057	871,015	2,017,784	127,456,127
Accumulated depreciation	-	(1,303,498)	(1,076,157)	(2,171,972)	(809,474)	(47,673,845)	(710,386)	-	(53,745,332)
Closing carrying amount	**1,505,206**	**1,391,856**	**1,816,591**	**376,723**	**71,740**	**66,370,212**	**160,629**	**2,017,784**	**73,710,795**

Property, plant and equipment pledged as security is as disclosed on note 18.

10. Property, plant and equipment (continued)

	2023 RWF'000	2022 RWF'000
Work in progress		
Cement silos being setup at distribution centres	47,883	140,000
GITESI site limestone exploration	24,323	24,323
Land compensation near MASHYUZA quarry	17,794	17,794
Critical spares	3,061,971	1,632,000
MASHYUZA quarry fencing	65,000	162,616
Equipment being installed at the plant site (IKN Cooler project)	117,725	–
Others	36,259	41,051
	3,370,955	**2,017,784**

Road works

In 2013, the Company entered into a MoU with the Government of Rwanda to tarmac a section of access road of about 10.47km leading to the company's plant in Bugarama. In the MOU, the Government of Rwanda contributed 60% while CIMERWA contributed 40% of the cost that was required to tarmac the road. The road was completed and commissioned in September 2015.

The 40% cost spent by CIMERWA amounting to RWF 2.7 billion was capitalised under Property Plant, and Equipment in CIMERWA's books of accounts. This cost is then being depreciated over the lower of the useful life of the road (15 years) or the useful life of CIMERWA's plant (14 years). For the year ended 30 September 2023, the net book value of this asset was RWF 1.2 billion (2022: RWF 1.4 billion).

11 (a) Intangible assets (software licences)

	2023 RWF'000	2022 RWF'000
At start of year	292,525	292,525
Additions	445,692	-
	738,217	**292,525**
Amortisation		
At start of year	(172,303)	(134,698)
Charge for the year	(34,430)	(37,606)
At end of year	**(206,733)**	**(172,304)**
Net book value	**531,484**	**120,221**

11 (b) Intangible assets (Mineral rights)

	2023 RWF'000	2022 RWF'000
At start of year	725,737	681,168
Change in estimate	4,077	44,569
At end of the year	**729,814**	**725,737**

	2023 RWF'000	2022 RWF'000
Amortisation		
At start of year	(277,506)	(213,833)
Charge for the year	(100,234)	(63,673)
At end of year	**(377,740)**	**(277,506)**
Net book value	**352,074**	**448,231**
Total intangible assets (a + b)	**883,558**	**568,452**

12. Inventories

	2023 RWF'000	2022 RWF'000
Maintenance spare parts*	9,196,263	9,329,317
Semi-finished goods	1,218,121	2,395,413
Fuel oil	184,210	285,798
Coal	1,999,473	1,459,526
Raw materials	979,432	1,309,082
Finished goods	47,379	13,239
Paper bags	523,655	741,288
Other consumables	1,603,569	729,523
Provision for inventories	(1,449,370)	(1,233,815)
	14,302,732	**15,029,371**

* Maintenance spare parts relate to servicing equipment that are consumed in rendering maintenance services.

During the year, expensed inventory amounted to RWF 40,518 million (2022: RWF 47,185 million) for inventories. This is recognised in cost of sales.

The movement on provision for inventories during the year is as follows:

	2023 RWF'000	2022 RWF'000
At 1 October	1,233,815	1,059,868
Additional provisions during the year	215,555	173,947
At 30 September	**1,449,370**	**1,233,815**

13. (a) Trade and other receivables

	2023 RWF'000	2022 RWF'000
Trade receivables (i)	4,077	44,569
Less: loss allowance (Note 13 b)	729,814	725,737
Net trade receivables	**1,587,924**	**1,639,912**
Prepayments *	6,701,607	4,418,305
Advances to related parties (Note 19)	-	47,344
Other receivables	13,318	7,261
Total prepayments and other receivables	**6,714,925**	**4,472,910**
	8,302,849	**6,112,822**

(i) Ageing of trade receivables

Category	Debtors Balance RWF' 000	Average of unpaid ageing days	Average of tipping point	Average of headroom	% of total debtors
Distributors	146,164	5	90	85	8%
Construction customers	1,533,908	25	90	65	82%
Government related	190,785	53	120	67	10%
Total	**1,870,857**				**100%**

* Prepayments at 30 September 2023 included amounts of RWF 4,040 million (2022: RWF 3,961 million) relating to advance payments for cooler upgrade and raw mill fan replacement.

13. (b) Loss allowance on trade & other receivables

	2023 RWF'000	2022 RWF'000
Opening loss allowance as at 1 October	410,224	340,840
Decrease in allowance for the year	(127,291)	-
Increase in allowance for the year	-	69,384
Increase in allowance for the year	**282,933**	**410,224**

The closing loss allowances for trade receivables as at 30 September 2023 and 30 September 2022 reconcile to the opening loss allowances as set out above.

14. Cash and cash equivalents

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

	2023 RWF'000	2022 RWF'000
Cash at bank	17,927,041	20,094,434
Less: loss allowance	(329,667)	(35,760)
Cash in hand	538	441
	17,597,912	**20,059,115**

The closing loss allowances for cash balances as at 30 September 2023 reconcile to the opening loss allowances as set out below.

	2023 RWF'000	2022 RWF'000
Opening loss allowance as at 1 October	35,760	49,076
Increase/(decrease) in loss allowance during the year	293,907	(13,316)
	329,667	**35,760**

15. Share capital

	Number of shares '000	Ordinary share capital RWF'000	Share premium RWF'000
Ordinary shares each with a par value of RWF 50 at 1 October 2022, 30 September 2022 and 30 September 2023	**703,220**	**35,160,976**	**22,251,408**

The total authorised and issued number of ordinary shares is 703,219,520 (2022: 703,219,520) with a par value of RWF 50 per share. All issued shares are paid up. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Share premium.
Share premium of RWF 22,251,408,000 (2022: RWF 22,251,408,000) arose when the shares of the Company were issued at a price higher than the nominal (par) value.

