

Q1 2022 results

UNAUDITED RESULTS FOR THREE MONTHS
ENDED 31ST MARCH 2022



5th May 2022

@dangotecement



www.dangotecement.com



Q1 2022: A solid start to the year

FINANCIAL

Profit after tax up 18.0%
at **₦105.9B**

Group EBITDA up 18.6%
at **₦211.0B**

Share buyback (tranche II)
completed; So far
repurchased **0.98%** of
shares outstanding

OPERATIONAL

Group volumes down 3.6%
at **7.2Mt**

3Mta Okpella plant ramp
up on track

Deploying grinding plants
in Ghana and Cote
d'Ivoire.

SUSTAINABILITY

SDG
Alignment

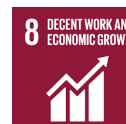
27% female Board
representation

Diverse Board with **6**
different nationalities



Issuance of **₦116B**
series 2 Bond.

The largest corporate
bond in history of the
Nigerian capital markets.



2.9% alternative fuel
thermal substitution rate
versus 1.6% in Q1 2021

Rated **"B-"** by CDP and
in 2021 become a CDP
supported.



Creating Sustainable Value for Shareholders

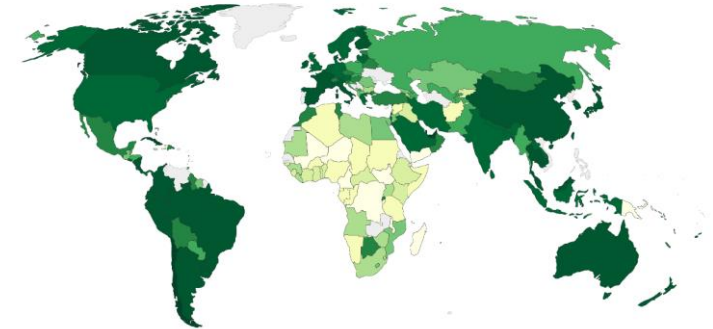
Macro-economic environment

- Sub-Saharan Africa (SSA) is experiencing the welcomed economic recovery on the back of the COVID-19 pandemic and commodity market decline in 2020.
- According to the IMF, the global security challenges will contribute to a significant slowdown in global growth in 2022.
- SSA is estimated to grow by 3.8% in 2022. This growth, albeit slower than 2021 largely results from a sharp improvement in global trade and commodity prices.
- Our countries of operation are estimated to all grow in 2022, with Tanzania, Ghana and Senegal expected to grow at the highest rates.
- According to the IMF, faster vaccine deployment would accelerate the region's growth. At Dangote Cement, we have continued our vaccination advocacy and roll-out across all countries of operations.

Share of people who received at least one dose of COVID-19 vaccine, May 1, 2022

Total number of people who received at least one vaccine dose, divided by the total population of the country.

