



THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE



**TANZANIA ELECTRIC SUPPLY COMPANY LIMITED
(TANESCO)**

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL AND COMPLIANCE AUDIT FOR THE
FINANCIAL YEAR ENDED 30 JUNE 2025**

Controller and Auditor General
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March 2026

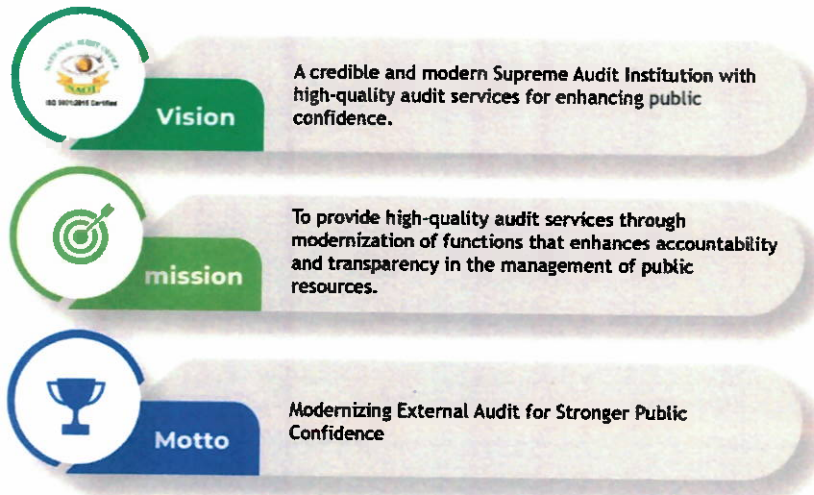
AR/PA/TANESCO/2024/25

About the National Audit Office

Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the United Republic of Tanzania of 1977 and in Section 10 (1) of the Public Audit Act, Cap. 418.

NAOT Vision, Mission & Motto



Core Values



© This audit report is intended to be used by TANESCO and may form part of the annual general report which once tabled to National Assembly, becomes a public document hence, its distribution may not be limited.

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Abbreviations

3E	Eclipse Enterprise Edition
ADF	African Development Fund
AFD	Agence Française de Development
AfDB	African Development Bank
AMR	Automatic Meter Reader
ARC	Audit and Risk Committee
BTIP	Backbone Transmission Investment Project
CAG	Controller and Auditor General
CMS	Corporate Management System
CSC	Customer Service Committee
CWIP	Capital Work in Progress
EDCF	Economic Development Cooperation Fund
ECLs	Expected Credit Loss
EIB	European Investment Bank
ESIA	Environmental and Social Impact Assessment
ETDCO	Electrical Transmission, Distribution and Maintenance Company Limited
FIOC	Finance, Investment and Operations Committee
GARC	Governance and Human Resources Committee
IAS	International Accounting Standards
ICT	Information and Communication Technology
IFRS	International Financial Reporting Standards
IPPs	Independent Power Producers
IPTL	Independent Power Tanzania Limited
JICA	Japan International Development Agency
KAWEU	Kampeni Kamata Wezi wa Umeme
Km	Kilometers
LGD	Loss Given Default
M	Million
MVA	Mega Volt Amp
MW	Mega Watts
NBAA	National Board of Accountants and Auditors
NCI	Non-controlling interest
OCI	Other Comprehensive Income
PABX	Private Automatic Branch Exchange
PAPs	Project Affected Persons
PMU	Procurement Management Unit
PPE	Property, Plant and Equipment
PSMP	Power System Master Plan
RAP	Resettlement Action Plan
REA	Rural Energy Agency
RoW	Right of way
RPU	Revenue Protection Units
SCBHK	Standard Chartered Bank Hong Kong
SDR	Special Drawing Rights
SEA	Strategic Environmental Assessment
SEPC	Shanghai Electric Power Company Limited
SPGC	Shangtan Power Generation Company Limited

SPP	Small Power Producers
TCPMC	Tanzania Concrete Poles Manufacturing Company Limited
TEDAP	Tanzania Energy Development and Access Expansion Project
TGDC	Tanzania Geothermal Development Company Limited
TL	Transmission line
UA	Ukrainian Hryvnia
URT	The United Republic of Tanzania

COMPANY INFORMATION

Registered Office:

Tanzania Electric Supply Company Limited
Plot No 114 Block G,
Dar es Salaam Road,
P.O. Box 453,
Dodoma, Tanzania.

