



DANGOTE CEMENT PLC

INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS AND NINE MONTHS ENDED 30TH SEPTEMBER 2020

Dangote Cement Plc
For the three months and nine months ended 30th September 2020

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CERTIFICATION PURSUANT TO SECTION 60 OF INVESTMENTS AND SECURITIES ACT (ISA) 2007

We have reviewed the condensed consolidated and separate interim financial statements of Dangote Cement Plc and its subsidiaries (The Group) for the period ended 30th September 2020.

Based on our knowledge, these condensed consolidated and separate interim financial statements do not:

- contain any untrue statement of a material fact or;
- omit to state a material fact, which would make the statement misleading in light of the circumstances under which such statements were made;

The condensed consolidated and separate interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Group and Company as of, and for the period ended 30th September 2020;

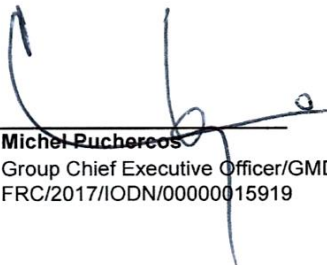
The Directors are responsible for establishing and maintaining internal controls,

We have:

- designed such internal controls to ensure that material information relating to the Group is made known to us by others within the Group, particularly during the period in which this report is being prepared;
- continuously evaluated the effectiveness of the Group and Company's internal controls and reported to the Board's Audit and Risk Management Committee on a quarterly basis;
- disclosed to the Audit Committee, any fraud whether or not material, that involved management or other employees who have significant role in the Group and Company's internal controls.
- identified for the Company's Auditors all significant deficiencies in the design or operation of internal controls which would adversely affect the company's ability to record, process, summarise and report financial data and any material weakness in internal controls
- identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.



Olakunle Alake
Director
FRC/2013/ICAN/00000002214



Michel Puchereos
Group Chief Executive Officer/GMD
FRC/2017/IODN/00000015919



Guillaume Moyen
Acting Group Chief Finance Officer
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Independent Auditors' Report on Review of Condensed Consolidated and Separate Interim Financial Statements

To the Shareholders of **Dangote Cement Plc**

Introduction

We have reviewed the accompanying condensed consolidated and separate interim financial statements of Dangote Cement Plc (the "Company") and its subsidiaries (together "the Group"), which comprise:

- the condensed consolidated and separate statements of financial position as at 30 September 2020;
- the condensed consolidated and separate statements of profit or loss for the three-month and nine-month periods ended 30 September 2020;
- the condensed consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended 30 September 2020;
- the condensed consolidated and separate statements of changes in equity for the nine-month period ended 30 September 2020;
- the condensed consolidated and separate statements of cash flows for the nine-month period ended 30 September 2020; and
- notes to the interim financial statements.

The Directors are responsible for the preparation and presentation of these condensed consolidated and separate interim financial statements in accordance with IAS 34, *'Interim Financial Reporting'*. Our responsibility is to express a conclusion on these condensed consolidated and separate interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consist of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all

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Registered in Nigeria No BN 968925

Partners:

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Adeyemi K. Ajayi	Ajibola O. Olofemi	Ayobami L. Salami	Ayodele A. Soyinka
Ayodele H. Othihiva	Chibuzor N. Anyanechi	Chineme B. Nwigo	Ehio A. Aibangbo
Elijah O. Oladunmoye	Goodluck C. Obi	Ibitomi M. Adepoju	Ijeoma T. Emezie-Ezigo
Joseph O. Tegbo	Kabir O. Okunle	Lawrence C. Amadi	Mohammed M. Adams
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Oluwafemi O. Awotoya	Oluwatoyin A. Gbagi	Termitope A. Onitiri	Tolulope A. Odukale
Victor U. Onyenkpa			



significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2020 condensed consolidated and separate interim financial statements are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

Other matter

The condensed consolidated and separate interim financial statements of Dangote Cement Plc (the "Company") and its subsidiaries (together, "the Group") for the three-month and nine-month periods ended 30 September 2019 were reviewed by another auditor who expressed an unmodified review conclusion on those statements on 29 October 2019.

The consolidated and separate financial statements of Dangote Cement Plc (the "Company") and its subsidiaries (together, "the Group") for the year ended 31 December 2019 were audited by another auditor who expressed an unmodified opinion on those statements on 26 February 2020.

Goodluck C. Obi, FCA
FRC/2012/ICAN/00000000442
For: KPMG Professional Services
Chartered Accountants
5 November 2020
Lagos, Nigeria



Dangote Cement Plc
Condensed consolidated and separate statements of profit or loss
For the three months and nine months ended 30th September 2020

	Notes	Group					Company				
		3 months ended 30/09/2020	9 months ended 30/09/2020	3 months ended 30/09/2019	9 months ended 30/09/2019	Year ended 31/12/2019	3 months ended 30/09/2020	9 months ended 30/09/2020	3 months ended 30/09/2019	9 months ended 30/09/2019	Year ended 31/12/2019
		₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Revenue	3	284,592	761,444	212,061	679,791	891,671	200,890	533,267	139,590	467,877	610,247
Production cost of sales	5	(115,120)	(317,540)	(96,843)	(290,015)	(379,989)	(60,673)	(161,725)	(46,785)	(140,414)	(181,009)
Gross profit		169,472	443,904	115,218	389,776	511,682	140,217	371,542	92,805	327,463	429,238
Administrative expenses	6	(13,901)	(39,952)	(13,382)	(38,360)	(54,124)	(8,292)	(23,082)	(7,103)	(19,721)	(27,400)
Selling and distribution expenses	7	(41,820)	(119,462)	(41,670)	(121,982)	(160,645)	(30,155)	(89,300)	(28,458)	(82,798)	(109,186)
Other income	8	698	3,438	820	2,048	2,980	553	2,918	573	1,082	1,247
Profit from operating activities		114,449	287,928	60,986	231,482	299,893	102,323	262,078	57,817	226,026	293,899
Finance income - Interest	9	3,343	8,569	1,373	5,984	7,610	9,590	30,122	8,732	27,867	36,713
Finance income - Others	9	4,761	9,761	-	-	-	1,393	43,819	3,715	7,330	10,845
Finance costs	9	(13,444)	(34,298)	(20,167)	(39,786)	(57,673)	(9,631)	(23,320)	(9,413)	(15,726)	(26,037)
Share of profit from associates		-	-	-	-	649	-	-	-	-	-
Profit before tax		109,109	271,960	42,192	197,680	250,479	103,675	312,699	60,851	245,497	315,420
Income tax expense	11.1	(26,567)	(63,275)	(7,082)	(43,330)	(49,958)	(24,605)	(58,882)	(5,522)	(40,605)	(54,071)
Profit for the period		82,542	208,685	35,110	154,350	200,521	79,070	253,817	55,329	204,892	261,349
Profit for the period attributable to:											
Owners of the Company	10	81,877	208,777	35,607	155,107	200,935	79,070	253,817	55,329	204,892	261,349
Non-controlling interests		665	(92)	(497)	(757)	(414)	-	-	-	-	-
		82,542	208,685	35,110	154,350	200,521	79,070	253,817	55,329	204,892	261,349
Earnings per share, basic and diluted (Naira)	10	4.80	12.25	2.09	9.10	11.79	4.64	14.89	3.25	12.02	15.34

Dangote Cement Plc

Condensed consolidated and separate statements of comprehensive Income


For the three months and nine months ended 30th September 2020

	Group					Company				
	3 months ended	9 months ended	3 months ended	9 months ended	Year ended	3 months ended	9 months ended	3 months ended	9 months ended	Year ended
	30/09/2020	30/09/2020	30/09/2019	30/09/2019	31/12/2019	30/09/2020	30/09/2020	30/09/2019	30/09/2019	31/12/2019
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Profit for the period	82,542	208,685	35,110	154,350	200,521	79,070	253,817	55,329	204,892	261,349
Other comprehensive income, net of income tax:										
<i>Items that may be reclassified subsequently to profit or loss:</i>										
Exchange differences on translating net investments in foreign operations (tax nil)	(3,634)	(15,699)	(9,769)	(11,733)	(16,412)	-	-	-	-	-
Other comprehensive (loss)/income for the period, net of income tax	(3,634)	(15,699)	(9,769)	(11,733)	(16,412)	-	-	-	-	-
Total comprehensive income for the period	78,908	192,986	25,341	142,617	184,109	79,070	253,817	55,329	204,892	261,349
Total comprehensive income for the period attributable to:										
Owners of the Company	77,017	192,544	26,737	143,998	184,304	79,070	253,817	55,329	204,892	261,349
Non-controlling interests	1,891	442	(1,396)	(1,381)	(195)	-	-	-	-	-
	78,908	192,986	25,341	142,617	184,109	79,070	253,817	55,329	204,892	261,349

