



ANNUAL

FINANCIAL
2024- 2025

REPORT



CELEBRATING
40 YEARS
OF STRENGTHENING RWANDA



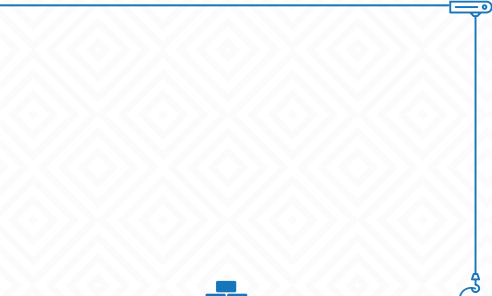


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40 YEARS

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 in CIMERWA, 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.





OUR 40 YEARS

REMARKABLE JOURNEY

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 celebrate our 40th anniversary, here is a brief look at the events that shaped CIMERWA into the company it is today.



2024

CIMERWA purchased assets of Prime Cement with annual capacity of 600000 tons.

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



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 make Rwanda Import free from Cement



CHAIRPERSON'S WORD



CIMERWA DEMONSTRATED
REMARKABLE GROWTH, ACHIEVING
A REVENUE OF RWF 117.3 BILLION,
AN IMPRESSIVE 14% 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 ended on September 30, 2024. 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 117.3 billion, an impressive 14% 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 18.5 billion, the Board of Directors proposed interim dividend pay for the fiscal year ended on September 30, 2024 of Rwf 13.1 billion.

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 acquisition of Prime Cement assets; 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 2025, the Board envisions a year of strategic growth and resilience for CIMERWA Plc. Leveraging our rich legacy and the expansion of our Bugarama Plant,

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 Devki group of Companies, who are 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.

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CIMERWA demonstrated remarkable growth, achieving a revenue of **RWF 117.3b** an impressive **14% increase** over the previous year.

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.

MANGESH KUMAR VERMA
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 Devki Group of Companies, who are our managing partners, for their invaluable contribution during our shared journey.

Financial Performance

The revenue in 2024 was RWF 117.3bn, that is 14% above prior year, due to improved production coupled with acquisition of Prime Cement assets and effective execution of our route-to-market strategy involving optimization of selling prices as well as distribution channels for both domestic and export markets.

Gross Profit increased by Rwf 4.9 bn to Rwf 37.8 bn, and the gross profit margin remained flat to 32% in 2024 compared to prior year due to impact of inflationary pressure and local currency devaluation against the USD on key inputs costs. Profit Before Tax (PBT) stood at RWF 23.5bn, an improvement of 17% versus the prior year.

This was an account of the increased gross profit that netted off the impact of increased administrative expenses and finance costs driven by increased forex losses.

The above improved profitability drove Earnings Per Share (EPS) up to RWF 26.32, from RWF 22.21 in the prior year, an increase of 19%. The Company continued to maintain a healthy cash balance of RWF 8.0bn as at 30th September 2024.

Cash flows from operations increased by Rwf 13.64 bn, an increase of 53% due mainly to increase in trade and other payables by 57% to Rwf 17.55 bn. The company continued to benefit from robust working capital management measures bolstered by optimization of payable levels.

Borrowing related to the purchase of Prime cement assets in July 2024 and capacity improvement projects implemented in February. The increase in the period is due to loan from Holding Company and Commercial Bank to acquire Prime Cement Plant's assets and financing key capacity improvement projects.

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 (O 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 2025, 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 2024



OUR TEAM

BOARD MEMBERS



DEVANG N. 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.



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.



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, Nileshe 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, Nileshe 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.





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.



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



INGARUKA ZO KUDAKOresha CIMERWA

www.cimerwa.rw



**STRENGTHENING
RWANDA**



OUR TEAM

EXECUTIVE TEAM



MANGESH KUMAR VERMA
CEO

Mangesh is a resilient, diligent, and focused business leader with 20+ years of experience across different sectors and multicultural environment. Having a sound experience in operational functional areas in Commercial, Finance, Business Development, Operations of Conglomerate Businesses, and macro environment within the East African countries. He holds an MBA degree from the Dr. R.M.L. Avadh University- India and Bachelor of Science degree from the University of Allahabad-India.

Mangesh has an enormous experience in Managing the Conglomerate Business, Strong in Building Partnership and Stakeholder engagement, Change Management, Business development and Strategy formulation, Production and Operation Management, Resource planning and Allocation, Finance Management, Sales and Marketing, Logistics and Channel development. Mangesh worked for United Millers Limited in Kenya as GM- Commercial and Operations, where he proven his skills in Business Inception & Diversification, Business process re-engineering, Strategic Thinking, Finance and Risk Management, Developing and Building Teams.

Prior to joining United Millers Mangesh was the General Manager of Ukwala Supermarket, he transformed this retail chain into a Hypermarket with Revenue growth and expansion Drive. Mangesh has held various core positions in various organizations like Dynamic Investments Ltd, Yatin Limited and Jaya Impex and proven his versatility and transferability of his skill sets in Strategic Planning, Finance and commercial Management, Managing multicultural teams, Leadership and Problem-solving skills





PRAMIT JAIN
FINANCIAL CONTROLLER

Pramit Jain is a FA quality-driven, result-focused Financial Planning, Reporting and Analysis Specialist possessing over 15 years of experience in incorporating business best practices and streamlining financial processes. Adept at business management, financial planning, variance analysis, financial forecasting and modelling, strategically adhering to strict mandates and rigid deadlines, to drive revenue growth, profitability and inventory performance within multi-faceted organizations.

He was involved in the implementation the various ERPs, Policy development as well as developing various working tools to new Oracle system.

He worked for various companies such as United Millers Limited, Kenya, Chatte Group- Kenya and Ziqitza Healthcare Limited (ZHL), is a pioneer in the Emergency Medical Response Services and Patient Transport Services (108) in India among others.



JOYEUSE VICTOIRE UMUKUNZI
LEGAL AND HR MANAGER

Joyeuse Victoire Umukunzi is a versatile professional with a Master's in Business Law and over 9 years of extensive experience in legal and corporate governance roles, predominantly in the manufacturing sector. Her career is distinguished by her adaptability, strategic thinking, and expertise in managing organizational processes to achieve success.

Victoire's significant achievements include serving as Company Secretary for CIMERWA, where she successfully oversaw the company's listing on the Rwanda Stock Exchange during the challenging COVID-19 period in 2020. This milestone required exceptional project management skills and the ability to perform under pressure. She has also demonstrated excellence in preparing, coordinating, and attending board meetings, ensuring their successful completion.

Her ability to provide insightful legal advice, drive organizational development, and ensure compliance and risk mitigation underscores her critical role in the legal and HR functions. Joyeuse is passionate about making a positive impact and consistently contributes to the effective functioning and overall success of her organization.

Her strong foundation in both legal and corporate governance practices positions her as a key leader in fostering organizational growth and operational excellence.



MADROL ARTHUR
AMRUTHA RAJU
PLANT HEAD

Amrutha Raju comes equipped with more than 40 years of cement industry experience in India and West Africa. He worked across different companies in India and has held various positions including Production Manager, General Manager (Plant) and Vice President (Operations). In West Africa he was with Diamond Cement group and worked across their group companies in Togo, Burkina Faso, Mali, Ethiopia and Guinea for optimizing the process efficiencies of the plants .

He is an inspirational leader with a Master's degree in Applied Sciences and Certificates in Cement Quality and Process from National Council for Cement & Building material, India and in Energy conservation and Audit from Jawaharlal Nehru Technological University, A.P. Coupled with hands-on technical knowledge and experience, is also a good communicator, listener, trainer and relationship-builder across departments.



DAVIS TWAHIRWA
HEAD OF SALES

A results-oriented Sales and Business Development leader with 14+ years of experience driving growth in the Telecom, Renewable Energy, and Cement sectors. Davis has a proven track record of success in both domestic and regional markets, with over 13 years of expertise in the Rwandan market. He has held leadership roles at leading organizations such as Bharti Airtel Rwanda, Lafarge Holcim's Hima Cement, and Bamburi Cement.

