

# Media Release

## 05th December 2019

### Kigali, Rwanda



#### **CIMERWA PPC bounces back with a 20% year on year increase in sales volumes**

**CIMERWA** ends 2019 on a high note as it registers a 20% year on year increase in sales volumes. This comes on the back of a plant maintenance and upgrade in 2018 which saw the sole cement manufacturer in Rwanda optimizing its production capacity to over 80% in 2019 as compared to 65% the previous year.

**CIMERWA's** plant located in Rusizi district in the Western Province currently produces 480,000 tonnes per annum as it looks to increase capacity to 90% by mid-2020 and further to 100% by mid-2021 reaching its full capacity of 600,000 tonnes per annum.

Addressing the media at **CIMERWA's Annual Financial Report CEO Roundtable** held at the Kigali Marriot Hotel on 05th December 2019, **Bheki Mthembu - CIMERWA PPC's CEO** explained the strategic intent behind the plant's capacity upgrades saying "I'm pretty sure if you went to a doctor and told him/her that you needed to undergo hip and kidney replacement in combination with heart bypass surgery, he/she would advise you to rather do it organ by organ (not all at once) – otherwise you would run a big risk of not coming out of the theater alive, the same analogy applies to CIMERWA's step by step optimisation approach. As a highly capital-intensive business our upgrades needed to be systematically undertaken. The major investment upgrades which was commissioned in 2015 taking us from a capacity of 100,000 tonnes per annum to today's capacity of 480,000 tonnes per annum are a testament to our commitment of meeting Rwanda's macro infrastructure agenda. In the mean time we can only be proud of our accomplishment as we are now officially a profit-making business in 2019 compared to previous years. The profits we made this year will ultimately contribute to the ongoing capacity scale up of our plant and giving back to the community."

**Bheki** went on to explain that above and beyond profit making and optimizing production capacity, **CIMERWA** is a socially conscious and responsible company that aims at giving back to the communities it operates in. This stems from **PPC Group's** purpose to fuel "A better life for all".

"At **CIMERWA** we believe that businesses should have concerns that transcend profit making. Corporate Social Responsibility should not just be an ideal, it should be a part of every company's way of doing business. We endeavor to impact all the communities we operate in positively. Our outreach programs target key areas that contribute to sustainable development. i.e. infrastructure, health, education, trade, sports and more"

**CIMERWA** has been involved in several Social initiatives aptly dubbed "Because of CIMERWA" that aim at helping the community around the Bugarama area and beyond. These projects include a health clinic, a primary school, a market in the town center of Bugarama, a tailoring workshop from where CIMERWA plant staff PPE uniforms and the aforementioned school's uniforms are produced and procured in a bid to support local enterprises. In addition, **CIMERWA PPC**, in collaboration with local authorities, has built a tarmac road that stretches from the town center to the plant itself

**John Bugunya - The Chief Financial Officer at CIMERWA** highlighted key financial performance figures that showcase **CIMERWA's** financial success this year. The company witnessed a 20% sales volume increase year on year which triggered a 24% revenue increase year on year with a Rwf 4.45 billion profit before tax. John also expounded on the key factors behind this financial growth.

“**CIMERWA** has had a successful year and we hope this year acts as a precursor to many more profitable years. Most of our profits can be attributed to the government’s unwavering focus and investment in the development of the infrastructure sector. We have been involved in key national development projects this past year including the Kigali Arena, the Bugesera International Airport which is still under construction, the new Prime Minister’s office, the new Gasabo District headquarters and many more. With this being said I can not overlook the unflinching support of our stakeholders along this journey and the trust our customers put in the quality of our products.” **Bugunya** explained.

“**CIMERWA** cement was reliable yesterday, it still is today and it will remain the same in the future. Our efforts are now mainly concentrated on ensuring that our customers get a steady supply of our product and use **Sima Nyarwanda** which has proven over the years to be a dependable building solution. Next year we intend to launch a wider “range” of products with the aim of meeting our customer’s specific application” added **Bheki**

## **About CIMERWA**

Established in 1984, **CIMERWA** has over three decades worth of experience as Rwanda’s first and only integrated cement manufacturer. The firm’s production plant is located in Bugarama, Rusizi District near the South Western border of Rwanda.

**CIMERWA** is the only cement company in Rwanda to mine raw materials, produce the clinker concentrate, pack and sell cement for general and civil construction. **CIMERWA** is committed to building strong partnerships with leaders and members of the local community. In the process, the firm has helped set up a number of initiatives geared at improving the livelihoods of the people. These include a nursery and primary school, medical clinic, a market, a tailoring workshop and providing them with clean, piped water among many others.

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