

H1 2024 results

UNAUDITED RESULTS FOR SIX MONTHS ENDED
30th JUNE 2024



26th July 2024

@dangotecement



www.dangotecement.com



A Global Leader, Proudly African

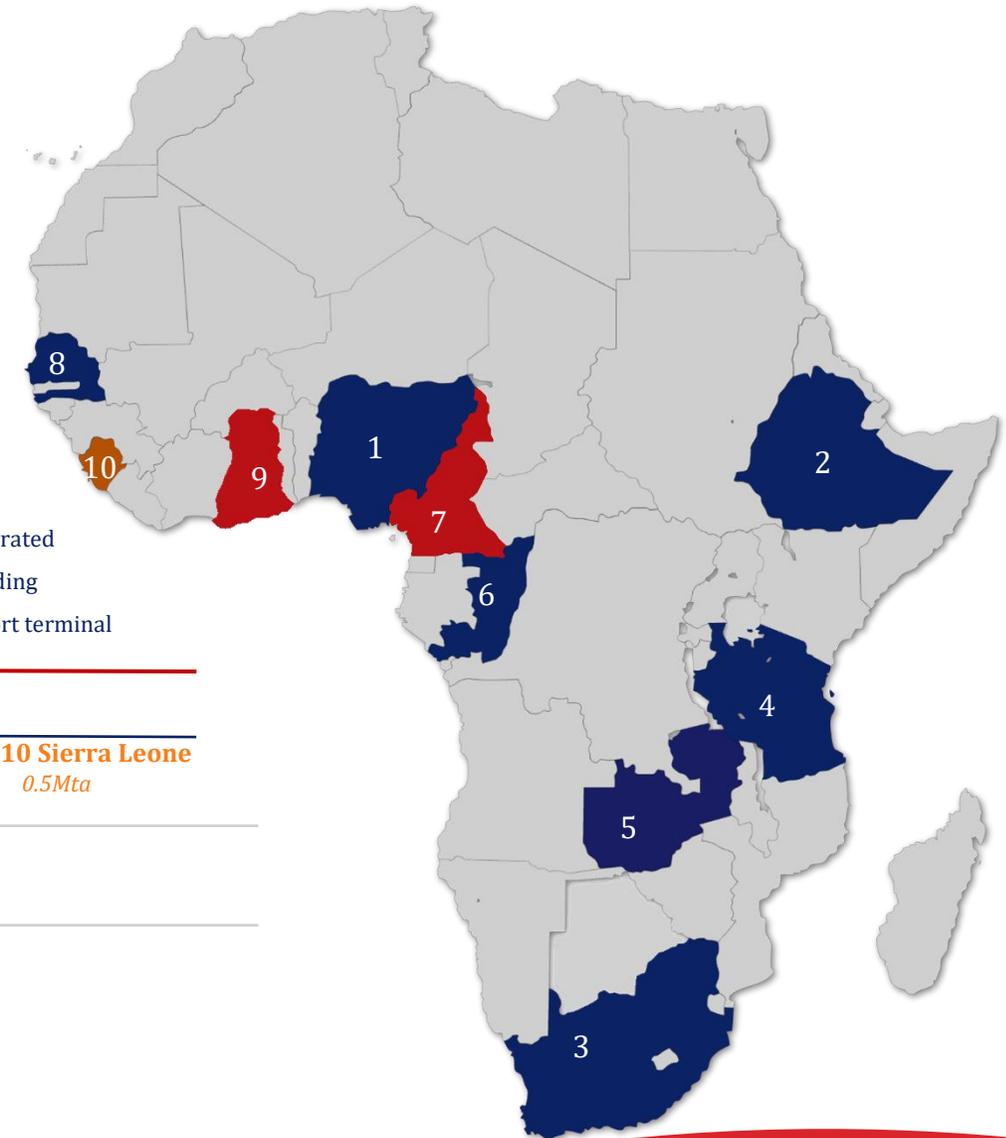
Dangote Cement is sub-Saharan Africa's largest and leading cement company, with operations in 10 African countries.



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.



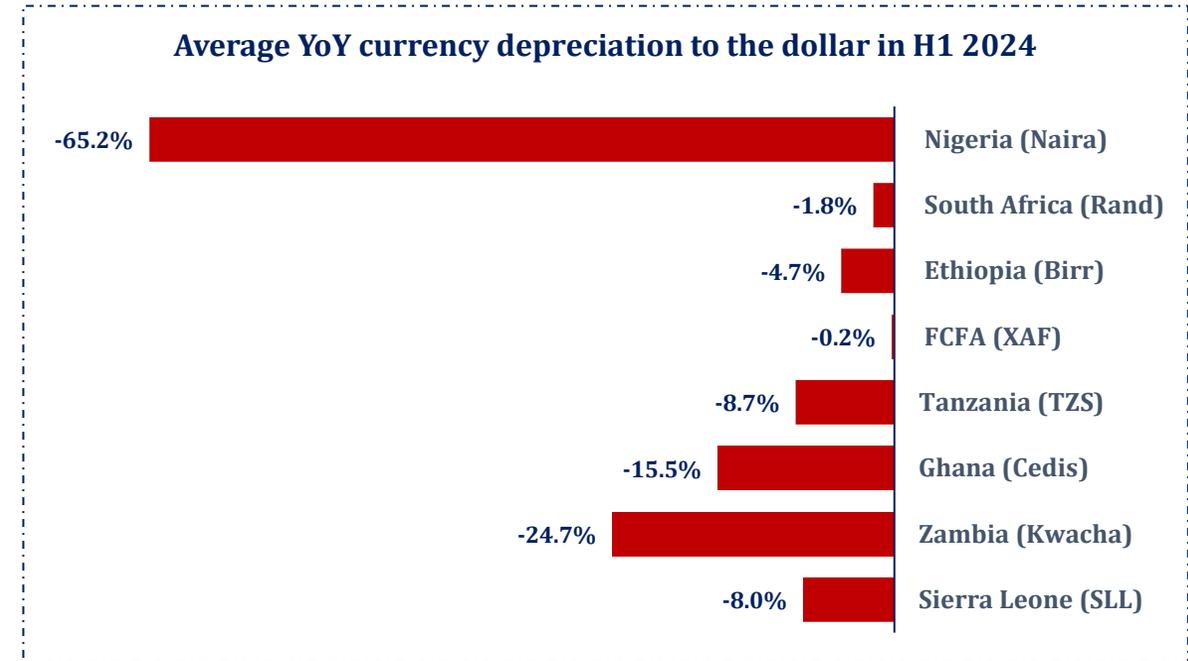
52Mta
capacity across 10 countries

- Integrated
- Grinding
- Import terminal

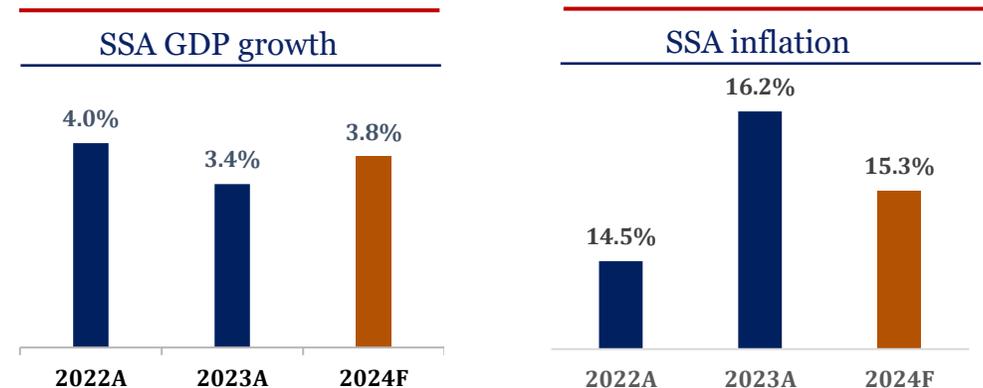
Capacity			
1 Nigeria 35.3Mta	4 Ethiopia 2.5Mta	7 Cameroon 1.5Mta	10 Sierra Leone 0.5Mta
2 Tanzania 3.0Mta	5 Zambia 1.5Mta	8 Senegal 1.5Mta	
3 South Africa 2.8Mta	6 Congo 1.5Mta	9 Ghana 0.45Mta 1.5Mta	

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, with all currencies in our operational countries experiencing depreciation.
- Furthermore, the elections in Senegal and South Africa introduced uncertainties that hindered 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 challenges.