Main Bankers:

National Bank of Commerce Limited,
P.O. Box 9062,
Dar es Salaam, Tanzania.

Citibank Tanzania Limited
P.O. Box 71625,
Dar es Salaam, Tanzania.

National Microfinance Bank (NMB) Ltd.
P.O. Box 9031,
Dar es Salaam, Tanzania.

Stanbic Bank Limited
P.O. Box 72647,
Dar es Salaam, Tanzania.

CRDB Bank PLC,
P. O. Box 2302,
Dar es Salaam, Tanzania.

Bank of Tanzania
P.O. Box 2939,
Dar es Salaam, Tanzania.

Tanzania Commercial Bank (TCB)
P.O. Box 9300,
Dar es Salaam, Tanzania.

Azania Bank Ltd,
P.O. Box 32089
Dar es Salaam, Tanzania

Lawyers:

Office of Solicitor General,
P. O. Box 71554,
10 Kivukoni Road,
11405, Dar es Salaam, Tanzania.

Company Secretary:

Advocate Sundi Mahalu
Plot No 114 Block G,
Dar es salaam Road,
P.O. Box 453,
Dodoma, Tanzania.

Auditors:

The Controller and Auditor General,
National Audit Office,
Ukaguzi House
Mahakama Road,
P. O. Box 950,
41104 Dodoma.

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairman of the Board,
Tanzania Electric Supply Company Limited,
P.O. Box 453,
Dodoma, Tanzania.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the consolidated and separate financial statements of TANESCO, which comprise the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of material accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of TANESCO as at 30 June 2025, and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), and as required by the Public Finance Act, Cap. 348 and Companies Act 2002.

Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of TANESCO in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. I have determined that there are no key audit matters to communicate in my report.

Other Information

Management is responsible for the other information. The other information comprises the report by those charged with governance, statement of responsibility by those charged with governance and declaration by the head of finance but does not include the financial

statements and my audit report thereon which I obtained prior to the date of this auditor's report.

My opinion on the financial statements does not cover the other information, and I do not express any form of assurance conclusion thereon.

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

If, based on the work I have performed on the other information that I obtained prior to the date of this audit report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines 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, management is responsible for assessing the entity'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 management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements

My 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 audit report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs 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 ISSAIs, I exercise professional judgment and maintain professional scepticism throughout the audit. I 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's 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 entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- 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.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I 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. I describe these matters in my audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

In addition, Section 10 (2) of the Public Audit Act, Cap. 418 requires me to satisfy myself that, the accounts have been prepared in accordance with the appropriate accounting standards.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement laws

Subject matter: Compliance audit on procurement of works, goods and services

I conducted a compliance audit of the procurement of works, goods and services at TANESCO for the year ended 30 June 2025 as per the Public Procurement Act, 2023 the Public Procurement Regulations, 2024, and related directives. I examined each phase of the procurement life cycle, including advertising of tenders, evaluation of bids, award of contracts and contract management, to confirm that the entity issued competitive solicitations, applied approved evaluation criteria, secured authorizations before award and maintained complete transaction records.

Conclusion

Based on the audit procedures performed, I conclude that, except for the matters described below, TANESCO generally complies, in all material respects, with the requirements of the Public Procurement laws in Tanzania.

(i) Use of an inappropriate method and award of the contract above the estimated budget by 32%

In accordance with Regulation 79 (3) & (7) of the Public Procurement Regulations 2024, a procuring entity shall forecast its requirements for goods, services and works as accurately as is practicable with particular reference to services or activities already programmed in the annual work plan and included in the annual estimates. Therefore, procuring entity shall draw up procurement plans for those requirements for which sufficient funds have been included in the approved budget in the current financial year or if payment will be due in subsequent financial year, such payment have been budgeted for. To the contrary, upon my review of procurement procedures and award of contract I noted that the tender was initiated by the user department with estimated budget of TZS 400,000,000. However, the contract was awarded at a sum of TZS 528,438,500 VAT exclusive, which is over and above the budget by 32%. Further, the method applied was the national shopping method of procurement and invited quotations from six tenderers. However, the tender was awarded at a price higher than the limit of TZS 500,000,000 prescribed for national shopping under the sixth Schedule of the PPR, 2024.