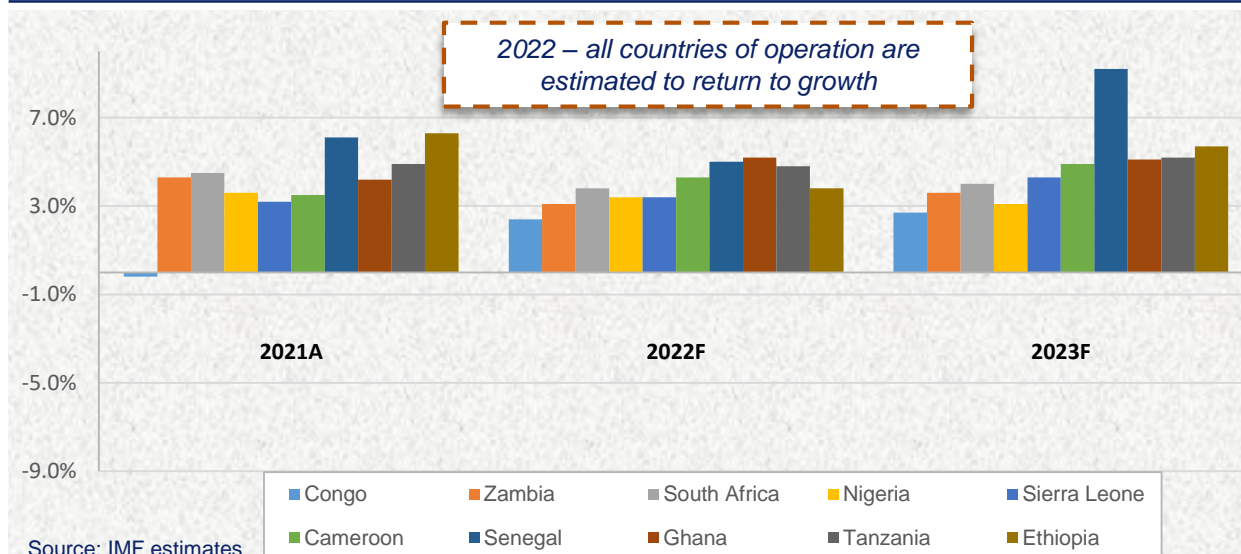
Our World in Data



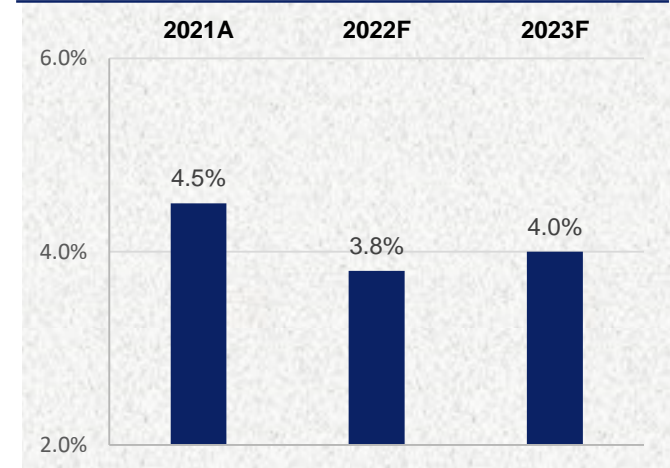
Source: ourworldindata.org



GDP growth across our operating environment



SSA GDP growth



Source: IMF estimates

Financial and Operational Overview



Q1 2022 – Strong set of results

Financial

- Group revenues up 24.2%, largely due to full year benefit of better price realisation.
- Group EBITDA up 18.6%; with EBITDA margin of 51.1%
- Nigeria EBITDA up 24.5%; supported by our robust cost control measures countering inflationary pressure
- Net debt of ₦309.7B; net gearing of 29.4%
- Strong earnings with EPS up 16.8% at ₦6.18

Operational

- Group volumes down 3.6% to 7.2Mt due to production limitations owing to supply chain challenges
- Nigeria volumes down 1.5% as a result of gas supply disruptions which impacted the whole country
- Pan-Africa volumes down 7.6% owing to extended plant maintenance in Senegal and Congo and volatility in cement/clinker landing costs in Cameroon, Ghana and Sierra-Leone
- On track to deploy grinding plants in Ghana and Cote d'Ivoire in the coming months
- 3Mta Okpella plant ramp up ongoing

Year ended 31 st March	2022	2021	Change
Sales volumes*	'000t	'000t	%
Nigeria	4,834	4,908	-1.5%
Pan-Africa	2,414	2,613	-7.6%
Inter-company sales	-	-	-
Total	7,248	7,521	-3.6%
Revenues	₦m	₦m	%
Nigeria	321,918	239,684	34.3%
Pan-Africa	91,263	92,967	-1.8%
Inter-company sales	-	-	-
Total	413,181	332,651	24.2%
EBITDA	₦m	₦m	%
Nigeria**	196,548	157,880	24.5%
Pan-Africa**	18,225	23,682	-23.0%
Inter-company and central costs	(3,752)	(3,591)	-
Total	211,021	177,971	18.6%
EBITDA margin**	%	%	
Nigeria	61.1%	65.9%	-4.8pp
Pan-Africa	20.0%	25.5%	-5.5pp
Group	51.1%	53.5%	-2.4pp
EPS	6.18	5.29	16.8%

- *Sales volumes include cement and clinker
- **Before central costs and eliminations

Group financial overview

Income Statement

	Q1 2022 ₦m	Q1 2021 ₦m	% change
Revenue	413,181	332,651	24.2%
Cost of sales	(154,108)	(127,996)	20.4%
Gross profit	259,073	204,655	26.6%
<i>Gross margin</i>	62.7%	61.5%	1.2pp
EBITDA	211,021	177,971	18.6%
<i>EBITDA margin</i>	51.1%	53.5%	-2.4pp
EBIT	182,803	151,744	20.5%
<i>EBIT margin</i>	44.2%	45.6%	-1.4pp
Finance income	10,356	3,654	183.4%
Finance cost	(36,761)	(25,297)	45.3%
Profit before tax	156,398	130,101	20.2%
Income tax (expense)/credit	(50,547)	(40,391)	25.1%
Profit for the period	105,851	89,710	18.0%
Earnings per share	6.18	5.29	16.8%



Group financial overview (cont'd)

Movement in debt

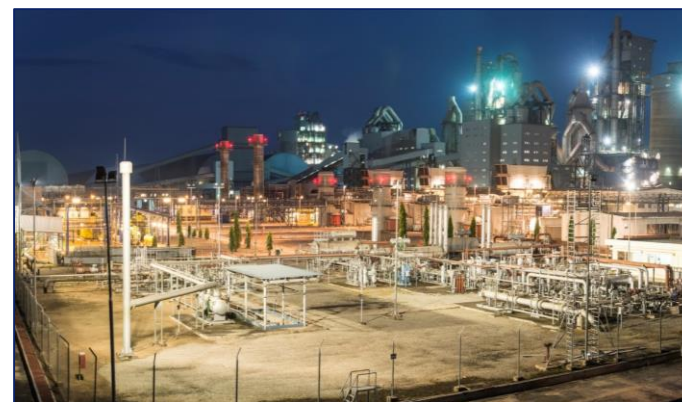
	Cash ₦m	Debt ₦m	Net debt ₦m
As at 31st December 2021	339,843	(564,940)	(225,097)
Cash from operations before working capital changes	212,565	-	212,565
Change in working capital	(1,048)	-	(1,048)
Income tax paid	(837)	-	(837)
Additions to fixed assets	(27,904)	-	(27,904)
Loans to related party	(224,100)	-	(224,100)
Change in non-current prepayments and payables	(9,179)	-	(9,179)
Other investing activities	(70)	-	(70)
Net Lease receivables	2,279	-	2,279
Share buyback	(35,323)	-	(35,323)
Dividend received	4,029	-	4,029
Net interest payment	(9,905)	-	(9,905)
Net loans obtained (repaid)	(44,534)	44,534	-
Overdraft	15,012	(15,012)	-
Other cash and non-cash movements	(2,524)	7,397	4,873
As at 31st March 2022	218,304	(528,021)	(309,717)