Dangote Cement Plc
Condensed consolidated and separate statements of financial position
As at 30th September 2020

	Notes	Group		Company	
		30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
ASSETS					
Non-current assets					
Property, plant and equipment	12	1,259,906	1,206,749	553,178	545,834
Intangible assets	13	4,829	3,663	70	69
Right of use assets	14	11,780	11,956	999	994
Investments in subsidiaries	15.2	-	-	162,241	162,071
Investments in associate	15.3	4,961	4,961	1,582	1,582
Prepayments for property, plant and equipment	16	43,948	51,233	4,501	5,690
Deferred tax assets	11.4	22,915	44,768	-	14,356
Lease receivables	17	10,716	11,285	10,716	11,285
Receivables from Subsidiaries	18	-	-	760,895	663,113
Total non-current assets		1,359,055	1,334,615	1,494,182	1,404,994
Current assets					
Inventories	19	110,709	114,806	60,669	67,736
Trade and other receivables	20	40,647	30,001	20,890	11,608
Prepayments and other current assets	21	153,923	127,042	306,529	272,881
Lease receivables	17	5,754	4,266	5,754	4,266
Current income tax receivables	11.2	2,151	6,718	763	6,712
Cash and cash equivalents	22	176,653	123,903	99,836	55,787
Total current assets		489,837	406,736	494,441	418,990
TOTAL ASSETS		1,848,892	1,741,351	1,988,623	1,823,984
LIABILITIES					
Current liabilities					
Trade and other payables	23	340,696	284,739	177,097	129,847
Lease liability	29	1,091	1,409	-	-
Current income tax payable	11.3	54,253	49,932	53,354	49,127
Financial liabilities	24	305,484	260,631	231,332	200,866
Other current liabilities	26	55,111	34,083	51,026	30,735
Derivatives	24(c)	130	-	130	-
Total current liabilities		756,765	630,794	512,939	410,575
Non current liabilities					
Deferred tax liabilities	11.5	114,449	93,841	109,698	89,473
Financial liabilities	24	145,343	107,279	99,329	39,700
Lease liability	29	7,832	7,447	-	-
Deferred revenue	25	362	369	7	37
Long term provisions and other charges	28	5,866	3,684	3,232	1,950
Total non-current liabilities		273,852	212,620	212,266	131,160
Total liabilities		1,030,617	843,414	725,205	541,735
Net assets		818,275	897,937	1,263,418	1,282,249
EQUITY					
Share capital	30	8,520	8,520	8,520	8,520
Share premium	30	42,430	42,430	42,430	42,430
Capital contribution		2,877	2,877	2,828	2,828
Currency translation reserve		39,741	55,974	-	-
Retained earnings		712,968	776,839	1,209,640	1,228,471
Equity attributable to owners of the company		806,536	886,640	1,263,418	1,282,249
Non-controlling interest		11,739	11,297	-	-
Total equity		818,275	897,937	1,263,418	1,282,249
TOTAL EQUITY AND LIABILITIES		1,848,892	1,741,351	1,988,623	1,823,984

These financial statements were approved and authorised for issue by the Board of Directors on 5th November 2020 and were signed on its behalf by:


Olakunle Alake
 Director
 FRC/2013/ICAN/00000002214


Michel Pucheros
 Group Chief Executive Officer/GMD
 FRC/2017/IODN/00000015919


Guillaume Moyen
 Acting Group Chief Finance Officer
 FRC/2019/001/00000020239

Dangote Cement Plc

Condensed consolidated statement of changes in equity For the nine months ended 30th September 2020

	Group							
	Share capital	Share premium	Retained earnings	Currency translation reserve	Capital contribution	Attributable to the owners of the parent	Non - controlling interests	Total equity
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Balance at 1st January 2019	8,520	42,430	848,695	72,605	2,877	975,127	11,486	986,613
Profit for the period	-	-	155,107	-	-	155,107	(757)	154,350
Other comprehensive income/(loss) for the period, net of income tax (tax nil)	-	-	-	(11,109)	-	(11,109)	(624)	(11,733)
Total comprehensive income for the period	-	-	155,107	(11,109)	-	143,998	(1,381)	142,617
Payment of dividends	-	-	(272,648)	-	-	(272,648)	-	(272,648)
Balance at 30th September 2019	8,520	42,430	731,154	61,496	2,877	846,477	10,105	856,582
Balance at 1st January 2020	8,520	42,430	776,839	55,974	2,877	886,640	11,297	897,937
Profit for the period	-	-	208,777	-	-	208,777	(92)	208,685
Other comprehensive income/(loss) for the period, net of income tax (tax nil)	-	-	-	(16,233)	-	(16,233)	534	(15,699)
Total comprehensive income for the period	-	-	208,777	(16,233)	-	192,544	442	192,986
Payment of dividends	-	-	(272,648)	-	-	(272,648)	-	(272,648)
Balance at 30th September 2020	8,520	42,430	712,968	39,741	2,877	806,536	11,739	818,275

Dangote Cement Plc

Condensed separate statement of changes in equity For the nine months ended 30th September 2020

	Company				
	Share capital	Share premium	Capital contribution	Retained earnings	Total equity
	₦'million	₦'million	₦'million	₦'million	₦'million
Balance at 1st January 2019	8,520	42,430	2,828	1,239,770	1,293,548
Profit for the period	-	-	-	204,892	204,892
Total comprehensive income for the period	-	-	-	204,892	204,892
Payment of dividends	-	-	-	(272,648)	(272,648)
Balance at 30th September 2019	8,520	42,430	2,828	1,172,014	1,225,792
Balance at 1st January 2020	8,520	42,430	2,828	1,228,471	1,282,249
Profit for the period	-	-	-	253,817	253,817
Total comprehensive income for the period	-	-	-	253,817	253,817
Payment of dividends	-	-	-	(272,648)	(272,648)
Balance at 30th September 2020	8,520	42,430	2,828	1,209,640	1,263,418

Dangote Cement Plc

Condensed consolidated and separate statements of cash flows For the nine months ended 30th September 2020

