



DANGOTE CEMENT PLC

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS AND SIX MONTHS ENDED 30 JUNE 2022

Dangote Cement Plc
For the three months and six months ended 30 June 2022

CONTENTS	PAGE
Independent auditors' report on review of condensed consolidated and separate interim financial statements	2
Condensed consolidated and separate statements of profit or loss	4
Condensed consolidated and separate statements of comprehensive income	5
Condensed consolidated and separate statements of financial position	6
Condensed consolidated statement of changes in equity	7
Condensed separate statement of changes in equity	8
Condensed consolidated and separate statements of cash flows	9
Notes to the condensed consolidated and separate interim financial statements	10 - 30

**KPMG Professional Services**

KPMG Tower
Bishop Aboyade Cole Street
Victoria Island
PMB 40014, Falomo
Lagos

Telephone 234 (1) 271 8955

234 (1) 271 8599

Internet home.kpmg/ng

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 June 2022;
- the condensed consolidated and separate statements of profit or loss for the three-month and six-month periods ended 30 June 2022;
- the condensed consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2022;
- the condensed consolidated and separate statements of changes in equity for the six-month period ended 30 June 2022;
- the condensed consolidated and separate statements of cash flows for the six-month period ended 30 June 2022; 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 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 consists 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 significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Partners:

Adegoke A. Oyelami	Ayodele H. Othihiwa	Joseph O. Tegbe	Olanike I. James	Tayo I. Ogungbenro
Adekunle A. Elebute	Bolanle S. Afolabi	Kabir O. Okunlola	Olufemi A. Babem	Termitope A. Onitiri
Adetola P. Adeyemi	Chibuzor N. Anyanechi	Lawrence C. Amadi	Olumide O. Olayinka	Tolulope A. Odukale
Adeyemi K. Ajayi	Chineme B. Nwigbo	Martins I. Arozie	Olusegun A. Sowande	Uzodinma G. Nwankwo
Ajibola O. Olomola	Elijah O. Oladunmoye	Mohammed M. Adama	Olutayo I. Ogunlowo	Victor U. Onyenkpa
Akinyemi Ashade	Goodluck C. Obi	Nneka C. Eluma	Olufemi O. Awotoye	
Ayobami L. Salami	Ibitomi M. Adepoju	Olabinpe S. Afolabi	Olufemi O. Awotoye	
Ayodele A. Soyinka	Ijeoma T. Emezio-Ezigo	Oladimeji I. Salaudeen	Oseme J. Obalode	



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2022 condensed consolidated and separate interim financial statements are not prepared in all material respects, in accordance with IAS 34, *'Interim Financial Reporting'*.

Signed:

A handwritten signature in black ink, appearing to read 'Goodluck C. Obi'.

Goodluck C. Obi, FCA

FRC/2012/ICAN/00000000442

For: KPMG Professional Services

Chartered Accountants

31 July 2022

Lagos, Nigeria



Dangote Cement Plc
Condensed consolidated and separate statements of profit or loss
For the three months and six months ended 30 June 2022

Group						Company					
		3 months ended	6 months ended	3 months ended	6 months ended	Year ended	3 months ended	6 months ended	3 months ended	6 months ended	Year ended
	Notes	30/06/2022	30/06/2022	30/06/2021	30/06/2021	31/12/2021	30/06/2022	30/06/2022	30/06/2021	30/06/2021	31/12/2021
		₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
Revenue	3	394,856	808,037	357,894	690,545	1,383,637	301,063	622,981	254,455	494,139	993,399
Production cost of sales	5	(168,353)	(322,461)	(148,119)	(276,115)	(551,019)	(113,683)	(222,030)	(94,835)	(170,787)	(345,225)
Gross profit		226,503	485,576	209,775	414,430	832,618	187,380	400,951	159,620	323,352	648,174
Administrative expenses	6	(17,200)	(34,134)	(14,945)	(30,709)	(64,349)	(9,498)	(18,786)	(8,158)	(16,313)	(33,319)
Selling and distribution expenses	7	(74,586)	(135,272)	(46,516)	(87,575)	(191,658)	(59,157)	(105,441)	(31,851)	(60,639)	(132,285)
Other income	8	584	1,601	2,139	6,051	6,221	649	1,699	3,815	5,870	1,975
Impairment of financial assets		17	350	-	-	(341)	-	338	-	-	(402)
Profit from operating activities		135,318	318,121	150,453	302,197	582,491	119,374	278,761	123,426	252,270	484,143
Finance income	9	11,645	22,001	11,426	9,408	20,765	18,862	40,183	20,374	41,820	92,783
Finance costs	9	(38,471)	(75,232)	(10,726)	(30,351)	(65,707)	(18,246)	(43,928)	(7,065)	(18,423)	(42,501)
Share of profit from associate		-	-	-	-	817	-	-	-	-	-
Profit before tax		108,492	264,890	151,153	281,254	538,366	119,990	275,016	136,735	275,667	534,425
Income tax expense	11.1	(42,239)	(92,786)	(49,233)	(89,624)	(173,927)	(39,328)	(89,324)	(39,340)	(79,089)	(153,325)
Profit for the period/year		66,253	172,104	101,920	191,630	364,439	80,662	185,692	97,395	196,578	381,100
Profit for the period/year attributable to:											
Owners of the Company	10	66,207	170,622	100,597	190,554	361,008	80,662	185,692	97,395	196,578	381,100
Non-controlling interests		46	1,482	1,323	1,076	3,431	-	-	-	-	-
		66,253	172,104	101,920	191,630	364,439	80,662	185,692	97,395	196,578	381,100
Earnings per share, basic and diluted (Naira)	10	3.92	10.10	5.92	11.21	21.24	4.78	11.00	5.73	11.56	22.42


Dangote Cement Plc
Condensed consolidated and separate statements of comprehensive Income
For the three months and six months ended 30 June 2022

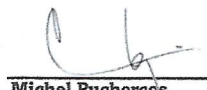
	Group					Company				
	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021	Year ended 31/12/2021	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021	Year ended 31/12/2021
	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million
Profit for the period/year	66,253	172,104	101,920	191,630	364,439	80,662	185,692	97,395	196,578	381,100
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	(8,300)	(7,099)	3,959	(5,561)	265	-	-	-	-	-
Other comprehensive income/(loss) for the period/year, net of income tax	(8,300)	(7,099)	3,959	(5,561)	265	-	-	-	-	-
Total comprehensive income for the period/year	57,953	165,005	105,879	186,069	364,704	80,662	185,692	97,395	196,578	381,100
Total comprehensive income for the period/year attributable to:										
Owners of the Company	59,642	163,460	102,532	183,193	361,429	80,662	185,692	97,395	196,578	381,100
Non-controlling interests	(1,689)	1,545	3,347	2,876	3,275	-	-	-	-	-
	57,953	165,005	105,879	186,069	364,704	80,662	185,692	97,395	196,578	381,100