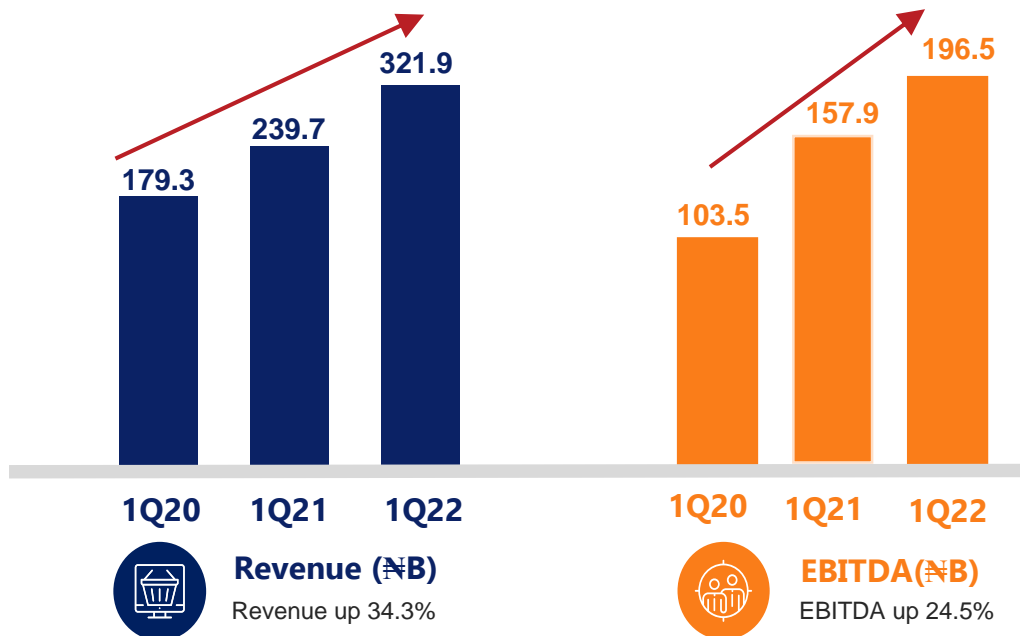
Group financial overview (cont'd)

Balance Sheet

	As at 31/03/22 ₦m	As at 31/12/21 ₦m
Property, plant and equipment	1,428,001	1,472,859
Other non-current assets	50,318	40,996
Intangible Assets	5,266	5,122
Current Assets	758,522	533,199
Cash and Cash Equivalents	218,304	339,843
Total Assets	2,460,411	2,392,019
Non-current liabilities	154,729	155,305
Current liabilities	722,263	688,105
Debt	528,021	564,940
Total Liabilities	1,405,013	1,408,350
Net Asset	1,055,398	983,669



Nigeria – Gas supply challenges limited production



- Nigeria Q1 sales volume down 1.5% mainly due to gas supply disruption in Nigeria
- Robust growth trend continues with strong demand from housing and infrastructure
- Solid performance with Q1 EBITDA of ₦196.4B, up 24.5% despite the challenges during the period.
- Early investments in Compressed Natural Gas (CNG) for trucks is beneficial in this rising AGO cost environment.
- 3mta Okpella plant production ramp up on track
- Exported 213Kt of cement in the quarter, up 55% compared to same period last year.

Financial Summary - Nigeria

Year ended 31st March	2022	2021	Change
Cement (Kt)	4,834	4,908	-1.5%
Clinker (Kt)	-	-	-
Total volumes (Kt)	4,834	4,908	-1.5%
Revenue (₦m)	321,918	239,684	34.3%
EBITDA** (₦m)	196,548	157,880	24.5%
EBITDA margin**	61.1%	65.9%	-4.8pp

**Before corporate costs and inter-company eliminations



Pre-heater system cyclone at Okpella plant

Pan-Africa – Extended plant maintenance and repairs

- Volumes down 7.6% to 2.4Mt due to plant maintenance and supply chain challenges.
- Revenues down 1.8% to ₦91.3B due to lower sales volume.
- EBITDA of ₦18.2B, down 23.0%; EBITDA margin of 20.0%
- Extended plant maintenance and repairs activities in Congo and Senegal limited Pan-Africa production volume
- Cost pressure on countries importing clinker (Cameroon) and cement (Ghana, Sierra-Leone) due to freight costs and overall scarcity
- Strong performance improvement in Tanzania volumes up 77%
- On track to deploy grinding plants in Ghana and Cote d'Ivoire in the coming months



Financial Summary – Pan-Africa

Year ended 31 st March	2022	2021	Change
Cement (Kt)	2,309	2,586	-10.7%
Clinker (Kt)	105	27	-
Total volumes (Kt)	2,414	2,613	-7.6%
Revenue (₦m)	91,263	92,967	-1.8%
EBITDA** (₦m)	18,225	23,682	-23.0%
EBITDA margin**	20.0%	25.5%	-5.5%

**Before corporate costs and eliminations



Country updates



CAMEROON

- Estimated 976Kt total market sales for Q1 2022
- Increase in consumption owing to individual construction projects, including roads and bridges, and government housing estates.
- DCP Cameroon sold 339Kt for Q1 2022.
- 35% market share for the period



CONGO

- Estimated market sales of 86Kt for Q1 2022
- Growing cement demand notably owing to a revival of government infrastructure projects.
- Shutdown of Congo plant for 2 months due to maintenance limited production in Q1 2022



ETHIOPIA

- Estimated 1.5Mt total market sales for Q1 2022
- DCP sales of 0.58Mt for Q1 2022 is up 9.0% compared to Q1 2021 owing to improved plant performance and robust cement demand
- 40% market share for the period

Country updates



GHANA

- Estimated over 1.8Mt total market sales for Q1 2022
- DCP Ghana sold 46Kt of cement in Q1 2022.
- Surge in international freight prices continues to impact supply.