Notes	Group			Company		
	9 months ended 30/09/2020 ₦'million	9 months ended 30/09/2019 ₦'million	Year ended 31/12/2019 ₦'million	9 months ended 30/09/2020 ₦'million	9 months ended 30/09/2019 ₦'million	Year ended 31/12/2019 ₦'million
Cash flows from operating activities						
Profit before tax	271,960	197,680	250,479	312,699	245,497	315,420
Adjustments for:						
Depreciation and amortisation	67,087	71,741	95,463	40,624	39,908	53,454
Write off and impairment of property plant and equipment	5	-	71	5	-	37
Interest expense	33,906	28,527	43,829	22,928	15,490	25,701
Interest income	(8,569)	(5,984)	(7,610)	(30,122)	(27,867)	(36,713)
Net exchange (gain)/loss on borrowings and non-operating assets	(10,144)	12,312	9,841	(43,041)	(6,043)	(12,178)
Change in derivatives	130	-	-	130	-	-
Share of income from associate	-	-	(649)	-	-	-
Amortisation of deferred revenue	(94)	(193)	(227)	(97)	(156)	(199)
Long term provisions and other charges	2,182	495	931	1,282	291	640
Loss on disposal of property, plant and equipment	-	47	130	-	47	47
	356,463	304,625	392,258	304,408	267,167	346,209
Changes in working capital:						
Change in inventories	4,651	(2,761)	(7,942)	7,621	(4,309)	(7,916)
Change in trade and other receivables	(11,379)	15,598	14,467	(10,014)	(1,677)	(562)
Change in trade and other payables	47,907	(13,546)	68,618	39,200	5,047	37,465
Change in prepayments and other current assets	(27,213)	(16,813)	(27,159)	(24,336)	(8,777)	(22,600)
Change in other current liabilities	14,790	9,452	(13,593)	11,708	5,320	(19,272)
	385,219	296,555	426,649	328,587	262,771	333,324
Change in lease receivables	5,488	2,755	4,067	5,488	2,755	4,067
Income tax paid	(14,105)	(4,884)	(4,601)	(11,990)	(3,907)	(3,907)
<i>Net cash generated from operating activities</i>	376,602	294,426	426,115	322,085	261,619	333,484
Investing activities						
Interest received	6,707	5,143	6,460	3,607	2,550	2,812
Acquisition of intangible assets	(116)	(95)	(220)	(24)	(37)	(43)
Additional receivables from subsidiaries	-	-	-	(45,810)	(51,502)	(71,236)
Repayment by subsidiaries	-	-	-	9,330	8,405	13,230
Acquisition of investment	-	-	-	(25)	-	-
Acquisition of property, plant and equipment	(93,369)	(121,125)	(177,042)	(40,469)	(70,254)	(68,982)
Additions to property, plant and equipment	(107,384)	(110,957)	(174,952)	(48,388)	(64,501)	(63,050)
Change in prepayments for property, plant and equipment	7,285	3,049	10,593	1,189	(5,560)	(5,690)
Net suppliers' credit obtained/(repaid)	6,730	(13,217)	(12,683)	6,730	(193)	(242)
<i>Net cash used in investing activities</i>	(86,778)	(116,077)	(170,802)	(73,391)	(110,838)	(124,219)
Financing activities						
Interest paid	(37,494)	(25,611)	(34,842)	(27,019)	(13,096)	(17,460)
Lease payment	(1,325)	(631)	(967)	(552)	(149)	(149)
Dividend paid	(272,648)	(272,648)	(272,785)	(272,648)	(272,648)	(272,648)
Loans obtained	373,852	321,752	406,933	366,269	315,492	402,478
Loans repaid	(294,921)	(284,875)	(393,443)	(278,184)	(264,732)	(374,679)
<i>Net cash used in financing activities</i>	(232,536)	(262,013)	(295,104)	(212,134)	(235,133)	(262,458)
Increase/(decrease) in cash and cash equivalent	57,288	(83,664)	(39,791)	36,560	(84,352)	(53,193)
Effects of exchange rate changes	(6,498)	(5,070)	(7,144)	-	-	-
Cash and cash equivalents at beginning of year	112,091	159,026	159,026	55,787	108,980	108,980
Cash and cash equivalents at end of the period	162,881	70,292	112,091	92,347	24,628	55,787

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

1 General Information

Dangote Cement Plc ("the Company") was incorporated in Nigeria as a public limited liability company on 4th November 1992 and commenced operations in January 2007 under the name Obajana Cement Plc. The name was changed on 14th July 2010 to Dangote Cement Plc.

Its parent company is Dangote Industries Limited ("DIL" or "the Parent Company"). Its ultimate controlling party is Alhaji Aliko Dangote.

The registered address of the Company is located at 1 Alfred Rewane Road, Ikoyi, Lagos, Nigeria.

The principal activity of the Company and its subsidiaries (together referred to as "the Group") is to operate plants for the preparation, manufacture, and distribution of cement and related products. The Company's production activities are currently undertaken at Obajana town in Kogi State, Gboko in Benue State and Ibese in Ogun State; all in Nigeria. Information in respect of the subsidiaries locations is disclosed in note 15.

The condensed consolidated interim financial statements of the Group for the period ended 30th September 2020 Comprise the Company and its subsidiaries.

The condensed separate interim financial statements of the Company for the period ended 30th September 2020 comprise the Company only.

2 Significant accounting policies

The Group and Company's financial statements for the year ended 31st December 2019 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"), and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB (together "IFRS") and requirements of the Companies and Allied Matters Act (CAMA) of Nigeria and the Financial Reporting Council (FRC) Act of Nigeria.

Dangote Cement Plc. Group has consistently applied the same accounting policies and methods of computation in its condensed consolidated and separate interim financial statements as in its 2019 annual financial statements except for the application of new standards. None of the new standards, interpretations and amendments, effective for the first time from 1st January 2020, have had a material effect on the condensed consolidated and separate interim financial statements.

Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1st January 2020 and earlier application is permitted; however, the Group has not early adopted any of the forthcoming new or amended to standards in preparing these condensed consolidated and separate interim financial statements.

Basis of preparation

These condensed consolidated and separate interim financial statements for the three months and nine months period ended 30th September 2020 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group and Company's last annual consolidated and separate financial statements as at and for the year ended 31st December 2019 ("last annual consolidated and separate financial statements"). They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group and Company's financial position and performance since last annual consolidated and separate financial statements.

The condensed consolidated interim financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair Values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure in these condensed consolidated interim financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36. Derivatives are carried at fair value.

Basis of Consolidation

The Group condensed interim financial statements incorporate the financial statements of the Company and its subsidiaries made up to 30th September 2020. Control is achieved where the investor; (i) has power over the investee entity (ii) is exposed, or has rights, to variable returns from the investee entity as a result of its involvement, and (iii) can exercise some power over the investee to affect its returns.

The Company reassesses whether or not it still controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The financial statements of subsidiaries are included in the condensed consolidated interim financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Income and expenses of subsidiaries acquired or disposed of during the period are included in the condensed consolidated statement of profit or loss and condensed consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners' of the Company and to the non-controlling interests even if this results in the non-controlling interest having a deficit balance.

In the Company's condensed separate interim financial statements, investments in subsidiaries are carried at cost less any impairment that has been recognised in profit or loss.

Notes to the condensed consolidated and separate financial statements
For the three months and nine months ended 30th September 2020

3 REVENUE

	Group				Company			
	3 months ended 30/09/2020 '000 tonnes	9 months ended 30/09/2020 '000 tonnes	3 months ended 30/09/2019 '000 tonnes	9 months ended 30/09/2019 '000 tonnes	3 months ended 30/09/2020 '000 tonnes	9 months ended 30/09/2020 '000 tonnes	3 months ended 30/09/2019 '000 tonnes	9 months ended 30/09/2019 '000 tonnes
Revenue (tonnes)								
Cement production and bagging capacity (for the year)	48,550	48,550	45,550	45,550	29,250	29,250	29,250	29,250
Production volume*	6,722	18,396	5,448	17,415	4,166	11,564	3,216	10,841
Trade cement purchase	(45)	495	151	451	-	-	-	-
Decrease/(increase) in stocks*	415	315	124	152	339	351	5	(25)
Sales volume*	7,092	19,206	5,723	18,018	4,505	11,915	3,221	10,816

* includes both cement and clinker volumes

An analysis of revenue in naira is as follows:

	Group				Company			
	3 months ended 30/09/2020 N'million	9 months ended 30/09/2020 N'million	3 months ended 30/09/2019 N'million	9 months ended 30/09/2019 N'million	3 months ended 30/09/2020 N'million	9 months ended 30/09/2020 N'million	3 months ended 30/09/2019 N'million	9 months ended 30/09/2019 N'million
Revenue (Naira)								
Revenue from sales of cement & clinker	284,583	761,423	212,030	679,634	200,890	533,267	139,590	467,877
Revenue from sales of other products	9	21	31	157	-	-	-	-
Cement sales value	284,592	761,444	212,061	679,791	200,890	533,267	139,590	467,877

All group sales exclude intra-group sales

4 Segment Information

4.1 Products and services from which reportable segments derive their revenue

The Executive Management Committee is the Company's Chief Operating Decision Maker. Management has determined operating segments based on the information reported and reviewed by the Executive Management Committee for the purposes of allocating resources and assessing performance. The Executive Management Committee reviews internal management reports on at least a quarterly basis. These internal reports are prepared on the same basis as the accompanying consolidated and separate financial statements.