Source: Country Central Bank

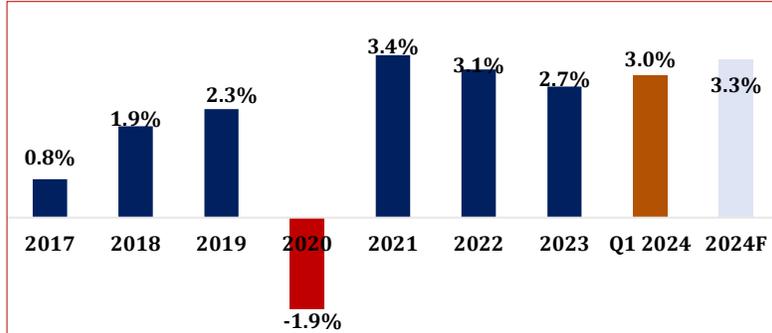


Source: IMF estimates

Domestic macroeconomic environment



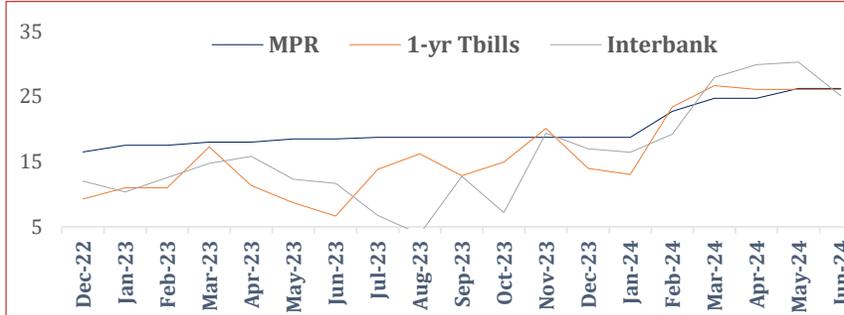
Real GDP Growth (%)



Nigeria's economy grew 2.98% in Q1 24 compared to 2.31% in Q1 23 and 3.46% in Q4 23. The growth was underpinned by robust performance of the oil sector and a modest improvement of the non oil sector.

The IMF forecast a growth rate of 3.3% in 2024, faster than the 2.7% growth on 2023

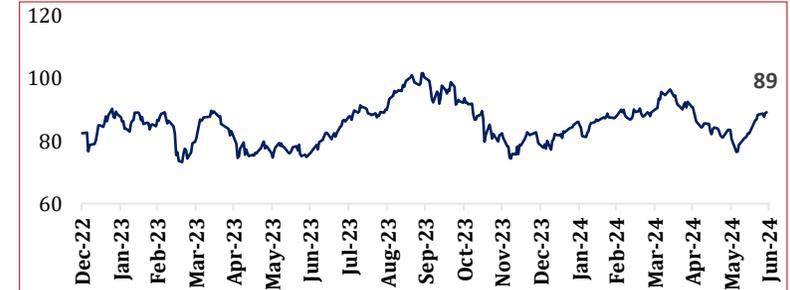
Interest Rate (%)



Rising borrowing costs due to uptick in interest rate.

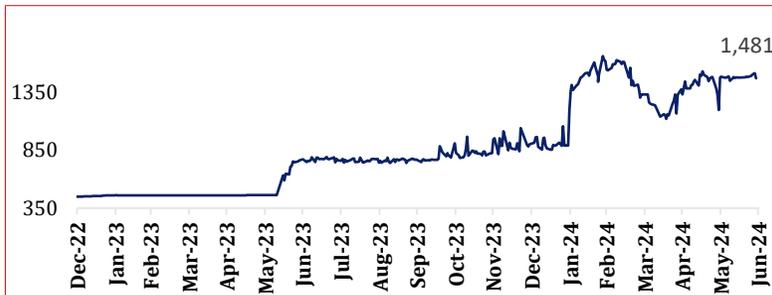
The MPR closed the month of June at 26.25% in June, marking a 750 basis points increase from 18.75% in December, in move to address rising inflation

Movement in Oil Prices (\$)



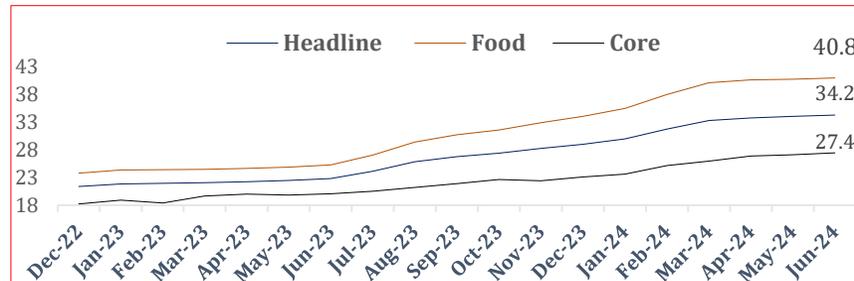
Oil prices rose 12.4% to \$89 per barrel in June on the back of lingering geopolitical tension, particularly in the Middle East

USD:NGN CBN Rate (NGN)



The Naira depreciated by over 38.9% in H1 2024 at the official window, on increased demand for greenback.

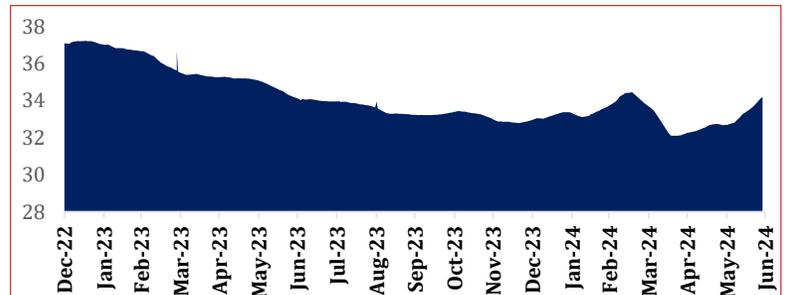
Inflation (%)



Inflation accelerated for the 18th consecutive months in June to 34.19%, driven majorly by food and energy prices.

Food inflation closed at 40.87% while the core component was up at 27.40%

External Reserve (\$'bn)



Nigeria's foreign reserves increased 3.9% to \$34.1 billion YTD in June 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
Group revenue up 85.1% to ₦1,760.1B	Group volumes up 3.8% to 13.9Mt	28% female Board representation Diverse Board with 7 different nationalities	5 GENDER EQUALITY 10 REDUCED INEQUALITIES
Group EBITDA up 50.3% to ₦666.2B	Rebound in Nigeria volumes up 10.9%	Published 2023 combined Annual and Sustainability Report ₦502.6B dividend payment to shareholders	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
PAT up 6.3% to ₦189.9B	Exported 14 ships of clinker from Nigeria Nigeria exports up 55.2%	10.5% alternative fuel thermal substitution rate versus 7.8% in H1 2023 Commissioned 11 alternative fuel projects across our operations	CDP SUPPORTER 2021

Creating Sustainable Value for all Shareholders

H1 2024: Impressive first half performance

Group EBITDA up 50.3% to ₦666.2B



Six months ended June	H1 2024	H1 2023	Change
Sales volumes*	'000t	'000t	%
Nigeria volumes	8,994	8,108	10.9%
Pan-African volumes	5,494	5,427	1.2%
Inter-company sales	(554)	(115)	
Total	13,934	13,420	3.8%
Revenues	₦m	₦m	
Nigeria	991,376	618,545	60.3%
Pan-Africa	807,111	336,389	139.9%
Inter-company sales	(38,432)	(4,102)	
Total	1,760,055	950,832	85.1%
EBITDA	₦m	₦m	
Nigeria**	463,550	359,056	29.1%
Pan-Africa**	220,419	93,649	135.4%
Inter-company and central costs	(17,748)	(9,450)	87.8%
Total	666,221	443,255	50.3%
EBITDA margin**	%	%	
Nigeria	46.8%	58.0%	(11.3pp)
Pan-Africa	27.3%	27.8%	(0.5pp)
Group	37.9%	46.6%	(8.8pp)
PAT	189,904	178,603	6.3%