SENEGAL

- Estimated 1.9Mt total market sales for Q1 2022
- DCP sold 0.35Mt of cement in Q1 2022.
- Production was constrained by extended power plant maintenance
- 19% market share for the period



SIERRA LEONE

- Estimated market sales of 236Kt for Q1 2022
- Robust cement demand owing to increased infrastructure spending, and growing population
- DCP sold 31Kt of cement in Q1 2022

Country updates



SOUTH AFRICA

- GDP growth in South Africa remains low with a subdued outlook
- Builders' holiday and increased rainfall in many parts of the country impacted construction activities.
- Our sales volumes for Q1 2022 reduced by 6.0%



TANZANIA

- Estimated 1.6Mt total market sales for Q1 2022
- DCP sales of 0.51Mt for Q1 2022, including 105Kt of clinker
- Volumes up 77.0%
- 31% market share for the period



ZAMBIA

- Estimated 0.47Mt total market sales for Q1 2022
- Macro-factors are still challenging demand.
- DCP Zambia sold 130Kt of cement in Q1 2022.
- 28% market share for the period

Debt and Liquidity

Robust Capital Structure



Track record of accessing Debt Capital Market

Bond Programme

Bond – Key Terms

Bond	Date issued	Tranches	Pricing	Maturity
₦100B	April 2020	-	12.5%	2025
₦50B	May 2021	A - ₦3.6B	11.25%	2024
		B - ₦10.4B	12.5%	2026
		C - ₦35.9B	13.5%	2028
₦116B	April 2022	A - ₦4.3B	11.85%	2027
		B - ₦23.3B	12.23%	2029
		C - ₦88.4B	13.0%	2032

Commercial Paper Programme

Issued an aggregate of almost NGN500 billion in Commercial Papers since 2018.

In August, we successfully established of a new ₦150 billion Commercial Paper Programme

Outstanding Commercial Paper				
Series 2	7.958	180 days	9.0%	25-05-22
Series 3	17.842	270 days	9.3%	23-08-22

DCP Bond Issuances timeline



April 2020

May 2021

May 2021

March 2022

April 2022

Issuance of maiden ₦100B series 1 fixed rate 5-year Bond.

New ₦300B Multi-Instrument Programme enabling DCP to issue Green Bonds and Sukuk

Successfully raised series 1, 3, 5 and 7-year Bonds, under a fresh NGN300 billion Debt Issuance Programme.

₦100bn maiden Bond selected as the winner of 2021s Bonds, Loans & Sukuk Africa Awards for Local Currency Corporate Bond Deal of the Year.

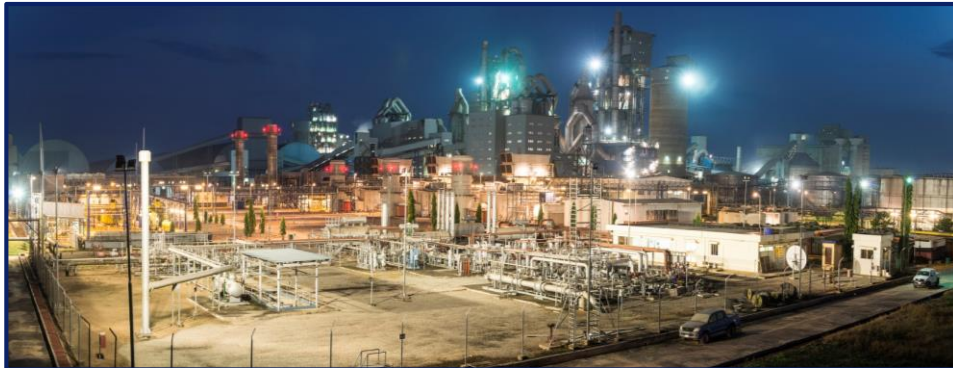
Issuance of ₦116 billion Series 2 Bond, largest corporate Bond issuance in history of the Nigerian capital markets

Successful share buy-back programme

In January 2022, DCP completed the second tranche of its buy-back programme.

Buy-back – tranche II

- DCP's bought back 0.74% of its issued and fully paid-up ordinary shares.
- The buy-back was exercised at an average price of ₦276.89/share.