Segment information is presented in respect of the Group's reportable segments. For management purposes, the Group is organised into business units by geographical areas in which the Group operates. The Group has 2 reportable segments based on location of the principal operations as follows:

- Nigeria
- Pan Africa

Segment revenues and results

Performance is measured based on segment sales revenue, Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) and profit from operating activities, as included in the internal management reports that are reviewed by the Executive Management Committee. Segment sales revenue, EBITDA and profit from operating activities are used to measure performance as management believes that such information is the most relevant in evaluating results of certain segments relative to other entities that operate within these industries.

The following is an analysis of the Group's revenue and results by reportable segment:

4.1 Segment results

Group	3 months ended 30/09/2020				
	Nigeria	Pan Africa	Group Central Administrative cost	Eliminations	Total
	N'million	N'million	N'million	N'million	N'million
Revenue	203,129	87,582	-	(6,119)	284,592
EBITDA*	121,630	20,552	(5,137)	(96)	136,949
Profit/(Loss) from operating activities	108,015	11,190	(5,137)	381	114,449
Other Income	553	1,258	-	(1,113)	698
Profit/(loss) after tax	84,756	(9,457)	(5,137)	12,380	82,542

Group	9 months ended 30/09/2020				
	Nigeria	Pan Africa	Group Central Administrative cost	Eliminations	Total
	N'million	N'million	N'million	N'million	N'million
Revenue	535,506	232,607	-	(6,669)	761,444
EBITDA*	316,053	52,059	(12,695)	(397)	355,020
Profit/(loss) from operating activities	275,399	24,302	(12,695)	922	287,928
Other Income	2,918	3,857	-	(3,337)	3,438
Profit/(loss) after tax	267,132	(61,809)	(12,695)	16,057	208,685

* represents earnings before interest, tax, depreciation and amortisation

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Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

4 Segment Information

Total segment operating profit agrees to the profit from operating activities. A reconciliation of profit from operating activities to profit before tax is presented on the face of the profit and loss account.

Group	3 months ended 30/09/2019				
	Nigeria	Pan Africa	Group Central Administrative cost	Eliminations	Total
	₦'million	₦'million	₦'million	₦'million	₦'million
Revenue	139,590	73,112	-	(641)	212,061
EBITDA*	75,337	13,811	(3,869)	-	85,279
Profit/(Loss) from operating activities	61,506	2,910	(3,869)	439	60,986
Other Income	573	1,349	-	(1,102)	820
Profit/(loss) after tax	59,018	(27,661)	(3,869)	7,622	35,110

Group	9 months ended 30/09/2019				
	Nigeria	Pan Africa	Group Central Administrative cost	Eliminations	Total
	₦'million	₦'million	₦'million	₦'million	₦'million
Revenue	467,877	213,200	-	(1,286)	679,791
EBITDA*	275,934	37,750	(10,461)	-	303,223
Profit/(loss) from operating activities	236,026	4,577	(10,461)	1,340	231,482
Other Income	1,082	4,350	-	(3,384)	2,048
Profit/(loss) after tax	214,892	(65,024)	(10,461)	14,943	154,350

* represents earnings before interest, tax, depreciation and amortisation

A reconciliation of Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) is presented below:

	Group			
	3 months ended 30/09/2020	9 months ended 30/09/2020	3 months ended 30/09/2019	9 months ended 30/09/2019
	₦'million	₦'million	₦'million	₦'million
EBITDA	136,949	355,020	85,279	303,223
Depreciation, amortisation and impairment	(22,500)	(67,092)	(24,293)	(71,741)
Profit from operating activities	114,449	287,928	60,986	231,482
Finance income	8,104	18,330	1,373	5,984
Finance cost	(13,444)	(34,298)	(20,167)	(39,786)
Profit before tax	109,109	271,960	42,192	197,680
Income tax expense	(26,567)	(63,275)	(7,082)	(43,330)
Profit after tax	82,542	208,685	35,110	154,350

4.2 Segment assets and liabilities

	Nigeria	Pan Africa	Eliminations	Total
	₦'million	₦'million	₦'million	₦'million
30th September 2020				
Total assets	2,148,556	857,800	(1,157,464)	1,848,892
Segment liabilities	886,650	1,110,169	(966,202)	1,030,617
31st December 2019				
Total assets	1,940,733	843,752	(1,043,134)	1,741,351
Segment liabilities	660,360	1,035,922	(852,868)	843,414

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Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

5 Production cost of sales

	Group				Company			
	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended
	30/09/2020	30/09/2020	30/09/2019	30/09/2019	30/09/2020	30/09/2020	30/09/2019	30/09/2019
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Material consumed	33,892	97,950	28,520	88,932	14,902	36,129	10,970	31,543
Fuel & power consumed	40,031	104,528	30,274	92,498	21,191	61,640	16,928	52,147
Royalty (refer (a) below)	313	941	541	1,245	173	473	232	541
Salaries and related staff costs	8,709	26,174	8,085	24,495	4,606	14,421	4,560	13,088
Depreciation & amortisation	16,651	48,222	16,367	48,906	9,672	28,517	9,344	27,320
Plant maintenance cost	7,646	21,895	7,547	24,126	4,234	11,335	3,352	10,800
Other production expenses	3,454	10,722	2,572	5,020	1,755	4,597	941	3,079
Decrease in finished goods and work in process	4,424	7,108	2,937	4,793	4,140	4,613	458	1,896
	115,120	317,540	96,843	290,015	60,673	161,725	46,785	140,414

(a) Royalty payable is charged based on volume of extraction made during the period.

6 Administrative expenses

	Group				Company			
	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended
	30/09/2020	30/09/2020	30/09/2019	30/09/2019	30/09/2020	30/09/2020	30/09/2019	30/09/2019
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Salaries and related staff costs	3,809	10,836	3,461	9,800	2,123	6,277	1,826	5,238
Corporate social responsibility	1,531	2,319	442	1,235	1,497	1,986	341	866
Management fee (a)	780	3,354	1,008	3,015	780	3,354	1,008	3,015
Depreciation and Amortisation	1,582	4,626	1,611	4,741	598	1,763	607	1,774
Audit fees	151	487	146	428	69	212	64	192
Rent, rate and insurance	1,610	3,730	1,266	3,598	980	1,722	335	1,142
Travel expenses	234	1,360	583	1,672	(18)	705	190	661
Others	4,204	13,240	4,865	13,871	2,263	7,063	2,732	6,833
	13,901	39,952	13,382	38,360	8,292	23,082	7,103	19,721

(a) The management fee is charged by Dangote Industries Limited for management and corporate services provided to Dangote Cement Plc. It is an apportionment of the Parent company's shared-services to subsidiaries.

7 Selling and distribution expenses

	Group				Company			
	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended
	30/09/2020	30/09/2020	30/09/2019	30/09/2019	30/09/2020	30/09/2020	30/09/2019	30/09/2019
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Salaries and related staff costs	4,425	14,246	4,200	12,397	2,870	9,903	3,039	9,114
Depreciation	4,262	14,239	6,315	18,094	3,323	10,344	3,880	10,814
Advertisement and promotion	4,768	10,067	4,892	7,990	4,557	9,374	4,457	6,579
Haulage expenses	25,861	76,516	24,806	80,602	17,088	55,741	15,747	53,667
Others	2,504	4,394	1,457	2,899	2,317	3,938	1,335	2,624
	41,820	119,462	41,670	121,982	30,155	89,300	28,458	82,798

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Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

8 Other income

	Group				Company			
	3 months ended 30/09/2020 ₦'million	9 months ended 30/09/2020 ₦'million	3 months ended 30/09/2019 ₦'million	9 months ended 30/09/2019 ₦'million	3 months ended 30/09/2020 ₦'million	9 months ended 30/09/2020 ₦'million	3 months ended 30/09/2019 ₦'million	9 months ended 30/09/2019 ₦'million
Insurance claims	189	402	92	574	49	219	40	103
Government grant	35	118	54	177	27	97	48	156
Sundry income	474	2,918	674	1,297	477	2,602	485	823
	698	3,438	820	2,048	553	2,918	573	1,082

9 Finance income and costs

	Group				Company			
	3 months ended 30/09/2020 ₦'million	9 months ended 30/09/2020 ₦'million	3 months ended 30/09/2019 ₦'million	9 months ended 30/09/2019 ₦'million	3 months ended 30/09/2020 ₦'million	9 months ended 30/09/2020 ₦'million	3 months ended 30/09/2019 ₦'million	9 months ended 30/09/2019 ₦'million
Finance income								
Interest income	3,343	8,569	1,373	5,984	9,590	30,122	8,732	27,867
Others - foreign exchange gain	4,761	9,761	-	-	1,393	43,819	3,715	7,330
	8,104	18,330	1,373	5,984	10,983	73,941	12,447	35,197
Finance costs								
Interest expenses	13,278	33,906	13,109	28,527	9,465	22,928	9,346	15,490
Foreign exchange loss	-	-	6,991	11,023	-	-	-	-
Other finance costs	166	392	67	236	166	392	67	236
	13,444	34,298	20,167	39,786	9,631	23,320	9,413	15,726

The average effective interest rate on funds borrowed generally is 9.57% and 8.40% per annum for Group and Company respectively. (2019: 10.48% per annum for Group and 10.65% for Company respectively). These are the rates used for the capitalisation on qualifying assets.