With a strong focus on revenue growth, customer relationship management, and team leadership, Davis excels in aligning business strategies with financial objectives to deliver measurable results. He is a graduate of Makerere University.





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.





OUR LATEST ADDITION



The background of the entire page is a solid blue color. Overlaid on this background are various faint, semi-transparent financial charts and data visualizations. These include line graphs with fluctuating lines, bar charts with vertical bars of varying heights, and some circular patterns that resemble pie charts or radar charts. The charts are rendered in a lighter shade of blue, creating a subtle, professional aesthetic.

FINANCIAL STATMENTS

DIRECTORS AND STATUTORY INFORMATION

DIRECTORS

The directors who held office during the year and to the date of this report were:

Regis Rugemanshuro	Chairperson – Rwandan (Resigned in 13 February 2024)
Devang N Raval	Chairperson – Kenyan (Appointed on 13 February 2024)
James Oduor	Chief Executive Officer-Kenyan (Resigned on 28 June 2024)
Nyirimihigo Jean Marie Vianney	Director- Rwandan (Resigned on 13 February 2024)
Chrissie Moloseni	Director- Malawian (Resigned on 13 February 2024)
John Bugunya	Chief Financial Officer – Rwandan (Resigned on 13 February 2024)
Roland Van Wijnen	Director – Dutch (Resigned in November 2023)
Eunice Nyala	Director – Kenyan (Resigned in February 2024)
Edward Okaro Omolo	Director – Kenyan (Resigned in February 2024)
Sternford Moyo	Director – Zimbabwean (Resigned in February 2024)
Iza Irame	Director - Rwandan
Kaushik Pandit	Director - Kenyan (Appointed on 13 February 2024)
Nilesh Mehta	Director - Indian (Appointed on 13 February 2024)
Rajasekhar Naidu Gali	Director - Indian (Resigned in September 2024)
Lokesh Kumar	Director - Indian (Appointed on 13 February 2024)
Bhargav Pandit	Director - Kenyan (Appointed on 13 February 2024)
Francis Mugisha	Director - Rwandan (Appointed on 13 February 2024)
Florida Kabasinga	Director - Rwandan (Resigned in April 2024)
Anita D Umuhire	Director - Rwandan
Mangesh Kumar Verma	CEO- Kenyan (Appointed on July 2024)



PRINCIPAL PLACE OF BUSINESS/REGISTERED OFFICE

Kimihurura Sector
Gasabo District
PO Box 644
Kigali , Rwanda

INDEPENDENT AUDITOR

KPMG Rwanda Limited
Certified Public Accountants
5th Floor Grand Pension Plaza
PO Box 6755
Kigali, Rwanda

BANKERS

Equity Bank Rwanda PLC

P.O. Box 494
Kigali, Rwanda

Bank of Kigali PLC

P.O. Box 175
Kigali, Rwanda

Banque Populaire du Rwanda PLC

P.O. Box 1348
Kigali, Rwanda

I&M Bank Rwanda Plc

P.O. Box 354
Kigali, Rwanda

NCBA Rwanda PLC

P.O. Box 6774
Kigali, Rwanda

Cogebanque PLC

P.O. Box 4062
Kigali, Rwanda

Ecobank Rwanda PLC

P. O Box 3268
Kigali, Rwanda

KCB Bank Rwanda PLC

P.O. Box 5612
Kigali, Rwanda

Access Bank Rwanda PLC

P.O. Box 354
Kigali, Rwanda

GT Bank Rwanda PLC

P.O. Box 331
Kigali, Rwanda

LAWYERS

Abayo & CO. Advocates

KG 18 Ave Remera
Airport avenue NR3
PO. Box: 4170,
Kigali-Rwanda

Justicia Omnibus
Chambers

Kagarama - Kicukiro
Kigali-Rwanda

Center for Research and
Analysis

Kimironko-Gasabo
Kigali-Rwanda

COMPANY SECRETARY:

Trust Law Chambers

Kacyiru Sector
Gasabo
Kigali-Rwanda



DIRECTOR'S REPORT

The Directors submit their report together with the audited financial statements for the year ended 30 September 2024, which disclose the state of affairs of CIMERWA PLC (the "Company").

INCORPORATION

CIMERWA PLC is incorporated in Rwanda under Law N° 007/2021 of 05/02/2021 Governing Companies, as amended by Law N° 019/2023 of 30/03/2023, and is domiciled in Rwanda.

PRINCIPAL ACTIVITIES

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

RESULTS

The results for the year ended 30 September 2024 are set out on page 45.

DIVIDEND

The Directors recommend payment of a dividend for the year ended 30 September 2024 of Frw 13,192,398,195 (2023: Frw Nil).

DIRECTORS

The Directors who served during the year and up to the date of this report are set out on page 32.

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 N° 007/2021 of 05/02/2021 Governing Companies, as amended by Law N° 019/2023 of 30/03/2023.

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.

APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 29/11/2024.

By order of the Board 29/11/2024.

Company Secretary



STATEMENT OF DIRECTOR’S RESPONSIBILITIES FOR YEAR ENDED 30 SEPTEMBER 2024

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 10 to 62, which comprise the statement of financial position as at 30 September 2024, 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 material accounting policies, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by Law N°. 007/2021 of 05/02/2021 Governing Companies, as amended by Law N° 019/2023 of 30/03/2023.

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 Accounting Standards and in a manner required by Law N°. 007/2021 of 05/02/2021 Governing Companies, as amended by Law N° 019/2023 of 30/03/2023.

APPROVAL OF FINANCIAL STATEMENTS

The financial statements of CIMERWA PLC, as identified in the first paragraph, were approved and authorised for issue by the Board of Directors on 29/11/2024.

.....
Director

.....
Director

Date: 29/11/2024.



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 45 to 121, which comprise the statement of financial position as at 30 September 2024, 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 material 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 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by Law N°. 007/2021 of 05/02/2021 Governing Companies, as amended by Law N°. 019/2023 of 30/03/2023.

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 3 (r) and 23 (iii) of the financial statements	
The Company operates as a single cash-generating unit (CGU). As at 30 September 2024, its property, plant and equipment (PPE) had a carrying value of Frw 116,918 million. The Directors have carried out an impairment analysis of the CGU during the year which involved determining the value in use by comparing the carrying amount of the CGU to its 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.



To the shareholders of CIMERWA Plc

Report on the audit of the financial statements (continued)

Key audit matter (continued)	How the matter was addressed in our audit (continued)
Assessing the recoverable amount of the cash generating unit (CGU)-continued	
Refer to Notes 23 (iii) of the financial statements	
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 13 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 2024 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 in accordance with IAS 36, Impairment of assets.



To the shareholders of CIMERWA Plc (continued)

Report on the Audit of the Financial Statements (continued)

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 2024 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 Accounting Standards and in the manner required by Law N°. 007/2021 of 05/02/2021 Governing Companies as amended by Law No. 019/2023 of 30/03/2023, 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.



To the shareholders of CIMERWA Plc (continued)

Report on the Audit of the Financial Statements (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- 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 the 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 N° 007/2021 of 05/02/2021 Governing Companies, as amended by Law No. 019/2023 of 30/03/2023, we report to you solely based on our audit of the financial statements, 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 as amended by Law No. 019/2023 of 30/03/2023.

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.....2024



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2024

		2024	2023
	Note	Frw'000	Frw'000
Revenue	4	117,363,252	103,068,104
Cost of sales	5	(79,556,516)	(70,251,462)
Gross profit		37,806,736	32,816,642
Other income	6	957,168	256,225
Administrative expenses	7 (a)	(12,114,354)	(12,026,396)
Impairment losses on financial assets	7 (b)	108,333	(166,616)
Operating profit		26,757,883	20,879,855
Net foreign exchange losses	8 (a)	(1,048,975)	1,611,989
Net finance costs	8 (b)	(2,163,835)	(2,391,678)
Profit before tax		23,545,073	20,100,166
Income tax expense	9 (a)	(5,032,750)	(4,484,566)
Profit for the year		18,512,323	15,615,600
Other comprehensive income		-	-
Total comprehensive income for the year		18,512,323	15,615,600
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company:			
Basic earnings per share	15	26.32	22.21
Diluted earnings per share	15	26.32	22.21

The notes on pages 51 to 121 are an integral part of these financial statements.



STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

		2024	2023
	Note	Frw'000	Frw'000
Assets			
Non-current assets			
Property, plant and equipment	10	116,918,976	70,964,707
Intangible assets	11	1,198,781	883,558
Right-of-use asset	21(a)	-	60,073
Environmental guarantee	20(c)	8,710	8,710
		118,126,467	71,917,048
Current assets			
Inventories	12	15,780,014	14,302,732
Current income tax receivable	9(b)	3,330,631	129,087
Trade and other receivables	13	27,112,171	8,302,849
Restricted cash	20 (c)	2,000	151,150
Cash and cash balances	14	8,093,381	17,597,912
		54,318,197	40,483,730
Total assets		172,444,664	112,400,778



STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024 (CONTINUED)

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 47		27,897,487	22,577,562
			85,309,871	79,989,946
Liabilities				
Non-current liabilities				
Deferred tax liabilities	16		10,798,311	5,914,822
Loans and borrowings from financial institutions	18(a)		3,876,572	-
Loans from related party	18(a)		45,086,337	-
Rehabilitation and decommissioning provisions	20(a)		230,346	209,052
Lease liabilities	21 (b)		-	33,052
			59,991,566	6,156,926
Current liabilities				
Trade and other payables	17		15,117,973	10,946,369
Loans and borrowings from financial institutions	18 (a)		833,116	10,697,542
Loans from related party	18(a)		8,751,891	-
Current income tax payable	9		-	4,357,909
Amounts due to related parties	19 (f)		2,440,247	225,136
Current lease liabilities	21 (b)		-	26,950
			27,143,227	26,253,906
Total equity and liabilities			172 ,444,664	112,400,778

The financial statements on pages 51 to 121 were approved and authorised for issue by the Board of Directors on 29/11/2024.

.....

Director

.....

Director

The notes on pages 51 to 121 are an integral part of these financial statements.



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Note	Share capital	Share premium	Retained earnings	Total equity
		Frw'000	Frw'000	Frw'000	Frw'000
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
Year ended 30 September 2024					
At 1 October 2023	15	35,160,976	22,251,408	22,577,562	79,989,946
Comprehensive income:					
Profit for the year		-	-	18,512,323	18,512,323
Other comprehensive income		-	-	-	-
Total comprehensive income for the year				18,512,323	18,512,323
Transactions with equity holders of the company:					
Dividends Paid	30			(13,192,398)	(13,192,398)
Retained profit for the year		-	-		
		-	-	5,319,925	5,319,925
At 30 September 2024		35,160,976	22,251,408	27,897,487	85,309,871

The notes on pages 51 to 121 are an integral part of these financial statements.



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2024

		2024	2023
	Note	Frw'000	Frw'000
Cash flows from operating activities:			
Profit before income tax		23,545,073	20,100,166
Adjustments for:			
Finance costs	8 (b)	1,595,143	1,768,260
Increase of loss allowance on trade receivables	13(b)	112,993	(127,291)
Increase in inventories obsolete provision	12	337,762	215,555
(Decrease)/Increase in leave pay provision	17(b)	(77,673)	25,095
(Decrease)/Increase in bonus provision	17(b)	(1,303,939)	98,230
Decrease in litigations provision	17(b)	-	(6,421)
Loss on disposal of property, plant and equipment	6	363,274	85,714
Interest income	6	(260,561)	(116,237)
Interest on lease liability	8 (b)	5,679	6,570
Depreciation on property, plant and equipment	10	8,507,683	7,015,371
Depreciation on right of use asset	21 (a)	20,024	22308
Amortisation charge on intangible assets	11	171,533	134,664
Unrealized foreign exchange loss	18(a)	1,259,518	-
Changes in working capital:			
- Restricted cash	20(c)	149,150	(151,150)
- Current income tax receivable	9(b)(i)	(2,489)	4,388
- Trade and other receivables	13	(1,003,413)	(2,062,745)
- Inventories	12	(1,815,044)	511,084
- Amounts due to related parties	19 (f)	2,215,110	(427,923)
- Trade and other payables	17 (a)	<u>5,553,216</u>	<u>(1,370,368)</u>
Cash generated from operations		<u>39,373,039</u>	<u>25,725,282</u>
Interest paid on leases	21 (b)	(5,679)	(6,570)
Interest received		260,561	116,231
Income tax paid	9(b)(ii)	(7,706,226)	(733,813)
Net cash inflow from operating activities		<u>31,920,695</u>	<u>25,101,136</u>



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2024 (CONTINUED)

Cash flows from investing activities				
Purchase of property, plant and equipment	10		(55,253,903)	(4,355,003)
Purchase of intangible assets	11		(487,011)	(445,692)
Proceeds from disposal of PPE			426,551	-
Prepayments	13		<u>(17,918,902)</u>	<u>-</u>
Net cash used in investing activities			<u>(73,233,265)</u>	<u>(4,800,695)</u>
Cash flows from financing activities				
Repayments of borrowings	18(a)		(11,130,832)	(10,653,607)
Dividends paid	30		(13,192,395)	(10,500,000)
Principal element of lease payments	21(b)		(16,827)	(23,390)
Interest paid on borrowings	18(a)		(1,978,882)	(2,201,498)
Proceeds from borrowings	18(a)		<u>(57,563,960)</u>	<u>-</u>
Net cash used in financing activities			<u>31,245,024</u>	<u>(23,378,495)</u>
Net decrease in cash and cash equivalents			<u>(10,068,546)</u>	<u>(3,078,054)</u>
Effect of movements in exchange rates on cash held	8 (b)		563,015	616,851
Cash and cash equivalents at beginning of year	14		<u>17,597,912</u>	<u>20,059,115</u>
Cash and cash equivalents at end of year	14		<u>8,093,381</u>	<u>17,597,912</u>

The notes on pages 51 to 121 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 N°. 007/2021 of 05/02/2021 Governing Companies as amended by Law No. 019/2023 of 30/03/2023. The Company is listed on the Rwanda Stock Exchange.

The ultimate holding company is National Cement Holding Ltd (NCHL) a company incorporated in Rwanda. on 08 January 2023.

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

Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by Law N°. 007/2021 of 05/02/2021 Governing Companies as amended by Law N°. 019/2023 of 30/03/2023.

For the purposes of Law No. 007/2021 of 05/02/2021 Governing Companies as amended by Law N°. 019/2023 of 30/03/2023, 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 Accounting Standards and Law No. 007/2021 of 05/02/2021 Governing Companies as amended by Law No. 019/2023 of 30/03/2023.



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

e) Use of estimate and judgement

The preparation of these financial statements in conformity with IFRS Accounting 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 MATERIAL 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.

(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 ("Frw") 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.

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Property, plant and equipment (continued)

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 2024, its property, plant and equipment (PPE) had a carrying value of Frw 116,919 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.



(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



Notes to the financial statements (continued)

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(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.



(d) 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.



Notes to the financial statements (continued)

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (continued)

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).

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.



3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(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.

(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.

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.



(I) 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.

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.

(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.

(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.



3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(t) (i) New standards, amendments, and interpretations effective and adopted during the period ended 30 September 2024

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

New standards or amendments	Effective date
IFRS 17 Insurance Contracts	1 January 2023
Definition of Accounting Estimates – Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
Disclosure Initiative: Accounting Policies – Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements	1 January 2023
Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Taxes	1 January 2023
Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules	23 May 2023

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



Notes to the financial statements (continued)

(ii) New standards, amendments, and interpretations in issue but not yet effective for the year ended 30 September 2024

The following new standards, amendments to standards and interpretations are not yet effective for the year ended 30 September 2024 and have not been applied in preparing these financial statements.