Dangote Cement share buy-back summary

Share Capital Analysis

Pre-Buy-Back number of shares ¹	17,040,507,404
Shares bought back (Tranche I)	(40,200,000)
Shares bought back (Tranche II)	(126,748,153)

Total number of residual issued and fully paid outstanding shares	16,873,559,251
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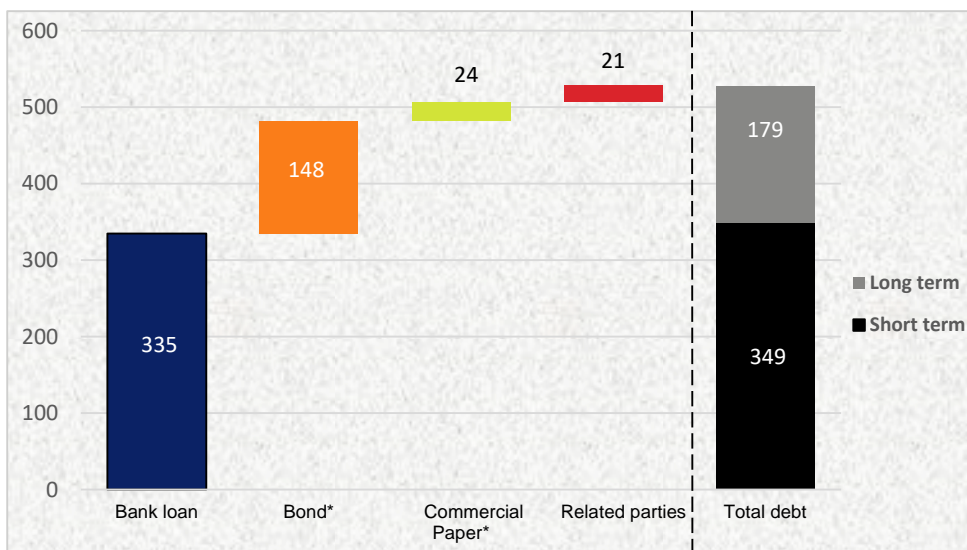
Total shares bought back (Tranche I&II)	166,948,153
Percentage of shares bought back	0.98%
Number of shares cancelled	Nil

The share buy-back programme reflects DCP's commitment to finding opportunities beyond dividend to return cash to shareholders.

Robust capital structure

Strong balance sheet with available liquidity

Diverse Capital Structure, ₦B

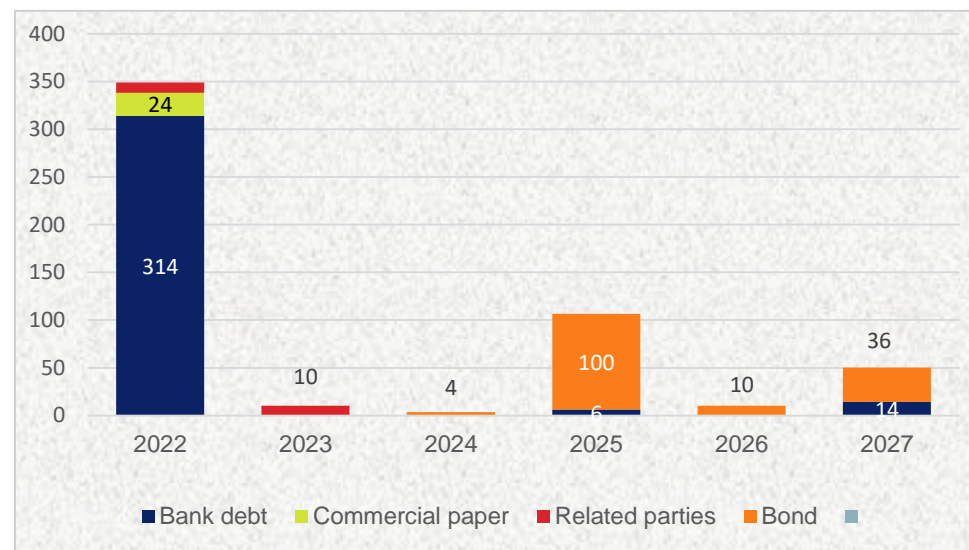


Bond face value - ₦150B

Commercial Paper face value – ₦26B

as at the end of March 2022

Debt Maturity Profile, ₦B



as at the end of March 2022

- The available liquidity, cash generation and undrawn borrowing capabilities secure DCPs short-term debt coverage
- Strong Q1 cash flow generation leading to cash flow from operating activities of ₦212.7B, up 25.6% year on year.

Robust capital structure

LENDING DIVERSIFICATION

Facility	Pricings	Draw down	Tenor
Bond	12.5%	₦100B	2025
Bond (tranche A,B&C)	11.25%-13.5%	₦50B	2024-2028
Bank debt	various	₦335B	2021-2023
Commercial Paper	8.3-9.3%	₦26B	2022
Related parties	6%-8.5%	₦21B	2021-2025

as at the end of March 2022

RATINGS

- On 29 April 2022, **Global Credit Ratings**
 - long-term Issuer rating to AA+ (NG) and affirmed the short-term issuer rating of A1+(NG), with outlook as Stable
 - long-term Issue rating of AA+ (NG) accorded to DCPs existing Bond issues and DCPs new N116bn Series 2 Bond, with the outlook accorded stable.
- On 2 December 2021, **Moody's**:
 - affirmed (P)B2 local currency rating and Aa3.ng national scale rating (NSR) to the NGN300 billion domestic medium-term programme issued by DCP
 - affirmed DCP's B2 long term corporate family rating (CFR). The rating outlook is stable, similar to that of the sovereign



