

Q1 2024 results

UNAUDITED RESULTS FOR THREE MONTHS ENDED 31st
MARCH 2024



30th April 2024

@dangotecement



www.dangotecement.com



A Global leader, Proudly African

Dangote Cement is sub-Saharan Africa's largest and leading cement company, with operations in 10 African countries.



We are resolute in transforming Africa, while creating sustainable value for all our stakeholders.

Our vision is to be a global leader in cement production, respected for the quality of our products and services and for the way we conduct business.

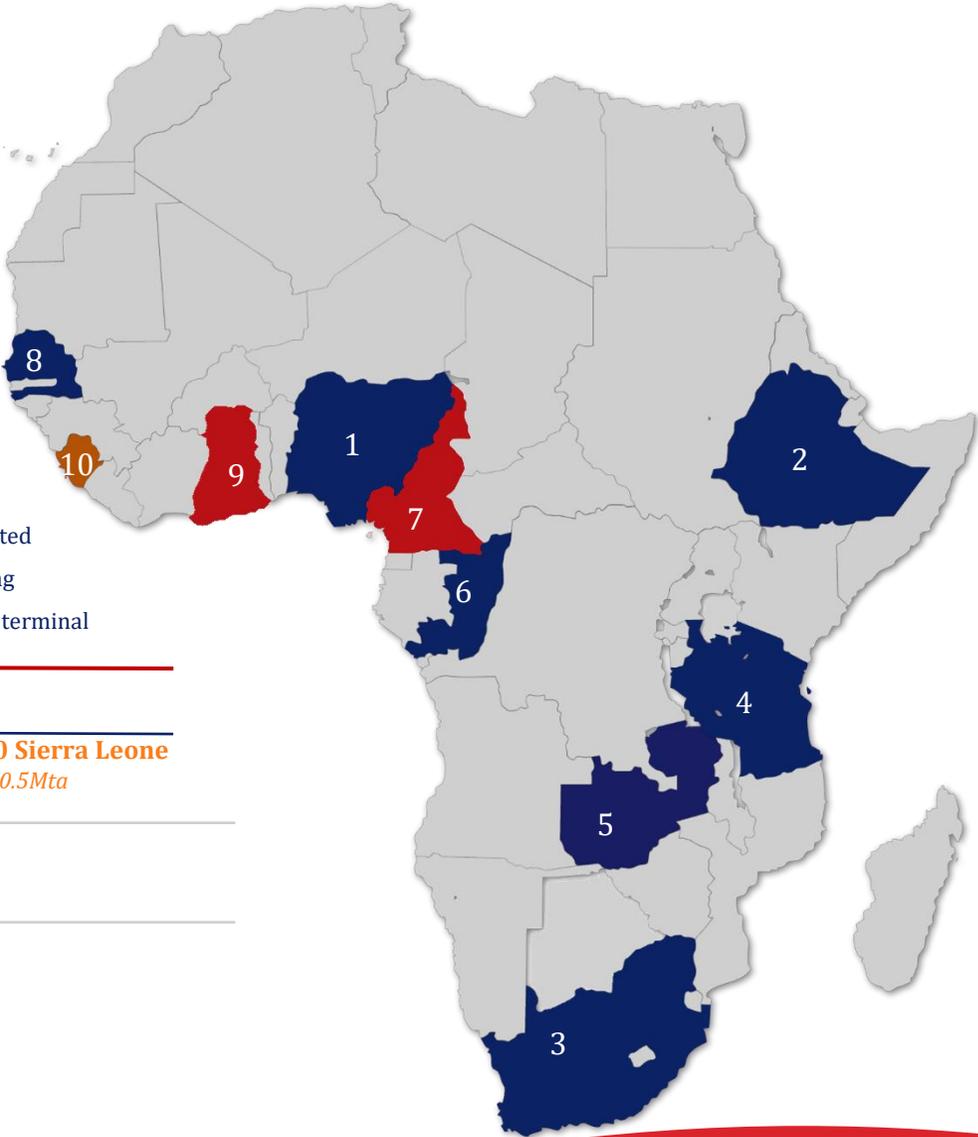
Our mission is to deliver strong returns to our shareholders by selling high-quality products at affordable prices, backed by excellent customer service.

52Mta capacity across 10 countries

- Integrated
- Grinding
- Import terminal

Capacity

1 Nigeria 35.3Mta	4 Ethiopia 2.5Mta	7 Cameroon 1.5Mta	10 Sierra Leone 0.5Mta
2 Tanzania 3.0Mta	5 Zambia 1.5Mta	8 Senegal 1.5Mta	
3 South Africa 2.8Mta	6 Congo 1.5Mta	9 Ghana 0.45Mta 1.5Mta	