New standards or amendments	Effective date
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements	1 January 2024
Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1 Presentation of Financial Statements	1 January 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases	1 January 2024
Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates	1 January 2025
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	1 January 2026
Annual Improvements to IFRS Accounting Standards – Amendments to: • IFRS 1 First-time Adoption of International Financial Reporting Standards. • IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7. • IFRS 9 Financial Instruments. • IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash flows	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027



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. All the above standards are not expected to have a material impact on the financial statements of the Company, except IFRS 18.

The directors expect IFRS 18 shall impact the presentation and disclosures of the company's financial statements and shall adapt the standard it when it is effective.

(u) Earning per share

The calculation of basic EPS is based on profit attributable ordinary shareholders and weighted average numbers of ordinary shares outstanding.

Diluted is based on profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding after adjustment for the effect of all dilutive potential ordinary shares .

Notes to the financial statements (continued)

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(v) Intangible assets

These relate to software licences for the company's own internal use. The intangible assets are initially 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.

(w) 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 revenue for the company for the year ended 30 September 2024 is below:

		2024	2023
		Frw'000	Frw'000
	Local sales	87,003,804	78,753,359
	Export sales-DRC	30,359,448	24,261,773
	Export sales-BURUNDI	-	52,972
		117,363,252	103,068,104

Revenues of approximately Frw 8,117 million (2023: Frw 8,077 million) are derived from a single external customer (export sales to DRC). All export sales during the year were made to the Democratic Republic of Congo (DRC).

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	2024	2023
		Frw'000	Frw'000
	Direct materials	21,461,684	13,251,448
	Energy	23,955,082	20,624,156
	Employee benefits expense (Note (7 c))	2,648,926	5,346,452
	Depreciation (5b)	5,971,136	4,625,261
	Change in inventories	4,521,030	2,347,999
	Transportation	12,522,920	13,673,141
	Outsourced services	636,572	1,962,733
	Plant repairs and maintenance	5,021,156	6,179,687
	Local taxes	426,505	541,877
	Insurance	1,548,187	918,567
	Amortization of intangibles (Note 11 b)	60,695	100,234
	Other direct costs	782,623	679,907
		79,556,516	70,251,462

5(b)	Depreciation	2024	2023
		Frw'000	Frw'000
	Depreciation expense is analysed as follows:		
	Included within:		
	- Cost of sales above*	5,971,136	4,625,261
	- Administrative expenses (Note 7 (a))*	2,536,547	2,390,116
	Total depreciation of property, plant and equipment (Note 10)	8,507,683	7,015,377

*During the year ended 30 September 2024, the company modified the classification of depreciation expenses allocated to cost of sales and administrative costs in order to reflect the realignment of cost centres that occurred to the company in March 2024. Comparative amount in the statement of profit and loss and other comprehensive income were reclassified for consistency. As result Frw 2,300 million were classified from “cost of sales” to ‘administrative expenses’.

6	Other income	2024	2023
		Frw'000	Frw'000
	Interest income	260,561	116,231
	Sale of scrap and other items	862,428	54,785
	Lease income from rental of staff houses*	163,779	28,933
	School fees	24,906	46,180
	Medical clinic income	8,768	10,096
	Loss on disposed assets	(363,274)	-
		957,168	256,225



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

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.



7 (a)	Administrative expenses			
			2024	2023
			Frw'000	Frw'000
		Employee benefits expense (Note 7 (c))	4,912,629	3,690,883
		Professional consultancy costs	221,238	277,855
		Depreciation (Note 5b) *	2,536,547	2,390,116
		Travelling and accommodation	909,360	792,940
		Sales and marketing	395,274	635,246
		Company functions and meals	584,868	473,029
		Management support fees	437,053	801,466
		Insurance	12,952	427,843
		Technical support fees****	-	223,590
		Bank charges	58,755	122,892
		Salaries and wages school (Note 7 (c))	93,942	103,479
		Health and safety	77,658	223,228
		Auditor's remuneration	49,744	58,037
		Repairs and maintenance***	242,860	109,619
		Membership and subscription	36,331	45,724
		Amortisation on intangible assets (Note 11 (a))	43,799	34,430
		Depreciation – right of use asset	20,024	22,308
		Office running costs	709,979	950,863
		Other administrative expenses**	771,341	642,848
			12,114,354	12,026,396

* Refer to note 5 (b) above for explanation

*** Repairs and maintenance include vehicle repair maintenance and administrative repair & maintenance

**** The reduction in technical support is due to change of ownership as the current owner does not charge technical and management fees.

7 (b)	Impairment reversal/ (losses) on financial assets	2024	2023
		Frw'000	Frw'000
	Decrease/(increase) in loss allowance on cash and equivalents	221,326	(293,908)
	(Increase)/decrease in loss allowance on trade receivables	(112,993)	127,292
	Decrease/(increase) in loss allowance on financial assets	108,333	(166,616)

Decrease in expected credit loss for cash and cash equivalents is mainly attributable to a significant reduction of cash balances held with financial institutions at the respective year ends. For the year ended 30 September 2024, cash and cash equivalents were Frw 8.093 billion (2023: Frw 17.597 billion)

Increase in receivable ECL mainly attributable to two factors: (a) increase in receivable balances at the period ends. As at 30 September 2024, trade receivables were Frw 2.870 billion (2023: 1.870 billion). b) Any receivable above 120 days is 100% provided for. In 2024, total receivables aged 120 days and above were Frw 302.691 million (2023: Frw 262.244 million).

7 (c)	Employee benefits expense	2024	2023
		Frw'000	Frw'000
	Salaries and wages	7,004,234	8,449,928
	Retirement benefits costs:		
	- Contributions to the Rwanda Social Security Board	360,356	388,981
	- Other staff costs	290,907	301,905
		7,655,497	9,140,814
	Included within:		
	Cost of sales	2,648,926	5,346,452
	Administrative expenses	4,912,629	3,690,883
	Salaries and wages for school	93,942	103,479
		7,655,497	9,140,814



8 (a)	Net foreign exchange gains/ (losses)		
		2024	2023
		Frw'000	Frw'000
	Foreign exchange gains *	5,093,477	3,768,808
	Foreign exchange losses **	(6,142,452)	(2,156,819)
		(1,048,975)	1,611,989
	*Increase in foreign exchange gains is due to fixed USD deposits. **increase in foreign exchange loss were due to USD payable revaluation and loan from holding company.		

8(b)	Net finance costs	2024	2023
		Frw'000	Frw'000
	Interest expense on long term borrowings	1,573,596	1,755,645
	Unwinding of discount on rehabilitation and decommissioning provision	21,547	12,615
	Sub-total	1,595,143	1,768,260
	Interest on lease liabilities	5,679	6,570
	Effects of foreign exchange	563,015	616,851
	Total	2,163,837	2,391,681

9	Income tax expense	2024	2023
		Frw'000	Frw'000
9(a)	Income tax charge		
	Current income tax	149,261	4,681,907
	Deferred income tax expense/(credit) (Note 16)	4,900,728	(197,341)
	Prior year over provision of deferred tax	(17,239)	-
		5,032,750	4,484,566

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	2024 Frw'000	Effective tax rate	2023 Frw'000
	Profit before income tax		23,545,073		20,100,166
	Tax calculated at the statutory income tax rate	20%	4,709,015	20.00%	4,020,033
	Tax effects of:				
	Expenses not deductible for tax purposes	1.37%	323,735	2.31%	464,533
	Income tax expense	21.37%	5,032,750	22.31%	4,484,566

9(b)i)	Income tax expense (Continued)			
	The current income tax asset on the statement of financial position is analysed as follows:			
		2024		2023
		Frw'000		Frw'000
	At start of year	129,087		133,475
	Withholding tax paid during the year	26,601		7,223
	Withholding tax recovered during the year	(24,112)		(11,611)
	Current income tax receivable at 30 September*	131,576		129,087

*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. We will request for a refund/credit note from the tax authority (RRA).