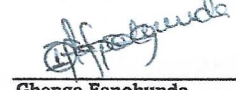
Dangote Cement Plc
Condensed consolidated and separate statements of financial position
As at 30 June 2022

		Group		Company	
	Notes	30/06/2022	31/12/2021	30/06/2022	31/12/2021
		₦'million	₦'million	₦'million	₦'million
ASSETS					
Non-current assets					
Property, plant and equipment	12	1,398,504	1,472,859	519,160	554,883
Intangible assets	13	4,930	5,122	117	147
Right-of-use assets	14	16,960	18,566	1,215	1,365
Investments in subsidiaries	15.2	-	-	162,268	162,268
Investment in associate	15.3	2,499	6,528	1,582	1,582
Prepayments	16	1,130	4,759	211	211
Deferred tax assets	11.4	7,012	5,163	-	-
Lease receivables	17	19,913	5,980	19,913	5,980
Receivables from subsidiaries	18	-	-	981,229	968,000
Total non-current assets		1,450,948	1,518,977	1,685,695	1,694,436
Current assets					
Inventories	19	206,636	167,205	116,997	88,421
Trade and other receivables	20	41,390	47,469	14,413	15,798
Prepayments and other current assets	21	334,502	311,722	514,669	504,786
Lease receivables	17	5,672	3,752	5,672	3,752
Current tax assets	11.2	3,725	3,051	2,625	2,542
Cash and cash equivalents	22	194,466	339,843	123,121	272,563
Total current assets		786,391	873,042	777,497	887,862
TOTAL ASSETS		2,237,339	2,392,019	2,463,192	2,582,298
LIABILITIES					
Current liabilities					
Trade and other payables	23	369,511	371,224	213,564	214,411
Lease liabilities	29	1,422	2,187	97	261
Current tax liabilities	11.3	200,006	153,385	194,811	146,517
Financial liabilities	24	341,186	401,393	267,567	315,090
Other current liabilities	26	102,605	148,294	116,089	161,579
Total current liabilities		1,014,730	1,076,483	792,128	837,858
Non current liabilities					
Deferred tax liabilities	11.5	132,447	135,003	123,844	126,226
Financial liabilities	24	293,232	176,562	262,826	147,789
Lease liabilities	29	7,638	8,019	110	110
Deferred revenue	25	602	636	265	298
Provisions	28	9,147	8,428	6,232	5,573
Employee benefit obligations	31	3,663	3,219	3,417	2,972
Total non-current liabilities		446,729	331,867	396,694	282,968
Total liabilities		1,461,459	1,408,350	1,188,822	1,120,826
Net assets		775,880	983,669	1,274,370	1,461,472
EQUITY					
Share capital	30	8,520	8,520	8,520	8,520
Share premium	30	42,430	42,430	42,430	42,430
Treasury shares		(45,156)	(9,833)	(45,156)	(9,833)
Capital contribution		2,877	2,877	2,828	2,828
Currency translation reserve		45,940	53,102	-	-
Retained earnings		701,425	868,274	1,265,748	1,417,527
Equity attributable to owners of the company		756,036	965,370	1,274,370	1,461,472
Non-controlling interest		19,844	18,299	-	-
Total equity		775,880	983,669	1,274,370	1,461,472
TOTAL EQUITY AND LIABILITIES		2,237,339	2,392,019	2,463,192	2,582,298

These financial statements were approved and authorised for issue by the Board of Directors on 30 July 2022 and were signed on its behalf by:


Aliko Dangote, GCON
Chairman, Board of Directors
FRC/2013/IODN/00000001766


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


Gbenga Fapohunda
Acting Group Chief Finance Officer
FRC/2019/ICAN/00000019333

Dangote Cement Plc
**Condensed consolidated statement of changes in equity
For the six months ended 30 June 2022**

	Group								
	Share capital N'million	Share premium N'million	Treasury Shares N'million	Retained earnings N'million	Currency translation reserve N'million	Capital contribution N'million	Attributable to the owners of the parent N'million	Non - controlling interests N'million	Total equity N'million
Balance at 1 January 2021	8,520	42,430	(9,833)	779,271	52,681	2,877	875,946	15,024	890,970
Profit for the period	-	-	-	190,554	-	-	190,554	1,076	191,630
Other comprehensive loss for the period, net of tax	-	-	-	-	(7,361)	-	(7,361)	1,800	(5,561)
Total comprehensive income/(loss) for the period	-	-	-	190,554	(7,361)	-	183,193	2,876	186,069
Payment of dividends	-	-	-	(272,005)	-	-	(272,005)	-	(272,005)
Balance at 30 June 2021	8,520	42,430	(9,833)	697,820	45,320	2,877	787,134	17,900	805,034
Balance at 1 January 2022	8,520	42,430	(9,833)	868,274	53,102	2,877	965,370	18,299	983,669
Profit for the period	-	-	-	170,622	-	-	170,622	1,482	172,104
Other comprehensive income for the period, net of tax	-	-	-	-	(7,162)	-	(7,162)	63	(7,099)
Total comprehensive income for the period	-	-	-	170,622	(7,162)	-	163,460	1,545	165,005
Effect of shares buy-back (Note 30)	-	-	(35,323)	-	-	-	(35,323)	-	(35,323)
Dividends	-	-	-	(337,471)	-	-	(337,471)	-	(337,471)
Balance at 30 June 2022	8,520	42,430	(45,156)	701,425	45,940	2,877	756,036	19,844	775,880

Dangote Cement Plc

**Condensed separate statement of changes in equity
For the six months ended 30 June 2022**

	Company					
	Share capital N'million	Share premium N'million	Treasury Shares N'million	Capital contribution N'million	Retained earnings N'million	Total equity N'million
Balance at 1 January 2021	8,520	42,430	(9,833)	2,828	1,308,432	1,352,377
Profit for the period	-	-	-	-	196,578	196,578
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	196,578	196,578
Payment of dividends	-	-	-	-	(272,005)	(272,005)
Balance at 30 June 2021	8,520	42,430	(9,833)	2,828	1,233,005	1,276,950
Balance at 1 January 2022	8,520	42,430	(9,833)	2,828	1,417,527	1,461,472
Profit for the period	-	-	-	-	185,692	185,692
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	185,692	185,692
Effect of shares buy-back (Note 30)	-	-	(35,323)	-	-	(35,323)
Dividends	-	-	-	-	(337,471)	(337,471)
Balance at 30 June 2022	8,520	42,430	(45,156)	2,828	1,265,748	1,274,370

Dangote Cement Plc
Condensed consolidated and separate statements of cash flows
For the six months ended 30 June 2022