(ii) Weakness noted on tender TR212/2024/2025/G/166

Section 70(2) of the Public Procurement Act, 2023 provides that, where the law or respective legal instrument does not provide for the manner of witnessing the signing of contracts any person enumerated under the notaries Public and Commissioner for Oaths Ac shall be eligible to witness the signing of respective contracts; and Criteria No. 3 of the commercial evaluation requires tenderers to submit audited balance sheets, or where not legally required, other financial statements acceptable to the Procuring Entity (PE). To the contrary, the following

weaknesses were noted: Document not signed by the person indicated in the notarized special power of attorney; Contracts signed and witnessed by unauthorized person; and Contract awarded to bidder who did not fully comply with evaluation criteria as there were no evidence of whether the submitted financial statements were audited as required.

(iii) Award of tender over and above approved budget by 496%

Regulation 79(3) of PPR, 2024 provides that, a procuring entity shall forecast its requirements for goods, services and works as accurately as is practicable by reference to services or undertakings already programmed in the annual work plan and included in the annual estimates. To the contrary, review of tender process and award of contract with reference TR212/2023/2024/G/2065 noted that tender was awarded at TZS 298,270,385.90 which was above budget on Procurement Plan of TZS 50,000,000 being the difference of TZS 248,270,386 equivalent to 496%.

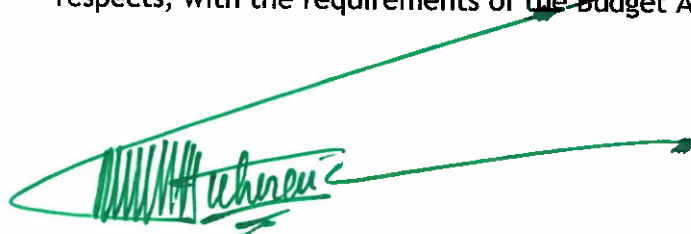
1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I conducted a compliance audit of budget formulation and execution at TANESCO for the year ended 30 June 2025 as per the Budget Act, Cap. 439, and the Budget Guidelines issued by the Ministry of Finance. I reviewed budget submissions, approval memoranda, commitment registers, ledger entries and variance analyses to confirm that the entity prepared estimates in the prescribed format, obtained timely authorizations before incurring obligations, recorded transactions accurately and reported variances as required.

Conclusion

Based on the audit procedures performed, I conclude that TANESCO complies, in all material respects, with the requirements of the Budget Act and related Budget Guidelines.



Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2026



3.0 STATEMENT OF RESPONSIBILITIES BY THOSE CHARGED WITH GOVERNANCE

The Tanzanian Companies Act, 2002 requires the directors to prepare financial statements for each financial period, which present fairly the state of financial affairs of the Group and Company as at the end of the financial period and of the Group and Company's operating results for that period. It also requires the directors to ensure that the Group and Company keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and Company. They are also responsible for safeguarding the assets of the Group and Company.

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Tanzanian Companies Act, 2002. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards (IFRS) and in the manner required by the Tanzanian Companies Act, 2002. The directors are of the opinion that the financial statements present fairly the state of the financial affairs of the Group and Company and its operating results.

The directors further accept responsibility for the maintenance of accounting records which may be relied upon, in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

The Group and Company financial statements for the year ended 30 June 2025, were approved by the Board of Directors and signed on its behalf by:



Signed By: Mr. Plasduce M. Mbossa

Position: Board Chairman

Date: 27 March 2026

4.0 DECLARATION OF HEAD OF FINANCE ON THE FINANCIAL STATEMENTS

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended 2021, requires financial statements to be accompanied with a Statement of Declaration issued by the Head of Finance responsible for the preparation of financial statements of the entity concerns the duty of a professional accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view position of the entity in accordance with international accounting standards and statutory reporting requirements. Full legal responsibility for financial statements rests with the Board of Directors as under Directors Responsibility statement on an earlier page.

I, CPA Goodluck Mwinuka signing on behalf of the Director Finance of Tanzania Electric Supply Company Limited hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2025 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements comply with applicable accounting standards and statutory requirements as on that date and that they have been prepared based on properly maintained financial records.