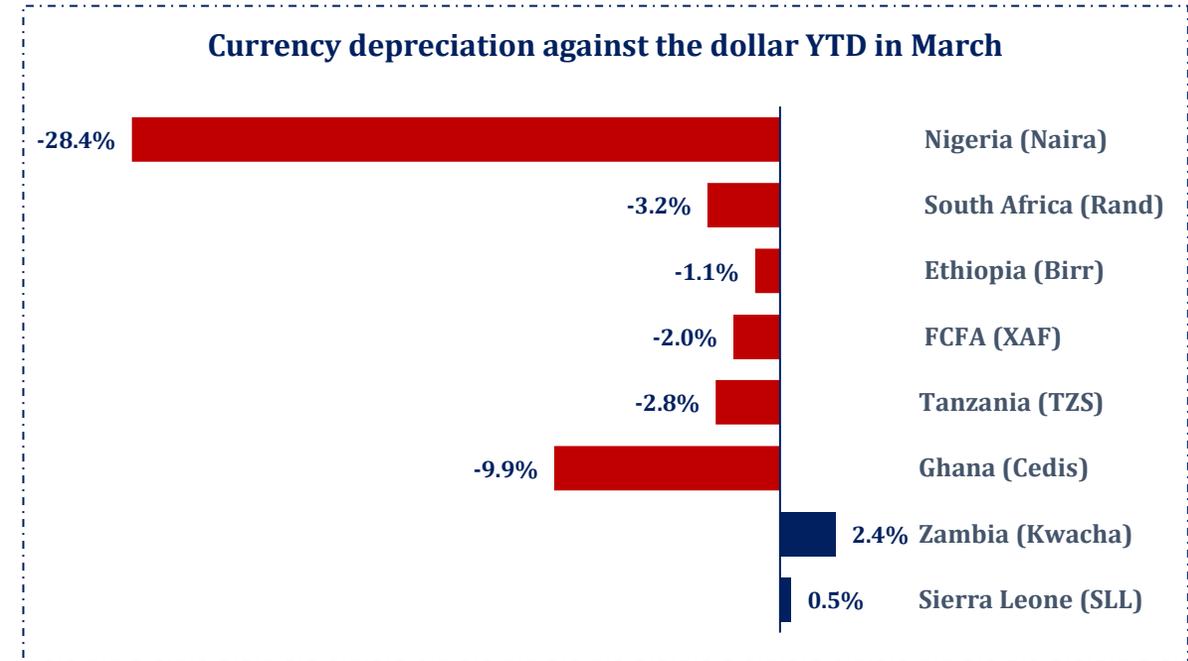
SSA – Macroeconomic environment

- Sub-Saharan Africa (SSA) is projected to grow at a faster pace of 3.8% in 2024, up from the growth of 3.4% in 2023. However, the region is still contending with challenges including escalating inflation, currency devaluation, fiscal imbalances, and an increasing public debt, all of which pose risks to the growth trajectory.
- Currency devaluation has emerged as a significant factor shaping the economic landscape across Africa. During the first quarter, all currencies in our operational countries, with exception of the Zambian Kwacha and Sierra Leonean Leone, experienced depreciation. Furthermore, the recent elections in Senegal, along with upcoming elections in South Africa, have introduced uncertainties that hinder economic activities.
- Despite these challenges, the region remains ripe with potential, fuelled by its burgeoning youthful population and vast reserves of untapped land and mineral resources.
- Ethiopia, Tanzania, and Senegal are highlighted among the fastest-growing countries in the region for the year 2024, signalling promising opportunities amid the prevailing economic landscape.