* Sales volume include cement and clinker

**Before corporate costs and eliminations

Financial

- Group revenues up 85.1%, due to double-digit growth in Nigeria and improved pricing and sales performance from pan-Africa.
- Group EBITDA up 50.3%; with a margin of 37.9%
- Record pan-Africa EBITDA up 135.4% to ₦220.4B; 27.3% margin
- FX loss of ₦201.3B recorded in the period, impacting profitability
- PAT up 6.3% to ₦189.9B
- Net debt at ₦915.7B; net gearing of 42.3%
- EPS up 8.4% at ₦11.26

Operational

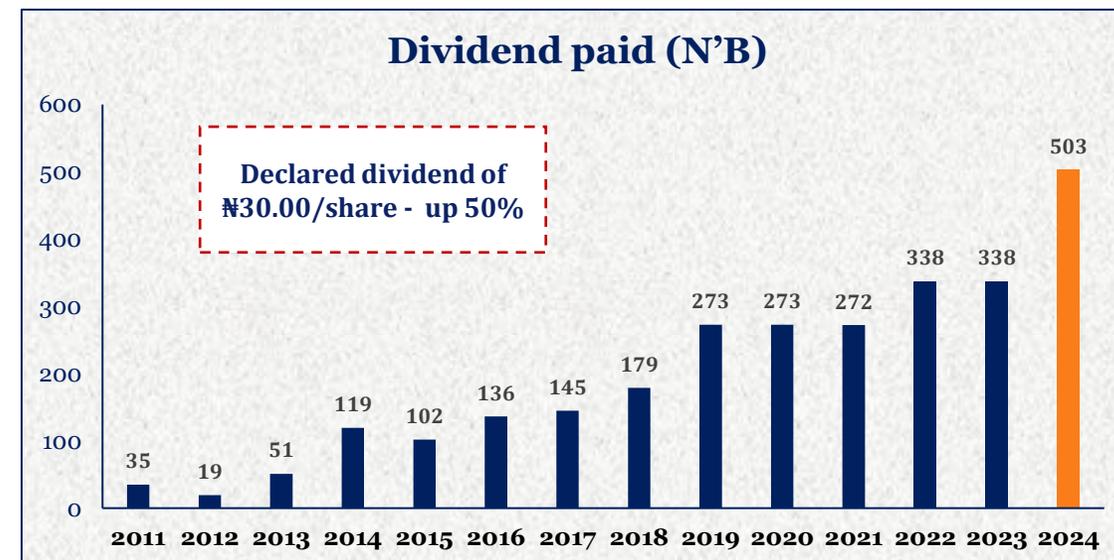
- Group volumes up 3.8% to 13.9Mt, driven largely by robust sales from Nigeria.
- Rebound in Nigeria volumes, up 10.9% to 9.0Mt.
- Pan-Africa maintained growth trajectory, volumes up 1.2% on improved performance from Ghana, Zambia and Congo.
- Dispatched 14 ships of clinker from Nigeria to Ghana and Cameroon
- Nigeria exports up 55.2%
- Commissioned 11 alternative fuel projects across our operations.
- Arrival of 300 full CNG trucks for the Nigeria business

Group Financial Overview

Income Statement

	H1 2024 ₦m	H1 2023 ₦m	% change
Revenue	1,760,055	950,832	85.1%
Cost of sales	(833,273)	(383,088)	117.5%
Gross profit	926,782	567,744	63.2%
<i>Gross margin</i>	<i>52.7%</i>	<i>59.7%</i>	<i>(7.1pp)</i>
EBITDA	666,221	443,255	50.3%
<i>EBITDA margin</i>	<i>37.9%</i>	<i>46.6%</i>	<i>(8.8pp)</i>
EBIT	551,600	380,036	45.1%
<i>EBIT margin</i>	<i>31.3%</i>	<i>40.0%</i>	<i>(8.6pp)</i>
Finance income	24,798	16,207	53.0%
FX loss	(201,301)	(113,626)	77.2%
Interest expense and other cost	(131,221)	(49,424)	165.5%
Gains on monetary assets	49,080	6,670	635.8%
Profit before tax	292,956	239,863	22.1%
Income tax (expense)/credit	(103,052)	(61,260)	68.2%
Profit for the period	189,904	178,603	6.3%
Earnings per share	11.26	10.39	8.4%

Rewarding shareholding



- Strong history of returning cash to investors with cumulative dividends of **₦2.8 trillion** over the last 14 years in 2024

Group Financial Overview (cont'd)



Balance Sheet

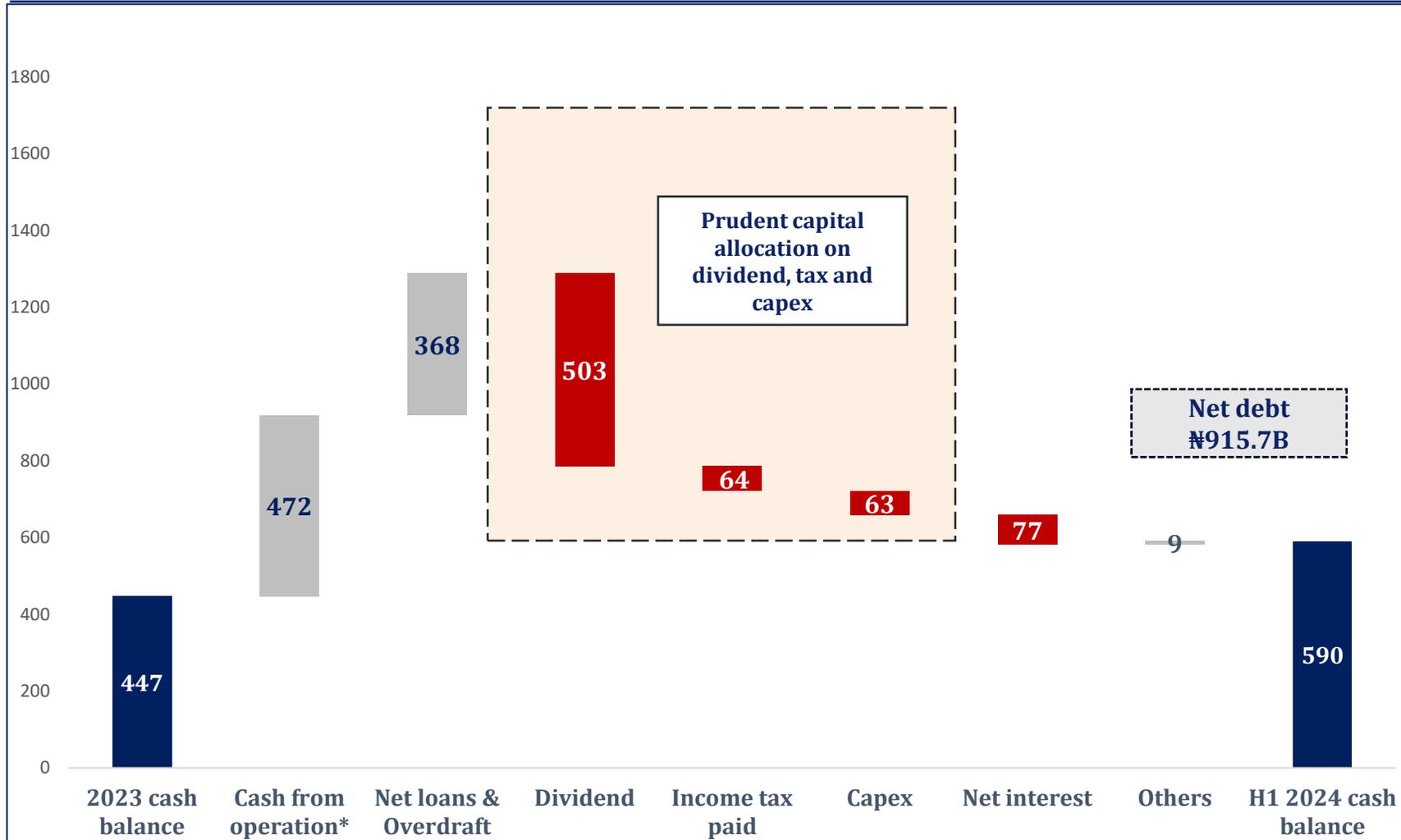
	As at 30/6/24 ₦m	As at 31/12/23 ₦m
Property, plant and equipment	3,274,512	2,383,528
Other non-current assets	179,600	133,827
Intangible Assets	19,266	12,356
Current Assets	1,311,302	961,917
Cash and Cash Equivalents	590,481	447,097
Total Assets	5,375,161	3,938,725
Non-current liabilities	298,174	211,889
Current liabilities	1,407,217	1,032,612
Debt	1,506,191	968,384
Total Liabilities	3,211,582	2,212,885
Net Assets	2,163,579	1,725,840