Signed by: CPA Goodluck C. Mwinuka

Position: For Director Finance

NBAA Registration No.: ACPA 5131

Date: 27 March 2026

5.0 FINANCIAL STATEMENTS

GROUP AND COMPANY STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	Group		Company	
		Restated		Restated	
		30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
		TZS 'm	TZS 'm	TZS 'm	TZS 'm
Non-current assets					
Property, plant and equipment	16	18,842,788	16,149,369	18,830,957	16,137,790
Capital work in progress	17	5,565,336	6,430,175	5,632,361	6,435,420
Intangible assets	18	2,796	231	2,796	231
Investment in subsidiary	20	-	-	95,337	81,495
Investment in joint venture	21	-	-	-	-
Other investments	22	15,890	49,107	15,891	49,107
Capacity charges prepayment	23	-	308	-	308
Total Non-current assets		24,426,810	22,629,190	24,577,342	22,704,351
Current assets					
Inventories	25	15,206	12,230	6,350	8,800
Trade and other receivables	26	245,355	218,666	187,057	165,852
Prepayments	38	833,306	638,228	821,232	630,371
Withholding tax recoverable	39	20,319	19,299	20,101	19,197
Deferred Tax asset	40	1,827	180	-	-
Tax Asset	46	326	326	-	-
Bank balances and cash	27(a)	937,111	523,908	932,523	505,716
Total Current assets		2,053,450	1,412,837	1,967,263	1,329,936
Total assets		26,480,260	24,042,027	26,544,605	24,034,287
Capital and reserves					
Share capital	28(a)	4,254,531	3,958,096	4,254,531	3,958,096
Advance towards share capital	28(b)	169,014	33,718	169,014	33,719
Accumulated losses		(1,954,944)	(2,475,839)	(1,875,934)	(2,430,317)
Reserves		4,388,343	4,403,013	4,386,525	4,401,194
Total equity		6,856,944	5,918,988	6,934,136	5,962,692
Non-current liabilities					
Deferred tax liability	24	2,107,421	2,113,708	2,106,913	2,113,200
Grants	29	13,165,828	12,107,294	13,145,040	12,086,506
Borrowings	28	1,458,882	856,873	1,458,882	856,873
Consumer deposits	33	3,804	4,364	3,804	4,364
Decommissioning provision	37	17,236	10,902	17,236	10,902
Deferred income	41	36,099	134,559	36,099	134,559

TANZANIA ELECTRIC SUPPLY COMPANY LIMITED (TANESCO)

Other employment benefits	31	102,282	106,230	102,282	106,230
Total Non-current liabilities		16,891,552	15,333,930	16,870,256	15,312,634
Current liabilities					
Trade and other payables	32	2,582,114	2,571,808	2,592,397	2,541,661
Borrowings - Current portion	30	73,022	133,518	73,022	133,518
Provisions	36	68,305	75,795	68,305	75,795
Income tax payable	35	8,324	7,988	6,489	7,987
Total Current liabilities		2,731,765	2,789,109	2,740,213	2,758,961
Total liabilities		19,623,316	18,123,039	19,610,469	18,071,595
Total equity and liabilities		26,480,260	24,042,027	26,544,605	24,034,287

These Financial Statements were adopted by the Board of Directors and were signed on its behalf by:

Chairman: Mr. Plasduce M. Mbossa

27 March 2026

Date

Managing Director: Mr. Lazaro J. Twange

27 March 2026

Date

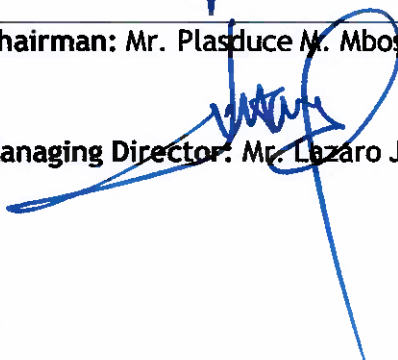
**GROUP AND COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2025**

		Group		Company	
	Note	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
		TZS 'm	TZS 'm	TZS 'm	TZS 'm
Revenue	9	2,552,480	2,196,947	2,511,541	2,152,484
Cost of sales	10	(2,167,399)	(2,206,060)	(2,083,331)	(2,187,754)
Gross profit/(loss)		385,081	(9,113)	428,210	(35,270)
Other income	11	846,868	589,626	846,702	589,496
Impairment of Financial Assets	12(a)	(9,238)	(40,434)	(4,032)	(39,165)
Operating expenses	12(b)	(651,341)	(454,878)	(639,413)	(425,732)
Operating profit		571,370	85,201	631,467	89,329
Interest income on bank deposits	13(b)	209	266	209	266
Finance cost	13(a)	(65,903)	(37,685)	(65,903)	(37,685)
Net finance cost		(65,693)	(37,420)	(65,693)	(37,419)
Profit before tax		505,676	47,781	565,774	51,910
Income tax (charge)	14	(22,180)	(33,406)	(17,080)	(30,132)
Profit for the year		483,496	14,375	548,694	21,778
Re-measurement of Defined Benefit Plan	31	12,261	7,900	12,261	7,900
Unrealized gain/Loss on equity	22	(33,218)	412	(33,218)	412
Deferred tax at 30%		6,287	(2,494)	6,287	(2,494)
Other Comprehensive income net of Tax		(14,669)	5,818	(14,669)	5,819
Total comprehensive income for the year		468,827	20,193	534,025	27,596