Retained earnings:
This comprises brought forward profits, less any dividends, plus current year profit.

Earnings per share

	2023 RWF'000	2022 RWF'000
Profit for the year attributable to equity shareholders — RWF'000	15,615,600	13,174,866
Weighted average number of shares – '000	703,220	703,220

Earnings per share:		
Basic earnings per share — RWF	22.21	18.74
Diluted earnings per share — RWF	22.21	18.74

As at 30 September 2023, the Company did not have any potential ordinary shares. As a result, earnings per share is based on the Company's profit after income tax divided by the number of shares in issue during the year for each of the presented years.

16. Deferred tax liabilities

Deferred tax liabilities are calculated using the enacted income tax rate applicable to a listed entity of 20% (2023: 20%) within the first 5 years of initial listing. The movement on the deferred income tax account is as follows:

	2023 RWF'000	2022 RWF'000
At start of year	6,112,163	2,836,423
(Credit)/ charge to profit and loss account (Note 9)	(197,341)	3,275,740
At end of year	**5,914,822**	**6,112,163**

Deferred income tax assets and deferred income tax credit in the statement of comprehensive income (SOCI), are attributable to the following items:

	1 October 2022 RWF'000	Charged / (credited) to P&L RWF'000	30 September 2023 RWF'000
Year ended 30 September 2023			
Deferred income tax liabilities			
Property, plant and equipment:			
• On a historical cost basis	6,770,686	(106,969)	6,663,717
Deferred income tax assets			
Provisions	(658,523)	(90,372)	(748,895)
Net deferred income tax liability	**6,112,163**	**(197,341)**	**5,914,822**

	1 October 2021 RWF'000	Charged / (credited) to P&L RWF'000	30 September 2022 RWF'000
Year ended 30 September 2022			
Deferred income tax liabilities			
Property, plant and equipment:			
• On a historical cost basis	7,289,913	(519,227)	6,770,686
Deferred income tax assets			
Tax losses carried forward	(3,971,497)	3,971,497	-
Provisions	(481,992)	(176,530)	(658,523)
Net deferred income tax liability	**2,836,424**	**3,275,740**	**6,112,163**

17 (a) Trade and other payables

Deferred tax liabilities are calculated using the enacted income tax rate applicable to a listed entity of 20% (2023: 20%) within the first 5 years of initial listing. The movement on the deferred income tax account is as follows:

	2023 RWF'000	2022 RWF'000
Trade payables	5,089,988	6,838,390
Amounts due to plant contractors	-	102,243
Customer deposits	1,164,566	694,768
Statutory liabilities	1,325,783	1,230,955
Accrued expenses	1,046,777	862,495
Other payables *	615,018	883,647
Provisions 17 (b)	1,704,239	1,587,335
	10,946,369	**10,946,369**

The carrying amount for trade and other payables approximate to their fair value.

*Other payables relate to deferred revenue of RWF 295 million (2022: RWF 192 million), cash guarantee deposited of RWF 300 million (2022: RWF 300 million), and the rest which are employee liabilities.

17. (b) Provisions

	2023 RWF'000	2022 RWF'000
Leave pay accrual (i)	400,300	375,205
Provision for litigations (ii)	-	6,421
Bonus accrual (iii)	1,303,939	1,205,709
	1,704,239	**1,587,335**

(i) Leave pay accrual

	2023 RWF'000	2022 RWF'000
At 1 October	375,205	470,893
Addition / (reduction) in provisions during the year	142,096	(67,005)
Releases of provisions during the year	(117,001)	(28,683)
	400,300	**375,205**

(ii) Provision for litigations

	2023 RWF'000	2022 RWF'000
At 1 October	6,421	45,867
Additional provisions during the year	-	6,421
Releases of provisions during the year	(6,421)	(45,867)
	-	**6,421**

17. (b) Provisions (Continued)

iii) Bonus accrual

	2023 RWF'000	2022 RWF'000
At 1 October	1,205,709	449,686
Additional provisions during the year	1,304,226	1,205,709
Releases of provisions during the year	(1,205,996)	(449,686)
	1,303,939	**1,205,709**

18. Loans and borrowings(a)

	2023 RWF'000	2022 RWF'000
Non-current	-	10,526,547
Current	10,697,542	10,653,606
Total loans and borrowings	**10,697,542**	**21,180,153**

The bank loans are a syndicated loan facility denominated in Rwanda Francs. The facility was fully drawn down in 2015.

The currency and interest rates under each participating bank are as follows:

	Currency	Interest rate p. a	2023 RWF'000	2022 RWF'000
Ecobank Rwanda Limited	RWF	13.5%	809,504	1,585,002
Ecobank Rwanda Limited	RWF	12.8%	1,266,208	2,645,382
Equity Bank Rwanda Plc	RWF	13.5%	5,161,163	10,150,075
Access Bank Rwanda Plc	RWF	12.0%	1,780,367	3,510,132
NCBA Bank Rwanda Plc	RWF	13.5%	1,680,300	3,289,562
			10,697,542	**21,180,153**

The movement for loans from financial institutions as below:

	2023 RWF'000	2022 RWF'000
Long term loan		
As at 1 October	21,180,153	32,250,694
Principal repaid	(10,653,607)	(14,312,402)
Interest expense	2,372,494	4,105,688
Interest repaid	(2,201,498)	(4,105,688)
Foreign exchange losses	-	241,861
Closing Balance	**10,697,542**	**21,180,153**

18. (a) Loans and borrowings (Continued)

Repayments of principal for the syndicated loan commenced in March 2016. The loan is payable by August 2024. There were no defaults on interest and capital repayments during the year (2023: None).

The carrying amount of the borrowings approximates to their fair values since the interest payable on the borrowings is close to current market rates. Repayments of principal for the syndicated loan commenced in March 2016. The loan is payable by August 2024. There were no defaults on interest and capital repayments during the year (2023: None). The carrying amount of the borrowings approximates to their fair values since the interest payable on the borrowings is close to current market rates. The effective interest rates for the borrowings were 13.5% for the Rwandan Francs loans. The Company does not have any exposure at the reporting date for the US Dollars borrowing.