10 Earnings per share

	Group				Company			
	3 months ended 30/09/2020 ₦'million	9 months ended 30/09/2020 ₦'million	3 months ended 30/09/2019 ₦'million	9 months ended 30/09/2019 ₦'million	3 months ended 30/09/2020 ₦'million	9 months ended 30/09/2020 ₦'million	3 months ended 30/09/2019 ₦'million	9 months ended 30/09/2019 ₦'million
Profit for the period attributable to owners of the Company	81,877	208,777	35,607	155,107	79,070	253,817	55,329	204,892
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share (million)	17,041	17,041	17,041	17,041	17,041	17,041	17,041	17,041
Basic and diluted earnings per share (naira)	4.80	12.25	2.09	9.10	4.64	14.89	3.25	12.02

There are no dilutive instruments. Consequently, Basic and diluted earnings per share are the same.

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Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

11 Income tax

	Group				Company			
	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended	3 months ended	9 months ended
	30/09/2020	30/09/2020	30/09/2019	30/09/2019	30/09/2020	30/09/2020	30/09/2019	30/09/2019
	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
11.1 Income tax expense recognised in profit or loss								
Current tax expense	3,962	(25,646)	-	(33,526)	4,342	(24,301)	-	(32,792)
Deferred tax expense	(30,529)	(37,629)	(7,082)	(9,804)	(28,947)	(34,581)	(5,522)	(7,813)
Total income tax expense recognised in the current period	(26,567)	(63,275)	(7,082)	(43,330)	(24,605)	(58,882)	(5,522)	(40,605)

Income tax expense is recognised at an amount determined by multiplying the profit/loss before tax for the interim reporting period by management's best estimate of the weighted average annual income tax rate expected for the full year, adjusted for the effect of certain items recognised in full in the interim period. As such, the effective tax rate in the Interim financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

	Group		Company	
	30/09/2020	31/12/2019	30/09/2020	31/12/2019
	₦'million	₦'million	₦'million	₦'million
11.2 The movement in the current income tax receivables account was as follows:-				
Balance, beginning of the period	6,718	6,213	6,712	6,211
Charge for the period	-	7	-	-
Payments during the period	1,482	(48)	-	-
Other reclassifications*	763	501	763	501
Tax credit utilised to offset current tax payable	(6,712)	-	(6,712)	-
Effect of currency exchange difference	(100)	45	-	-
Balance, end of the period	2,151	6,718	763	6,712

* Other reclassification represents tax credit from government for infrastructure development.

11.3 The movement in the current income tax payable account was as follows:-				
Balance, beginning of the period	49,932	9,223	49,127	8,608
Charge for the period	25,646	45,886	24,301	44,426
Payments during the period	(12,623)	(4,649)	(11,990)	(3,907)
Withholding tax credit and grant utilized	(1,372)	-	(1,372)	-
Tax credit utilised to offset current tax payable	(6,712)	-	(6,712)	-
Effect of currency exchange difference	(618)	(528)	-	-
Balance, end of the period	54,253	49,932	53,354	49,127
11.4 The movement in the deferred tax assets account was as follows:				
Balance, beginning of the period	44,768	40,622	14,356	14,561
(Charge)/credit for the period	(16,764)	6,818	(14,356)	(205)
Effect of currency exchange difference	(5,089)	(2,672)	-	-
Balance, end of the period	22,915	44,768	-	14,356
11.5 The movement in the deferred tax liabilities account was as follows:				
Balance, beginning of the period	93,841	83,350	89,473	80,033
Charge for the period	20,865	10,897	20,225	9,440
Effect of currency exchange difference	(257)	(406)	-	-
Balance, end of the period	114,449	93,841	109,698	89,473

Notes to the condensed consolidated and separate financial statements
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12 Property, plant and equipment

12.1 Group

	Leasehold improvements and buildings ₦'million	Plant and machinery ₦'million	Motor vehicles ₦'million	Aircraft ₦'million	Furniture & equipment ₦'million	Capital work-in- progress ₦'million	Total ₦'million
Cost							
As at 1st January 2019	229,359	1,059,518	167,520	4,028	10,425	120,113	1,590,963
Additions	1,557	4,353	5,996	-	293	162,753	174,952
Reclassifications	(3,077)	13,001	40,183	-	810	(50,917)	-
Other reclassification	-	(351)	-	-	-	(27,690)	(28,041)
Disposals	-	(67)	(770)	-	-	-	(837)
Write-off	-	-	-	-	(1)	(70)	(71)
Effect of foreign currency exchange differences	(3,510)	(18,373)	(5,091)	-	(113)	(24)	(27,111)
Balance at 31st December 2019	224,329	1,058,081	207,838	4,028	11,414	204,165	1,709,855
Additions	1,441	2,070	1,071	-	546	102,256	107,384
Reclassification	17,634	4,270	35,880	-	340	(58,124)	-
Other reclassification (Note 12.1.1)	-	(1,687)	-	-	-	(431)	(2,118)
Disposals	-	(63)	-	-	-	-	(63)
Write-off	-	-	(5,862)	-	-	-	(5,862)
Effect of foreign currency exchange differences	7,798	3,000	792	-	181	1,998	13,769
Balance at 30th September 2020	251,202	1,065,671	239,719	4,028	12,481	249,864	1,822,965
Accumulated depreciation & impairment							
Balance at 1st January 2019	33,964	257,769	120,770	1,923	4,673	-	419,099
Depreciation expense	8,635	50,015	32,882	403	1,233	-	93,168
Other reclassifications	-	59	-	-	-	-	59
Disposal	-	(20)	(770)	-	-	-	(790)
Effect of foreign currency exchange differences	(612)	(3,784)	(3,982)	-	(52)	-	(8,430)
Balance at 31st December 2019	41,987	304,039	148,900	2,326	5,854	-	503,106
Depreciation expense	6,748	36,628	20,982	302	953	-	65,613
Other reclassifications (Note 12.1.1)	-	(165)	-	-	-	-	(165)
Disposal	-	(63)	-	-	-	-	(63)
Write-off	-	-	(5,857)	-	-	-	(5,857)
Effect of foreign currency exchange differences	948	(118)	(489)	-	84	-	425
Balance at 30th September 2020	49,683	340,321	163,536	2,628	6,891	-	563,059
Carrying amounts:							
At 31st December 2019	182,342	754,042	58,938	1,702	5,560	204,165	1,206,749
At 30th September 2020	201,519	725,350	76,183	1,400	5,590	249,864	1,259,906

12.1.1 Represent amount transferred to non current prepayment, inventories and exploration assets

Notes to the condensed consolidated and separate financial statements
For the three months and nine months ended 30th September 2020