Gross cash balance up 32.1% at ₦590.5B , underscoring our strong cash generation. Net asset at ₦2,163.6B, up 25.4%

Group Financial Overview (cont'd)

Focused on strong cash generation



- Prudent capital allocation on dividend, income tax and capex
- Cash of ₦471.8B was generated from operations for H1 2024
- ₦63.1B was spent on capex to fund the construction of new plants in West African countries, distribution trucks as well as improvements in our energy efficiency across our operations.
- Cash increased to ₦590.51B from ₦447.1B as at FY2023.



*net working capital changes

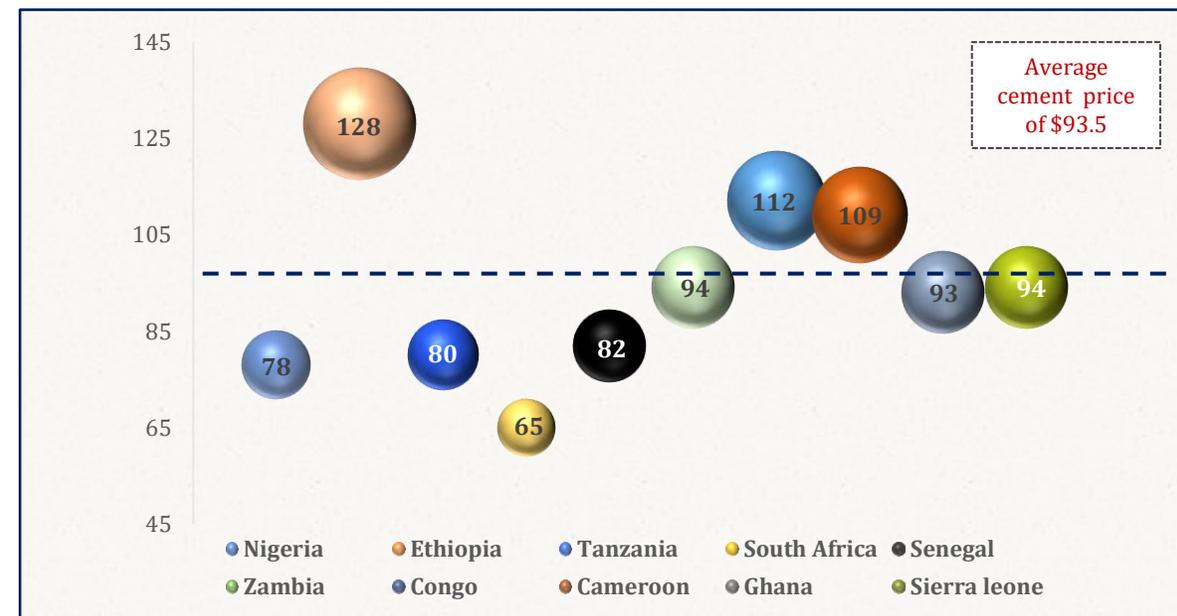
Nigeria – Uptick in economic activities drive volume rebound

- Rebound in volumes due to increased economic activities and a resumption of construction projects in comparison to last year
- Nigeria revenues up 60.3% to ₦991.4B on robust volumes and price increase to match accelerating inflationary environment.
- Nigeria EBITDA up 29.1% to ₦463.6B, with a margin of 46.8%
- Further depreciation of the Naira at the official market from ₦951.8/\$ at the year end of 2023 to ₦1,488/\$ at the end of June 2024.
- Exported 14 ships of clinker from Nigeria to Ghana and Cameroon
- Nigeria cement and clinker exports up 55.2% at 568Kt
- To expand clinker exports to third parties in addition to supplying our grinding plants in West Africa.

Financial Summary - Nigeria	H1 2024	H1 2023	Change
Total volumes (Kt)	8,994	8,108	10.9%
Revenue (₦m)	991,376	618,545	60.3%
EBITDA** (₦m)	463,550	359,056	29.1%
EBITDA margin**	46.8%	58.0%	(11.3pp)

**Before corporate costs and inter-company eliminations

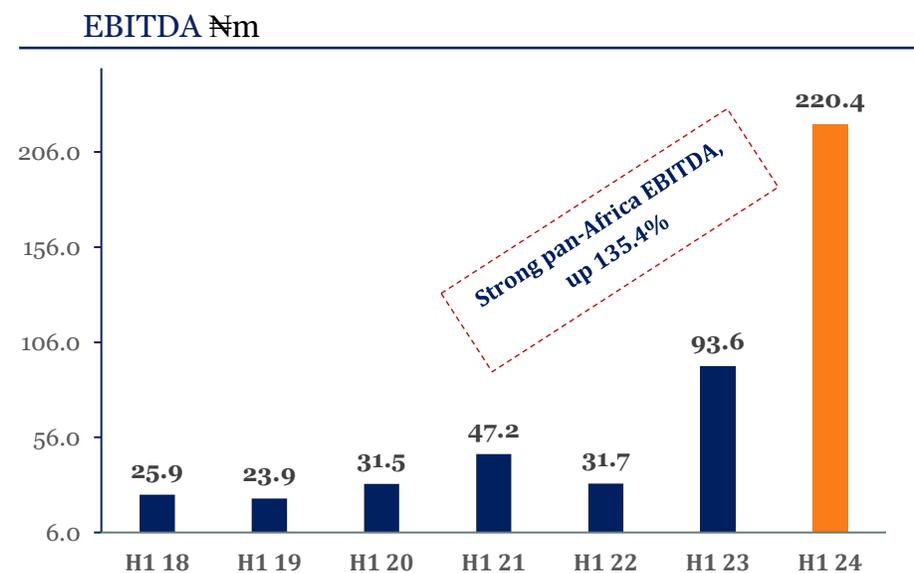
H1 2024 average cement price across our operations, \$/t



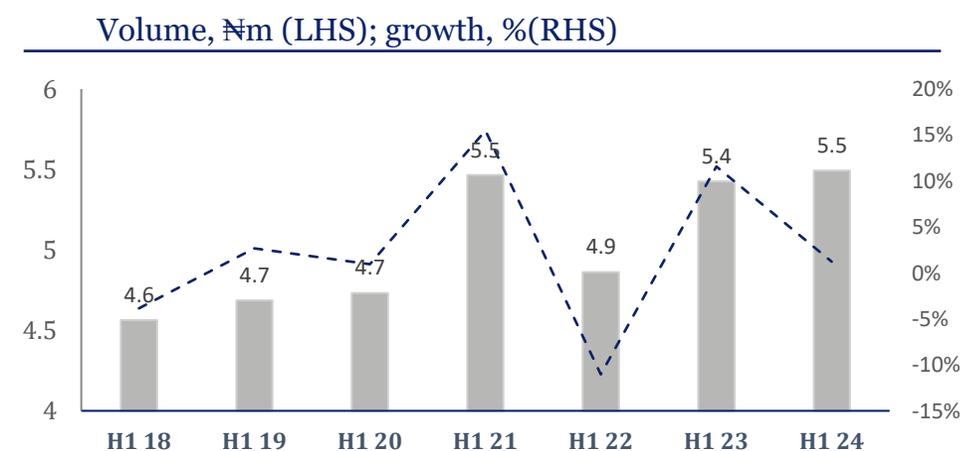
- The average cement price across our countries of operations for H1 2024 was **\$93.5/tonne**.
- Cement prices in Nigeria averaged **\$78/tonne**, lower than the average cement price for the region.