18 (b) The syndicated loan is secured by the Company's property, plant and equipment. The carrying amounts of assets pledged as security for current and non-current borrowings are:

	2023 RWF'000	2022 RWF'000
Land	1,505,260	1,505,260
Buildings	1,799,664	1,816,591
Plant and equipment and Road works	63,652,565	67,762,068
	66,957,489	**71,083,919**

The banks in the syndication also hold a debenture over the Company's business assets as collateral. The debenture expires in 2028.

Information on the applicable financial covenants is disclosed below.

18. (c) Loan covenants

Under the terms of the syndicated loan described under clause 19.1 amended and restated, the Company is required to comply with the three financial covenants whose status is as follows as at 30 September 2023:

	Threshold per loan covenant	Status as at 30 Sep 2023	Conclusion
1. Debt service coverage ratio	>1.2x	1.66x	Debt Service Coverage Ratio is within covenant threshold.
2. Net Debt to EBITDA	< 3.8x in FY22 and 3.0x in subsequent years	0.38x	Net Debts/EBITDA ratio within covenant threshold
3.Interest cover ratio	>1.5x	98x	Interest Cover Ratio is within covenant threshold

In addition to the borrowings above, I&M Bank and NCBA Plc had granted the Company the following facilities as at 30 September 2023:

Type of facility	Facility limit	
Letter of credit from I&M Bank Plc	EUR 950,149.42	These are letters of credits that were opened for supply of Raw mill fan and cooler upgrade.
Bank guarantees from NCBA Bank Plc	RWF 151,149,794	This was a performance guarantee provided for public sector tenders.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the years presented.

18. (d) Net debt

	2023 RWF'000	2022 RWF'000
Cash and cash equivalents	17,597,912	20,059,115
Borrowings	(10,697,542)	(21,180,153)
Lease liability	(60,002)	(5,521)
Net debt	**6,840,368**	**1,126,559**
Cash and cash equivalents	17,597,912	20,059,115
Gross debt - fixed interest rates	(10,757,544)	(21,185,675)
Net debt	**6,840,368**	**(1,126,559)**

	Borrowings RWF '000	Lease liability RWF '000	Cash and equivalents RWF '000	TotalRWF '000
As at 1 October 2021	(35,250,694)	(20,432)	14,288,648	(20,982,477)
Cash flows	-	14,911	5,893,445	5,908,356
Principal repaid	14,312,402	-	-	14,312,402
Interests repaid	4,105,688	-	-	4,105,688
Acquisition -leases	-	-	-	-
Foreign exchange adjustments	(241,862)	-	(122,978)	(364,840)
Other changes	(4,105,688)	-	-	(4,105,688)
At 30 September 2022	**(21,180,151)**	**(5,521)**	**20,059,115**	**(1,126,559)**
Cash flows	-	29,962	(2,461,203)	(2,431,242)
Principal repaid	10,653,607	-	-	10,653,607
Interests repaid	2,201,498	-	-	2,201,498
Acquisition -leases	-	(77,873)	-	(77,873)
Foreign exchange adjustments	-	-	-	-
Other changes	(2,372,493)	(6,570)	-	(2,379,063)
At 30 September 2023	**(10,697,542)**	**(60,002)**	**17,597,912**	**6,840,369**

Other changes include non-cash movements, including accrued interest expense which will be presented as financing cash flows in the statement of cash flows when paid.

19. Related party transactions

The Company's immediate parent company is PPC International Holdings (Pty) Ltd and the ultimate parent company and controlling party is PPC Ltd, with both companies incorporated in South Africa. There are other companies that are related to CIMERWA Plc through common shareholdings or common directorships. The following transactions were carried out with related parties:

a) Government of Rwanda

On 30 September 2023, the Government of Rwanda, through Rwanda Social Security Board and Agaciro Development Fund held a minority shareholding in the Company of 36.724% which is unchanged from prior year. As a result, Government of Rwanda controlled bodies are related parties of the Company. The Company enters transactions with many of these bodies. Transactions include the payment of taxes, principally corporate income tax, value added tax, withholding tax, employer pension contributions, and district mining levies. Directors have taken the exemption under IAS 24 not to disclose such transactions.

b) Key management compensation

Key management includes members of senior management. The compensation paid or payable to key management for employee services is shown below:

	2023 RWF'000	2022 RWF'000
Salaries and wages	1,370,024	1,136,995
Contributions to Rwanda Social Security Board	215,461	47,710
	1,585,485	**1,184,705**

c) Directors' remuneration

	2023 RWF'000	2022 RWF'000
Salaries and wages included with key management compensation above	677,431	578,868
Contributions to Rwanda Social Security Board	27,795	24,363
Sitting and other allowances	134,168	87,615
	839,394	**690,846**

Remuneration for the directors who served during the year was as follows:

	2023 RWF'000	2022 RWF'000
Non-Executive Directors	134,168	87,615
Executive Directors	705,226	603,231
	839,394	**690,846**

The unremunerated directors relate to directors appointed by the controlling party, PPC Ltd. They were remunerated by PPC Ltd for their services.

19. Related party transactions (Continued)

d) Purchase of services from parent company

	2023 RWF'000	2022 RWF'000
Management and technical support fees	648,837	461,631
Cost recoveries	223,590	174,648
VAT reverse charge	152,629	243,268
	1,025,056	**879,547**

* The Company's parent company, PPC Limited, provides technical and management services to the Company on an arm's-length basis. The compensation for these services is determined by increasing the operating costs incurred by PPC Limited in rendering the services by a mark-up of six percent (6%). However, the Provider's annual remuneration for both services is capped to a maximum of 1% of the Company's annual turnover.

e) Purchase of goods and services

	2023 RWF'000	2022 RWF'000
Insurance premiums to SONARWA	140,158	144,072
Purchases of peat from Rwanda Energy Company Limited	*1,078,614	568,668
	1,218,772	**712,740**

*Rwanda Energy Company Limited is a subsidiary of Rwanda Investment Group Limited (RIG), which is a shareholder of the Company.

f) Amounts due to related parties arising from purchase of goods/services

	2023 RWF'000	2022 RWF'000
Amounts due to parent company	225,136	653,059
	225,136	**653,059**

g) Amounts due from related parties arising from purchase of goods/services

	2023 RWF'000	2022 RWF'000
AGACIRO Development Fund (recoverable listing fees)	-	**47,344
	-	**47,344**

**The amounts due from related parties relate to Rwanda Stock Exchange listing fees which were paid by the Company and are reimbursable from the respective shareholders that floated their shares.The amounts due to and due from related parties occur in the normal course of business. They are interest and collateral free and are payable on demand. Payment terms are 30 days from the date of the invoice.