Sustainability

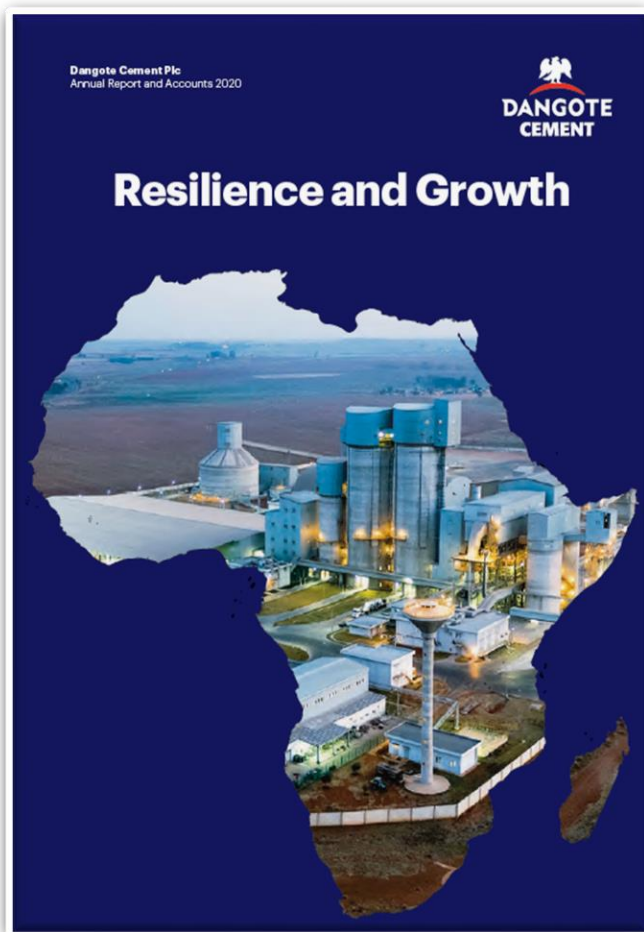


Sustainability & Governance – The Dangote Way

Our 7 Sustainability Pillars are embedded in our culture and guide our approach to building a sustainable business.



We released our **2020 combined Annual Report and Sustainability Report** with ESG data presented as per Global Reporting Initiative (GRI) referential and external assurance by Deloitte.



Sustainability Reporting Best Practices



Global Cement and Concrete Association



SEC Code of Corporate Governance



Nigerian Exchange Group



Institutional Pillar – Strong governance framework

5 GENDER
EQUALITY



10 REDUCED
INEQUALITIES



Board of Directors (includes five Independent Directors)

Aliko Dangote	Ernest Ebi *
Michel Puchercos	Devakumar Edwin
Olakunle Alake	Emmanuel Ikazoboh *
Cherie Blair*	Philip Mathew
Abdu Dantata	Viswanathan Shankar
Sir Michael Davis*	Dorothy Ufot *
Berlina Moroole	Douraid Zaghouni
	Halima Aliko-Dangote

Diverse Board

Gender diversification: **27%** female Board members

6 different nationalities

5 Independent Non-Executive Directors

Finance & Investment Committee

V. Shankar ⁽¹⁾
Olakunle Alake
D.V.G. Edwin
Douraid Zaghouni
Sir Michael Davis

Audit, Compliance & Risk Management Committee

Ernest Ebi ⁽¹⁾
Cherie Blair
Emmanuel Ikazoboh
Dorothy Ufot

Remuneration, Nominations & Governance Committee

Emmanuel Ikazoboh ⁽¹⁾
Ernest Ebi
Sir Michael Davis
Cherie Blair

Sustainability & Technical Committee

Sir Michael Davis ⁽¹⁾
Olakunle Alake
D.V.G. Edwin
Dorothy Ufot
Abdu Dantata
Douraid Zaghouni

Statutory Audit Committee⁽²⁾

Robert Ade-Odiachi⁽¹⁾
Nicholas Nyamali
Sheriff Yussuf
Olakunle Alake
Emmanuel Ikazoboh
Ernest Ebi

Note: * denotes Independent Non-Executive Directors.

1. Chairman of Committee

2. The Statutory Audit Committee is not a Committee of the Board

Environmental Pillar – Focus on Alternative Fuel project



Circular Economy Model

We have increased corporate focus and strategy by committing to the use of alternative fuel sources in our energy mix.

Waste type	We are exploring fully the feasibility of increasing the use of alternative energy in our cement production, through co-processing of wastes such as: agro wastes, waste lubricants, tyre derived fuels, saw dust, packaging materials
Benefits	<ul style="list-style-type: none"> • Lower CO2 emission • Alternative energy sourced from environment reduces cost and supports local economies • Lower dependence on foreign currencies • Sustainable waste management

Alternative Fuel Project

DCP's plants are installing AF equipment (Mechanical Multi-Fuel systems) that can process diverse types of wastes

- Thermal substitution rate is estimated at **2.9%** for Q1 2022 vs. 1.6% in Q1 2021.
- DCP co-processed **33,248 tons** of waste in Q1 2022, an increase of **54%** over Q1 2021

	Wastes co-processed include:
1	Waste lubricants
2	Biomass/Agro wastes (Rice Husks, Palm kernel shells, peanuts shell, Cashew Nut shell, Coffee Husk , Saw dust)
3	Industrial wastes (Paper waste, waste Plastics)
4	Scrap tires
5	Fly ash

	Q1 2022	Q1 2021	%
Energy consumption (Kcal/kg)	803	766	5%
CO2 emission (kg CO2/tonne)	577	643	(10%)
Water consumption (m3/tonne)	217	263	(17%)