12 Property, plant and equipment

12.2 Company

	Leasehold improvements and buildings ₦'million	Plant and machinery ₦'million	Motor vehicles ₦'million	Aircraft ₦'million	Furniture & equipment ₦'million	Capital work-in- progress ₦'million	Total ₦'million
Cost							
As at 1st January 2019	51,430	620,308	91,899	4,028	3,501	42,491	813,657
Additions	-	2,161	2,966	-	14	57,909	63,050
Reclassifications	857	12,718	40,175	-	609	(54,359)	-
Other reclassifications	-	-	-	-	-	(288)	(288)
Disposal	-	(67)	(770)	-	-	-	(837)
Write-off	-	-	-	-	-	(37)	(37)
Balance at 31st December 2019	52,287	635,120	134,270	4,028	4,124	45,716	875,545
Additions	-	677	328	-	10	47,373	48,388
Reclassification	17,582	4,223	35,877	-	321	(58,003)	-
Other reclassification Note 12.2.1)	-	(554)	-	-	-	(431)	(985)
Disposal	-	(63)	-	-	-	-	(63)
Write-off	-	-	(5,862)	-	-	-	(5,862)
Balance at 30th September 2020	69,869	639,403	164,613	4,028	4,455	34,655	917,023
Accumulated depreciation & impairment							
Balance at 1st January 2019	13,626	180,678	79,346	1,923	2,150	-	277,723
Depreciation expense	2,084	29,284	20,394	403	613	-	52,778
Disposal	-	(20)	(770)	-	-	-	(790)
Balance at 31st December 2019	15,710	209,942	98,970	2,326	2,763	-	329,711
Depreciation expense	1,699	21,980	15,565	302	508	-	40,054
Disposal	-	(63)	-	-	-	-	(63)
Write-off	-	-	(5,857)	-	-	-	(5,857)
Balance at 30th September 2020	17,409	231,859	108,678	2,628	3,271	-	363,845
Carrying amounts:							
At 31st December 2019	36,577	425,178	35,300	1,702	1,361	45,716	545,834
At 30th September 2020	52,460	407,544	55,935	1,400	1,184	34,655	553,178

12.2.1 Represent amount transferred to non current prepayment and inventories

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Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

13 Intangible assets

13.1 Group

	Computer software ₦'million	Exploration assets ₦'million	Total ₦'million
Cost			
As at 1st January 2019	4,740	4,345	9,085
Additions	103	117	220
Other reclassifications	-	(1,991)	(1,991)
Effect of foreign currency exchange differences	(194)	(47)	(241)
Balance at 31st December 2019	4,649	2,424	7,073
Additions	69	47	116
Other Reclassification	-	1,133	1,133
Effect of foreign currency exchange difference	348	99	447
Balance at 30th September 2020	5,066	3,703	8,769

Accumulated amortisation

As at 1st January 2019	2,893	223	3,116
Amortisation expense	464	103	567
Other reclassifications	-	(238)	(238)
Effect of foreign currency exchange differences	(27)	(8)	(35)
Balance at 31st December 2019	3,330	80	3,410
Amortisation expense	193	43	236
Other reclassifications	-	165	165
Effect of foreign currency exchange difference	125	4	129
Balance at 30th September 2020	3,648	292	3,940

Carrying amounts:

At 31st December 2019	1,319	2,344	3,663
At 30th September 2020	1,418	3,411	4,829

Intangible assets (computer software) represent software which is amortized on a straight line basis.

Exploration assets are amortized in line with the useful life of the mines.

There are no development expenditure capitalised as internally generated intangible asset.

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements

For the three months and nine months ended 30th September 2020

13 Intangible assets

13.2 Company

	Computer software ₦'million	Exploration assets ₦'million	Total ₦'million
Cost			
As at 1st January 2019	1,354	-	1,354
Additions	43	-	43
Balance at 31st December 2019	1,397	-	1,397
Additions	24	-	24
Balance at 30th September 2020	1,421	-	1,421
Accumulated amortisation			
As at 1st January 2019	1,306	-	1,306
Amortisation expense	22	-	22
Balance at 31st December 2019	1,328	-	1,328
Amortisation expense	23	-	23
Balance at 30th September 2020	1,351	-	1,351
Carrying amounts:			
At 31st December 2019	69	-	69
At 30th September 2020	70	-	70

Intangible assets (computer software) represent software which is amortized on a straight line basis.

There are no development expenditure capitalised as internally generated intangible asset.

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

14 Right of use assets

14.1 Group

	Land and buildings ₦'million	Plant and machinery ₦'million	Motor vehicles ₦'million	Total ₦'million
Cost				
Recognised on 1 January 2019	9,131	283	1,129	10,543
Additions	386	86	90	562
Other reclassification	3,082	-	-	3,082
Disposal	-	(72)	(98)	(170)
Effect of foreign currency exchange differences	(270)	7	26	(237)
Balance at 31st December 2019	12,329	304	1,147	13,780
Additions	670	21	-	691
Effect of foreign currency exchange differences	367	17	57	441
Balance at 30th September 2020	13,366	342	1,204	14,912
Accumulated depreciation & impairment				
Balance at 1 January 2019	-	-	-	-
Depreciation expense	1,135	204	389	1,728
Other reclassification	196	-	-	196
Disposal	-	(72)	(15)	(87)
Effect of foreign currency exchange differences	(25)	3	9	(13)
Balance at 31st December 2019	1,306	135	383	1,824
Depreciation expense	953	101	184	1,238
Effect of foreign currency exchange differences	20	15	35	70
Balance at 30th September 2020	2,279	251	602	3,132
Carrying amounts:				
At 31st December 2019	11,023	169	764	11,956
At 30th September 2020	11,087	91	602	11,780

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

14 Right of use assets

14.2 Company

	Land and buildings ₦'million	Total ₦'million
Cost		
Recognised on 1 January 2019	1,499	1,499
Additions	149	149
Balance at 31st December 2019	1,648	1,648
Additions	552	552
Balance at 30th September 2020	2,200	2,200
Accumulated depreciation & impairment		
Balance at 1 January 2019	-	-
Depreciation expense	654	654
Balance at 31st December 2019	654	654
Depreciation expense	547	547
Balance at 30th September 2020	1,201	1,201
Carrying amounts:		
At 31st December 2019	994	994
At 30th September 2020	999	999

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

15 Investments

Details of the Group's subsidiaries at the end of the reporting year are as follows:

15.1 Name of subsidiary	Place of incorporation and operation	Proportion of ownership or voting power held by the Group	
		30/09/2020	31/12/2019
Dangote Cement South Africa (Pty) Limited	South Africa	64.00%	64.00%
Dangote Industries (Ethiopia) Plc	Ethiopia	99.97%	99.97%
Dangote Cement Zambia Limited	Zambia	99.96%	99.96%
Dangote Cement Senegal S.A	Senegal	99.99%	99.99%
Dangote Cement Cameroun S.A	Cameroun	99.97%	99.97%
Dangote Cement Limited, Tanzania	Tanzania	99.70%	99.70%
Dangote Cement Congo S.A	Congo	100.00%	100.00%
Dangote Cement (Sierra Leone) Limited	Sierra Leone	99.60%	99.60%
Dangote Cement Cote D'Ivoire S.A	Cote D'Ivoire	80.00%	80.00%
Dangote Industries Gabon S.A	Gabon	80.00%	80.00%
Dangote Cement Ghana Limited	Ghana	100.00%	100.00%
Dangote Cement - Liberia Ltd.	Liberia	100.00%	100.00%
Dangote Cement Burkina Faso S.A	Burkina Faso	95.00%	95.00%
Dangote Cement Chad S.A	Chad	95.00%	95.00%
Dangote Cement Mali S.A	Mali	95.00%	95.00%
Dangote Cement Niger SARL	Niger	95.00%	95.00%
Dangote Industries Benin S.A	Benin	98.00%	98.00%
Dangote Cement Togo S.A	Togo	90.00%	90.00%
Dangote Cement Kenya Limited	Kenya	90.00%	90.00%
Dangote Quarries Kenya Limited	Kenya	90.00%	90.00%
Dangote Cement Madagascar Limited	Madagascar	95.00%	95.00%
Dangote Quarries Mozambique Limitada	Mozambique	95.00%	95.00%
Dangote Cement Nepal Pvt. Limited	Nepal	100.00%	100.00%
Dangote Zimbabwe Holdings (Private) Limited	Zimbabwe	90.00%	90.00%
Dangote Cement Zimbabwe (Private) Limited	Zimbabwe	90.00%	90.00%
Dangote Energy Zimbabwe (Private) Limited	Zimbabwe	90.00%	90.00%
Dangote Mining Zimbabwe (Private) Limited	Zimbabwe	90.00%	90.00%
Dangote Cement Guinea SA	Guinea	95.00%	95.00%
Cimenterie Obajana Sprl- D.R. Congo	D.R. Congo	98.00%	98.00%
Itori Cement Plc.	Nigeria	99.00%	99.00%
Okpella Cement Plc.	Nigeria	99.00%	99.00%
Dangote Takoradi Cement Production Limited	Ghana	99.00%	99.00%
Dangote Cement Yaounde	Cameroun	90.00%	90.00%
Dangote Cement Congo D.R. S.A	D.R. Congo	99.00%	99.00%
DCP Cement Limited	Nigeria	90.00%	90.00%
Dangote Mines Limited, Tanzania	Tanzania	99.70%	99.70%
Dangote Contracting Services Limited, Tanzania	Tanzania	99.70%	99.70%
Dangote Mining Niger S.A	Niger	88.00%	88.00%
Dangote Ceramics Limited	Nigeria	99.00%	99.00%