20 (a) Rehabilitation and decommissioning provisions

	2023 RWF'000	2022 RWF'000
	209,052	192,360
Provision for mine decommissioning	**209,052**	**192,360**
The movement in the provision is as follows.		
At 1 October	192,360	149,329
Remeasurement impact during the year	4,078	44,570
Unwinding of discount	12,614	(1,539)
	209,052	**192,360**

Estimating the provision for mine decommissioning is complex as most of the obligations will only be fulfilled sometime in the future and the provisions are influenced by changing regulations and technologies, life of mine, and political, environmental, safety, business and statutory considerations in Rwanda. The Companies is required to restore mining and processing sites at the end of their productive lives to an acceptable condition consistent with local regulations and in line with Company policy.

20 (b) Environmental Guarantee

Legislative requirements in Rwanda require the Company to issue a guarantee for environmental rehabilitation of the mining site. The Company has secured the guarantee of RWF 8,710,000, which is disclosed as an environmental guarantee on the statement of financial position. This guarantee will be refunded to CIMERWA after performing required mines rehabilitation at the end of mine life.
The estimation of the costs to remediate the mining site and affected processing site as well as the determination of the other key inputs as disclosed in note 23 have been based, where possible, on external independent third-party information. The determination of the risk-free discount rate has been based, where available, on long dated government risk-free bond rates for securities issued in Rwanda, factoring in the life of the mine, for the purposes of determining the present value of the future estimated cash flows.

20 (c) Restricted Cash

	2023 RWF'000	2022 RWF'000
At start of year	-	-
Restricted cash-cash Guarantee	151,150	-
	151,150	**-**

The restricted cash relates to funds held by the Bank as security for a performance guarantee issued on behalf of CIMERWA Plc for cement supply contract with public sector entities. The restricted cash is held in NCBA Bank Rwanda Plc Rwanda Plc

21. Leases

This note provides information for leases where the Company is a lessee.

(a) Amounts shown in the statement of financial position.

The statement of financial position shows the following amounts related to leases:

	2023 RWF'000	2022 RWF'000
Right of use asset: Building	60,073	4,509
	60,073	**4,509**

Building

	2023 RWF'000	2022 RWF'000
Cost:		
At start of year	40,575	40,575
Additional to right of use asset	77,873	-
Disposal	(40,575)	-
At the end of the year	**77,873**	**40,575**

Amortisation:

	2023 RWF'000	2022 RWF'000
At start of year	(36,067)	(22,542)
Charge for the year	(22,308)	(13,524)
Derecognition of right of use asset	40,575	-
At end of year	**(17,800)**	**(36,066)**
Net carrying value	**60,073**	**4,509**

(b) Lease liabilities are presented in the Statement of financial position as follows.

Lease liability as at 1 October

	2023 RWF'000	2022 RWF'000
Lease liability as at 1 October	5,521	20,432
Additional lease	77,872	-
Lease interest	6,570	2,208
Payment of lease liabilities	(29,962)	(17,119)
	60,002	**5,521**

Lease liability

	2023 RWF'000	2022 RWF'000
Current liability	26,950	5,521
Non-current liability	33,052	-
	60,002	**5,521**

21. Leases(continued)

(c) Amounts recognised in the statement of profit or loss

The statement of financial position shows the following amounts related to leases:

	2023 RWF'000	2022 RWF'000
Depreciation charge of right of use asset (building)	13,291	13,524
Interest expense (included in finance costs)	6,570	2,207
	19,861	**15,731**

The total cash outflow for leases in 2023 was RWF 29.9 million (2022: RWF 17.1 million) (including principal elements of lease payments of RWF 23.3 million (2022: RWF 14.9 million) and 6.57 million (2022: RWF 2.2 million) of interest expense. For the purposes of the statement of cash flows, acquisition of right of use assets are a noncash investing activity.

(d) The Company's leasing activities and how these are accounted for

The Company leases one residential building. The rental contract is fixed for one year but has extension options. The contract only contains lease components, and there are no non-lease components.

22 (a) Financial risk management objectives and policies

The Company's risk exposure to financial risk and how that is managed are set out below.

Risk	Exposure arising from	Measurement	Managemenent
Market risk – foreign exchange	• Future commercial transactions • Recognized financial assets and liabilities not denominated in Rwanda Francs	• Cash flow forecasting • Sensitivity analysis	Holding foreign currency bank accounts which act as a natural hedge for foreign denominated purchases
Market risk – interest rate	Long term borrowings at variable and fixed rates	Sensitivity analysis	Entering into a combination of fixed and variable interest rate borrowings
Credit risk	• Cash at bank • Trade and other receivables	Aging analysis	• Diversification of bank deposits • Restriction of credit trading terms
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

Financial risks are managed by the finance department in accordance with policies set out by the Board of Directors.

22 (a) Financial risk management objectives and policies (continued)

Market risk

(i) Foreign exchange risk

Exposure

The Company's exposure to foreign currency risk at the end of the reporting period, expressed in Rwanda francs, was as follows:

US Dollars:

	2023 RWF'000	2022 RWF'000
Assets		
Cash at bank and on hand	7,346,702	11,500,203
	7,346,702	**11,500,203**
Liabilities		
Trade and other payables	(1,200,050)	(2,645,285)
	(1,200,050)	**(2,645,285)**
Net position	**6,146,652**	**8,854,918**

Sensitivity

At 30 September 2023, if the Rwandan Franc had weakened/strengthened by 10 % against the foreign currencies with all other variables remaining constant, post-tax profit or loss for the year would have been RWF 597 million (2022: RWF 1,469 million) lower/ higher, mainly as a result of foreign currency denominated trade payables and bank balances.