Pan-Africa – Strong performance across key line items

- Volumes up 1.2% to 5.5Mt, driven by healthy volume growth from Ghana, Congo and Zambia
- Pan-African volume accounts for 39.4% of Group volume, underscoring benefits from our diversification strategy
- Revenues up 139.9% to ₦807.1B, on improved sales across our operations in addition to price adjustment in selected countries.
- Over two-fold increase in EBITDA to ₦220.4B with a record margin of 27.3%.
- 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
- On track to commence clinker export to Cote d'Ivoire this year



Financial Summary – Pan-Africa	H1 2024	H1 2023	Change
Total volumes (Kt)	5,494	5,427	1.2%
Revenue (₦m)	807,111	336,389	139.9%
EBITDA** (₦m)	220,419	93,649	135.4%
EBITDA margin**	27.3%	27.8%	(0.5pp)



**Before corporate costs and eliminations

Country updates



CAMEROON

- Estimated 2.1Mt total market sales in H1 2024
- DCP Cameroon was up 1.4% to 710Kt in H1 2024
- Ongoing developmental projects in various regions are expected to spur cement demand in the near term



CONGO

- Estimated market sales of 350.7Kt in H1 2024
- Clinker exports to Cameroon commenced in June
- DCP Congo sold 447.9Kt in H1 2024 (including exports), up 28.5% from the 348.6Kt sold in the prior year
- Strong demand for export sales



ETHIOPIA

- Estimated 3.9Mt total market sales in H1 2024
- DCP sales of 1.2Mt in H1 2024 was relatively flat year-on-year.
- Dangote Cement Ethiopia continues to improve efficiency through the ramping up of alternative fuel usage as well as optimizing of cement-to-clinker ratio, amidst elevated inflationary environment
- Capacity maximisation

Country updates



GHANA

- Estimated 4.0Mt total market sales in H1 2024
- DCP Ghana sold 255.2Kt of cement in H1 2024, up 76.2% 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 4.8Mt in H1 2024.
- Election uncertainties stalled economic and construction activities
- DCP sold 809.4Kt of cement in the period, down by 9.1% 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 H1 2024
- Pockets of stock shortages impacted volumes for the year
- Dangote Cement Sierra Leone sold 7.2Kt of cement in the period.

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 H1 2024 was up 1.5% year-on-year



TANZANIA

- Estimated 3.0Mt total market sales for H1 2024
- DCP sold 765.8Kt in H1 2024, down by 17.9%
- Higher-than-expected rainfall and insufficient government funding, impacted cement sales in the period.



ZAMBIA

- Estimated 942Kt total market sales for H1 2024
- DCP Zambia sold 428.3Kt of cement in H1 2024, up by 35.8%
- Volume growth was supported by improved exports to neighbouring countries

Debt and Liquidity

Robust Capital Structure



Track record of accessing Debt Capital Market

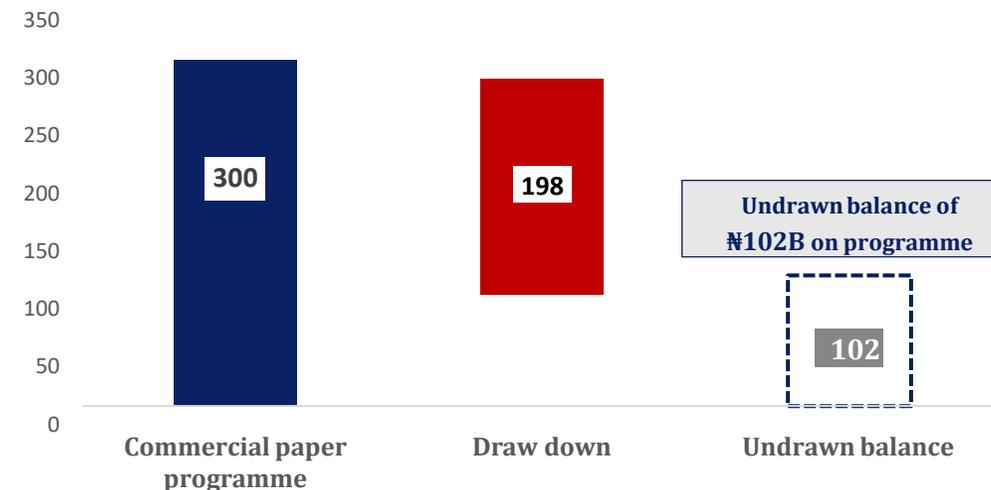


Bond programme

Renewal of ₦300B Bond programme awaiting approval by the SEC

Programme	Drawn amount	Dated issued	Tranches (₦bn)	Pricing	Maturity
₦300B (expired)	₦100B	April 2020	100	12.5%	2025
₦300B (expired)	₦50B	May 2021	A - 10.4	12.5%	2024
			B - 10.4	12.5%	2026
			C - 35.9	13.5%	2028
	₦116B	April 2022	A - 4.3	11.85%	2027
			B - 23.3	12.23%	2029
			C - 88.4	13.0%	2032
Total	₦266B				

Commercial paper programme

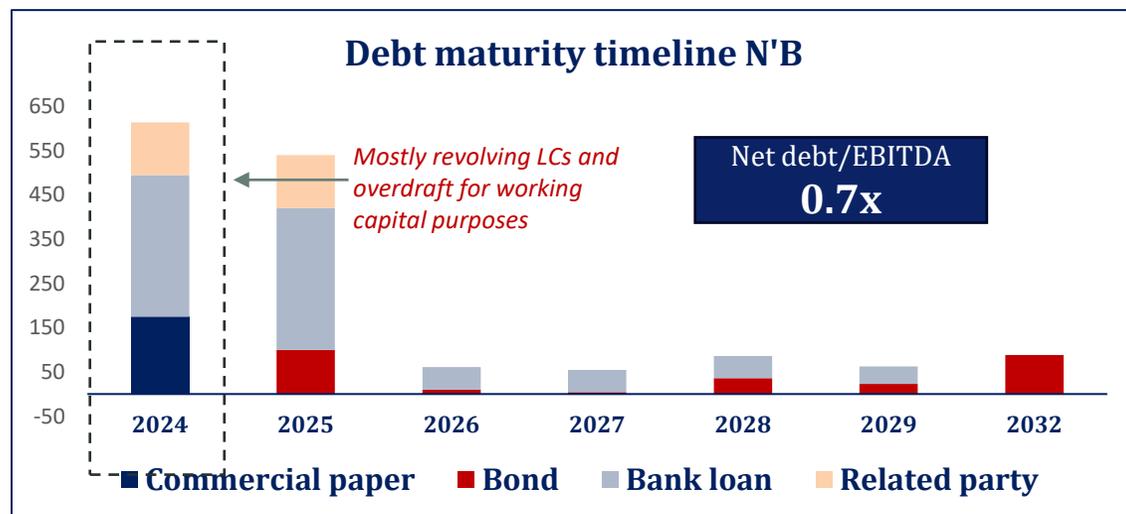


Series	Value (₦bn)	Tenor	Pricing	Maturity
Series 11	56.6	270 days	16.5%	06-08-24
Series 12	76.3	270 days	16.5%	27-08-24
Series 13	23.2	182 days	23.0%	16-10-24
Series 14	42.1	265 days	25.0%	07-01-25