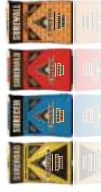


9(b) ii)	Current Income tax recoverable/payable	2024	2023
		Frw'000	Frw'000
	At start of year	4,357,909	409,815
	Income tax charge for the year	149,261	4,681,907
	Income tax paid during the year	(7,706,225)	(733,813)
	Current income tax (recoverable)/payable at 30 September:	(3,199,055)	4,357,909
	Total income tax (9 b(i) 9 b(ii)	(3,330,631)	4,486,996



10	Property, plant and equipment	Land	Road works**	Residential building	Buildings	Motor vehicles	Computer equipment	Plant and machinery	Office furniture and equipment	Work in progress (*)	Total
		Frw'000	Frw'000	Frw'000	Frw'000	Frw'000	Frw'000	Frw'000	Frw'000	Frw'000	Frw'000
	At 1 October 2022										
	Cost	1,505,260	2,695,354	605,225	2,287,523	2,548,695	881,214	114,044,057	871,015	2,017,784	127,456,127
	Accumulated depreciation	-	(1,303,498)	(79,523)	(996,634)	(2,171,972)	(809,474)	(47,673,845)	(710,386)	-	(53,745,352)
	Carrying amount	1,505,260	1,391,856	525,702	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	525,702	1,816,591	376,723	71,740	66,370,212	160,629	2,017,783	73,710,794
	Disposals at cost	-	-	-	-	(515,759)	-	(1,394,751)	-	-	(1,910,510)
	Additions	-	-	-	157,490	142,620	143,147	2,453,571	105,006	1,353,170	4,355,004
	Transfers from work in progress	-	-	-	-	515,759	-	1,309,037	-	-	1,824,796
	Disposals – accumulated depreciation	-	(175,814)	(25,755)	(148,664)	(152,491)	(86,764)	(6,301,547)	(124,342)	-	(7,015,377)
	Depreciation										
	Closing carrying amount	1,505,260	1,216,042	499,947	1,299,715	366,852	128,123	62,436,522	141,293	3,370,953	70,964,707
	At 30 September 2023										
	Cost	1,505,260	2,695,354	605,225	2,445,013	2,175,556	1,024,361	115,102,877	976,019	3,370,955	129,900,620
	Accumulated depreciation	-	(1,479,312)	(105,279)	(1,145,297)	(1,808,704)	(896,238)	(52,666,354)	(834,729)	-	(58,935,913)
	Closing carrying amount	1,505,260	1,216,042	499,947	1,299,715	366,852	128,123	62,436,523	141,290	3,370,955	70,964,707

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



Notes to the financial statements (continued) Property, plant and equipment (continued)

***Work in progress**

	2024	2023
	Frw'000	Frw'000
Cement silos being setup at distribution centres	50,003	47,883
GITESI site limestone exploration	-	24,323
Land compensation near MASHYUZA quarry	17,794	17,794
Critical spares	2,820,936	3,061,971
MAHYUZA quarry fencing	-	65,000
Equipment being installed at the plant site (IKN Cooler project)	-	117,725
Work In Progress at Prime	591,993	-
Plant extension WIP	823,465	36,259
	4,304,191	3,370,955

****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 FRW 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 (13 years). For the year ended 30 September 2024, the net book value of this asset was Frw 1.04 billion (2023: Frw 1.2 billion).



11 (a)	Intangible assets (software licences)	2024	2023
		Frw'000	Frw'000
	Cost		
	At start of year	738,216	292,525
	Additions	358,551	445,692
		1,096,767	738,217
	Amortisation		
	At start of year	(206,733)	(172,303)
	Charge for the year	(110,838)	(34,430)
	At end of year	(317,571)	(206,733)
	Net book value	779,196	531,484
11 (b)	Intangible assets (Trademarks and Mineral rights)	2024	2023
		Frw'000	Frw'000
	At start of year	729,815	725,737
	Additions	128,460	-
	Change in estimate	(255)	4,077
	At end of the year	858,020	729,814
	Amortisation		
	At start of year	(377,740)	(277,506)
	Charge for the year	(60,695)	(100,234)
	At end of year	(438,434)	(377,740)
	Net book value	419,585	352,074
	Total intangible assets (a + b)	1,198,781	883,558



12	Inventories	2024	2023
		Frw'000	Frw'000
	Maintenance spare parts*	9,965,821	9,196,263
	Semi-finished goods	2,395,252	1,218,121
	Fuel oil	63,211	184,210
	Coal	641,171	1,999,473
	Raw materials	2,916,222	979,432
	Finished goods	-	47,379
	Paper bags	1,341,167	523,655
	Other consumables	244,302	1,603,569
	Provision for inventories	(1,787,132)	(1,449,370)
		15,780,014	14,302,732

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

During the year, expensed inventory amounted to Frw 40,518 million (2023: Frw 40,518 million) for inventories. This is recognised in cost of sales.

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

	2024	2023
	Frw'000	Frw'000
At 1 October	1,449,370	1,233,815
Additional provisions during the year	337,762	215,555
At 30 September	1,787,132	1,449,370



13(a)	Trade and other receivables	2024	2023
		Frw'000	Frw'000
	Trade receivables (i)	2,870,739	1,870,857
	Less: loss allowance (Note 13 b)	(395,925)	(282,933)
	Net trade receivables	2,474,814	1,587,924
	Prepayments *	24,620,508	6,701,607
	Other receivables	16,849	13,318
	Total prepayments and other receivables	24,637,357	6,714,925
		27,112,171	8,302,849

(i) Ageing of trade receivables					
Category	Debtors Balance Frw' 000	Average of unpaid ageing days	Average of tipping point	Average of headroom	% of total debtors
Distributors	1,342,517	2	90	88	47%
Construction customers	935,633	33	90	57	33%
Government related	592,589	12	120	108	21%
Total	2,870,739				100%

* Prepayments at 30 September 2024 included amounts of Frw 16,675 million (2023: Frw Nil million) relating to advance payments for expansion project as well as advance VAT claimable from Rwanda Revenue Authority.



Notes to the financial statements (continued)

13(b)	Loss allowance on trade & other receivables	2024	2023
		Frw'000	Frw'000
	Opening loss allowance as at 1 October	282,933	410,224
	Increase in allowance for the year	112,993	-
	Decrease in allowance for the year	-	(127,291)
	Net loss allowance as at 30 September	395,925	282,933

The closing loss allowances for trade receivables as at 30 September 2024 and 30 September 2023 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:		
		2024	2023
		Frw'000	Frw'000
	Cash at bank (Frw)	5,795,630	10,170,125
	Cash at bank (USD)	1,325,792	7,756,916
	Cash at bank (EUR)	1,031,006	-
	Cash at bank (KES)	42,435	-
	Less: loss allowance	(108,342)	(329,667)
	Cash in hand	6,860	538
		8,093,381	17,597,912

The change in loss allowances for cash balances as at 30 September 2024 reconcile to the opening loss allowances as set out below.

	2024	2023
	Frw'000	Frw'000
Opening loss allowance as at 1 October	329,667	35,760
(Decrease)/Increase in loss allowance during the year	(221,325)	293,907
	108,342	329,667



15	Share capital	Number of shares '000	Ordinary share capital Frw'000	Share premium Frw'000
	Ordinary shares each with a par value of Frw 50 at 1 October 2023 and 30 September 2024	703,220	35,160,976	22,251,408

The total authorised and issued number of ordinary shares is 703,219,520 (2023: 703,219,520) with a par value of Frw 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 Frw 22,251,408,000 (2023: Frw 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.