(ii) Cash flow and fair value interest rate risk

The Company's main interest rate risk would arise from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. The borrowings were specifically taken to finance the new cement plant construction. Only fixed interest rates are applied to the current borrowings which makes it easy to manage the cash flow. The Company's fixed rate borrowings and receivables are carried at amortized cost. They are therefore not subject to interest rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure of the Company's borrowings to interest rate changes and the contractual re-pricing dates of the borrowings at the end of the reporting period are as follows:

	2023 RWF'000	% of total loans	2022	% of total loans
Fixed rate borrowings - maturity dates				
Less than 1 year	10,697,542	100%	10,653,607	50.3%
1 - 5 years	-	0%	10,526,546	49.7%
	10,697,542	**100%**	**21,180,153**	**100%**

As at 30 September 2023, the company had no variable interest rate borrowings.

22 (a) Financial risk management objectives and policies (continued)

Credit risk

Credit risk is managed on a Company basis. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables. The Company does not have any significant concentrations of credit risk. The Company credit controller assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

(i) Risk Management

The Company has policies in place to ensure that contracts are entered into with customers with appropriate credit history and that its financial interests are contractually safeguarded at the time of engagement.
Balances are reviewed monthly and appropriate follow up is carried out by the credit control unit, Finance Director, Commercial and eventually escalated to the Executive management for possible dunning or legal action.

(ii) Security

For some trade receivables the Company may obtain security in the form of bank guarantees, letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

(iii) Impairment of financial assets

The amount that best represents the Company's maximum exposure to credit risk at 30 September is made up as follows:

	2022	% of total loans
Cash at bank	17,597,912	20,058,674
Trade receivables	1,587,925	1,639,912
Amounts due from related parties	-	47,344
Other receivables	13,318	7,261
	19,199,155	**21,753,191**

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due	Total
Gross carrying amount -Distributors	79,630	7,490	15,890	17,800	25,353	146,163
Less: customers with bank guarantees	(79,630)	(7,490)	(15,890)	(10,800)	(7,490)	(121,300)
Net receivables	-	-	-	7,000	17,863	24,863
Expected loss rate	0%	0%	0%	100%	100%	
Loss allowance	-	-	-	**7,000**	**17,863**	**24,863**

22 (a) Financial risk management objectives and policies (continued)

Credit risk (continued)

30 September 2023 (RWF'000)	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due	Total
Gross carrying amount – Construction	1,227,402	108,505	5,129	10,187	182,685	1,533,908
Less customers with bank guarantees	(848,287)	(25,435)	–	(10,187)	(25,461)	(909,370)
Net receivables	379,115	83,070	5,129	–	157,224	624,538
Expected loss rate	0.83%	6.11%	29.60%	0%	100%	–
Loss allowance	**10,209**	**6,625**	**1,518**	**-**	**157,225**	**175,577**

30 September 2023 (RWF'000)	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due	Total
Gross carrying amount – Government and related entities	134,184	-	–	2,396	54,205	190,785
Less customers with bank guarantees	-	-	-	–	-	-
Net receivables	**134,184**	–	-	**2,396**	**54,205**	**190,785**
Expected loss rate	20%	0%	0%	42%	100%	
Loss allowance	**27,291**	**-**	**-**	**997**	**54,205**	**82,493**

30 September 2022 (RWF'000)	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due	Total
Gross amount-Distributors	124,418	36,081	-	13,579	26,368	200,446
Less customers with bank guarantees	(114,320)	(27,080)	-	-	-	(141,400)
Net receivables	**10,098**	**9,001**	**-**	**13,579**	**26,368**	**59,046**
Expected loss rate	0.2%	0%	0.0%	1%	100.0%	
Loss allowance	**302**	**-**	**-**	**140**	**26,368**	**26,810**

30 September 2022 (RWF'000)	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due	Total
Gross carrying amount-Construction	1,110,207	318,375	-	8,862	152,740	1,590,184
Less customers with bank guarantees	(832,937)	(303,220)	-	(4,378)	-	(1,140,535)
Net receivables	**277,270**	**15,155**	**-**	**4,484**	**152,740**	**449,649**
Expected loss rate	1.30%	1.52%	0.0%	53.6%	100.0%	
Loss allowance	**14,463**	**4,830**	**-**	**4,752**	**152,740**	**176,785**

22 (a) Financial risk management objectives and policies (continued)

Credit risk (continued)

30 September 2022 (RWF'000)	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due	Total
Gross amount-Distributors	44,668	12,618	7,578	959	193,682	259,505
Less customers with bank guarantees	-	-	-	-	-	-
Net receivables	**44,668**	**12,618**	**7,578**	**959**	**193,682**	**259,505**
Expected loss rate	11%	42%	31%	33%	100%	
Loss allowance	**5,069**	**5,245**	**2,313**	**318**	**193,682**	**206,627**

The analysis above excludes customers for whom specific provisions were made.

30 September 2023 (RWF'000)	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due	Total
Gross carrying amount	1,441,216	115,995	21,019	30,383	262,244	1,870,857
Provisions made	(37,500)	(6,625)	(1,517)	(7,997)	(229,293)	(282,932)
Net receivables after provisions	**1,403,716**	**109,370**	**19,502**	**22,386**	**32,951**	**1,587,925**

30 September 2023 (RWF'000)	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	More than 120 days past due	Total
Gross carrying amount	1,279,293	367,075	7,578	23,400	372,790	2,050,136
Provisions made	(19,834)	(10,076)	(2,314)	(5,210)	(372,790)	(410,224)
Net receivables after provisions	**1,259,459**	**356,999**	**5,264**	**18,190**	-	**1,639,912**

The closing loss allowances for trade receivables as at each period end reconcile to the opening loss allowances as follows:

	2023 RWF'000	2022 RWF'000
Opening loss allowance as at 1 October	410,224	340,840
Impairment (reversal) /losses during the year (note 13)	(127,291)	69,384
	282,933	**410,224**

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the company, and a failure to make contractual payments for a period greater than 120 days past due.

Impairment losses on trade and other receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item

22 (a) Financial risk management objectives and policies (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities. The finance department maintains flexibility in funding by maintaining availability under committed credit lines.