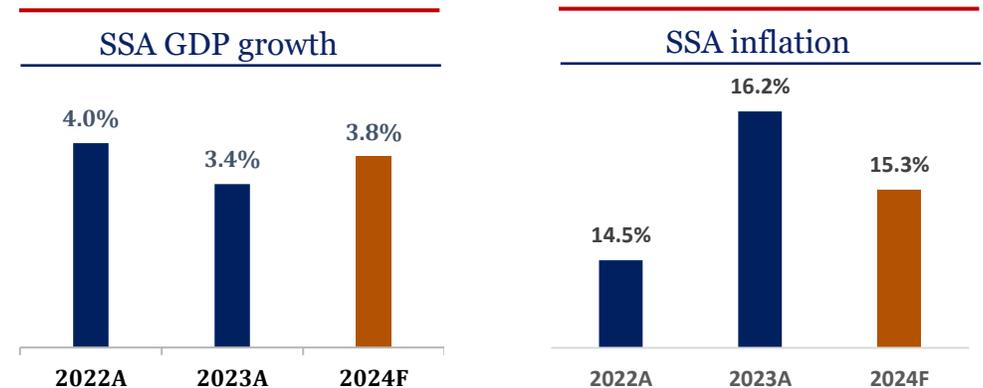
Operating in 10 countries across Africa



2024 – all our operating countries are estimated to grow at a faster pace



Source: Country Central Bank

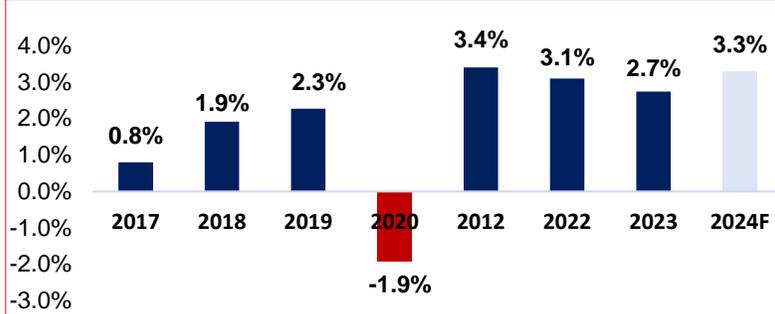


Source: IMF estimates

Domestic macroeconomic environment



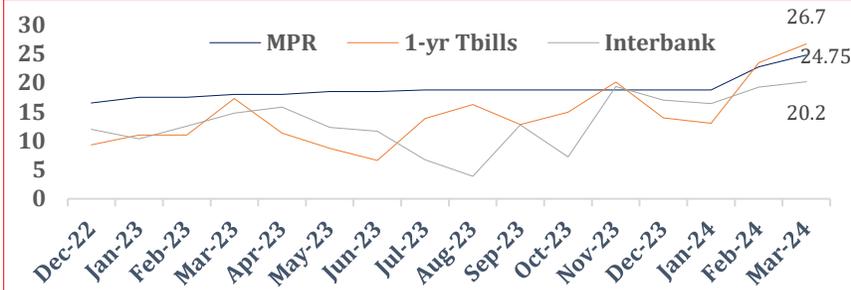
Real GDP Growth (%)



Nigeria's economy is projected to grow at 3.3% in 2024, faster than the growth of 2.7% growth in 2023.

This robust growth is underpinned by developments in both the oil and non oil sector following uptick in economic activities.

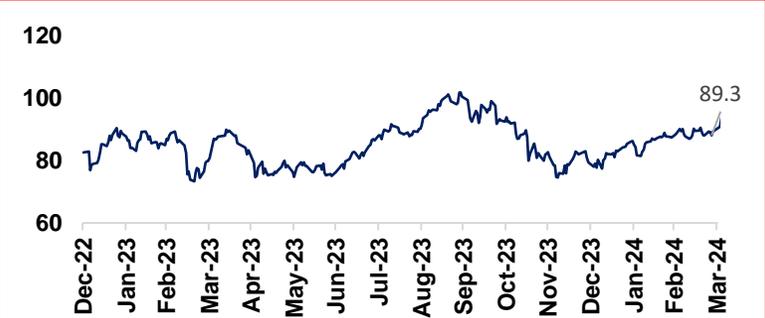
Interest Rate (%)



Rising borrowing costs due to uptick in interest rate.

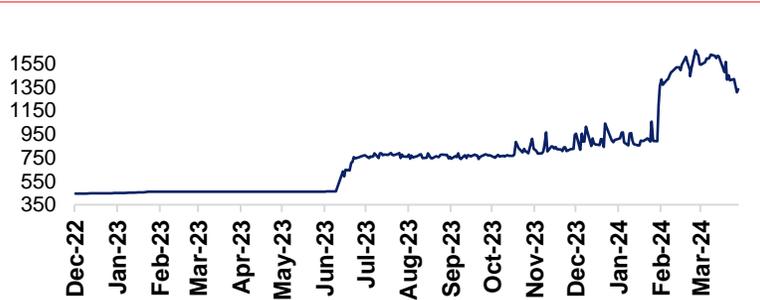
The MPC raised benchmark interest rate by combined 600bps to 24.75% in March from 18.75% in December, in move to address rising inflation

Movement in Oil Prices (\$)



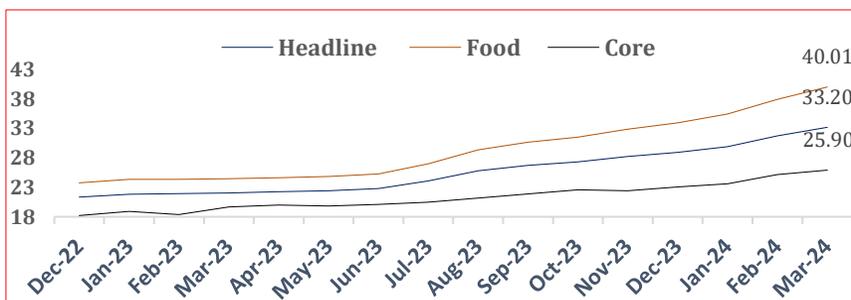
Oil prices rose 12.4% to \$89.3 per barrel in March on the back of lingering geopolitical tension, particularly in the Middle East

USD:NGN CBN Rate (NGN)



The Naira depreciated by over 28% in Q1 2024 at the official window, despite a late rally against major currencies, supported by series of reforms by the CBN.

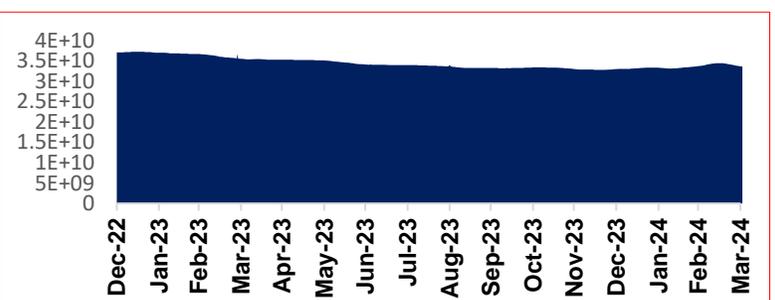
Inflation (%)



Inflation accelerated for the 15th consecutive months in March to 33.2%, driven majorly by food and energy prices.