		Group			Company		
	Notes	6 months ended 30/06/2022 ₹million	6 months ended 30/06/2021 ₹million	Year ended 31/12/2021 ₹million	6 months ended 30/06/2022 ₹million	6 months ended 30/06/2021 ₹million	Year ended 31/12/2021 ₹million
Cash flows from operating activities							
Profit before tax		264,890	281,254	538,366	275,016	275,667	534,425
Adjustments for:							
Depreciation and amortisation	12, 13 & 14	54,772	48,868	100,766	29,869	27,456	58,720
Write off and impairment of property plant and equipment		270	-	1,338	-	-	122
Interest expenses	9	34,059	24,814	56,326	28,130	17,830	41,925
Interest income	9	(22,001)	(9,408)	(20,765)	(36,154)	(22,613)	(48,031)
Dividend income		-	-	-	(4,029)	-	-
Net exchange (gain)/loss on borrowings and non-operating assets		37,110	486	7,924	12,667	(18,820)	(43,476)
Change in fairvalue of derivatives		-	13	(104)	-	13	(104)
Share of profit from associate		-	-	(817)	-	-	-
Amortisation of deferred revenue		(52)	(4)	227	(34)	(28)	262
Provisions		719	868	379	659	603	524
Provision for employee benefits obligations		444	447	(362)	445	444	(580)
(Gain)/loss on disposal of property, plant and equipment		-	(358)	(378)	-	(358)	(359)
		370,211	346,980	682,900	306,569	280,194	543,428
Changes in:							
Inventories		(39,431)	(42,114)	(60,526)	(28,576)	(22,426)	(33,117)
Trade and other receivables		6,079	(8,093)	(11,173)	1,385	(1,199)	153
Trade and other payables		13,323	11,344	26,846	11,926	6,699	79,182
Prepayments and other current assets		35,575	(14,909)	(79,404)	76,333	(6,068)	(82,922)
Other current liabilities		(45,687)	18,761	63,404	(42,894)	28,834	112,148
		340,070	311,969	622,047	324,743	286,034	618,872
Change in lease receivables		4,777	4,363	8,070	4,777	4,363	8,070
Income tax paid	11.3	(49,864)	(14,879)	(33,408)	(43,412)	(12,300)	(31,196)
Net cash generated from operating activities		294,983	301,453	596,709	286,108	278,097	595,746
Cash flows from Investing activities							
Interest received		3,173	8,475	11,249	1,603	6,775	8,281
Dividend received		4,029	-	-	4,029	-	-
Acquisition of intangible assets	13	(254)	(280)	(848)	-	(29)	(31)
Additional receivables from subsidiaries		-	-	-	(43,236)	(55,201)	(164,367)
Repayment by subsidiaries		-	-	-	4,792	11,122	22,852
Net loans obtained/repaid by parent company	21	(41,212)	(6,600)	20,000	(41,212)	(6,600)	20,000
Proceeds from disposal of property, plant and equipment		-	1,215	1,238	-	1,215	1,218
Acquisition of investment		-	-	-	-	(23)	(22)
Acquisition of property, plant and equipment		(47,380)	(47,690)	(158,508)	(26,009)	(3,803)	(58,158)
Additions to property, plant and equipment	12	(38,849)	(57,821)	(185,814)	(13,849)	(12,513)	(72,404)
Change in prepayments for property, plant and equipment		3,629	4,464	17,849	-	3,043	4,789
Net suppliers' credit obtained/(repaid)		(12,160)	5,667	9,457	(12,160)	5,667	9,457
Net cash used in investing activities		(81,644)	(44,880)	(126,869)	(100,033)	(46,544)	(170,227)
Cashflows from Financing activities							
Interest paid		(29,181)	(26,648)	(52,558)	(23,953)	(19,279)	(42,232)
Lease payment		(624)	(840)	(2,110)	(445)	(506)	(884)
Shares buy-back		(35,323)	(9,833)	(9,833)	(35,323)	(9,833)	(9,833)
Dividends paid		(337,471)	(272,005)	(272,005)	(337,471)	(272,005)	(272,005)
Loans obtained		187,224	166,170	329,115	179,824	164,860	312,439
Loans repaid		(138,752)	(157,036)	(324,831)	(128,052)	(145,491)	(278,043)
Net cash used in financing activities		(354,127)	(300,192)	(332,222)	(345,420)	(282,254)	(290,558)
(Decrease)/Increase in cash and cash equivalents		(140,788)	(43,619)	137,618	(159,345)	(50,701)	134,961
Cash and cash equivalents at beginning of period/year		263,368	141,039	141,039	203,809	68,848	68,848
Effects of exchange rate changes		(13,693)	(4,112)	(15,289)	-	-	-
Cash and cash equivalents at end of the period/yea	22	108,887	93,308	263,368	44,464	18,147	203,809

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

1 General Information

Dangote Cement Plc ("the Company") was incorporated in Nigeria as a public limited liability company on 4 November 1992 and commenced operations in January 2007 under the name Obajana Cement Plc. The name was changed on 14 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 30 June 2022 comprise the Company and its subsidiaries.

The condensed separate interim financial statements of the Company for the period ended 30 June 2022 comprise the Company only.

1.1 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.

2 Significant accounting policies

The Group and Company's financial statements for the year ended 31 December 2021 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 2021 annual financial statements except for the application of new standards. None of the new standards, interpretations and amendments, effective for the first time from 1 January 2022, 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 on or after 1 January 2022 and earlier application is permitted; however, the Group has not early adopted any of the forthcoming new or amended 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 six months ended 30 June 2022 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 31 December 2021 ("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 and separate interim financial statements have been prepared on the historical cost basis except for derivatives at fair value. 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 30 June 2022. 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.

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

3 REVENUE

	Group				Company			
	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021
Volumes	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes	'000 tonnes
Cement production and bagging capacity (for the year)	51,550	51,550	48,550	48,550	29,250	29,250	29,250	29,250
Production volume*	6,749	13,840	7,799	14,519	4,115	8,588	5,076	9,683
Trade cement purchase	119	202	392	486	428	872	258	608
Decrease/(Increase) in stocks**	90	164	(435)	272	(34)	(117)	(373)	(422)
Sales volume*	6,958	14,206	7,756	15,277	4,509	9,343	4,961	9,869

* includes both cement and clinker volumes

** (Increase)/decrease in stocks refers to the difference between the opening and closing stocks for the period.

An analysis of revenue in naira is as follows:

	Group				Company			
	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021
Revenue from contracts with customers	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million
Revenue from sales of cement & clinker	394,854	808,035	357,894	690,545	301,063	622,981	254,455	494,139
Revenue from sales of other products	2	2	-	-	-	-	-	-
Sales value	394,856	808,037	357,894	690,545	301,063	622,981	254,455	494,139

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 (includes Company and all subsidiaries operating in Nigeria. See Note 15.1)
- Pan Africa (includes entities operating outside Nigeria. See Note 15.1)

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.