Management perform cash flow forecasting and monitor rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet its operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities & proactively managing positions where there is a breach.

The Company's approach when managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below analyses the Company's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

30 September 2023	Less than 1 year RWF'000	2-3 years RWF'000	4- 5 years RWF'000	More than 5 years RWF'000	Total
Trade payables	5,089,988	-	-	-	5,089,988
Amounts due to plant contractors	-	-	-	-	-
Customer deposits	1,164,566	-	-	-	1,164,566
Other payables	615,017	-	-	-	615,017
Lease obligations	26,950	33,052	-	-	60,002
Due to related parties	225,136	-	-	-	225,136
Interest bearing borrowings	10,697,542	-	-	-	10,697,542
	17,819,199	**33,052**	-	-	**17,852,251**

At 30 September 2022	Less than 1 year RWF'000	2-3 years RWF'000	4- 5 years RWF'000	More than 5 years RWF'000	Total
Trade payables	6,838,390	-	-	-	6,838,390
Amounts due to plant contractors	102,243	-	-	-	102,243
Customer deposits	694,768	-	-	-	694,768
Other payables	883,648	-	-	-	883,648
Lease obligations	6,255	-	-	-	6,255
Due to related parties	653,059	-	-	-	653,059
Interest bearing borrowings	12,855,105	11,578,012	-	-	24,433,117
	22,033,468	**11,578,012**			**33,611,480**

22 (a) Financial risk management objectives and policies (continued)

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may limit the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt. The capital structure of the Company consists of debt, which includes the borrowings disclosed in note 18, cash and cash equivalents as disclosed in note 14, and equity attributable to shareholders, comprising stated capital, reserves and retained earnings. Capital risk management is carried out in accordance with the Company's policy.

The capital structure of the Company is regularly reviewed by Executive Management as well as the Board on a regular basis. As part of this review, the cost of capital and the risks associated with each class of capital are considered. Based on the recommendations, the Company balances its overall capital structure through issues of equity instruments, dividend cover reviews, and the issue of new debt or redemption of existing debt. During the year, the Company's strategy, which remained unchanged from 2023, was to maintain a gearing ratio within 40%. The gearing ratios at 30 September 2023 and 30 September 2022 are shown below. The ratio as at 30 September 2023 has significantly reduced as the loan is progressively repaid and cash increasing year on year.

	2023 RWF'000	2022 RWF'000
Net Cash/(Debt)	6,840,368	(1,091,240)
Total equity	79,989,946	74,874,346
Net Cash/(Debt) to equity ratio	**8.6%**	**(1.5%)**

22 (b) Financial instruments by category

Financial assets at amortised cost

	2023 RWF'000	2022 RWF'000
Environmental guarantee	8,710	8,710
Restricted cash	151,150	-
Trade receivables	1,587,924	1,639,912
Advances to related parties	-	7,261
Other receivables	164,468	47,344
Cash at bank	17,597,912	20,059,115
	19,510,164	**21,762,342**

Financial liabilities at amortised cost

	2023 RWF'000	2022 RWF'000
Trade payables	5,089,988	6,838,390
Amounts due to plant contractors	-	102,243
Customer deposits	1,164,566	694,768
Other payables	555,014	883,649
Intercompany payables	225,136	653,059
Borrowings	10,697,542	21,180,153
Lease liability	60,002	5,521
	17,792,248	**30,357,783**

22 (a) Financial risk management objectives and policies (continued)

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Company determines fair values using other valuation techniques.
For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Valuation models

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: inputs other than quoted prices included within

Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices).

This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments. Valuation techniques include net present value and discounted cash flow models, and comparison with similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

Valuation hierarchy

The valuation hierarchy, and types of instruments classified into each level within that hierarchy, is set out below:

	Level 1	Level 2	Level 3
Fair value determined using	Unadjusted quoted prices in an active market for identical assets and liabilities	Valuation models with directly or indirectly market observable inputs	Valuation models using significant non-market observable inputs
Types of financial assets	Actively traded government and other agency securities Listed derivative instruments Listed equities	Corporate and other government bonds and loans Over the counter (OTC) derivatives	Highly structured OTC derivatives with unobservable parameters. Corporate bonds in illiquid markets.
Types of financial liabilities	Listed derivative instruments	Over the counter (OTC) derivatives	Highly structured OTC derivatives with unobservable parameters

The fair value of financial assets and liabilities together with the carrying value shown in the statement of financial position are analysed as follows:

30 September 2022 (RWF'000)	Level 1 RWF'000	Level 2 RWF'000	Level 3 RWF'000	Total RWF'000
Financial assets				
Trade and other receivables	-	8,302,849	-	8,302,849
Cash and cash equivalents	-	17,597,912	-	17,597,912
Restricted Cash	-	151,150	-	151,150
	-	**26,051,911**	-	**26,051,911**

22 (c) Fair value of financial instruments (continued)

Valuation hierarchy (continued)

30 September 2022 (RWF'000)	Level 1 RWF'000	Level 2 RWF'000	Level 3 RWF'000	Total RWF'000
Financial liabilities				
Trade and other payables	-	10,946,369	-	10,946,369
Loans and borrowings	-	10,697,542	-	10,697,542
Amounts due to related parties	-	225,136	-	225,136
	-	**21,869,047**	-	**21,869,047**

30 September 2022 (RWF'000)	Level 1 RWF'000	Level 2 RWF'000	Level 3 RWF'000	Total RWF'000
Financial assets				
Trade and other receivables		6,112,822		6,112,822
Cash and cash equivalents	-	20,059,115	-	20,059,115
Restricted Cash	-	-	-	-
	-	**26,171,937**	-	**26,171,937**

30 September 2022 (RWF'000)	Level 1 RWF'000	Level 2 RWF'000	Level 3 RWF'000	Total RWF'000
Financial liabilities				
Trade and other payables		12,199,833		12,199,833
Loans and borrowings	-	10,653,606	-	10,653,606
Amounts due to related parties	-	653,059	-	653,059
	-	**23,506,498**	-	**23,506,498**

23 Critical accounting estimated and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Directors also need to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements.

