

In compliance with the requirements of the Securities Act No.41 of 2016 of the Laws of Zambia and the Listing Rules of the Lusaka Securities Exchange ("LuSE"), Chilanga Cement Plc. announces the audited results for the year ended 31<sup>st</sup> December 2024.

### Year Key Figures

- Sales revenue at K2, 720 million for the period up by 34% compared to 2023.
- Profit before tax at K743 million, 16% increase compared to K640 million in 2023.
- Cash and cash equivalents balance of K505 million, 16% decrease compared to K601 million in 2023.

### Full Year Company Highlights

The Company once again showed the strength and resilience of its business model based on innovation and quality, demonstrating a strong operational and financial performance in the midst of a competitive domestic and export market in the 2024 financial year. The Company continued to effectively serve its local and export markets in the midst of a challenging trading environment marked by unstable currency fluctuations, insufficient electricity supply in the economy, increased competition and multiple operational cost challenges.

While competition in the Zambian cement industry remained very high, the Company increased its earnings per share to K2.84 (2023: K2.24) representing 27% increase compared to 2023. This was achieved through increase in volumes sold and the various significant production and operational cost efficiency initiatives implemented during the year.

An interim dividend of K1.5 per share was proposed and paid for the financial year 2024 (2023:K1) . At the next Annual General Meeting, the Directors will propose a final dividend of K2 per share (2023: K1.5 per share) making the sum total of K3.5 per share for the year ended 31 December 2024.

### Mr Chai, Chief Executive Officer of Chilanga Cement Plc said:

The Company operated in a challenging environment in 2024, marked by macroeconomic difficulties and increased operational costs. Despite these challenges, through hard work, careful planning, and a focus on maximizing output, we remained resolute. I am pleased to report that the Company achieved significant improvements, including a 34% growth in revenue and a 16% increase in profit before tax.

I would like to extend my gratitude to our employees for their continued dedication and hard work, as well as for embracing the well-celebrated diversity within the Company, which has been instrumental in achieving these results. I also wish to thank our shareholders and the Huaxin Group for their unwavering confidence, as well as our customers for their continued loyalty.

### Outlook for 2025:

The Company is well-positioned to benefit from the projected economic growth. We anticipate increased demand resulting from the resuscitation of mines and further investments in infrastructure and housing through Public Private Partnerships (PPP) and Community Development Fund (CDF) projects. Additionally, we will continue to explore new export markets within the region to drive future growth.

### CONDENSED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Condensed Statement of Comprehensive Income for the year ended 31 December	2024	2023
	ZMW'000	ZMW'000
Revenue	2,719,535	2,023,952
Operating Profit	737,676	644,359
Investment Income	18,639	2,761
Finance Costs	(13,001)	(7,398)
Profit before tax	743,314	639,722
Income tax (expense)	(175,631)	(192,281)
<b>Profit for the Year</b>	<b>567,683</b>	<b>447,441</b>
<b>Profit attributed to:</b>		
Equity holders of the parent	446,653	357,416
Minority interest	121,030	90,025
<b>Basic and diluted earnings per share (Kwacha)</b>	<b>2.84</b>	<b>2.24</b>

### Condensed Statement of Financial Position as at 31 December

	2024	2023
	ZMW'000	ZMW'000
<b>Net assets employed</b>		
Property, plant and equipment	1,621,304	1,984,837
Intangible assets	8,167	7,319
Environmental Protection Fund	24,467	21,013
Net current assets	479,556	722,999
	<u>2,133,494</u>	<u>2,736,168</u>
<b>Liabilities due after one year</b>		
Provision for Environmental Liabilities	93,077	68,395
Deferred tax	170,253	366,281
Total Liabilities due after one year	<u>263,330</u>	<u>434,676</u>
	<u><b>1,870,164</b></u>	<u><b>2,301,492</b></u>
<b>Financed by</b>		
Share capital	10,002	10,002
Reserves	1,860,162	2,291,490
	<u><b>1,870,164</b></u>	<u><b>2,301,492</b></u>

### Statement of Changes in Equity as at 31 December

	Share Capital	Revaluation Reserve	Retained Earnings	Total
	ZMW'000	ZMW'000	ZMW'000	ZMW'000
<b>Balance at 1 January 2023</b>	<b>10,002</b>	<b>777,429</b>	<b>1,410,799</b>	<b>2,198,230</b>
Profit for the year	-	-	447,441	447,441
Other comprehensive income for the year, net of income tax	-	55,902	-	55,902
Depreciation transfer on revalued assets	-	(56,463)	56,463	-
Dividends paid	-	-	(400,081)	(400,081)
<b>Balance at 31 December 2023</b>	<b>10,002</b>	<b>776,868</b>	<b>1,514,622</b>	<b>2,301,492</b>
<b>Balance at 1 January 2024</b>	<b>10,002</b>	<b>776,868</b>	<b>1,514,622</b>	<b>2,301,492</b>
Profit for the year	-	-	567,683	567,683
Other comprehensive income for the year, net of income tax	-	(398,890)	-	(398,890)
Depreciation transfer on revalued assets	-	(39,509)	39,509	-
Dividends paid	-	-	(600,121)	(600,121)
<b>Balance at 31 December 2024</b>	<b>10,002</b>	<b>338,469</b>	<b>1,521,693</b>	<b>1,870,164</b>

### Condensed Statement of Cashflow for the year ended 31 December

	2024	2023
	ZMW'000	ZMW'000
Net cash from operating activities	801,537	605,799
Net cash used in investing activities	(262,531)	(125,012)
Net cash generated (utilised) in financing activities	(600,121)	(400,081)
(Decrease)/increase in cash and cash equivalents	(61,115)	80,706
Effect of foreign exchange rate changes	(34,433)	83,814
Cash and cash equivalents at beginning of the year	600,912	436,392
<b>Cash and cash equivalents at end of December</b>	<b>505,364</b>	<b>600,912</b>