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

15 Investments

15.2 Investments in subsidiaries	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Dangote Cement South Africa (Pty) Limited	-	-	27,922	27,922
Dangote Industries (Ethiopia) Plc	-	-	40,036	40,036
Dangote Cement Zambia Limited	-	-	106	106
Dangote Cement Senegal S.A	-	-	64,782	64,782
Dangote Cement Cameroun S.A	-	-	15,160	15,160
Dangote Cement Ghana Limited	-	-	135	-
Dangote Cement Limited, Tanzania	-	-	13,851	13,851
Dangote Cement Congo S.A	-	-	3	3
Dangote Cement (Sierra Leone) Limited	-	-	18	18
Dangote Cement Cote D'Ivoire S.A	-	-	16	16
Dangote Industries Gabon S.A	-	-	31	6
Dangote Cement Burkina Faso S.A	-	-	3	3
Dangote Cement Chad S.A	-	-	3	3
Dangote Cement Mali S.A	-	-	3	3
Dangote Cement Niger SARL	-	-	5	5
Dangote Industries Benin S.A	-	-	3	3
Dangote Cement Togo S.A	-	-	5	5
Dangote Takoradi Cement Production Limited	-	-	141	141
Dangote Cement Madagascar Limited	-	-	2	2
Dangote Cement Congo D.R. S.A	-	-	6	6
Dangote Ceramics Limited	-	-	10	-
Dangote Cement - Liberia Limited	-	-	-	-
Dangote Cement Kenya Limited	-	-	-	-
Dangote Quarries Kenya Limited	-	-	-	-
Dangote Quarries Mozambique Limitada	-	-	-	-
Dangote Cement Nepal Pvt. Limited	-	-	-	-
Dangote Zimbabwe Holdings (Private) Limited	-	-	-	-
Dangote Cement Zimbabwe (Private) Limited	-	-	-	-
Dangote Energy Zimbabwe (Private) Limited	-	-	-	-
Dangote Mining Zimbabwe (Private) Limited	-	-	-	-
Dangote Cement Guinea SA	-	-	-	-
Cimenterie Obajana Sprl- D.R. Congo	-	-	-	-
Itori Cement Plc.	-	-	-	-
Okpella Cement Plc.	-	-	-	-
Dangote Cement Yaounde	-	-	-	-
DCP Cement Limited	-	-	-	-
Dangote Mines Limited, Tanzania	-	-	-	-
Dangote Contracting Services Limited, Tanzania	-	-	-	-
Dangote Mining Niger S.A	-	-	-	-
	-	-	162,241	162,071

15.3 Investments in associate

15.3 Investments in associate	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Societe des Ciments d' Onigbolo	4,961	4,961	1,582	1,582
	4,961	4,961	1,582	1,582

The Group holds 43% of the voting rights in Societe des Ciments d' Onigbolo, a company incorporated in the Republic of Benin.

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

16 Prepayments for property, plant and equipment	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Advance to contractors	43,948	51,233	4,501	5,690
Total prepayments for property, plant and equipment	43,948	51,233	4,501	5,690

Advances to contractors represent various advances made to contractors for the construction of plants.

17 Lease receivables	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Trucks leased to customers	16,470	15,551	16,470	15,551
Non current portion of lease receivables	10,716	11,285	10,716	11,285
Current portion of lease receivables	5,754	4,266	5,754	4,266

17.1 Leasing arrangements

The Group entered into finance lease arrangement for some of its trucks. All leases are denominated in Naira. The average term of finance leases entered into is 4.17 years.

18 Receivables from Subsidiaries	Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million
Related party transactions - Non Current Entities controlled by the company	760,895	663,113

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Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

19 Inventories

	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Finished goods	6,179	7,793	3,545	5,601
Work-in-progress	8,635	14,129	1,779	4,336
Raw materials	5,650	7,656	2,426	3,203
Packaging materials	4,872	4,564	1,571	1,892
Consumables	11,866	10,762	7,754	8,115
Fuel	6,441	9,676	4,003	6,399
Spare parts	61,512	55,093	37,692	35,170
Goods-in-transit	5,554	5,133	1,899	3,020
	110,709	114,806	60,669	67,736

20 Trade and other receivables

	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Trade receivables	19,308	13,979	8,740	6,369
Impairment allowance on trade receivables	(1,207)	(1,156)	(1,130)	(1,133)
	18,101	12,823	7,610	5,236
Staff loans and advances	1,749	1,948	1,394	1,508
Other receivables	20,797	15,230	11,886	4,864
	40,647	30,001	20,890	11,608

21 Prepayments and other current assets

	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Advance to contractors	16,668	12,999	5,373	3,916
Deposits for import	9,170	8,828	7,304	6,873
Deposit for supplies	10,014	6,217	6,478	3,321
Rent and insurance	3,976	3,057	1,538	831
Other assets	4	1	-	-
Total current prepayments	39,832	31,102	20,693	14,941

Due from related parties - current

Parent company	10,429	7,141	10,429	7,141
Entities controlled by the parent company	103,626	88,759	98,399	83,435
Affiliates and associates of parent company	36	40	-	-
Subsidiaries	-	-	177,008	167,364
Total current receivables from related parties	114,091	95,940	285,836	257,940
Prepayments and other current assets	153,923	127,042	306,529	272,881

Current advance to contractors represents various advances made for the purchase of LPFO, AGO, Coal and other materials which were not received at the end of the period.

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Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

22 Cash and cash equivalents

	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Cash and bank balances	159,039	84,142	93,287	30,001
Short term deposits	16,921	35,739	6,549	21,764
Restricted cash	693	4,022	-	4,022
Cash and cash equivalents excluding bank overdrafts	176,653	123,903	99,836	55,787
Bank overdrafts used for cash management purposes (Note 24)	(13,772)	(11,812)	(7,489)	-
Cash and cash equivalents	162,881	112,091	92,347	55,787

23 Trade and other payables

	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Trade payables	99,462	63,277	84,285	33,443
Payable to contractors	97,451	73,910	32,236	21,270
Value added tax	8,076	3,797	4,110	1,690
Withholding tax payable	19,058	16,071	367	246
Defined contribution plan	288	393	28	8
Advances from customers	33,717	59,107	20,865	48,040
Suppliers' credit *	11,364	3,314	11,364	3,314
Other accruals and payables	71,280	64,870	23,842	21,836
Total	340,696	284,739	177,097	129,847

* represents amounts payable for property, plant and equipment acquired on suppliers' credit.