4 Segment Information continued

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

Group	3 month ended 30/06/2022				
	Nigeria	Pan Africa	Administra- tive cost	Eliminations	Total
	N'million	N'million	N'million	N'million	N'million
Revenue	301,063	93,793	-	-	394,856
EBITDA*	152,838	13,495	(4,554)	363	162,142
Other Income	1,449	159	-	(1,024)	584
Profit from operating activities	134,726	4,356	(4,554)	790	135,318
Profit/(loss) for the period	95,973	(30,223)	(4,554)	5,057	66,253

* represents earnings before interest, taxes, depreciation, amortisation & impairment

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

Segment results

Group	6 months ended 30/06/2022				
	Nigeria N'million	Pan Africa N'million	Central Administra- tive cost N'million	Eliminations N'million	Total N'million
Revenue	622,981	185,056	-	-	808,037
EBITDA*	349,386	31,720	(8,020)	77	373,163
Other Income	1,545	394	-	(338)	1,601
Profit from operating activities	314,659	10,552	(8,020)	930	318,121
Profit/(loss) for the period	222,250	(74,811)	(8,020)	32,685	172,104

* represents earnings before interest, taxes, depreciation, amortisation & impairment

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 30/06/2021				
	Nigeria N'million	Pan Africa N'million	Central Administra- tive cost N'million	Eliminations N'million	Total N'million
Revenue	254,455	105,530	-	(2,091)	357,894
EBITDA*	153,298	23,502	(4,582)	876	173,094
Other Income	1,352	1,061	-	(274)	2,139
Profit from operating activities	139,569	14,233	(4,582)	1,233	150,453
Profit/(loss) for the period	115,321	(12,123)	(4,582)	3,304	101,920

Group	6 months ended 30/06/2021				
	Nigeria N'million	Pan Africa N'million	Central Administra- tive cost N'million	Eliminations N'million	Total N'million
Revenue	494,139	198,497	-	(2,091)	690,545
EBITDA*	311,178	47,184	(8,173)	876	351,065
Other Income	3,407	3,063	-	(419)	6,051
Profit from operating activities	279,684	29,019	(8,173)	1,667	302,197
Profit/(loss) for the period	219,097	(27,913)	(8,173)	8,619	191,630

* represents earnings before interest, taxes, depreciation, amortisation & impairment.

A reconciliation of Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) to the profit for the period is presented below:

Group		
	6 months ended 30/06/2022 N'million	6 months ended 30/06/2021 N'million
EBITDA	373,163	351,065
Depreciation, amortisation, write-off and impairment	(55,042)	(48,868)
Profit from operating activities	318,121	302,197
Finance income	22,001	9,408
Finance costs	(75,232)	(30,351)
Profit before tax	264,890	281,254
Income tax expense	(92,786)	(89,624)
Profit for the period	172,104	191,630

4.2 Segment assets and liabilities

	Nigeria N'million	Pan Africa N'million	Eliminations N'million	Total N'million
30 June 2022				
Total assets	2,517,335	895,199	(1,175,195)	2,237,339
Segment liabilities	1,173,717	1,267,278	(979,536)	1,461,459
31 December 2021				
Total assets	2,835,333	928,968	(1,372,282)	2,392,019
Segment liabilities	1,153,211	1,256,375	(1,001,236)	1,408,350

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

5 Production cost of sales

	Group				Company			
	3 months ended 30/06/2022 N'million	6 months ended 30/06/2022 N'million	3 months ended 30/06/2021 N'million	6 months ended 30/06/2021 N'million	3 months ended 30/06/2022 N'million	6 months ended 30/06/2022 N'million	3 months ended 30/06/2021 N'million	6 months ended 30/06/2021 N'million
Material consumed	46,387	97,009	44,656	93,974	44,786	96,038	30,553	65,409
Fuel & power consumed	74,486	129,957	58,277	98,978	43,962	78,627	40,484	64,473
Royalty (Note 5(a))	449	870	409	776	252	451	187	360
Salaries and related staff costs	12,722	23,816	9,777	18,598	7,147	13,150	4,939	9,517
Depreciation & amortisation	20,205	41,588	16,556	36,924	10,299	20,476	9,770	19,225
Plant maintenance cost	13,047	25,592	13,961	20,680	7,987	14,370	8,832	10,937
Other production expenses	7,532	12,876	7,471	10,970	2,999	5,121	2,164	3,822
Increase in finished goods and work in process	(6,475)	(9,247)	(2,988)	(4,785)	(3,749)	(6,203)	(2,094)	(2,956)
Total production cost of sales	168,353	322,461	148,119	276,115	113,683	222,030	94,835	170,787

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

6 Administrative expenses

	Group				Company			
	3 months ended 30/06/2022 N'million	6 months ended 30/06/2022 N'million	3 months ended 30/06/2021 N'million	6 months ended 30/06/2021 N'million	3 months ended 30/06/2022 N'million	6 months ended 30/06/2022 N'million	3 months ended 30/06/2021 N'million	6 months ended 30/06/2021 N'million
Salaries and related staff costs	5,167	10,417	4,195	8,612	2,882	5,857	2,148	4,663
Corporate social responsibility	212	524	1,854	3,103	101	263	1,663	1,906
Management fee (Note 6(a))	1,600	2,875	1,291	2,305	1,600	2,875	1,291	2,305
Depreciation and Amortisation	1,695	3,405	1,701	3,327	579	1,194	628	1,242
Audit fees	187	403	126	274	99	176	56	115
Rent, rate and insurance	1,538	3,111	1,523	2,551	442	1,072	474	750
Repairs and maintenance	334	703	312	657	161	426	186	446
Travel expenses	1,089	2,037	735	1,475	559	1,047	237	625
Bank charges	856	1,400	851	1,526	470	718	303	517
Professional and consultancy fees	803	1,468	250	984	400	834	(21)	419
Security expenses	853	1,480	596	1,253	219	444	227	355
Janitorial and Office Cleaning	364	651	349	597	223	440	210	379
General administrative expenses	1,872	3,447	887	2,117	1,131	2,188	447	1,318
Others	630	2,213	275	1,928	632	1,252	309	1,273
Total administrative expenses	17,200	34,134	14,945	30,709	9,498	18,786	8,158	16,313

(a) The management fee is charged by Dangote Industries Limited (DIL) for management and corporate services provided to Dangote Cement Plc. (DCP). It is an apportionment of DIL's shared-service cost to DCP plus mark-up.