These Financial Statements were adopted by the Board of Directors and were signed on its behalf by:


Chairman: Mr. Plasduce M. Mboosa

27 March 2026
Date


Managing Director: Mr. Lazaro J. Twange

27 March 2026
Date

GROUP AND COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2024

GROUP	Share capital	Advance towards share capital	Revaluation reserve	Fair value reserve of financial assets	Other Reserve	Accumulated losses	Total
	TZS 'm	TZS 'm	TZS 'm	TZS 'm	TZS 'm	TZS 'm	TZS 'm
Period ended 30 June 2023- restated							
Balance at 01 July 2023	3,958,096	1,246	4,373,312	34,195	(10,312)	(2,490,214)	5,866,323
Profit for the year	-	-	-	-	-	14,375	14,375
Other comprehensive income (OCI)	-	-	-	412	7,900	-	8,312
Total Comprehensive Income	-	-	-	412	7,900	14,375	22,687
Deferred tax liability on equity instrument	-	-	-	(124)	(2,370)	-	(2,494)
Revaluation of Asset	-	-	-	-	-	-	-
Loan conversion to equity	-	-	-	-	-	-	-
Transactions with owners: Advance towards Share capital	-	32,472	-	-	-	-	32,472
Balance as at 30 June 2024	3,958,096	33,718	4,373,312	34,483	(4,782)	(2,475,839)	5,918,988

These Financial Statements were adopted by the Board of Directors and were signed on its behalf by:

Chairman: Mr. Plasduce M. Mbossa

27 March 2026

Date

Managing Director: Mr. Ezzaro J. Twange

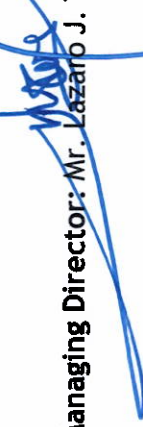
27 March 2026

Date

GROUP AND COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2025 (Continued)

GROUP	Share capital TZS 'm	Advance towards share capital TZS 'm	Revaluation reserve TZS 'm	Fair value reserve of financial assets TZS 'm	Other Reserve TZS 'm	Accumulated losses TZS 'm	Total TZS 'm
Period ended 30 June 2025							
Balance at 1 July 2024	3,958,096	33,719	4,373,312	34,482	(4,782)	(2,475,839)	5,918,988
Impact of correction of errors						37,398	37,398
Balance at 1 July 2024-restated	3,958,096	33,719	4,373,312	34,482	(4,782)	(2,438,441)	5,956,386
Profit/Loss for the year	-	-	-	-	-	483,497	483,497
Other comprehensive income:	-	-	-	(20,956)	-	-	(20,956)
Total Comprehensive income	-	-	-	(20,956)	-	483,497	462,541
Deferred tax liability on revaluation on equity instrument				6,287	-	-	6,287
Loan conversion to Equity	296,435						296,435
Transactions with owners:							
Fund received for Project		135,295					135,295
Balance as at 30 June 2025	4,254,531	169,014	4,373,312	19,814	(4,782)	(1,954,944)	6,856,944

These Financial Statements were adopted by the Board of Directors and were signed on its behalf by:

	<u>27 March 2026</u>	Date
Chairman: Mr. Plasduce M. Mbossa		
	<u>27 March 2026</u>	Date
Managing Director: Mr. Lazaro J. Twange		