Environmental Pillar – AF usage across our operations

Current AF usage

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



Carbon pellet,
Agro waste
peanuts

Coffee husk,
saw dust,
whole tires

Cut tires

PKS
Rice husk

Cashew nut shell,
scrap tires, paper
waste, saw dust,
waste plastics

Small tires,
saw dust, PP
bags, fly Ash

Fly ash

Waste development for future use

Nigeria	Saw dust, palm shaft, maize Cobs, cashew nut shell, sugar cane bagasse
Ethiopia	Juliflora, Bagasse, RDF
Congo	Sugarcane bagasse, Elephant grass wood chips
Senegal	Industrial waste, Biomass, Fly Ash
South Africa	Scrap tires
Tanzania	Sugar Cane, Tobacco dust, plastic waste, maize husk Charcoal Briquettes, Cashew nut shell
Zambia	Agro waste, wood chip

Environmental Pillar – CDP rating upgraded to B-



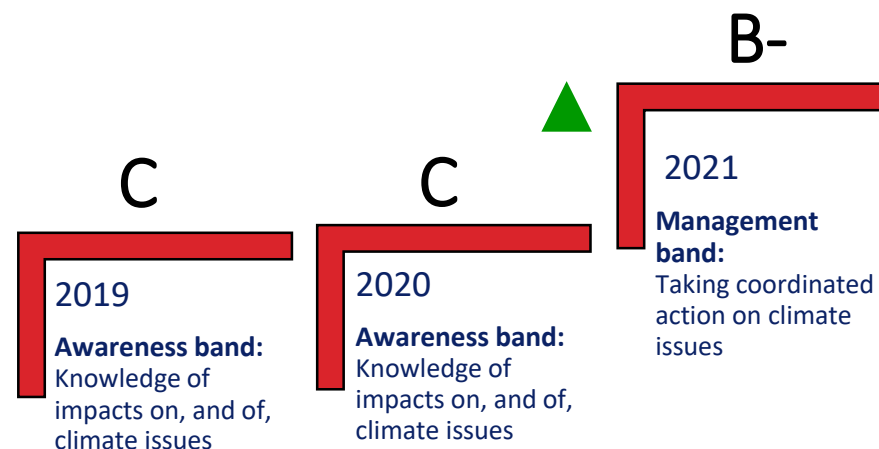
- Submission to Carbon Disclosure Project (CDP)
- Rated “B-” by CDP on our carbon disclosure for 2021
- One of the highest ratings in Sub-Saharan Africa and the only Nigeria company rated by CDP
- In 2021 DCP became a CDP supporter.

**CDP™
SUPPORTER
2021**



“ As a mission-based non-profit that runs the global environmental disclosure system, CDP greatly values the support of Dangote Cement. Action this decade is critical to ensuring that we can limit global warming to 1.5°C and safeguard our planet’s natural resources. Quite simply what is measured can be managed. Through its 2021 disclosure to CDP, Dangote Cement has demonstrated its clear commitment to transparency around its environmental impacts and its strategies for action. This benefits the company as well as its shareholders, customers, and employees alike.”