7 Selling and distribution expenses

	Group				Company			
	3 months ended 30/06/2022 N'million	6 months ended 30/06/2022 N'million	3 months ended 30/06/2021 N'million	6 months ended 30/06/2021 N'million	3 months ended 30/06/2022 N'million	6 months ended 30/06/2022 N'million	3 months ended 30/06/2021 N'million	6 months ended 30/06/2021 N'million
Salaries and related staff costs	4,684	9,943	4,184	8,378	3,148	6,886	2,634	5,412
Depreciation	4,929	9,779	4,384	8,617	4,246	8,199	3,569	6,989
Advertisement and promotion	1,943	2,398	785	1,351	1,859	2,075	688	1,141
Haulage expenses	62,312	111,846	36,236	67,681	49,292	87,239	24,135	45,793
Others	718	1,306	927	1,548	612	1,042	825	1,304
Total selling and distribution expenses	74,586	135,272	46,516	87,575	59,157	105,441	31,851	60,639

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

8 Other income

	Group				Company			
	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021
	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million
Insurance claims	416	684	90	168	365	572	83	136
Government grant	8	18	21	47	-	1	12	29
Sundry income	160	899	2,028	5,836	284	1,126	3,720	5,705
Total other income	584	1,601	2,139	6,051	649	1,699	3,815	5,870

9 Finance income and costs

	Group				Company			
	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021
	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million
Finance income								
Interest income	11,645	22,001	5,754	9,408	18,862	36,154	12,561	22,613
Dividend income	-	-	-	-	-	4,029	-	-
Others - foreign exchange gain	-	-	5,672	-	-	-	7,813	19,207
Total finance income	11,645	22,001	11,426	9,408	18,862	40,183	20,374	41,820
Finance costs								
Gross interest expenses	15,706	34,059	11,018	25,890	14,380	28,130	7,212	18,613
Less: amounts included in the cost of qualifying assets	-	-	(588)	(1,076)	-	-	(443)	(783)
Interest expenses	15,706	34,059	10,430	24,814	14,380	28,130	6,769	17,830
Foreign exchange loss	22,437	40,657	-	4,944	3,540	15,284	-	-
Other finance costs	328	516	296	593	326	514	296	593
Total finance costs	38,471	75,232	10,726	30,351	18,246	43,928	7,065	18,423

10 Earnings per share

	Group				Company			
	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021
	N'million	N'million	N'million	N'million	N'million	N'million	N'million	N'million
Profit for the period attributable to owners of the Company	66,207	170,622	100,597	190,554	80,662	185,692	97,395	196,578
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share (million)	16,887	16,887	17,000	17,000	16,887	16,887	17,000	17,000
Basic and diluted earnings per share (Naira)	3.92	10.10	5.92	11.21	4.78	11.00	5.73	11.56

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

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

11 Income tax

11.1	Income tax expense recognised in profit or loss	Group				Company			
		3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021	3 months ended 30/06/2022	6 months ended 30/06/2022	3 months ended 30/06/2021	6 months ended 30/06/2021
		₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million	₦'million
	Current tax expense	(44,361)	(96,940)	(41,086)	(80,914)	(41,697)	(91,706)	(37,653)	(76,817)
	Deferred tax credit/(expense)	2,122	4,154	(8,147)	(8,710)	2,369	2,382	(1,687)	(2,272)
	Total income tax expense recognised in the current period	(42,239)	(92,786)	(49,233)	(89,624)	(39,328)	(89,324)	(39,340)	(79,089)

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.

11.2	Current tax assets	Group		Company	
		30/06/2022 ₦'million	31/12/2021 ₦'million	30/06/2022 ₦'million	31/12/2021 ₦'million
	Balance, beginning of the period/year	3,051	7,029	2,542	5,511
	Charge for the period/year	151	774	-	-
	Payments during the period/year	504	291	-	-
	Additional road infrastructure tax credit	83	22,296	83	22,296
	Tax credit utilised to offset current tax liabilities	-	(27,021)	-	(25,265)
	Effect of currency exchange difference	(64)	(318)	-	-
	Balance, end of the period/year	3,725	3,051	2,625	2,542
11.3	Current tax liabilities				
	Balance, beginning of the period/year	153,385	59,781	146,517	58,117
	Charge for the period/year	97,091	155,689	91,706	144,861
	Payments during the period/year	(49,360)	(33,117)	(43,412)	(31,196)
	Withholding tax credit and grant utilized	-	(21)	-	-
	Tax credit utilised to offset current tax liabilities	-	(27,021)	-	(25,265)
	Effect of currency exchange difference	(1,110)	(1,926)	-	-
	Balance, end of the period/year	200,006	153,385	194,811	146,517
11.4	Deferred tax assets				
	Balance, beginning of the period/year	5,163	11,708	-	-
	Credit/(charge) for the period/year	1,877	(7,126)	-	-
	Effect of currency exchange difference	(28)	581	-	-
	Balance, end of the period/year	7,012	5,163	-	-
11.5	Deferred tax liabilities				
	Balance, beginning of the period/year	135,003	122,980	126,226	(117,762)
	Charge for the period/year	(2,277)	11,884	(2,382)	243,988
	Effect of currency exchange difference	(279)	139	-	-
	Balance, end of the period/year	132,447	135,003	123,844	126,226

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements
For the three months and six months ended 30 June 2022

12 Property, plant and equipment

12.1 Group

	Leasehold improvements and buildings	Plant and machinery	Motor vehicles	Aircraft	Furniture & equipment	Capital work-in- progress	Total
	N'million	N'million	N'million	N'million	N'million	N'million	N'million
Cost							
At 1 January 2021	261,999	1,193,221	242,247	4,028	13,144	269,306	1,983,945
Additions	1,800	7,255	2,035	-	714	174,010	185,814
Reclassifications	21,698	14,398	27,023	-	633	(63,752)	-
Transfers	(6,036)	(5,344)	(7)	-	-	(2,861)	(14,248)
Disposals	-	-	(85)	-	(7)	(857)	(949)
Write-off	-	(811)	(124)	-	(32)	(838)	(1,805)
Effect of foreign currency exchange differences	1,654	6,938	2,340	-	219	3,931	15,082
Balance at 31 December 2021	281,115	1,215,657	273,429	4,028	14,671	378,939	2,167,839
At 1 January 2022	281,115	1,215,657	273,429	4,028	14,671	378,939	2,167,839
Additions	134	2,988	900	-	368	34,459	38,849
Reclassification	4,662	155,593	8,168	-	348	(168,771)	-
Transfers (Note 12.1.1)	-	(19)	122	-	-	(22,525)	(22,422)
Write-off	-	(375)	-	-	(15)	-	(390)
Effect of foreign currency exchange differences	(11,964)	(26,166)	(8,226)	-	(406)	(8,560)	(55,322)
Balance at 30 June 2022	273,947	1,347,678	274,393	4,028	14,966	213,542	2,128,554
Accumulated depreciation & impairment							
At 1 January 2021	53,593	359,432	170,071	2,729	7,433	-	593,258
Depreciation expense	11,423	56,806	28,473	403	1,437	-	98,542
Transfers	(126)	-	-	-	-	-	(126)
Disposal	-	-	(83)	-	(6)	-	(89)
Write off	-	(433)	(2)	-	(32)	-	(467)
Effect of foreign currency exchange differences	233	1,766	1,773	-	90	-	3,862
Balance at 31 December 2021	65,123	417,571	200,232	3,132	8,922	-	694,980
At 1 January 2022	65,123	417,571	200,232	3,132	8,922	-	694,980
Depreciation expense	5,240	32,599	14,813	200	745	-	53,597
Write-off	-	(165)	-	-	(15)	-	(180)
Effect of foreign currency exchange differences	(2,881)	(7,969)	(7,273)	-	(224)	-	(18,347)
Balance at 30 June 2022	67,482	442,036	207,772	3,332	9,428	-	730,050
Carrying amounts:							
At 1 January 2021	208,406	833,789	72,176	1,299	5,711	269,306	1,390,687
At 31 December 2021	215,992	798,086	73,197	896	5,749	378,939	1,472,859
At 30 June 2022	206,465	905,642	66,621	696	5,538	213,542	1,398,504