Robust debt profile

Facility	Pricings	Draw down	Tenor
Bond - April 2020*	12.5%	₦100B	2025
Bond – May 2021 (A,B&C)*	11.25%-13.5%	₦46.3B	2025-2028
Bond – April 2022 (A,B&C)*	11.85%-13.0%	₦116B	2027-2032
Bank debt	various	₦833.7B	2024-2029
Commercial paper	16.5%-25.0%	₦174.2B	2024
Related parties	6%-8.5%	₦238.1B	2024-2029
Total		₦1,506.2B	

*Bond discount value - ₦264B as at the end of June 2024



Sustained minimum leverage ratios to support liquidity

Ratios	H1 2024
Current ratio	0.7x
Debt/capital	41.0%
Net debt/EBITDA*	0.7x
Net debt/equity	0.4x
Interest coverage ratio	4.2x

*Annualised EBITDA

Ratings

- December 2023, **Moody's**: **MOODY'S**
 - (P)B3 local currency rating and Baa3.ng national scale rating (NSR) to the NGN300 billion domestic medium-term programme issued by DCP.
 - Caa1 long term corporate family rating (CFR). The rating outlook was upgraded to positive from stable, similar to that of the sovereign.
- On 21 July 2023, **Global Credit Ratings** **GCR RATINGS**
 - long-term Issuer rating affirmed at AA+ (NG), with a stable outlook, while the short-term issuer rating at A1+(NG) was with a stable outlook
 - 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.



Strategy (Exports)

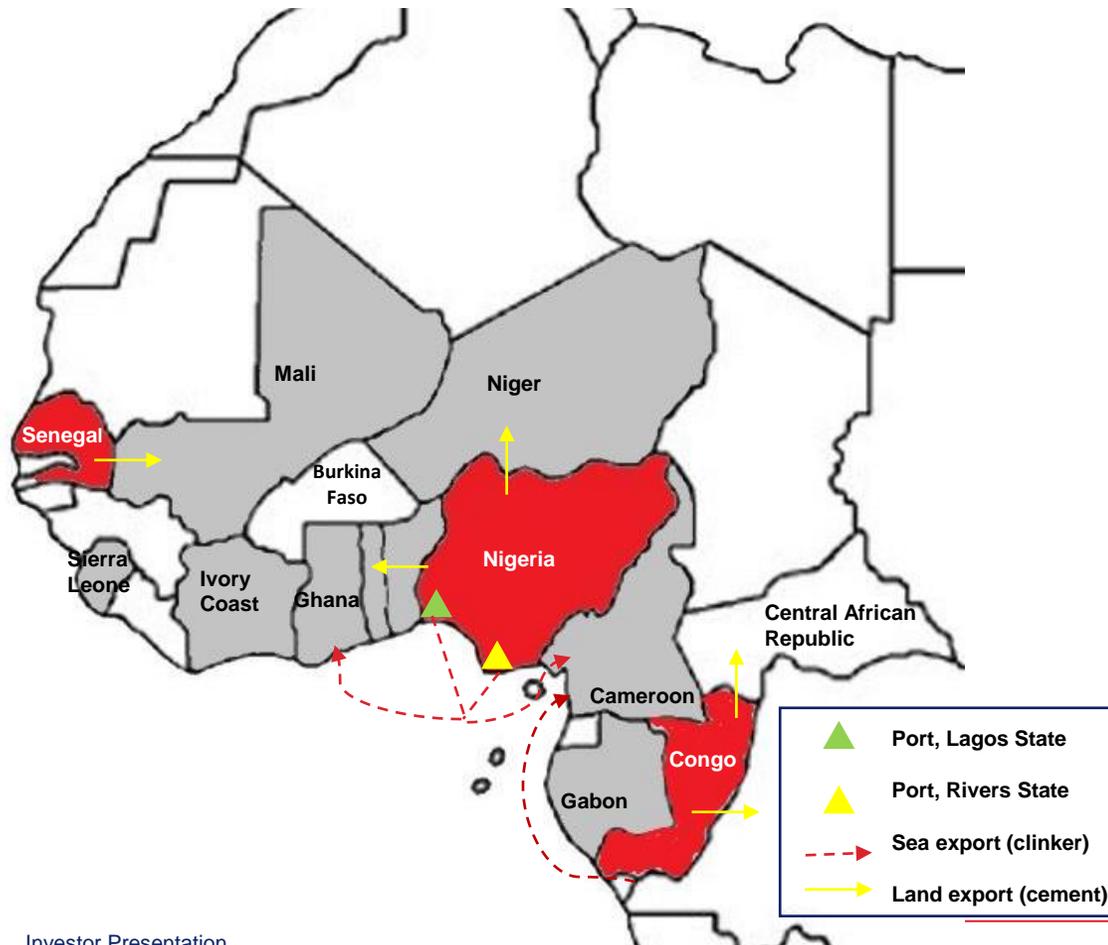


Cementing Africa's Economic Self-Sufficiency

We make the regional and continental free trade agreements a reality

Our vision is for Africa to be cement and clinker self-sufficient.

We fulfilled this goal in our home country, Nigeria, which has gone from being one of the largest importers of cement, to become self-sufficient and now an exporter of cement and clinker.



West and Central Assets

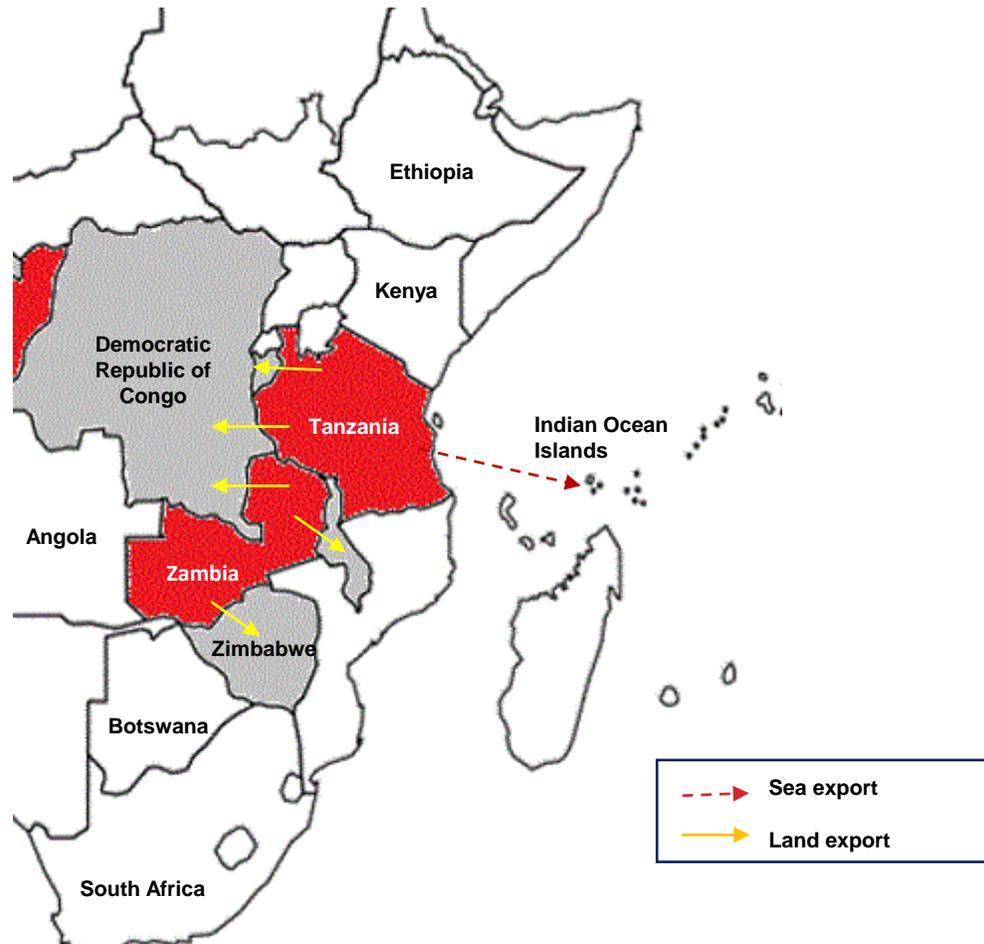
- Nigeria has a relative abundance of quality limestone especially in key southern regions near to demand centers and export facilities
- The absence of limestone in much of West Africa, especially coastal states, forces those countries to import bulk cement or its intermediate product, clinker, usually from Asia and Europe
- Dangote Cement plans an 'export to import' strategy to serve West and Central Africa from Nigerian factories, exporting by sea - making the region cement self-sufficient
- Nigeria can serve a potential market of 15 countries, 350m+ people
- We currently export clinker from Nigeria via our export terminals to Cameroon and Ghana, while we export cement to Niger and Togo
- Senegal exports cement to Mali; while in Congo we export clinker to Cameroon and cement to Central African Republic and Democratic Republic of Congo.