Food inflation closed at 40% while the core component was up at 25.9%

External Reserve (\$'bn)



Nigeria's foreign reserves increased 2.8% to \$33.8 billion YTD in March 2024. The accretion is due to FX inflows from portfolio investors following the rate hike and clearance of FX backlogs by the CBN

Impressive performance amidst headwinds

FINANCIAL	OPERATIONAL	SUSTAINABILITY	SDG Alignment
<p>Group revenue up 101% to ₦817.4B</p>	<p>Group volumes up 12.3% to 7.0Mt</p>	<p>27% female Board representation Diverse Board with 6 different nationalities</p>	<p>5 GENDER EQUALITY </p> <p>10 REDUCED INEQUALITIES </p>
<p>Group EBITDA up 66.6% to ₦309.5B</p>	<p>Strong rebound in Nigeria volumes, up 26.1%</p>	<p>Published 2023 combined Annual and Sustainability Report</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH </p> <p>9 INDUSTRY INNOVATION AND INFRASTRUCTURE </p>
<p>PAT up 2.9% to ₦112.7B Earnings per share up 3.7% at ₦6.68</p>	<p>Dispatched 7 ships of clinker from Nigeria to Ghana and Cameroon Nigeria exports up 87.2%</p>	<p>10.7% alternative fuel thermal substitution rate in Q1 2024 versus 8.7% in Q1 2023 Commissioned 10 alternative fuel projects across our operations</p>	<p>CDP SUPPORTER 2021 </p>

Creating Sustainable Value for all Shareholders

Q1 2024: Strong rebound in Nigeria volumes, up 26.1%



Three months ended 31 st March	Q1 2024	Q1 2023	Change
Sales volumes*	'000t	'000t	%
Nigeria volumes	4,594	3,642	26.1%
Pan-African volumes	2,710	2,628	3.1%
Inter-company sales	(262)		
Total	7,042	6,271	12.3%
Revenues	₦m	₦m	
Nigeria	452,924	280,315	61.6%
Pan-Africa	381,270	126,407	201.6%
Inter-company sales	(16,844)		
Total	817,350	406,722	101%
EBITDA	₦m	₦m	
Nigeria**	224,906	158,618	41.8%
Pan-Africa**	99,854	31,162	220.4%
Inter-company and central costs	(15,283)	(4,072)	275.3%
Total	309,477	185,708	66.6%
EBITDA margin**	%	%	
Nigeria	49.7%	56.6%	-6.9pp
Pan-Africa	26.2%	24.7%	1.5pp
Group	37.9%	45.7%	-7.8pp
PAT	112,674	109,501	2.9%

* Sales volume include cement and clinker

**Before corporate costs and eliminations

Financial

- Group revenues up 101%, due to strong double-digit growth in Nigeria and enhanced sales performance from pan-Africa
- Group EBITDA up 66.6%; with a margin of 37.9%
- Record pan-Africa EBITDA up three-folds to ₦99.9B; 26.2% margin
- PAT up 2.9% to ₦112.7B
- Net debt at ₦558.8B; net gearing of 24.7%
- EPS up 3.7% at ₦6.68

Operational

- Group volumes up 12.3% to 7.0Mt, driven largely by robust sales from Nigeria
- Strong rebound in Nigeria volumes up 26.1% to 4.6Mt
- Pan-Africa maintained growth trajectory, volumes up 3.1% on improved performance from Zambia and Congo.
- Dispatched 7 ships of clinker from Nigeria to Ghana and Cameroon
- Nigeria exports up 87.2%
- Commissioned 10 alternative fuel projects across our operations.

Group financial overview

Income Statement

	Q1 2024 ₦m	Q1 2023 ₦m	% change
Revenue	817,350	406,722	101.0%
Cost of sales	(398,162)	(163,671)	143.3%
Gross profit	419,188	243,051	72.5%
<i>Gross margin</i>	<i>51.3%</i>	<i>59.8%</i>	<i>(8.5pp)</i>
EBITDA	309,477	185,708	66.6%
<i>EBITDA margin</i>	<i>37.9%</i>	<i>45.7%</i>	<i>(-7.8pp)</i>
EBIT	255,295	156,867	62.7%
<i>EBIT margin</i>	<i>31.2%</i>	<i>38.6%</i>	<i>-7.3pp</i>
Finance income	11,395	10,466	8.9%
FX loss	(63,765)	(9,789)	551.4%
Interest expense and other cost	(59,460)	(22,723)	161.7%
Gains on monetary assets	22,939	12,003	91.1%
Profit before tax	166,404	146,824	13.3%
Income tax (expense)/credit	(53,730)	(37,323)	44.0%
Profit for the period	112,674	109,501	2.9%
Earnings per share	6.68	6.44	3.7%