12.1.1 Represents amount transferred principally to customers on leases.

Dangote Cement Plc

**Notes to the condensed consolidated and separate interim financial statements
For the three months and six months ended 30 June 2022**

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							
At 1 January 2021	70,343	642,500	164,702	4,028	4,552	43,084	929,209
Additions	1,310	131	1,445	-	147	69,371	72,404
Reclassifications	18,264	9,374	27,049	-	506	(55,193)	-
Transfers	-	(4,859)	(4)	-	-	(5,712)	(10,575)
Disposal	-	-	(5)	-	(7)	(857)	(869)
Write-off	-	-	(122)	-	-	-	(122)
Balance at 31 December 2021	89,917	647,146	193,065	4,028	5,198	50,693	990,047
At 1 January 2022	89,917	647,146	193,065	4,028	5,198	50,693	990,047
Additions	-	944	1	-	11	12,893	13,849
Reclassification	199	6,343	7,795	-	202	(14,539)	-
Transfers (Note 12.2.1)	-	(19)	122	-	-	(20,267)	(20,164)
Balance at 30 June 2022	90,116	654,414	200,983	4,028	5,411	28,780	983,732
Accumulated depreciation & impairment							
At 1 January 2021	18,092	239,579	113,435	2,729	3,448	-	377,283
Depreciation expense	3,276	30,338	23,170	403	704	-	57,891
Disposal	-	-	(4)	-	(6)	-	(10)
Balance at 31 December 2021	21,368	269,917	136,601	3,132	4,146	-	435,164
At 1 January 2022	21,368	269,917	136,601	3,132	4,146	-	435,164
Depreciation expense	1,736	14,826	12,302	200	344	-	29,408
Balance at 30 June 2022	23,104	284,743	148,903	3,332	4,490	-	464,572
Carrying amounts:							
At 1 January 2021	52,251	402,921	51,267	1,299	1,104	43,084	551,926
At 31 December 2021	68,549	377,229	56,464	896	1,052	50,693	554,883
At 30 June 2022	67,012	369,671	52,080	696	921	28,780	519,160

12.2.1 Represents amount transferred principally to customers on leases.

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

13 Intangible assets

13.1 Group

	Computer software N'million	Exploration assets N'million	Total N'million
Cost			
At 1 January 2021	5,371	3,325	8,696
Additions	557	291	848
Write-off	(78)	-	(78)
Effect of foreign currency exchange differences	(83)	(4)	(87)
Balance at 31 December 2021	5,767	3,612	9,379
At 1 January 2022	5,767	3,612	9,379
Additions	130	124	254
Effect of foreign currency exchange difference	(418)	(39)	(457)
Balance at 30 June 2022	5,479	3,697	9,176
Accumulated amortisation			
At 1 January 2021	3,880	262	4,142
Amortisation expense	240	38	278
Impairment	(78)	-	(78)
Effect of foreign currency exchange rates differences	(69)	(16)	(85)
Balance at 31 December 2021	3,973	284	4,257
At 1 January 2022	3,973	284	4,257
Amortisation expense	128	21	149
Effect of foreign currency exchange difference	(152)	(8)	(160)
Balance at 30 June 2022	3,949	297	4,246
Carrying amounts:			
At 1 January 2021	1,491	3,063	4,554
At 31 December 2021	1,794	3,328	5,122
At 30 June 2022	1,530	3,400	4,930

Computer software 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 interim financial statements

For the three months and six months ended 30 June 2022

13 Intangible assets

13.2 Company

	Computer software N'million	Total N'million
Cost		
At 1 January 2021	1,539	1,539
Additions	31	31
Balance at 31 December 2021	1,570	1,570
At 1 January 2022	1,570	1,570
Additions	-	-
Balance at 30 June 2022	1,570	1,570
Accumulated amortisation		
At 1 January 2021	1,359	1,359
Amortisation expense	64	64
Balance at 31 December 2021	1,423	1,423
At 1 January 2022	1,423	1,423
Amortisation expense	30	30
Balance at 30 June 2022	1,453	1,453
Carrying amounts:		
At 1 January 2021	180	180
At 31 December 2021	147	147
At 30 June 2022	117	117

Computer software 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 interim financial statements
For the three months and six months ended 30 June 2022**

14 Right-of-use assets

14.1 Group

	Land and buildings ₦'million	Plant and machinery ₦'million	Motor vehicles ₦'million	Total ₦'million
Cost				
At 1 January 2021	13,908	1,094	1,422	16,424
Additions	1,494	372	181	2,047
Transfers	6,024	-	-	6,024
Disposal	-	(289)	-	(289)
Effect of foreign currency exchange differences	(83)	(11)	(17)	(111)
Balance at 31 December 2021	21,343	1,166	1,586	24,095
At 1 January 2022	21,343	1,166	1,586	24,095
Additions	313	2	-	315
Write-off	-	(178)	-	(178)
Effect of foreign currency exchange differences	(991)	3	(9)	(997)
Balance at 30 June 2022	20,665	993	1,577	23,235
Accumulated depreciation & impairment				
At 1 January 2021	2,601	468	761	3,830
Depreciation expense	1,308	328	310	1,946
Transfers	126	-	-	126
Disposal	-	(289)	-	(289)
Effect of foreign currency exchange differences	(62)	(5)	(17)	(84)
Balance at 31 December 2021	3,973	502	1,054	5,529
At 1 January 2022	3,973	502	1,054	5,529
Depreciation expense	626	374	26	1,026
Write-off	-	(118)	-	(118)
Effect of foreign currency exchange differences	(137)	(17)	(8)	(162)
Balance at 30 June 2022	4,462	741	1,072	6,275
Carrying amounts:				
At 1 January 2021	11,307	626	661	12,594
At 31 December 2021	17,370	664	532	18,566
At 30 June 2022	16,203	252	505	16,960

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

14 Right-of-use assets

14.2 Company

	Land and buildings N'million	Total N'million
Cost		
At 1 January 2021	2,521	2,521
Additions	966	966
Balance at 31 December 2021	3,487	3,487
At 1 January 2022	3,487	3,487
Additions	281	281
Balance at 30 June 2022	3,768	3,768
Accumulated depreciation & impairment		
At 1 January 2021	1,357	1,357
Depreciation expense	765	765
Balance at 31 December 2021	2,122	2,122
At 1 January 2022	2,122	2,122
Depreciation expense	431	431
Balance at 30 June 2022	2,553	2,553
Carrying amounts:		
At 1 January 2021	1,164	1,164
At 31 December 2021	1,365	1,365
At 30 June 2022	1,215	1,215