Notes to the financial statements (continued)

15 Share capital (Continued)					
Earnings per share					
		2024	2023		
	Profit for the year attributable to equity shareholders — Frw'000	18,512,323	15,615,600		
	Weighted average number of shares - '000	703,220	703,220		
	Earnings per share:				
	Basic earnings per share — Frw	26.32	22.21		
	Diluted earnings per share — Frw	26.23	22.21		

As at 30 September 2024, 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:					
		2024		2023	
		Frw'000		Frw'000	
	At start of year	5,914,822		6,112,163	
	Charge/(credit) to profit and loss account (Note 9)	4,883,489		(197,341)	
	At end of year	10,798,311		5,914,822	



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

	Year ended 30 September 2024	1 October 2023	Adjustment to opening balance	Charged/ (credited) to P&L	30 September 2024
		Frw'000	Frw'000	Frw'000	Frw'000
	Deferred income tax liabilities				
	Property, plant and equipment:				
	- On a historical cost basis	6,663,717	-	4,649,105	11,312,822
	Deferred income tax assets				
	Provisions	(748,895)	(17,239)	251,623	(514,511)
	Net deferred income tax liability	5,914,822	(17,239)	3,646,501	10,798,311

	Year ended 30 September 2023	1 October 2022	Charged/ (credited) to P&L	30 September 2023
		Frw'000	Frw'000	Frw'000
	Deferred income tax liabilities			
	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			
	Tax losses carried forward	(658,523)	(90,372)	(748,895)
	Provisions			
	Net deferred income tax liability	6,112,163	(197,341)	5,914,822



Notes to the financial statements (continued)

17	(a) Trade and other payables	2024	2023
		Frw'000	Frw'000
	Trade payables (Frw)	4,059,377	2,314,511
	Trade payables (USD)	2,075,317	1,231,010
	Trade payables (EUR)	2,849,169	1,296,444
	Trade payables (ZAR)	-	248,023
	Customers deposits (foreign currencies)	1,127,168	782,530
	Customer deposits(Frw)	1,399,978	382,036
	Statutory liabilities	55,880	1,325,783
	Accrued expenses	2,411,092	1,046,775
	Other payables *	807,057	615,018
	Provisions 17 (b)	332,935	1,704,239
		15,117,973	10,946,369

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

*Other payables relate to deferred revenue of Frw 94 million (2023: Frw 295 million), cash guarantee deposited of Frw 300 million (2023: Frw 300 million), and the rest which are employee liabilities.

17	(b)Provisions	2024	2023
		Frw'000	Frw'000
	Leave pays accrual (i)	322,627	400,300
	Provision for litigations (ii)	-	-
	Bonus accrual (iii)	-	1,303,939
		322,627	1,704,239
	<i>(i) Leave pay accrual</i>	2024	2023
		Frw'000	Frw'000
	At 1 October	400,300	375,205
	(Reduction)/addition in provisions during the year	(77,673)	142,096
	Releases of provisions during the year	-	(117,001)
		322,627	400,300



	(ii) Bonus accrual	2024	2023
		Frw'000	Frw'000
	At 1 October	1,303,939	1,205,709
	Additional provisions during the year		1,304,226
	Releases of provisions during the year	(1,303,939)	(1,205,996)
		-	1,303,939

	18 (a) Loans and borrowings	2024	2023
		Frw'000	Frw'000
	Loan from financial institutions		
	Non-current	3,876,572	-
	Current	833,116	10,697,542
	S/total	4,709,688	10,697,542
	Loan from Holding Company		
	Non-current	45,086,337	-
	Current	8,751,891	-
	S/total	53,838,228	-
	Total loans and borrowings	58,547,916	10,697,542



The bank loan is a NCBA bank loan facility denominated in Rwandan francs. The loan started from June 2024, at an interest rate of 10% PA, with a five-year tenure. It is secured against the company's property, plant and equipment. The principal and interest are payable on monthly basis. The facility was fully drawn down in 2024.

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

	Currency	Interest rate p. a	2024 Frw'000	2023 Frw'000
Ecobank Rwanda Limited	Frw	13.5%	-	809,504
Ecobank Rwanda Limited	Frw	12.8%	-	1,266,208
Equity Bank Rwanda PLC	Frw	13.5%	-	5,161,163
Access Bank Rwanda PLC	Frw	12.0%	-	1,780,367
NCBA Bank Rwanda Plc	Frw	10%	4,709,688	1,680,300
			4,709,688	10,697,542

Loan from Holding Company

The loan from Holding Company; National Cement Holding (NCHL) is denominated USD, starting from July 2024, at an interest rate of 10% PA, with a five-year tenure. This is unsecured loan. The principal and interest are payable on quarterly basis. The facility was fully drawn down in 2024.

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

	Currency	Interest rate p. a	2024 Frw'000	2023 Frw'000
National Cement Holding Ltd	USD	10%	53,838,228	-
			53,838,228	-



The movement for loans from financial institutions as below:			
		2024	2023
Long term loan		Frw'000	Frw'000
As at 1 October		10,697,542	21,180,153
Principal repaid		(11,130,832)	(10,653,607)
Additional loan		57,563,960	
Interest expense		2,136,610	2,372,494
Interest repaid		(1,978,882)	(2,201,498)
Foreign exchange losses		1,259,518	-
Closing balance		58,547,916	10,697,542

Repayments of principal for the syndicated loan commenced in March 2016. The loan was full repaid in August 2024. The newly obtained loan from NCBA bank and National Cement Holding Company is payable by June 2029 and October 2029 respectively.

The loan from holding company (NCHL) has been taken to finance the acquisition of Prime cement assets, that increased our assets base.

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.



18 (a) Loans and borrowings (continued)

The effective interest rates for the borrowings is 10% for both the Rwandan Francs loans and USD loan. The Company has exposure at the reporting date for the US Dollars borrowing from Holding Company.

18 (b) The loan from NCB bank 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:

		2024	2023
		Frw'000	Frw'000
	Land	2,222,507	1,505,260
	Buildings	2,888,607	1,799,664
	Plant and equipment and Road works	104,305,422	63,652,565
		109,416,536	66,957,489

The bank also holds 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 offer letter from NCBA as described under clause 2 financial covenants, the Company is required to maintain the four financial covenants whose status is as follows as at 30 September 2024:

	Threshold per loan covenant	Status as at 30 Sep 2024	Conclusion
1. Debt service coverage ratio (DSCR)	>1.25x	2.70x	Debt Service Coverage Ratio (EBITDA/total debt service) is within covenant threshold.
2. Current ratio	of 1:1	2.00x	Current ratio impacted by advances to expansion project
3. Bank gearing ratio	<3:1	0.69:1	Bank gearing ratio (Debt/Equity) is within covenant threshold
4. Leverage ratio to below	<3:1	1.42x	Leverage (net Debt/EBITDA) ratio is within covenant threshold



18	Loans and borrowings (continued)
	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			
		2024		2023
		Frw '000		Frw '000
	Cash and cash equivalents	8,093,381		17,597,912
	Borrowings	(58,547,916)		(10,697,542)
	Lease liability	-		(60,002)
	Net debt	(50,454,535)		6,840,368
	Cash and cash equivalents	8,093,381		17,597,912
	Gross debt - fixed interest rates	(58,547,916)		(10,757,544)
	Net debt**	(50,454,535)		6,840,368
		Frw '000	Frw '000	Frw '000
		Borrowings	Lease liability	Cash and equivalents
				Total
	As at 1 October 2022	-	29,962	(2,461,203)
	Cash flows	10,653,607	-	-
	Principal repaid	2,201,498	-	-
	Interests repaid	-	(77,873)	-
	Acquisition -leases	-	-	-
	Foreign exchange adjustments	(2,372,493)	(6,570)	-
	Other changes			



At 30 September 2023	(10,697,542)	(60,002)	17,597,912	6,840,369
Cash flows	(57,563,960)	22,506	(9,504,532)	(67,045,986)
Principal repaid	11,130,832	-	-	11,130,832
Interests repaid	1,978,882	-	-	1,978,882
Acquisition -leases	-	-	-	0
Foreign exchange adjustments	(1,259,518)	-	-	(1,259,518)
Other changes	(2,136,610)	37,496	-	(2,099,114)
				0
At 30 September 2024	(58,547,916)	-	8,093,381	(50,454,535)

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.