Group financial overview (cont'd)

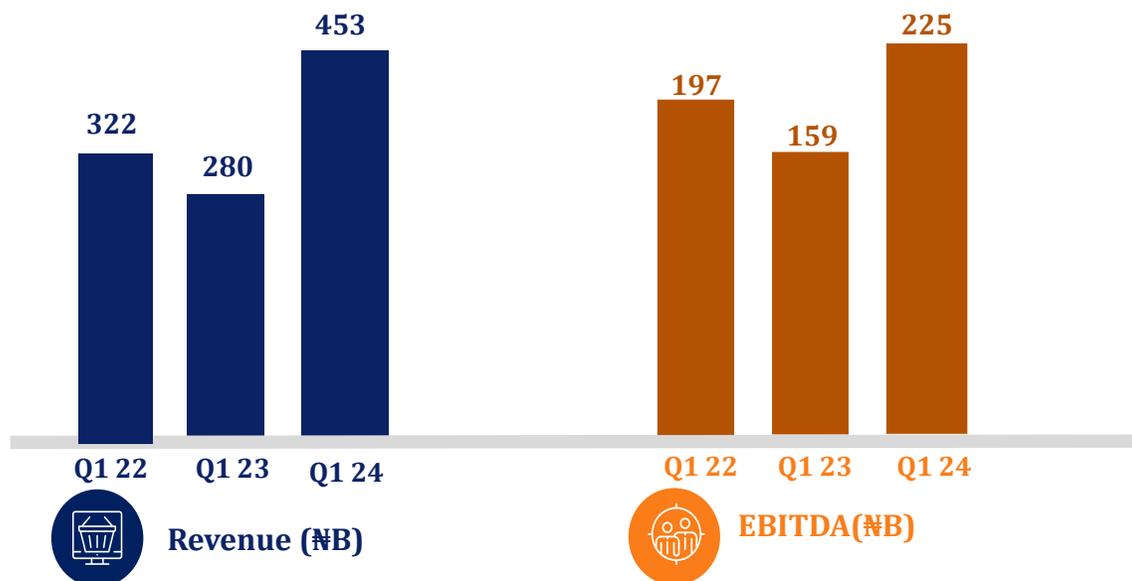
Balance Sheet

	As at 31/3/24 ₦m	As at 31/12/23 ₦m
Property, plant and equipment	3,011,833	2,383,528
Other non-current assets	170,522	133,827
Intangible Assets	17,172	12,356
Current Assets	1,304,928	961,917
Cash and Cash Equivalents	625,190	447,097
Total Assets	5,129,645	3,938,725
Non-current liabilities	300,455	211,889
Current liabilities	1,383,768	1,032,612
Debt	1,183,940	968,384
Total Liabilities	2,868,163	2,212,885
Net Assets	2,261,482	1,725,840



Gross cash balance up 39.8% at ₦625.2B , underscoring our strong cash generation. Net asset at ₦2,261.5B, up 31.0%

Nigeria – Uptick in economic activities drive volume rebound



- Strong rebound in volumes due to increased economic activities and a resumption of construction projects in comparison to last year
- Further depreciation of the Naira at the official market from ₦951.8/\$ at the year end of 2023 to ₦1,328.5/\$ at the end of March 2024.
- Nigeria revenues up 61.6% to ₦452.9B on robust volumes and price increase to match accelerating inflationary environment
- Nigeria EBITDA up 41.8% to ₦224.9B, with a margin of 49.7%
- Dispatched 7 ships of clinker from Nigeria to Ghana and Cameroon
- Nigeria cement and clinker exports up 87.2% at 264Kt
- To expand clinker exports to third parties in addition to supplying our grinding plants in West Africa.

Financial Summary - Nigeria

	Q1 2024	Q1 2023	Change
Total volumes (Kt)	4,594	3,642	26.1%
Revenue (₦m)	452,924	280,315	61.6%
EBITDA** (₦m)	224,906	158,618	41.8%
EBITDA margin**	49.7%	56.6%	(6.9pp)