**Notes to the condensed consolidated and separate interim financial statements
For the three months and six months ended 30 June 2022**

15 Investments

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

15.1 Name of subsidiary	Place of incorporation and operation	Proportion of ownership or voting power held by the Group	
		30/06/2022	31/12/2021
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 interim financial statements For the three months and six months ended 30 June 2022

15 Investments (Contd.)

15.2	Investments in subsidiaries	Group		Company	
		30/06/2022 N'million	31/12/2021 N'million	30/06/2022 N'million	31/12/2021 N'million
	Dangote Cement South Africa (Pty) Limited	-	-	27,922	27,922
	Dangote Cement (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	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	31
	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	-	-	7	7
	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
	Itori Cement Plc.	-	-	1	1
	Okpella Cement Plc.	-	-	1	1
	DCP Cement Limited	-	-	1	1
	Dangote Ceramics Limited	-	-	10	10
	Dangote Cement Yaounde	-	-	22	22
	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	-	-	-	-
	Dangote Mines Limited, Tanzania	-	-	-	-
	Dangote Contracting Services Limited, Tanzania	-	-	-	-
	Dangote Mining Niger S.A	-	-	-	-
	Investments in subsidiaries	-	-	162,268	162,268

15.3	Investment in associate	Group		Company	
		30/06/2022 N'million	31/12/2021 N'million	30/06/2022 N'million	31/12/2021 N'million
	Societe des Ciments d' Onigbolo	6,528	6,528	1,582	1,582
	Dividend income from associate	(4,029)	-	-	-
	Investment in associate	2,499	6,528	1,582	1,582

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

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

16 Prepayments

	Group		Company	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
	N'million	N'million	N'million	N'million
Advance to contractors	1,130	4,759	211	211
Prepayments	1,130	4,759	211	211

Advance to contractors represents various advances made to contractors for the construction of plants.

17 Lease receivables

	Group		Company	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
	N'million	N'million	N'million	N'million
Trucks leased to customers	25,585	9,732	25,585	9,732
Non current portion of lease receivables	19,913	5,980	19,913	5,980
Current portion of lease receivables	5,672	3,752	5,672	3,752

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 (2021: 4.17 years).

18 Receivables from Subsidiaries

	Company	
	30/06/2022	31/12/2021
	N'million	N'million
Related party transactions - Non Current		
Entities controlled by the Company	981,229	968,000

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

19 Inventories

	Group		Company	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
	₦'million	₦'million	₦'million	₦'million
Finished goods	12,383	6,574	8,114	2,625
Work-in-progress	16,776	13,338	2,959	2,245
Raw materials	15,381	14,561	5,525	7,029
Packaging materials	14,363	12,618	9,317	7,793
Consumables	18,666	16,602	13,172	10,057
Fuel	37,117	13,577	24,145	5,822
Spare parts	82,095	76,207	47,310	43,398
Goods-in-transit	9,855	13,728	6,455	9,452
Inventories	206,636	167,205	116,997	88,421

20 Trade and other receivables

	Group		Company	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
	₦'million	₦'million	₦'million	₦'million
Trade receivables	14,765	14,395	5,692	5,819
Impairment allowance on trade receivables	(1,335)	(1,685)	(1,146)	(1,484)
	13,430	12,710	4,546	4,335
Staff loans and advances	685	553	207	21
Value added tax receivables	4,458	6,720	-	-
Receivables from registrar	1,221	1,217	1,221	1,217
Other receivables	21,596	26,269	8,439	10,225
Trade and other receivables	41,390	47,469	14,413	15,798

21 Prepayments and other current assets

	Group		Company	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
	₦'million	₦'million	₦'million	₦'million
Advance to contractors	15,986	17,055	7,806	7,051
Advance payment to suppliers	83,370	101,247	71,950	92,184
Rent and insurance	5,219	3,495	2,400	1,298
Prepayment for tax credit	212	212	212	212
Total current prepayments	104,787	122,009	82,368	100,745
Due from related parties - current				
Parent company	17,486	27,929	17,486	27,929
Loans to parent company*	91,212	50,000	91,212	50,000
Entities controlled by the parent company	120,958	111,724	115,687	106,224
Affiliates and associates of parent company	59	60	-	-
Subsidiaries	-	-	207,916	219,888
Current receivables from related parties	229,715	189,713	432,301	404,041
Prepayments and other current assets	334,502	311,722	514,669	504,786

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/year.

*Loans to parent company have interest rate of 14% per annum and are payable within one year.

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

22 Cash and cash equivalents

	Group		Company	
	30/06/2022 ₦'million	31/12/2021 ₦'million	30/06/2022 ₦'million	31/12/2021 ₦'million
Cash and bank balances	100,778	251,887	29,887	184,889
Short term deposits	93,688	87,956	93,234	87,674
Cash and cash equivalents per statement of financial position	194,466	339,843	123,121	272,563
Bank overdrafts used for cash management purposes (Note 24)	(85,579)	(76,475)	(78,657)	(68,754)
Cash and cash equivalents per statement of cash flows	108,887	263,368	44,464	203,809

Cash and cash equivalents include restricted cash of ₦4.33 billion for Group and ₦4.30 billion for Company (2021: ₦8.34 billion for Group and ₦4.17 billion for Company) on unclaimed dividend held in a separate bank account, letters of credit for the acquisition of inventories, property, plant and equipment as well as debt service reserve account.

23 Trade and other payables

	Group		Company	
	30/06/2022 ₦'million	31/12/2021 ₦'million	30/06/2022 ₦'million	31/12/2021 ₦'million
Trade payables	77,525	105,518	40,818	71,979
Payable to contractors	40,359	44,227	10,191	14,665
Value added tax	10,087	11,494	6,697	6,583
Withholding tax payable	38,298	25,123	16,448	1,654
Staff pension	360	470	14	15
Advances from customers	97,786	94,847	81,035	79,779
Dividend payables	4,362	4,550	4,362	4,550
Suppliers' credit *	-	12,773	-	12,773
Accruals and other payables	100,734	72,222	53,999	22,413
Trade and other payables	369,511	371,224	213,564	214,411

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

24 Financial liabilities

	Group		Company	
	30/06/2022 ₦'million	31/12/2021 ₦'million	30/06/2022 ₦'million	31/12/2021 ₦'million
Unsecured borrowings at amortised cost				
Bulk Commodities International loans (a)	21,656	21,801	1,391	1,400
Bond (c)	262,826	147,789	262,826	147,789
Commercial paper	16,548	38,974	16,548	38,974
Bank loans (d)	152,151	134,533	134,634	117,837
	453,181	343,097	415,399	306,000
Secured borrowings at amortised cost				
Power intervention loan (b)	-	250	-	250
Bank loans (d)	164,330	221,593	106,444	151,270
	164,330	221,843	106,444	151,520
Total borrowings	617,511	564,940	521,843	457,520
Non-current portion of financial debts	293,232	176,562	262,826	147,789
Current portion repayable in one year and shown under current liabilities	238,700	311,903	180,360	240,977
Overdraft balances (Note 22)	85,579	76,475	78,657	68,754
Short-term portion	324,279	388,378	259,017	309,731
Interest payable	16,907	13,015	8,550	5,359
Financial liabilities (current)	341,186	401,393	267,567	315,090

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

24 Financial liabilities (Contd.)

(a) The loans from Bulk Commodities International, 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 rate 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) In April 2022, The Company issued additional bonds with face value of ₦116 billion bringing the total publicly issued bonds to ₦266 billion as of 30 June 2022 (December 2021: ₦150 billion) with the coupon rate of 11.25% to 13.5%. The tenure is between 3 to 10 years.