Cementing Africa's Economic Self-Sufficiency

We make the regional and continental free trade agreements a reality

Our vision is for Africa to be cement and clinker self-sufficient.

We fulfilled this goal in our home country, Nigeria, which has gone from being one of the largest importers of cement, to become self-sufficient and now an exporter of cement and clinker.



Southern and Eastern Assets

- In East Africa, we export from Zambia and Tanzania
- In Zambia, we exports clinker/cement to Zimbabwe, Burundi, Democratic Republic of Congo and Malawi.
- In Tanzania, we export cement to Burundi, Democratic Republic of Congo and the Indian Ocean Islands.
- Dangote Cement is optimising its eastern assets to serve the region and become cement self-sufficient.

Benefits of Export Strategy

01

HIGHER CAPACITY UTILISATION IN OUR OPERATIONS: Increased production due to exports will increase capacity utilisation in our operations and in turn reduce fixed cost per tonne. Additional earnings for the Group.

02

CONTINENTAL AND REGIONAL BENEFITS - FREE TRADE AREA BENEFITS: African Continental Free Trade Area, the ECOWAS and UEMOA advantage will contribute to the improvement of intra-regional trade. This will provide duty-free export opportunities to Africa. Cement self-sufficiency in Africa.

03

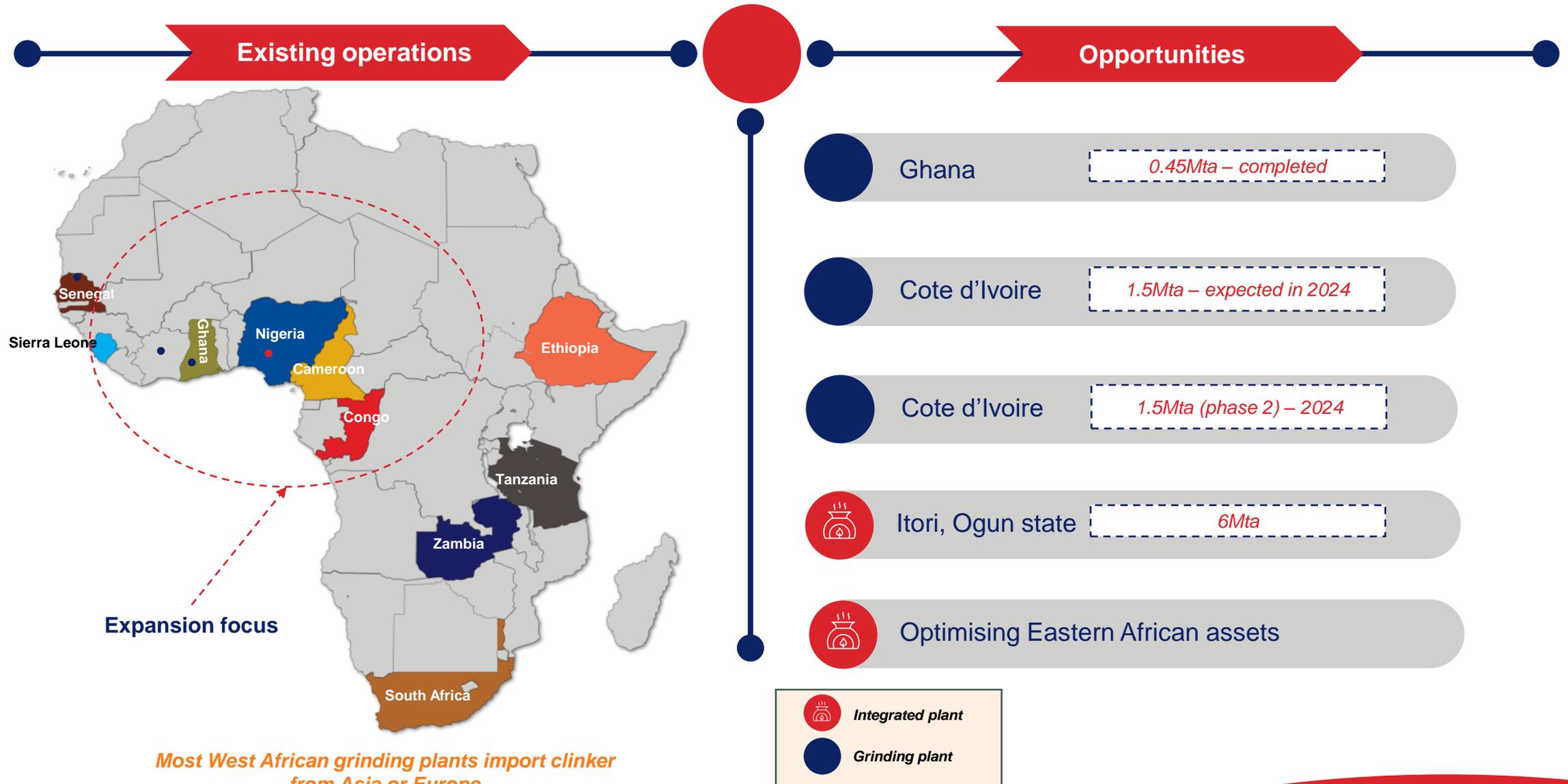
FOREIGN EXCHANGE: Foreign exchange revenue for our operations to help offset foreign exchange risks.

04

LOWER CLINKER COST FOR PAN-AFRICA OPERATION: Due to proximity to Nigeria/Congo versus Asia and Europe, clinker landing cost will be cheaper.

Focus on West and Central Africa Expansion Strategy...

...while optimising our Eastern African assets



Sustainability

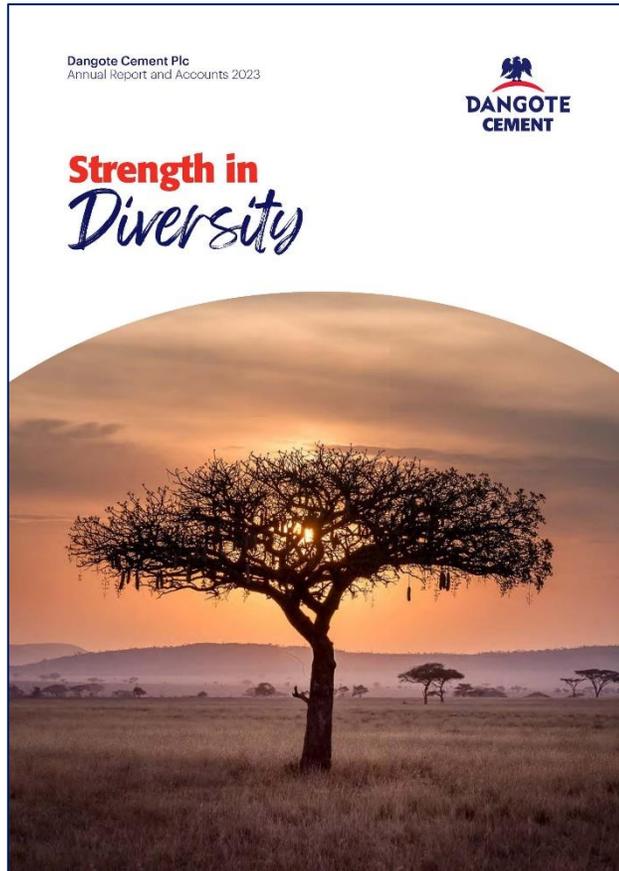


Sustainability & Governance – The Dangote Way



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

We released our **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 (H1 2024 highlights)