** The loan from holding company (NCHL) has been taken to finance the acquisition of Prime cement assets, that increased our assets base. After excluding loan from NCHL, our net cash will be Frw 3.4 billion



Notes to the financial statements (continued)

19 Related party transactions

During the period, the outgoing Cimerwa's shareholders sold their interest in the entity. Following this transaction, Cimerwa was acquired by National Cement Holding Ltd (NCHL), which became its immediate parent company. National Cement Holding Ltd (NCHL), incorporated in Rwanda, is also the ultimate parent company and controlling party of Cimerwa. Additionally, there are other companies related to Cimerwa PLC through common shareholdings or directorships. The following transactions were carried out with these related parties:

a) Purchase of raw materials and services from sister companies

On 30 September 2024, the National cement Company, Maisha Packaging, National Cement Holding Ltd, Cemtech, Northwood sold raw materials and charter services respectively to CIMERWA Plc. The above are all owned by Devki Group. The Company enters into transactions with many of these companies. Transactions include the purchase of coal, gypsum, clinker, packaging materials and charter services. Refer to note 18 (a) and Note 19 (e and f).

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:

		2024	2023
		Frw'000	Frw'000
	Salaries and wages	1,286,602	1,370,024
	Contributions to Rwanda Social Security Board	62,115	215,461
		1,348,717	1,585,485
	c) Directors' remuneration	2024	2023
		Frw '000	Frw '000
	Salaries and wages included with key management compensation above	597,447	677,431
	Contributions to Rwanda Social Security Board	23,241	27,795
	Sitting and other allowances	198,406	134,168
		819,094	839,394



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

	Executive directors	2024	2023
		Frw'000	Frw'000
	Sigei Albert	-	101,994
	James Oduor	409,743	378,316
	Bugunya John	121,104	224,796
	Rajasekhar Naidu	89,841	-
		620,688	705,226

19	Related party transactions (continued)
	c) Directors' remuneration (continued)

	Sitting allowance non-executive directors	2024	2023
		Frw'000	Frw'000
	Regis Rugemanshuro	13,585	14,439
	Nyirimihigo Jean Marie Vianney	13,375	14,216
	Florida Kabasinga	17,767	16,826
	Eunice Nyala	29,419	31,269
	Anitha Umuhire	20,009	12,124
	Edward Okaro Omolo	25,248	26,836
	Kaushik Pandit	14,492	-
	Nilesh Mehta	10,812	-
	Lokesh Kumar	8,025	-
	Bhargav Pandit	13,344	-
	Francis Mugisha	2,817	-
	Iza Irame	7,500	-
	Devang N Raval	4,648	-
		198,406	134,168

d) Purchase of services from parent company			
		2024	2023
		Frw '000	Frw '000
	Management and technical support fees	-	648,837
	Cost recoveries	-	223,590
	VAT reverse charge	-	152,629
		-	1,025,056

e) Purchase of goods and services	2024	2023
	Frw '000	Frw '000
Insurance premiums to SONARWA	-	140,158
National Cement Company Ltd- USD	2,029,245	-
National Cement Co. (K) Ltd. - EUR	3,058,001	-
Maisha Packaging Company Ltd	2,563,305	-
North wood charter	181,065	-
Cemtech Limited USD	6,545,308	-
Purchases of peat from Rwanda Energy Company Limited	-	1,078,614
	14,376,924	1,218,772

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

f) Amounts due to related parties arising from purchase of goods/services			
		2024	2023
		Frw '000	Frw '000
	Amounts due to parent company (PPC)	-	225,136
	National Cement Company Holdings Ltd	1,106,998	-
	Cemtech Limited USD	75,670	-
	National Cement Company Ltd	430,338	-
	Maisha Packaging Company Ltd	827,241	-
	National Cement Co. (K) Ltd. - EUR	3,058,001	-
		2,440,247	225,136



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	2024	2023
		Frw'000	Frw'000
		230,345	209,052
	Provision for mine decommissioning	230,345	209,052

The movement in the provision is as follows.

	At 1 October	209,052	192,360
	Remeasurement impact during the year	(255)	4,078
	Unwinding of discount	21,548	12,614
		230,345	209,052

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 Frw 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	2024	2023
		Frw'000	Frw'000
	At start of year	151,150	-
	Recovered guarantees during the year	(151,150)	-
	Restricted cash-cash Guarantee	2,000	151,150
		2,000	151,150

The restricted cash in prior period 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 was held in NCBA Bank Rwanda PLC. Current year balance relates to MTN and residential caution money paid respectively

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:

	2024	2023
	Frw'000	Frw'000
Right of use asset: Building	-	60,073
	-	60,073
Right of use asset	2024	2023
	Frw'000	Frw'000
Building		
Cost:		
At start of year	77,873	40,575
Additional to right of use asset	-	77,873
Disposal	(77,873)	(40,575)
At end of the year	-	77,873
Amortization:		
At start of year	(17,800)	(36,067)
Charge for the year	(20,024)	(22,308)
Derecognition of right of use asset	37,824	40,575
At end of year	-	(17,800)
Net carrying value	-	60,073



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

	2024	2023
	Frw'000	Frw'000
Lease liability as at 1 October	60,002	5,522
Additional lease	-	77,872
Lease interest	5,679	6,570
Payment of lease liabilities	(22,506)	(29,962)
Release of lease liability	(43,175)	-
	-	60,002
Lease liability	2024	2023
	Frw'000	Frw'000
Current	-	26,950
Non-current	-	33,052
	-	60,002

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

The statement of profit or loss shows the following amounts relating to leases:

	2024	2023
	Frw'000	Frw'000
Depreciation charge of right of use asset (building)	20,024	13,291
Interest expense (included in finance costs)	5,679	6,570
	25,703	19,861

The total cash outflow for leases in 2024 was Frw 19.6 million (2023: Frw 29.9 million) (including principal elements of lease payments of Frw 13.95 million (2023: Frw 23.3 million) and 5.67 million (2023: Frw 6.57million) 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 leased one residential building. The rental contract was fixed for one year but has extension options. It was terminated in June 2024.

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	Management	
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.



Notes to the financial statements (continued)

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:			
		2024	2023
	US Dollars:	Frw'000	Frw'000
	Assets		
	Cash at bank and on hand	1,202,350	7,346,702
		1,202,350	7,346,702
	Liabilities		
	Trade and other payables	(11,316,060)	(1,200,050)
		(11,316,060)	(1,200,050)
	Net position	(10,113,710)	6,146,652

Sensitivity

At 30 September 2024, if the Rwandan Franc had weakened or strengthened by 10 % against the foreign currencies with all other variables remaining constant, post-tax profit or loss for the year would have been Frw 2,551 million (2023: Frw 597 million) lower or higher respectively, 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:

	2024	% of total loans	2023	% of total loans
	Frw '000		Frw '000	
Fixed rate borrowings - maturity dates				
Less than 1 year	9,585,007	16%	10,697,542	100%
1 - 5 years	48,962,909	84%	-	0%
	58,547,916	100%	10,697,542	100%

As at 30 September 2024, 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:

	2024	2023
	Frw '000	Frw '000
Cash at bank	8,093,381	17,597,912
Trade receivables	2,474,814	1,587,925
Amounts due from related parties	-	-
Other receivables	16,849	13,318
	10,585,044	19,199,155



30 September 2024 (Frw'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 -Distributors	1,095,430	-	-	-	247,087	1,342,517
Less: customers with bank guarantees	(48,416)					(48,416)
Net receivables	1,047,014	-	-	-	247,087	1,294,101
Expected loss rate	5%	0%	0%	0%	100%	
Loss allowance	52,839	-	-	-	247,087	299,926
Net Receivables	994,175	-	-	-	-	994,175

30 September 2024 (Frw'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	903,262	24,080	8,291	-	-	935,633
Less customers with bank guarantees	(669,893)	(24,080)	(8,291)	-	-	(702,263)
Net receivables	233,370	-	-	-	-	233,370
Expected loss rate	1.07%	0%	0%	0%	0%	
Loss allowance	2,425	-	-	-	-	2,425
Net receivables	230,945					230,945



30 September 2024 (Frw'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	536,984	-	-	-	55,605	592,589
Less customers with bank guarantees	-	-	-	-	-	-
Net receivables	536,984	-	-	-	55,605	592,589
Expected loss rate	7%	-	0%	0%	100%	
Loss allowance	36,541	-	-	-	55,605	92,207
Net Receivables	500,382	-	-	-	-	500,382

For some customers, the company requires bank guarantees for them to access credit sale. In this case, the customer obtains a bank guarantee, which must be equal to the amount of credit being sought. Should the customer default to pay, then the bank that guaranteed the customer automatically pays the company.