**Before corporate costs and inter-company eliminations



Pan-Africa – Strong performance across board



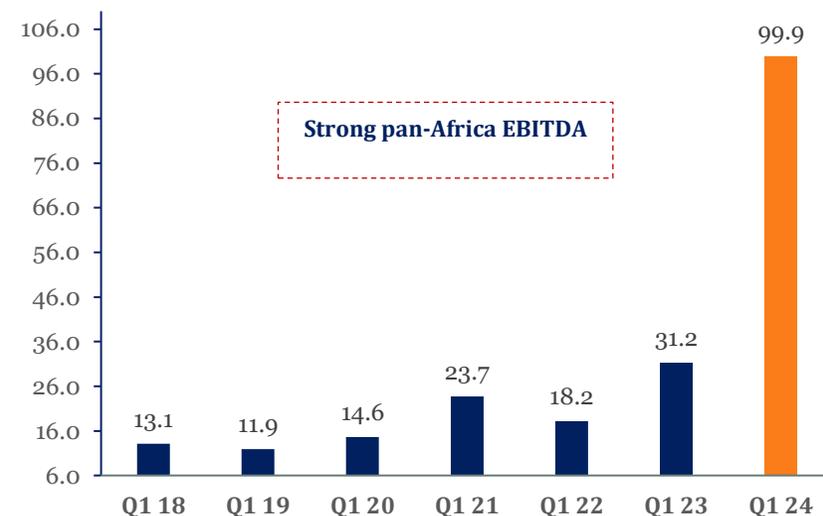
- Volumes up 3.1% to 2.7Mt, driven by healthy volume growth from Congo and Zambia
- Pan-African volume accounts for 38.5% of Group volume, underscoring benefits from our diversification strategy
- Revenues up 201.6% to ₦381.3B, on improved sales across our operations in addition to price adjustment in selected countries.
- Three-fold increase in EBITDA to ₦99.9B with a record margin of 26.2%.
- Strong EBITDA contribution from Ethiopia due to reduction in cash cost
- Capacity maximisation in Senegal, Ethiopia and Cameroon
- Ramped up production at Ghana grinding plant and have reached advanced stage in the deployment of 1.5Mta grinding plant in Cote d'Ivoire
- On track to commence clinker export to Cote d'Ivoire this year

Financial Summary – Pan-Africa

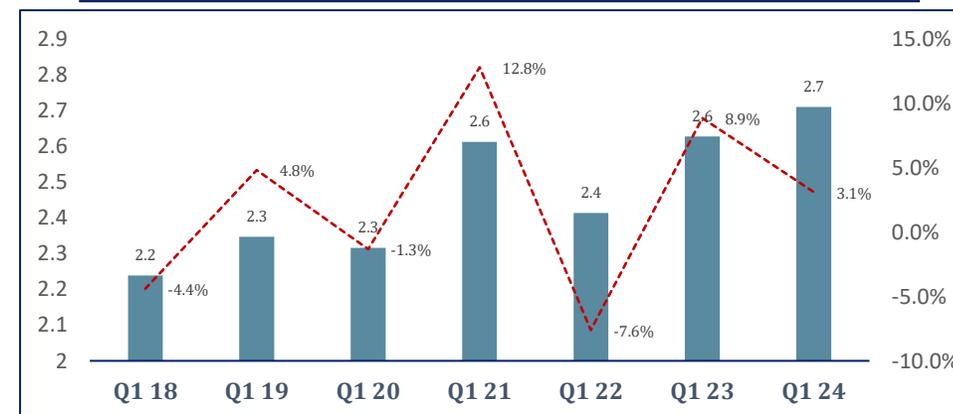
	Q1 2024	Q1 2023	Change
Total volumes (Kt)	2,710	2,628	3.1%
Revenue (₦m)	381,270	126,407	201.6%
EBITDA** (₦m)	99,854	31,162	220.4%
EBITDA margin**	26.2%	24.7%	1.5pp

**Before corporate costs and eliminations

EBITDA ₦'B



Volume, Mt (LHS); growth, % (RHS)



Country updates



CAMEROON

- Estimated 1.0Mt total market sales in Q1 2024
- DCP Cameroon volume was relatively flat at 354.2Kt in Q1 2024.
- Ongoing developmental projects in various regions are expected to spur cement demand in the near term



CONGO

- Estimated market sales of 187Kt in Q1 2024
- Clinker exports to DRC and Cameroon
- DCP Congo sold 235.9Kt in Q1 2024, including clinker.
- Strong demand for export sales



ETHIOPIA

- Estimated 1.9Mt total market sales in Q1 2024
- DCP sales of 590.6Kt in Q1 2024 was up by 6.4% year-on-year
- The growth in volume was due to improved clinker production and the increasing number of private and government infrastructural projects
- Capacity maximisation

Country updates



GHANA

- Estimated 2.0Mt total market sales in Q1 2024
- DCP Ghana sold 123.4Kt of cement in Q1 2024, up 48.2% year on year
- Dangote Cement Ghana took coordinated steps in improving retail footprints and product availability that translated into improved sales
- Ramped up production at our 0.45Mta grinding plant in Takoradi



SENEGAL

- Estimated total market sales of 2.6Mt in Q1 2024.
- Election uncertainties stalled economic and construction activities
- DCP sold 420.8Kt of cement in the period, down by 8% year-on-year.
- Ongoing infrastructural project including Diam Niadio-Mbour-Kaolack road project should support the growth of cement sales



SIERRA LEONE

- Estimated market sales of 223.7Kt in Q1 2024
- Pockets of stock shortages impacted volumes for the year
- Dangote Cement Sierra Leone sold 7Kt of cement in the quarter

Country updates



SOUTH AFRICA

- Economic activities in South Africa were subdued in the first quarter, due to a slowdown in construction activities in the build-up to the elections in May
- Dangote Cement South Africa continues to show resilience in an economy burdened with a deep energy crisis and power cuts
- Our sales volumes in Q1 2024 was relatively flat year-on-year



TANZANIA

- Estimated 1.5Mt total market sales for Q1 2024
- DCP sold 361.1Kt in Q1 2024, down by 18.9%
- Volume growth was impacted by heavier than expected rainfall and insufficient government funding.