Deferred income tax asset

Deferred income tax asset relating to unused tax loss carry-forwards and to deductible temporary differences are recognised if it is probable that they can be offset against future taxable profits or existing temporary differences. As at 30 September 2023, the Company had fully utilised it's tax losses brought forward from prior years, and thus no deferred tax asset on tax losses recognised. Deferred income tax assets on temporary differences totalling RWF 11 million were recognized. (2022: RWF 405 million arising from both tax losses and other temporary differences under the Rwandan Income Tax Act).

Current income tax

Current tax is the expected tax payable or receivable on the taxable income for the year using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. As at 30 September 2023, the Company has recognised current income tax payable totalling RWF 4,162 million arising from adjusted taxable profit after utilisation of prior period brought forward tax losses.

(iii) Assessing the recoverable amount of the cash generating unit (CGU)

At 30 September 2023, the Company's net investment in property, plant and equipment amounted to RWF 70,965 million (2022: RWF 73,710 million), details of which are set out in note 10 to the financial statements.

Impairment assessments of individual material assets, especially the cement plant, were undertaken for the 2023 financial year. The Company has been considered as one cash generating unit for the purposes of the impairment review. The value in use of the CGU was determined to be RWF 88,189 million as at 30 September 2023. The directors have made the following significant assumptions in assessing the expected cash flows to be generated by the cement plant over the next 14 years:

Limestone reserves of 7.06 megatons, resulting in an estimated remaining life of mine of 14 years based on estimated average 0.52 megatons of limestone mined per annum. Weighted average cost of capital of 19.26%.
Expected sales volumes growth of 2% per annum;
Expected cost inflation of 5% per annum.

Sensitivity analysis

If the estimated limestone reserves were higher/lower by 100,000 tonnes, holding all other factors constant, there would be no impairment provision recognised to the profit or loss account.

If the weighted average cost of capital was higher/lower by 5%, holding all other factors constant, there would be no impairment provision recognised to income statement.

If the expected sales volume growth was 5% higher, holding all other factors constant, there would be no impairment provision recognised to income statement.

If the expected sales volume growth was 5% lower, holding all other factors constant, there would be no impairment provision recognised to income statement.

If the expected cost inflation was 5% higher, holding all other factors constant, there would be no impairment provision recognised to income statement.

Decommissioning and rehabilitation provisions

As part of the identification and measurement of assets and liabilities, the Company has recognized a provision for environmental obligations associated with the limestone quarry. In determining the carrying value of the provision, assumptions and estimates are made in relation to revision of discount rates,
updated environmental cost estimates, changes to lives of operations, new disturbances and the expected timing of those costs. Estimating the future costs of these obligations is complex as most of the obligations will only be fulfilled in the future. Furthermore, the resulting provisions and assets are influenced by changing technology and regulations, life of mine, environmental, safety, business and statutory considerations. Refer note 20 for the carrying amount of the decommissioning provision. Significant estimates made by the directors include;

- Inflation rate of 5%
- Risk free discount rate of 12.89%
- Remaining life of mine (including inferred/indicated reserves of 1.6mt) of 14 years

23 Critical accounting estimated and judgements (continued)

Decommissioning and rehabilitation provisions

The estimation of the costs to remedy the mining quarry have been based on external consultants hired by the Company to carry out an estimate of these costs. The risk-free rate was obtained by using the National Bank of Rwanda yield curve for long term government bonds.

If the inflation rate was higher/lower by 1%, holding all other factors constant, the provision recognised in the balance sheet would be higher/lower by RWF 16.9 million and RWF 15.8 million respectively, and the related interest expense due to the unwinding of the discount would be higher/lower by RWF 1.1 million.

If the risk free discount rate was higher/lower by 1%, holding all other factors constant, the provision recognised in the balance sheet would be lower/higher by RWF 21 million and RWF 24million respectively, and the related interest expense due to the unwinding of the discount would be lower/higher by RWF 1.815 million.
If the life of mine was higher/lower by one (1) year, holding all other factors constant, the provision recognised in the balance sheet would be lower/higher by RWF 9 million, and the related interest expense due to the unwinding of the discount would be lower/higher by RWF 0.30 million.

Additionally, local environmental regulations require the Company to issue a guarantee for environmental rehabilitation. The Company deposited a guarantee of RWF 8.7 million to FONERWA Rwanda Green Fund in 2019 to meet this requirement.

Expected credit losses on financial assets.

IFRS 9 requires impairments to be determined based on an expected credit loss (ECL) model for financial assets carried at amortised cost or fair value through other comprehensive income. The Company recognises an allowance for either 12-month or lifetime ECLs, depending on whether there has been a significant increase in credit risk. The Company measures the ECLs in a manner which reflects a probability-weighted outcome, the time value of money and the entity's best available forward-looking information. The preceding probability-weighted outcome considers the possibility that a credit loss will occur and the possibility that no credit loss will occur, no matter how low the probability of credit loss occurrence might be.

The ECL model applies to financial assets measured at amortised cost. For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Refer to credit risk management under note 13 above for further details.
Useful lives of property, plant and equipment

The Directors determine the estimated useful lives and related depreciation charges for its property, plant and equipment ("PPE"). Items of PPE are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological advancements, product lifecycles, life of mine and maintenance programmes are taken into account.

The residual value assessments consider issues such as future market conditions, the remaining useful life of the asset and projected disposal values. The Company has not made any material adjustments to the residual values in the current year.

In line with the requirements of IAS 16 Property, plant and equipment, it is Company policy that the useful life of the assets be reviewed annually. The Company has reviewed the useful lives of assets regularly and during this financial year the Company has continued using some of the fully depreciated assets. IAS 8 Accounting policies, changes in accounting estimates and errors requires that a change in useful life be applied to the carrying amount which must then be depreciated over the new useful life. As the carrying amount of these assets is zero and the group's policy is to account for PPE using the cost model, both the cost and accumulated depreciation remain in the fixed asset register until the Company discontinues the use of the assets and a decision to scrap them has been taken. At that time, they will be derecognised from the fixed assets register. Directors will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. Below is a sensitivity analysis on the effect on depreciation charge in the event of an increase or decrease on the depreciation charge applied to the property, plant and equipment.