(d) Bank loans include Letters of credit (LCs) obtained to finance inventories, property, plant and equipment, etc. The average interest rate is Libor plus 7.5%.

25 Deferred revenue

	Group		Company	
	30/06/2022 ₦'million	31/12/2021 ₦'million	30/06/2022 ₦'million	31/12/2021 ₦'million
Deferred revenue arising from government grant (Note 25(a))	618	670	265	299
Current portion of deferred revenue (Note 26)	16	34	-	1
Non-current portion of deferred revenue	602	636	265	298

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

26 Other current liabilities

	Group		Company	
	30/06/2022 ₦'million	31/12/2021 ₦'million	30/06/2022 ₦'million	31/12/2021 ₦'million
Current portion of deferred revenue (Note 25)	16	34	-	1
Due to related parties				
Entities controlled by the parent company	59,506	101,806	55,444	95,407
Affiliates and associates of parent company	43,083	46,454	23,164	26,080
Subsidiaries	-	-	37,481	40,091
Current payables to related parties	102,589	148,260	116,089	161,578
Other current liabilities	102,605	148,294	116,089	161,579

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

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 and services	
	30/06/2022 ₦million	30/06/2021 ₦million	30/06/2022 ₦million	30/06/2021 ₦million
Entities controlled by the parent company	3,732	5,493	114,747	90,892
Affiliates and associates of the parent company	-	-	38,900	32,793

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

	Sale of goods		Purchases of goods and services	
	30/06/2022 ₦million	30/06/2021 ₦million	30/06/2022 ₦million	30/06/2021 ₦million
Entities controlled by the parent company	3,732	5,493	114,618	87,620
Affiliates and associates of the parent company	-	-	11,931	12
Subsidiaries	-	2,091	39,834	29,629

In addition to sales and purchases of goods, the Company charged interest amounting to ₦15.7 billion (June 2021: ₦14.9 billion) on loans granted to subsidiaries. This interest is eliminated on consolidation.

During the period, there was no interest charge from the parent company (June 2021: nil). In addition, the Group earned a total interest income of ₦17.2 billion (June 2021: ₦6.6 billion) from the parent company.

In addition to the above, Dangote Industries Limited performed certain administrative services for the Company, for which a management fee of ₦2.9 billion (June 2021: ₦2.3 billion) was charged, being an allocation of costs incurred by relevant administrative departments.

27.2 Loans from related parties

	Group		Company	
	30/06/2022 ₦million	31/12/2021 ₦million	30/06/2022 ₦million	31/12/2021 ₦million
Affiliates and associates of the parent company	21,656	21,801	1,391	1,400

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

28 Provisions

	Group		Company	
	30/06/2022 ₦'million	31/12/2021 ₦'million	30/06/2022 ₦'million	31/12/2021 ₦'million
Balance at beginning of the period/year	8,428	8,049	5,573	5,049
Effect of foreign exchange differences	(28)	(502)	-	-
Provisions made during the period/year	371	266	283	(52)
Unwinding of discount	376	615	376	576
Balance at the end of the period/year	9,147	8,428	6,232	5,573

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 made at the end of the useful lives for the mines.

29 Lease liabilities

	Group		Company	
	30/06/2022 ₦'million	31/12/2021 ₦'million	30/06/2022 ₦'million	31/12/2021 ₦'million
Payable within one year	1,422	2,187	97	261
Payable after one year	7,638	8,019	110	110
Lease liabilities	9,060	10,206	207	371

30 Share capital

	Group & Company	
	30/06/2022 ₦'million	31/12/2021 ₦'million
<i>Issued and fully paid:</i>		
Share capital (17,040,507,404 (2021: 17,040,507,404) ordinary shares of ₦0.5 each)	8,520	8,520
Share premium	42,430	42,430

On 19 January 2022, the Company embarked on additional share buy-back programme, buying back 126,748,153 units of its shares at a total cost of ₦35.3 billion. As at 30 June 2022, the Company held 166,948,153 (2021: 40,200,000), representing 0.98% (2021: 0.24%) of its own shares for which it had paid for and valued at ₦45.2 billion (2021: ₦9.8 billion).

Dangote Cement Plc

Notes to the condensed consolidated and separate interim financial statements For the three months and six months ended 30 June 2022

30.1 Shareholding Pattern as at 30 June 2022

Description	Units	Percentage
Issued Share Capital	16,873,559,251	100.00
Substantial Shareholding (5% and above)		
Dangote Industries Ltd	14,621,387,610	86.65
Stanbic IBTC Nominees Ltd	959,840,281	5.69
	15,581,227,891	92.34
Directors Shareholdings (Direct and Indirect)		
Aliko Dangote	27,642,637	0.16
Olakunle Alake	8,000,000	0.05
Abdu Dantata	8,680	0.00
Devakumar V. G. Edwin	6,000,000	0.04
Ernest Ebi	100,000	0.00
(Indirect: Emmanuel Ikazoboh) Arm Nom: Osigbeme, Enterprises Limited	58,149	0.00
(Indirect: Douraid Zaghouani) Investment Corporation of Dubai	243,540,000	1.44
(Indirect: Viswanathan Shankar) GW Grey, Pte Ltd	128,560,764	0.76
	413,910,230	2.45
Other Influential Shareholdings		
Free Float in units and percentage	878,421,130	5.21
Free Float in Value (units multiplied by unit share price of N265 as at 29 July 2022)	₦232,781,599,450	

31 Employee benefit obligations

The Group operates an unfunded long service award for qualifying employees of the Group. Under the plan, the employees are entitled to benefits such as gift items, Ex-Gratia (expressed as a multiple of Monthly Basic Salary), a plaque and certificate on attainment of a specific number of years in service. The present value of the long service award, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

32 Contingent liabilities and contingent assets

The contingent liabilities in respect of pending litigations and other claims in these condensed consolidated and separate interim financial statements amounted to ₦119.1 billion (2021: ₦57.8 billion) and ₦80.6 billion (2021: ₦50.1 billion) for Group and Company respectively. The Group and Company have assessed these claims and believe that no material loss is expected to arise from them.