GROUP AND COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

SEPARATE

	Share capital	Advance towards share capital	Revaluation reserve	Fair value of financial assets	Other Reserve	Accumulated losses	Total
	TZS 'm	TZS 'm	TZS 'm	TZS 'm	TZS 'm	TZS 'm	TZS 'm
Period ended 30 June 2024							
Balance at 01 July 2023 restated	3,958,096	1,246	4,371,493	34,194	(10,312)	(2,452,095)	5,902,623
Impact of correction of errors							
Balance at 01 July 2023	3,958,096	1,246	4,371,493	34,194	(10,312)	(2,452,095)	5,902,623
Profit for the year	-	-	-	-	-	21,778	21,778
Other comprehensive income (OCI)	-	-	-	412	7,900	-	8,312
Total Comprehensive Income	-	-	-	412	7,900	21,778	30,090
Deferred tax liability on Gain on revaluation of Assets	-	-	-	(124)	(2,370)	-	(2,370)
Revaluation of Asset	-	-	-	-	-	-	-
Loan conversion to equity	-	-	-	-	-	-	-
Transactions with owners:							
Advance towards Share capital		32,472					32,472
Balance as at 30 June 2025	3,958,096	33,719	4,371,493	34,483	(4,782)	(2,430,317)	5,962,692

These Financial Statements were adopted by the Board of Directors and were signed on its behalf by:

Chairman: Mr. Plasduce M. Mbossa

Date

27 March 2026

Managing Director: Mr. Lazaro J. Twange

Date

27 March 2026

GROUP AND COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

SEPARATE

	Share capital	Advance towards share capital	Revaluation reserve	Fair value reserve of financial assets	Other Reserve	Accumulated losses	Total
	TZS 'm	TZS 'm	TZS 'm	TZS 'm	TZS 'm	TZS 'm	TZS 'm
Period ended 30 June 2025							
Balance at 01 July 2024 restated	3,958,096	33,719	4,371,493	34,483	(4,782)	(2,430,317)	5,962,692
Impact of correction of errors						5,688	5,688
Balance at 01 July 2024	3,958,096	33,719	4,371,493	34,483	(4,782)	(2,424,628)	5,968,380
Profit for the year	-	-	-	-	-	548,694	548,694
Other comprehensive income (OCI)	-	-	-	(20,957)	-	-	(20,957)
Total Comprehensive Income	-	-	-	(20,957)	-	548,694	527,738
Deferred tax liability on equity instrument	-	-	-	6,287	-	-	6,287
Revaluation of Asset	-	-	-	-	-	-	-
Loan conversion to equity	296,435	-	-	-	-	-	296,435
Transactions with owners:							
Advance towards Share capital	-	135,295	-	-	-	-	135,295
Balance as at 30 June 2025	4,254,531	169,014	4,371,493	19,813	(4,782)	(1,874,934)	6,934,135

These Financial Statements were adopted by the Board of Directors and were signed on its behalf by:

Chairman: Mr. Plauduc M. Mbossa

27 March 2026

Date

Managing Director: Mr. Lazaro J. Twange

27 March 2026

Date

GROUP AND COMPANY STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2025

	Note	Group		Company	
		30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
		TZS 'm	TZS 'm	TZS 'm	TZS 'm
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from operating activities	34	531,301	63,920	647,081	158,142
Tax Paid	35	(18,815)	(11,798)	(18,259)	(8,564)
Net cash from operating activities		512,486	52,122	628,822	149,578
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions to capital work in progress	49	(1,592,469)	(1,933,139)	(1,682,346)	(1,982,270)
Transfer to subsidiary PPE	49	-	-	-	-
Acquisition of PPE		(1,004)	(326)	-	-
Acquisition of subsidiary	49	-	-	(13,843)	(17,792)
Additional to licensing	49	-	(1,358)	-	-
Net cash used in investing activities		(1,593,473)	(1,934,823)	(1,696,189)	(2,004,062)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from borrowings	43	158,879	116,519	158,879	116,519
Loan repayments	44	(127,943)	(81,906)	(127,943)	(81,906)
Proceeds from grants	45	1,463,475	1,870,397	1,463,475	1,870,397
Proceeds towards share capital		-	-	-	-
Net cash generated from financing activities		1,494,411	1,905,010	1,494,411	1,905,010
Net increase/(decrease) in cash and cash equivalents		413,424	22,309	427,044	50,526
Cash and cash equivalents at beginning of year		524,300	501,991	506,083	4,553,557
Cash and cash equivalents at end of year	27	937,724	524,300	933,127	506,083

These Financial Statements were adopted by the Board of Directors and were signed on its behalf by:


Chairman: Mr. Plasduce M. Mbessa

27 March 2026

Date


Managing Director: Mr. Lazaro J. Twange

27 March 2026

Date

Controller and Auditor General

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