See disclosure overleaf

Trinidad Cement Limited

Flash Report Q2 2026 (June 30, 2026)

Last Price (TTSE):	$1.80 (05-Aug-26)	**52 Wk. Range:**	$1.36 - $2.03	**Market Cap:**	TT$674.3M
YTD Price Change:	(2.70%)	**EPS (TTM):**	$0.34	**Dividend Yield (TTM):**	6.70%
Sector:	Manufacturing II	**P/E (TTM):**	5.25x		

TCL's Net Income increases 930% y-o-y driven by increased operational efficiencies in Jamaica

Group Overview and Recent Developments

- The TCL Group is a manufacturing and service-oriented company producing bulk and bagged cement, clinker, packaging materials, and premixed concrete. TCL has operations throughout the English-speaking Caribbean.
- As of March 31, 2026, TCL's subsidiary, Readymix (West Indies) Limited - of which TCL held 98.63% of the issued and outstanding share capital - has permanently ceased operations and closed. The Board of Directors cited persistently high operating costs, including maintenance and raw material expenses, as well as challenging conditions in the construction market, as the primary reasons for the closure.
- TCL paid dividends of $0.08/share (19.85% payout ratio) in 2024 and $0.12/share (44.28% payout ratio) in 2025, after paying no dividends since 2017.

Financial Highlights	Quarter ended	Quarter ended	Quarter ended
$ 000s	**Jun-26**	**Mar-26**	**Jun-25**
Revenues	$576,646	$619,791	$618,102
Profit Before Taxation (PBT)	$131,808	$133,701	($15,696)
Profit After Tax (controlling interest)	$72,887	$73,003	($18,385)
Total Assets	$3,233,920	$3,067,012	$2,987,223
Total Equity (controlling interest)	$1,077,827	$1,001,186	$956,079
Total Liabilities	$1,804,879	$1,743,752	$1,763,889
PBT Margin	22.86%	21.57%	(2.54%)
PAT Margin	12.64%	11.78%	(2.97%)
Return on Assets	2.25%	2.38%	(0.62%)
Return on Equity	6.76%	7.29%	(1.92%)

Financial Highlights

- TCL's revenue decreased 6.7% ($41.46M) y-o-y to $576.65M. This largely reflects weaker cement market conditions in Trinidad & Tobago, and the closure of the Readymix concrete and aggregates business, partially offset by stronger volumes in Jamaica.
- Operating profit increased by $146.6M to $137.9M from a loss of $8.7M in the prior year period, driven primarily by a 72.5% ($99.01M) increase in gross profit resulting from a 29.2% ($140.47M) reduction in cost of sales. The improvement was largely driven by a stronger operational performance and cost efficiency, particularly in Jamaica. Additionally, TCL's Q2 2025 performance was adversely affected by their major annual plant maintenance shutdown in Jamaica, which is again scheduled for Q3 2026.
- For Q2 2026, TCL recorded a net income of $102.73M, which represents a 929.6% ($115.12M) increase y-o-y. This increase in net income was attributable to the aforementioned increase in operating profit and partially offset by an increase in the taxation charge by 977.9% ($32.39M). The increase in taxation expense reflects the Group's return to profitability, compared with a tax credit in the corresponding period of 2025. Consequently, TCL's PAT margin increased from (2.97%) to 12.64% y-o-y, their ROA increased from (0.62%) to 2.25% y-o-y, and their ROE increased from (1.92%) to 6.76% y-o-y.
- As at June 30, 2026, TCL's total assets stood at $3.23B, up 8.3% ($246.70M) y-o-y. This increase was mainly attributable to increases in cash and cash equivalents by 48.8% ($281.58M), which is mainly represented by highly liquid short-term instruments. Inventories also increased by 15.7% ($54.40M) and was partially offset by PPE decreasing by 3.8% ($66.04M).

Financial Highlights (cont'd)

- Total liabilities increased by 2.3% ($40.99M) to $1.80B. This increase was mainly attributable to short-term debt which increased by 423.6% ($148.25M), taxation payable increasing by 4098.1% ($42.09M) and partially offset by long-term debt decreasing by 37.6% ($161.65M).
- TCL's total equity (controlling interest) increased by 12.7% ($121.75M) y-o-y, primarily due to an increase in retained earnings by 20.9% ($106.74M).
- In Q2 2026, TCL recorded an EPS of $0.20, up from ($0.05) in Q2 2025.

Key Risks:

- TCL shares have an inherent liquidity risk as 81.75% of issued shares are held by two entities, Sierra Trading- owned by CEMEX (69.83%) and NIBTT (11.92%).
- In the Trinidad and Tobago market, there is increased competition due to the return of Rock-Hard Cement. TCL recently increased their prices by 15%, currently TCL cement retails at approximately $65.00 per bag, and Rock Hard cement at around $62.00.
- In the Jamaican market, TCL still holds a monopoly on the production of cement accounting for approximately 82% of cement supply historically with imports filling the remainder. However, as of 2025 TCL has increased its production in Jamaica by roughly 7%, decreasing local imports to the country.
- The group is exposed to foreign currency risk as for the FY 2025, 19.7% of net sales was generated in Trinidad & Tobago, 54.2% in Jamaica, 2.4% in Barbados, 11.6% in Guyana, and 12.0% in OECS islands. Notably, TCL's revenue contribution from Trinidad & Tobago declined by 14.6% y.o.y, while revenue contributions from all other regions increased.