Environmental

- Alternative Fuel Thermal Substitution Rate (TSR) at 10.5% in H1 2024 versus 7.8% in H1 2023
- 314,137 tonnes of materials co-processed in DCP kilns
- Commissioned 11 of the 17 Alternative Fuel Projects across the Group
- Arrival of 300 full CNG trucks for our Nigeria business



Social

- N2,343 million spent on social intervention activities across the Group in H1 2024, up 185% 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.
- ₦502.6 billion paid as dividend to shareholders

Sustainability performance highlights



CO2 emission ↑

579kg CO2/tonne

H1 2023: 575kg CO2/tonne



Energy consumption ↑

809 Kcal/kg

H1 2023: 803 Kcal/kg



Water consumption ↓

205 liters/tonne

H1 2023: 218 liters/tonne

Strong Board and Governance Framework

Board of Directors (includes five Independent Directors)

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

Diverse Board

- **28%** Female Board Members (gender diversity)
- **7** 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, CBE, KC
Emmanuel Ikazoboh
Dorothy Ufot

Remuneration, Nominations & Governance Committee

Emmanuel Ikazoboh⁽¹⁾
Ernest Ebi
Cherie Blair, CBE, KC
Berlina Moroole
Douraid Zaghouani
Halima Aliko-Dangote

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
Ernest Ebi

Note: * denotes Independent Non-Executive Directors.

Social Performance



Customer Service Week



Dangote Cement Long Service Award and Graduate Trainee Graduation



Sustainability Week



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

#2.34B spent on CSR in H1 2024, up by 185%

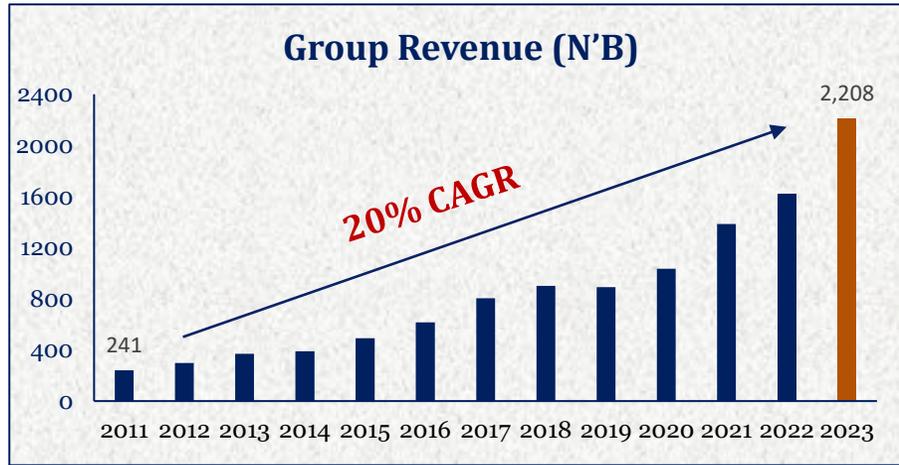


Dangote Cement sustainable living fair

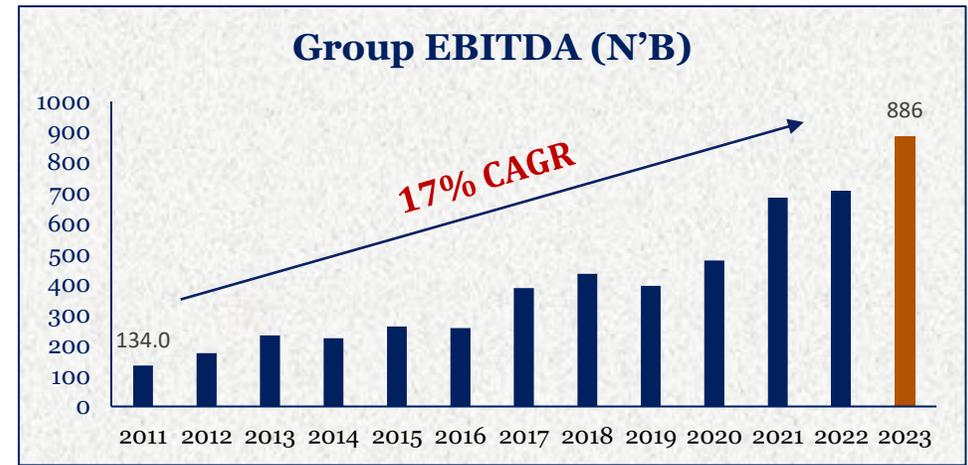
Outstanding Financial Performance



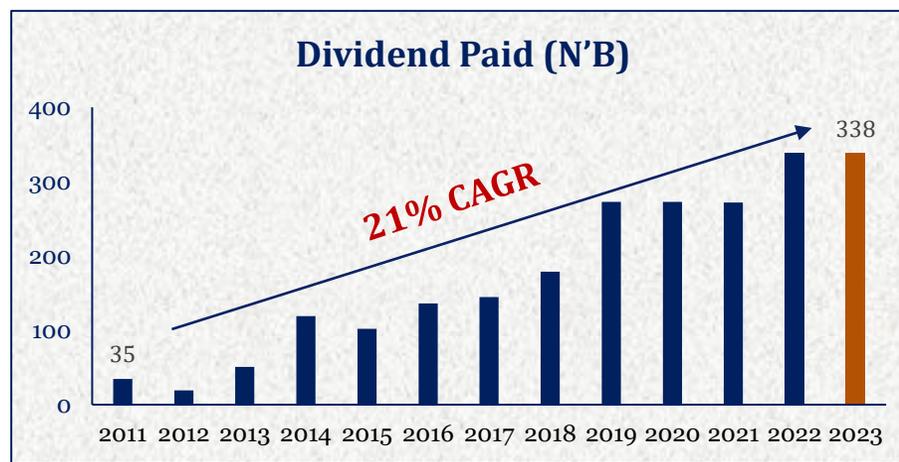
2023 Group revenue up 36.4% at **₦2,208.1B**



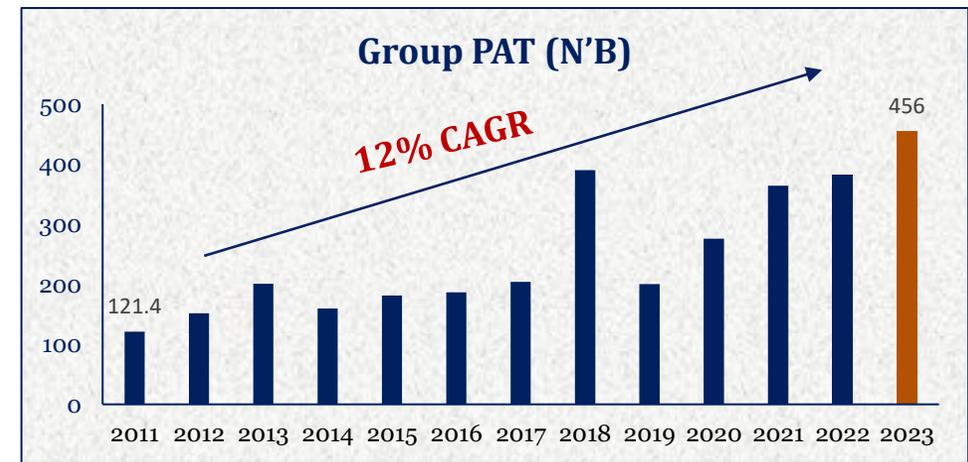
2023 Group EBITDA up 25.1% at **₦886.1B**



2023 PAT up 19.2% at **₦455.6B**



Market capitalisation; **₦11,001.1bn**



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

Note: * as at 30th June 2024

For further information contact:

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