ZAMBIA

- Estimated 708.4Kt total market sales for Q1 2024
- DCP Zambia sold 225.6Kt of cement in Q1.2024, up by 47.7%
- Volume growth was supported by improved exports to neighbouring countries

Sustainability



Strong Board and Governance Framework

Board of Directors (includes five Independent Directors)

Aliko Dangote	Devakumar Edwin
Arvind Pathak	Emmanuel Ikazoboh*
Olakunle Alake	Philip Mathew
Cherie Blair*	Viswanathan Shankar
Abdu Dantata	Dorothy Ufot*
Berlina Moroole	Douraid Zaghouani
Ernest Ebi*	Halima Aliko-Dangote
	Alvaro Poncioni Mérian*

Diverse Board

- **27%** Female Board Members (gender diversity)
- **6** Nationalities
- **5** Independent Non-Executive Directors

Finance & Investment Committee

V. Shankar⁽¹⁾
Olakunle Alake
D.V.G. Edwin
Douraid Zaghouani
Halima Aliko-Dangote
Alvaro Poncioni Mérian

Audit, Compliance & Risk Management Committee

Ernest Ebi⁽¹⁾
Cherie Blair
Emmanuel Ikazoboh
Dorothy Ufot

Remuneration, Nominations & Governance Committee

Emmanuel Ikazoboh⁽¹⁾
Ernest Ebi
Cherie Blair

Sustainability & Technical Committee

Douraid Zaghouani⁽¹⁾
Olakunle Alake
D.V.G. Edwin
Dorothy Ufot
Abdu Dantata
Alvaro Poncioni Mérian

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

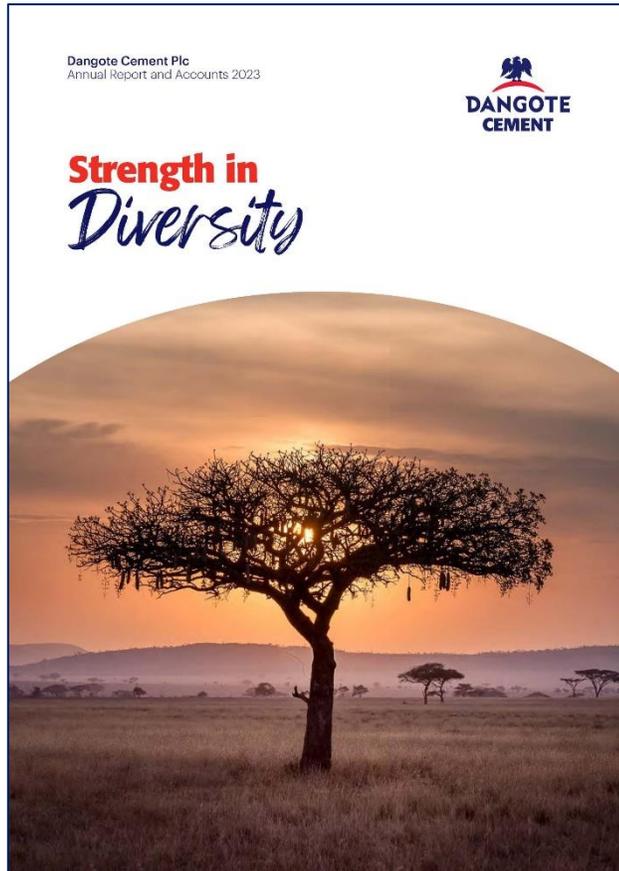
2. The Statutory Audit Committee is not a Committee of the Board

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 **2023 combined Annual Report and Sustainability Report** with ESG data presented as per **Global Reporting Initiative (GRI)** referential and external assurance by **KPMG**.



Sustainability Reporting Best Practices



SEC Code of Corporate Governance



ESG is at the Heart of Our Operation (Q1 2024 highlights)



Environmental

- Alternative Fuel Thermal Substitution Rate (TSR) at 10.7% in Q1 2024 versus 8.7% in 2023
- Commissioned 10 of the 17 Alternative Fuel Projects across the Group
- Phased transition from diesel power trucks to Compressed Natural Gas (CNG) in response to rising energy cost



Social

- N956 million spent on social intervention activities across the Group in Q1 2024, up 104.3% year-on-year
- Employee welfare programme to cushion effect of high inflationary environment



Governance

- Reviewed and implemented new governance policies in line with best practices
- Implementing an effective Internal Control over Financial Reporting (ICOFR) risk assessment
- Published 2023 Annual Report and Accounts in line with regulatory standards

Sustainability performance highlights



CO2 emission ▬

580kg CO2/tonne

Q1 2023: 580kg CO2/tonne



Energy consumption ↑

813 Kcal/kg

Q1 2023: 802 Kcal/kg



Water consumption ↓

202 liters/tonne

Q1 2023: 226 liters/tonne

Social Performance



Customer Service Week



Dangote Cement Long Service Award and Graduate Trainee Graduation



Sustainability Week



Theme: "Sustainable Production and Consumption – The Dangote Way"