Figure 1: TCL's EPS, DPS, and Dividend Yield

Figure 2: TCL Revenue for 2023-2025 by Operating Segment

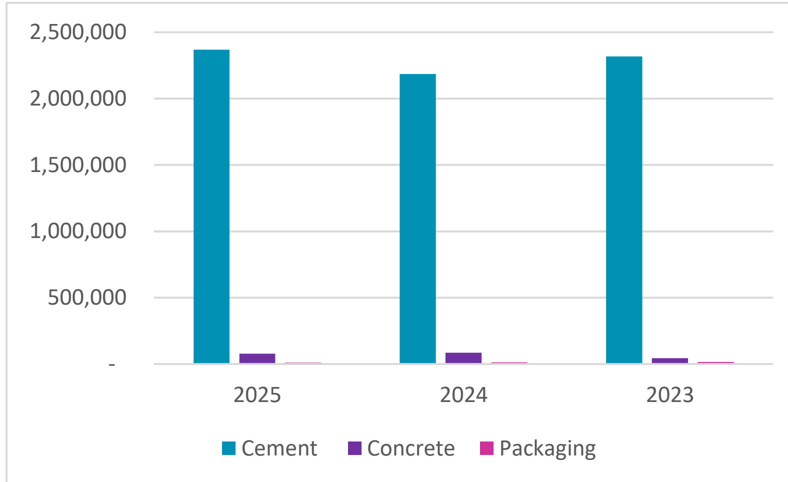


Figure 3: 2024 – 2025 Revenue by Geographical Segment

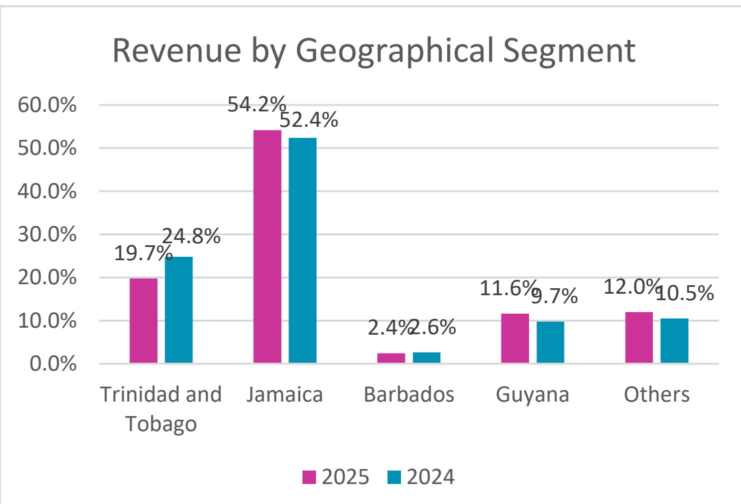
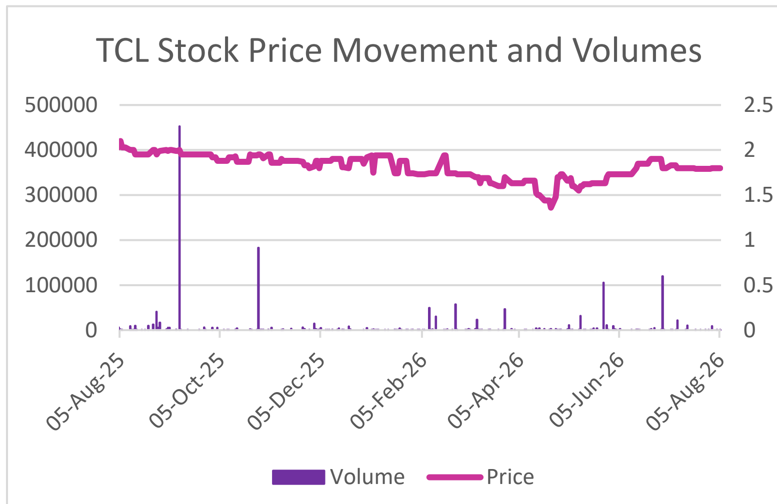


Figure 4: TCL Stock Price Movement and Volume



Disclosure:

This information has been provided by Republic Wealth Management (RWML) and is for information purposes only. It is not intended to provide investment, financial or other advice and such information should not be relied upon for providing such advice. RWML takes reasonable steps to provide up-to-date, accurate and reliable information, and believes the information to be so when printed.

Any investment and economic outlook information contained in this article has been complied by RWML from various sources. Information obtained from third parties is believed to be reliable, but no representation or warranty, expressed or implied, is made by RWML, its affiliates or any other person as to its accuracy, completeness or correctness. RWML and its affiliates assume no responsibility for any errors or omissions. The contents of this article should not be considered an offer to sell to, or a solicitation to buy securities from any person in Trinidad and Tobago where such offer or solicitation is considered unlawful. When making an investment decision, you should consult with a qualified financial advisor who can provide advice on suitability of any investment for you based on your investment objectives, investment experience, financial situation and needs, or other relevant information.