24 Financial liabilities

	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Unsecured borrowings at amortised cost				
Loans from Parent company	2,122	37,006	2,122	37,006
Bulk Commodities loans (a)	22,464	19,588	1,274	1,204
Loans from Dangote Oil & Gas Ltd	30,323	29,736	30,323	29,736
Bond	98,618	-	98,618	-
Commercial paper	144,051	137,505	144,051	137,505
	297,578	223,835	276,388	205,451
Secured borrowings at amortised cost				
Power intervention loan (b)	3,337	5,320	3,337	5,320
Bank loans	138,149	122,279	41,755	14,759
	141,486	127,599	45,092	20,079
Total borrowings	439,064	351,434	321,480	225,530
Non-current portion of financial debts	145,343	107,279	99,329	39,700
Current portion repayable in one year and shown under current liabilities	279,949	232,343	214,662	185,830
Overdraft balances (Note 22)	13,772	11,812	7,489	-
Short-term portion	293,721	244,155	222,151	185,830
Interest payable	11,763	16,476	9,181	15,036
Financial liabilities (current)	305,484	260,631	231,332	200,866

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Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

24 Financial liabilities (Contd.)

(a) The loans from Bulk commodities, a related party, are denominated in USD with interest rate ranging from 6% to 8.5% per annum.

(b) In 2011 and 2012, the Bank of Industry through Guaranty Trust Bank Plc and Access Bank Plc granted the Company the sum of ₦24.5 billion long-term loan repayable over 10 years at an all-in annual interest rate of 7% for part financing or refinancing the construction cost of the power plants at the Company's factories under the Power and Aviation Intervention Fund. The loan had a moratorium of 12 months. Given the concessional terms at which the Company secured the loan, it is considered to have an element of government grant. Using prevailing market interest rates for an equivalent loan of 12.5%, the fair value of the loan is estimated at ₦20.7 billion. The difference of ₦3.8 billion between the gross proceeds and the fair value of the loan is the benefit derived from the low interest loan and is recognised as deferred revenue. The facility is secured by a debenture on all fixed and floating assets of the Company to be shared pari passu with existing lenders.

(c) The Company entered into foreign currency swap which is carried at fair value. The amount represents a liability arising from the foreign currency swap arrangement.

25 Deferred revenue

	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Deferred revenue arising from government grant (refer to (a) below)	422	516	59	156
Current portion of deferred revenue	60	147	52	119
Non-current portion of deferred revenue	362	369	7	37

(a) The deferred revenue mainly arises as a result of the benefit received from government loans received. The revenue was recorded in other income line in line with IAS 20

26 Other current liabilities

	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Current portion of deferred revenue (Note 25)	60	147	52	119
Due to related parties				
Parent company	-	-	-	-
Entities controlled by the parent company	22,833	4,161	15,287	1,086
Affiliates and associates of parent company	32,218	29,775	20,791	16,959
Subsidiaries	-	-	14,896	12,571
	55,051	33,936	50,974	30,616
Other current liabilities	55,111	34,083	51,026	30,735

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

27 Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation. Details of transactions between the Group and Company, and other related parties are disclosed below.

The Group and the Company, in the normal course of business, sells to and buys from other business enterprises that fall within the definition of a 'related party' contained in International Accounting Standard 24. These transactions mainly comprise purchases, sales, finance costs, finance income and management fees paid to shareholders. The companies in the Group also provide funds to and receive funds from each other as and when required for working capital financing and capital projects.

27.1 Trading transactions

During the period, Group entities entered into the following trading transactions with related parties that are not members of the Group:

	Sale of goods		Purchases of goods	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Parent company	-	-	-	-
Entities controlled by the parent company	8,771	20,673	88,894	139,324
Affiliates and associates of the parent company	-	-	31,385	24,863

During the period, the company entered into the following trading transactions with related parties:

	Sale of goods		Purchases of goods	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Parent company	-	-	-	-
Entities controlled by the parent company	8,771	20,673	87,685	112,301
Affiliates and associates of the parent company	-	-	6,042	6,516
Subsidiaries	4,430	-	2,239	-

In addition to sales and purchases of goods, the Company charged interest amounting to ₦24.0 billion (2019: ₦24.5 billion) on loans granted to subsidiaries. This interest is eliminated on consolidation.

Also during the period, the parent company charged the Group a total interest of ₦488 million (2019: ₦4.778 billion), being the cost of borrowing to finance capital projects and other operational expenses.

Balances at period end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables.

27.2 Loans from related parties

	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Affiliates and associates of the parent company	22,464	19,588	1,274	1,204
Entities controlled by the parent company	30,323	29,736	30,323	29,736
Parent company	2,122	37,006	2,122	37,006

27.3 Other related party transactions

In addition to the above, Dangote Industries Limited performed certain administrative services for the Company, for which a management fee of ₦3.4 billion (2019: ₦3.0 billion) was charged, being an allocation of costs incurred by relevant administrative departments.

Dangote Cement Plc

Notes to the condensed consolidated and separate financial statements For the three months and nine months ended 30th September 2020

28 Long term provisions and other charges

	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Balance at beginning of the period	3,684	2,753	1,950	1,310
Effect of foreign exchange differences	520	(118)	-	-
Provisions made during the period	1,270	706	890	304
Unwind of discount	392	343	392	336
Balance at the end of the period	5,866	3,684	3,232	1,950

The above provision represents the Group's obligations to settle environmental restoration and dismantling/decommissioning cost of property, plant and equipment. The expenditure is expected to be utilised at the end of the useful lives for the mines.

29 Lease liability

	Group		Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million	30/09/2020 ₦'million	31/12/2019 ₦'million
Payable within one year	1,091	1,409	-	-
Payable after one year	7,832	7,447	-	-
	8,923	8,856	-	-

30 Share capital

	Group & Company	
	30/09/2020 ₦'million	31/12/2019 ₦'million
<i>Issued and fully paid:</i>		
Share capital (17,040,507,404 (2019: 17,040,507,404) ordinary shares of ₦0.5 each)	8,520	8,520
Share premium	42,430	42,430
	50,950	50,950

30.1 Securities trading policy

The Board has established an Insider Trading Policy designed to prohibit dealing in Dangote Cement Plc. shares or securities on the basis of potentially price-sensitive information that is not yet in the public domain. This is in line with the Rules of the NSE, the Investment and Securities Act (ISA) 2007 and the SEC Rules and Regulations. Having enquired, we can confirm that all Directors complied with the Insider Trading Policy during the period under review.

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31 Significant events

From the beginning of the COVID-19 pandemic, we have proactively deployed recommended measures to protect the health and well-being of our employees, customers, suppliers and communities. As such, we have implemented several rigorous protocols in our operations across the continent. We are closely monitoring all markets according to the guidance provided by the Authorities in each country.

In March 2020, the Nigerian government imposed restrictions on economic activities and movement of people in some of the States in the country in order to control the spread of the COVID 19 virus. The temporary restrictions were eased and is expected that the Government of Nigeria will continue to assess the risk associated with the COVID 19 pandemic and adapt responses accordingly. Our plants continued to operate during this period and the volumes sold for the nine months to 30/09/2020 exceeds the volumes sold during the comparable period in 2019. Sales volumes during the third quarter of 2020 were much higher than the volumes sold during the comparable period for 2019 but we witnessed a reduction in sales volumes for the second quarter of 2020 compared to the same period for 2019.

In our Pan Africa operations, the response by the authorities of these countries varied in nature from specific temporary restrictions in some countries to a complete temporary lockdown for businesses that are not considered as part of the essential services. This notably resulted in total shutdown of our plants in South Africa, Congo and Ghana for a period of time. The restrictions in most countries were revised during the second quarter with our plants restarting production. The restrictions resulted in reduced volumes for the countries that had temporary full lockdown during the second quarter but like Nigeria, we witnessed a rebound during the third quarter with the nine months volumes for 2020 exceeding the volumes for the comparable period in 2019.

Authorities appear to be continuously assessing the spread of the virus and amending these temporary restrictions accordingly.

We have considered the impact of the restrictions across the jurisdictions we operate in and concluded that the business will remain a Going Concern in the foreseeable future and the condensed consolidated and separate interim financial statements have been prepared on a Going Concern basis. The Directors have also concluded that no material adjustments are required on the assets and liabilities as a result of the COVID impact.

32 Contingent liabilities and contingent assets

No provision has been made in these condensed consolidated and separate interim financial statements for contingent liabilities in respect of litigations and claims against the Company and its subsidiaries amounting to ₦162.1 billion (2019: ₦76.3 billion) and ₦66.8 billion (2019: ₦74.1 billion) for Group and Company respectively. According to the legal advisors, liabilities arising, if any, are not likely to be significant.