To address estimation uncertainty related to depreciation charges, the sensitivity analysis presented below considers various scenarios involving increases or decreases in the depreciation charge applied to property, plant, and equipment (PPE). These scenarios encompass a range of potential outcomes, from every 20% decrease or increase to depreciation charge.

23 Critical accounting estimated and judgements (continued)

Useful lives of property, plant and equipment (Continued)

30 September 2023 (RWF '000)	Current (100%)	(+20%)	(-20%)	(+40%)	-40%	(+60%)	(-60%)
Plant	6,301,547	7,561,856	5,041,237	8,822,165	3,780,928	10,082,475	2,520,619
Buildings	174,417	209,300	139,534	244,184	104,650	279,067	69,767
Road works	175,813	210,976	140,651	246,139	105,488	281,301	70,325
Motor vehicles	152,491	182,989	121,993	213,487	91,495	243,986	60,996
Office furniture	124,343	149,212	99,475	174,081	74,606	198,950	49,737
Computer equipment	86,764	104,117	69,411	121,470	52,058	138,822	34,706
Total	**7,015,375**	**8,418,450**	**5,612,301**	**9,821,526**	**4,209,225**	**11,224,601**	**2,806,150**

24. Contingent liabilities

There are no contingent liabilities as at the reporting date (2022: None)

25. Capital commitments

Capital expenditure contracted for at the statement of financial position date but not recognised in the financial statements is as follows:

	2023 RWF'000	2022 RWF'000
Capital commitments	**4,376,476**	**4,528,328**

26. Going concern

The Directors have made an assessment of the ability of the Company to continue as going concern and, having taken into account all information at hand, have no reason to believe that the business will not be a going concern for at least the next twelve months from the date of this statement.

27. Events after the reporting date

On 17 November 2023, PPC's wholly owned subsidiary, PPC International Holdings Proprietary Limited (PPCIH), concluded an agreement to dispose of its entire 51% shareholding in CIMERWA to National Cement Holding Limited. The effective date of the transaction will be the seventh business day after the day on which the last of the condition's precedent are fulfilled or waived.

In addition, the minority shareholders (Rwanda Social Security Board – 20.236%; Agaciro Development Fund Ltd – 16.488%; Rwanda Investment Group Ltd – 11.455%; and SONARWA General Insurance company Ltd – 0.764%) also entered into a Share Purchase Agreement (SPA) under which National Cement Holdings Ltd will acquire 48.943% of their shareholding.

Upon completion and closure of the transaction, National Cement Holdings Ltd will own 99.943% of CIMERWA Plc. The purchaser is a privately-owned company and is part of a group that is one of the largest manufacturers of clinker and cement in East Africa, with operations in Kenya and Uganda.

28. Ultimate holding company

The ultimate parent company and controlling party is PPC Ltd, which is incorporated in South Africa.

29. Segment reporting

EBITDA reconciles to operating profit before income tax as follows:

	2023 RWF'000	2022 RWF'000
Total EBITDA	29,536,902	27,992,593
Finance costs	(2,391,678)	(4,106,357)
Depreciation and amortisation	(7,172,349)	(6,956,431)
Impairment of financial assets	127,291	(69,384)
Profit before income tax	20,100,166	16,860,421
Income tax expense	(4,484,566)	(3,685,555)
Profit for the year	**15,615,600**	**13,174,866**
Non-current assets	71,917,048	74,292,466
Current assets	40,483,730	41,334,784
Total assets	**112,400,778**	**115,627,250**
Non-current liabilities	6,156,927	16,831,070
Current liabilities	26,253,906	23,921,834
Total liabilities	**32,410,833**	**40,752,904**
Additions to non-current assets		
Property, plant and equipment (Note 10)	4,355,002	3,010,922
Intangible assets (Note 11 (b))	445,692	-
	4,800,694	**3,010,922**

30 Dividends

The following dividend were declared and paid by the company for the year.

	2023 RWF'000	2022 RWF'000
RWF per qualifying ordinary share (2022: RWF 14.93)	-	*10,500,000
Total	-	***10,500,000**

After the reporting date, dividends amounting to Rwf 14.93 per qualifying ordinary share, adding up to a total of Rwf 10,500,000,000 for the company's qualifying shareholders were proposed by the board of directors subject to approval by shareholders at the Annual General Meeting.

FORWARD LOOKING STATEMENT

This report contains certain forward-looking views that are not historical facts and relate to other information which is based on forecasts of future results and estimates of amounts not yet determinable. By their nature, forward looking statements involve uncertainties and the risk that these forward-looking statements will not be achieved. Although CIMERWA Plc believes the expectations reflected in these statements are reasonable, no assurance can be given that these expectations will prove correct.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, outcomes could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment, other government action and business and operational risks.

Forward looking statements apply only as at the date on which they are made. CIMERWA Plc does not undertake to update or revise them, whether arising from new information, future events or otherwise. While CIMERWA Plc takes reasonable care to ensure the accuracy of information presented, it accepts no responsibility for any damages – be they consequential, indirect, special or incidental, whether foreseeable or unforeseeable – based on claims arising out of misrepresentation or negligence in connection with a forward-looking statement. This report is not intended to contain any profit forecasts or profit estimates

PROXY FORM

Kigali, 18 February 2024

Proxy Form

The undersigned .....
acting in my capacity of Shareholder of CIMERWA Plc with registered Office at Kigali, Rwanda (further "the Company"), do hereby nominate and appoint ....., as my lawful attorney, to attend on my behalf the annual general meeting of shareholders of "the Company" to be held on 15th March 2024 at 2:30 Pm by Teleconference (Online), according to the following agenda:

1. Consideration of the annual report.
2. Receiving the auditor's report.
3. Consideration and approval of the financial statements.
4. Appropriation of profit and total comprehensive income for the year.
5. Discharge of the Directors and Auditors for the financial year 2023.
6. Appointment of Directors.
7. Appointment of Independent Auditors.

and to execute the right of vote on my behalf in all matters included in the agenda of the meeting at the above-mentioned date or any other date on the same agenda, hereby ratifying and confirming all that the attorney may do in my name.

Given at ....., the ..... 2024.





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