Sonya Bhonsle, Global Head of Value Chains & Regional Director Corporations



World Environment Day (WED) Commemoration

36 initiatives
20 awareness sessions & campaigns
829 trees planted

Over **850** employees volunteered for various environment friendly initiatives

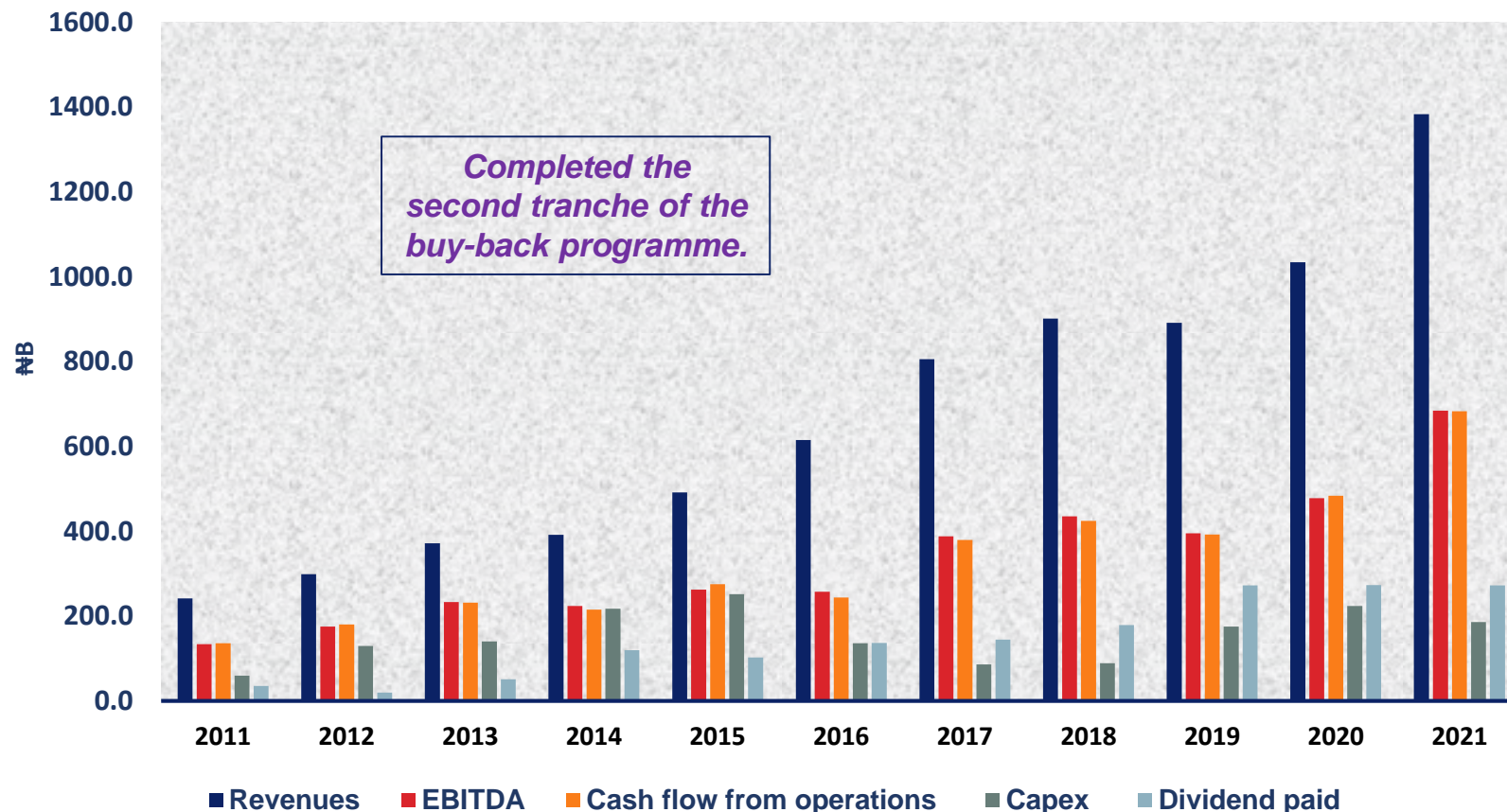


Financial Pillar – Creating value for shareholders

8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



19% 11-year CAGR

REVENUE

18% 11-year CAGR

EBITDA

23% 11-year CAGR

DIVIDEND

Financial Pillar – XBRL reporting

8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



First Nigerian listed company to report its financial results using eXtensible Business Reporting Language (XBRL) format with the IFRS taxonomy

Quotes

“We believe that adopting XBRL reporting will strong benefit Dangote Cement’s existing and potential investors. It represents another step in Dangote Cement’s continuing efforts to modernise and enhance transparency of, and access to, companies’ disclosures.

It will enable our publicly available financial information to be captured accurately and promptly, thus bringing uniformity of our results on all the platforms and ensuring that investors and analysts who use these platforms have the correct information. Although XBRL reporting is not mandatory for companies listed on the Nigerian Exchange, it is becoming a universal format to exchange financial data and promotes the coordination of international reporting requirements.

The implementation of XBRL demonstrates Dangote Cement’s strong dedication to reaching international reporting and corporate governance standards. As Africa’s leading cement producer, we are leading the way with our commitment to sustainability and best practice. We are driven by the goal of achieving the highest level of governance and building a prosperous and sustainable brand for all our stakeholders. Transparency and consistency are at the core of every part of our business culture.”



Michel Puchercos
Chief Executive Officer, Dangote Cement

Social Pillar – COVID-19 Interventions continue in 2021

**5 GENDER
EQUALITY**



**11 SUSTAINABLE CITIES
AND COMMUNITIES**

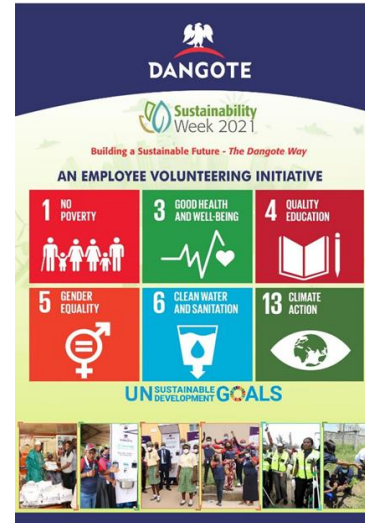


International Women's Day celebration



48 CSR projects completed in Q1 2022

Sustainability week



- ✓ Key initiatives included 'Waste to Wealth' campaigns, tree planting, skills & capacity building, donations to less privileged, etc.
- ✓ All initiatives focused on advancing six core SDGs: 1,3,4,5,6 & 13.
- ✓ Hundreds of DCP volunteers, in compliance with strict COVID-19 prevention protocols.

Theme: "Building a Sustainable Future: The Dangote Way"
Focus on schools, students, vulnerable, and environment

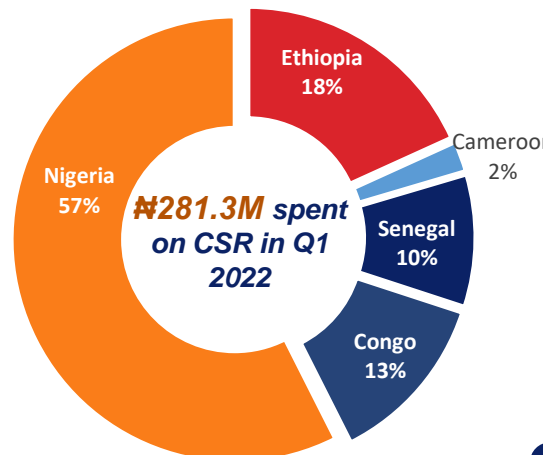


**Dangote Cement women
plant tree**



**Presentation of food and
other household**

**Growth in CSR
investments, ₦mn**



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