956mn spent on CSR in Q1 2024, up by 104.3%

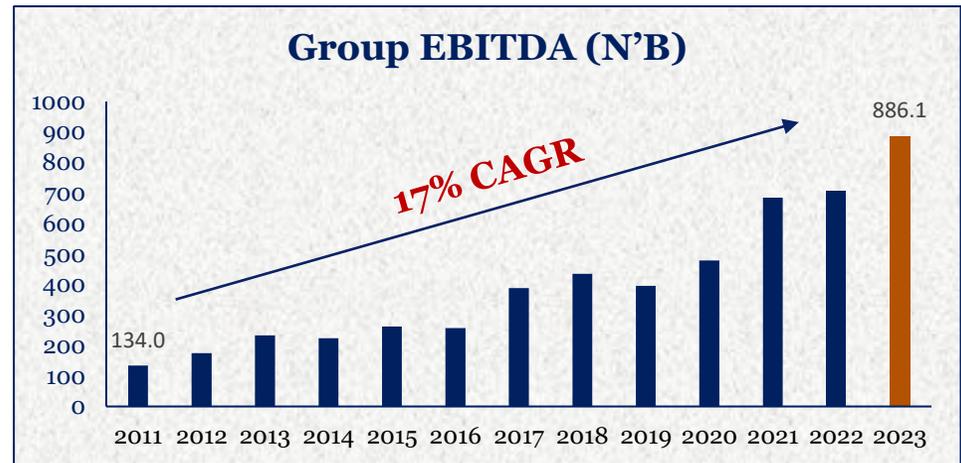


Dangote Cement sustainable living fair

Outstanding Financial Performance

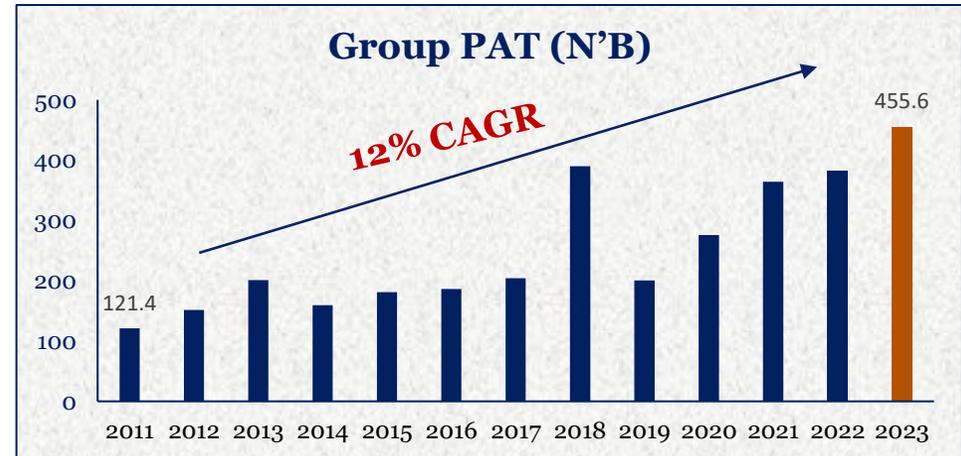
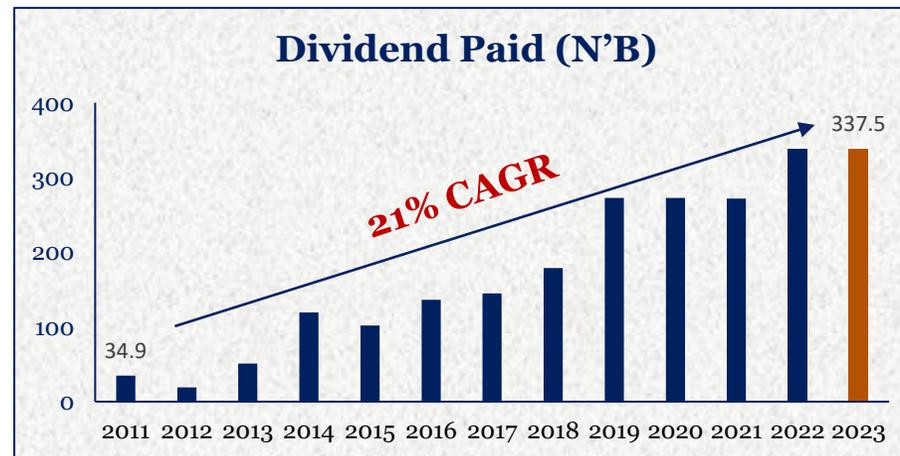


2023 Group revenue up
17.0% at
₦2,208.1B



2023 Group EBITDA up
25.1% at
₦886.1B

2023 PAT up 19.2% at
₦455.6B



Market capitalisation;
₦11,503.7bn

Over the past 13 years DCP has paid over ₦2,227.1 billion in dividends to shareholders

For further information contact:

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