The receivables that have bank guarantees are therefore excluded in the analysis of credit risk exposure. For the year ended 30 September 2024, receivables amounting to Frw 718 Million: 2023 Frw 927.9 million) were excluded from credit risk exposure.

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

30 September 2023 (Frw'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	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



30 September 2023 (Frw'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
Net receivables	368,906	76,445	3,611	-	-	448,961

30 September 2023 (Frw'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	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

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



30 September 2024 (Frw'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	2,535,331	24,426	8,291	--	302,691	2,870,739
Provisions made	(90,560)	(2,674)	-	-	(302,691)	-395,925
Net receivables after provisions	2,444,771	21,751	8,291	-	-	2,474,813

30 September 2023 (Frw'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

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

	2024	2023
	Frw'000	Frw'000
Opening loss allowance as at 1 October	282,933	410,224
Impairment losses/ (reversal) during the year (note 13)	112,993	(127,291)
	395,926	282,933

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 and 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.

At 30 September 2024	Less than 1 year	2-3 years	4- 5 years	More than 5 years	Total
	Frw'000	Frw'000	Frw'000	Frw'000	Frw'000
Trade payables	8,983,863	-	-	-	8,983,863
Customer deposits	2,527,146	-	-	-	2,527,146
Other payables	807,057	-	-	-	807,057
Due to related parties	2,440,247	-	-	-	2,440,247
Interest bearing borrowings	9,585,007	29,914,029	26,008,382	-	65,507,418
	24,343,320	29,914,029	26,008,382	-	80,265,146



At 30 September 2023	Less than 1 year	2-3 years	4- 5 years	More than 5 years	Total
	Frw'000	Frw'000	Frw'000	Frw'000	Frw'000
Trade payables	5,089,988	-	-	-	5,089,988
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	11,578,012	-	-	-	11,578,012
	18,699,669	33,052	-	-	18,732,721



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, is to maintain a gearing ratio within 40%. The gearing ratios at 30 September 2024 and 30 September 2023 are shown below. The ratio as at 30 September 2024 has significantly increased as the more loan acquired from bank and holding company.

		2024	2023
		Frw '000	Frw '000
Net (Debt)/Cash		(50,454,535)	6,840,368
Total equity		84,501,905	79,989,946
Net (Debt)/Cash to equity ratio		(59.7%)	8.6%

22 (b)	Financial instruments by category			
	Financial assets at amortised cost		2024	2023
			Frw'000	Frw'000
	Environmental guarantee		8,710	8,710
	Restricted cash		2,000	151,150
	Trade receivables		2,474,814	1,587,924
	Other receivables		16,849	164,468
	Cash at bank		8,093,380	17,597,912
			10,595,753	19,510,164



Financial liabilities at amortised cost	2024	2023
	Frw'000	Frw'000
Trade payables	8,983,863	5,089,988
Customer deposits	2,527,146	1,164,566
Other payables	55,880	555,014
Intercompany payables	2,440,247	225,136
Borrowings	58,547,916	10,697,542
Lease liability	-	60,002
	72,555,052	17,792,248

22 (c) Fair value of financial instruments

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.

22 c) Fair values of financial instruments

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 Company has not disclosed the fair value of short-term financial assets and financial liabilities as management assessed that the fair value of short-term financial liabilities and financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.



Notes to the financial statements (continued)

23. Critical accounting estimates 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.

i) 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 2024, the Company had a current income tax recoverable of Frw 3,199 million (2023: payable of Frw 4,357 million).

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

At 30 September 2024, the Company's net investment in property, plant and equipment amounted to Frw 116,919 million (2023: Frw 70,965 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 2024 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 Frw 144,518 million (2023: Frw 88,189) million as at 30 September 2024. The directors have made the following significant assumptions in assessing the expected cash flows to be generated by the cement plant over the next 13 years:

Limestone reserves of 6.54 megatons (2023: 7.06 megatons), resulting in an estimated remaining life of mine of 13 years (2023: 14 years) based on estimated average 0.52 megatons (20123: 0.52 megatons) of limestone mined per annum.

Weighted average cost of capital of 19.70% (2023: 19.26%).

Expected sales volumes growth of 2% per annum (2023: 2%).

Expected cost inflation of 5.4% per annum (2023: 5%).



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.

(iii) 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 5.4% (2023: 5%)
- Risk free discount rate of 13% (2023: 12.89%)
- Remaining life of mine (including inferred/indicated reserves of 1.6mt) of 13 years

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.



Note to the financial statements (continued)

23 Critical accounting estimates and judgements (continued)

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 Frw 16.9 million and Frw 15.8 million respectively, and the related interest expense due to the unwinding of the discount would be higher/lower by Frw 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 Frw 21 million and Frw 24million respectively, and the related interest expense due to the unwinding of the discount would be lower/higher by Frw 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 Frw 9 million, and the related interest expense due to the unwinding of the discount would be lower/higher by Frw 0.30 million.

Additionally, local environmental regulations require the Company to issue a guarantee for environmental rehabilitation. The Company deposited a guarantee of Frw 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.



Notes to the financial statements (continued)

23 Critical accounting estimates and judgements (continued)

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.

24 Contingent liabilities

The company is currently involved in claims initiated by former employees and other parties. The total claims amount to over Frw 929 million and they are either under mediation or pending before the courts.

Management, in consultation with legal counsel, is confident about positive outcome of these claims and therefore no provision has been made to these financial statements. The company will continue to monitor these claims and update its assessments based on the progression of the proceedings and any relevant developments.



Notes to the financial statements (continued)

25 Capital commitments

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

				2024		2023
				Frw'000		Frw'000
	Capital commitments			59,165,420		4,376,476

Capital commitments mainly represent anticipated costs to be incurred in the expansion and upgrade of the plant.

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

There were no material post period and events that may require adjustment or disclosure to the financial statements.

28 Ultimate holding company

The ultimate parent company and controlling party is National Cement Holdings Ltd, which is incorporated in Rwanda(2023: PPC which is incorporated in South Africa.)

Notes to the financial statements (continued)

29 Segment reporting

As disclosed in note 3 (s), the company operates as one segment as revenues are earned and expenses are incurred at an entity level. The Company's executive committee therefore reviews the results of the company at an entity level.

EBITDA reconciles to operating profit before income tax as follows:

	2024	2023
	Frw'000	Frw'000
Total EBITDA	34,104,599	29,536,902
Finance costs	(2,163,836)	(2,391,678)
Depreciation and amortisation	(8,507,683)	(7,172,349)
Impairment of financial assets	112,993	127,291
Profit before income tax	23,545,073	20,100,166
Income tax expense	(5,032,750)	(4,484,566)
Profit for the year	18,512,323	15,615,600

30 Dividends

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

	2024	2023
	Frw'000	Frw'000
Opening balance at 1 October 2023	-	-
Dividend declared	13,192,398	-
Dividend paid	(13,192,204)	-
Frw 18.76 per qualifying ordinary share (2023: Frw Nil)		-
Paid dividends FY2024		
Total	194	-

*In July 2024, the Board approved an interim dividend payment of 18.76 per qualifying ordinary share, amounting to a total of Frw 13,198 million for the company's shareholders.







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