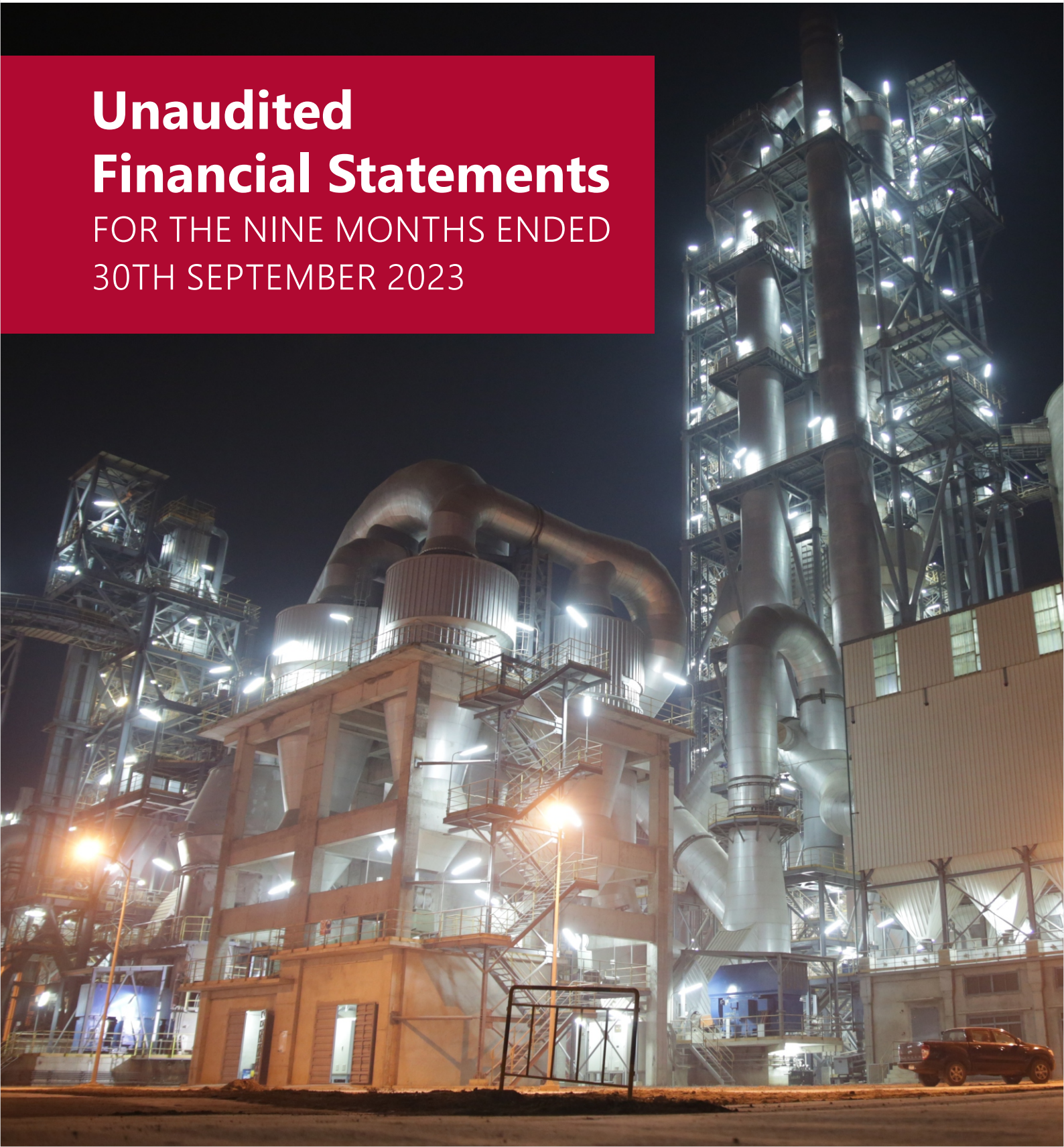


BUA Cement Plc
RC 119 3879



Unaudited Financial Statements

FOR THE NINE MONTHS ENDED
30TH SEPTEMBER 2023



CONTENTS

01

Statement of significant
accounting policies

10

Statement of shareholding
structure and free float

11

Statement of profit or loss and
other comprehensive income

12

Statement of profit or loss and other
comprehensive income (3rd quarter)

13

Statement of financial position

14

Statement of changes in equity

15

Statement of cash flows

16

Notes to the unaudited
financial statements

Statement of Significant Accounting Policies

The following are the significant accounting policies adopted by the company in the preparation of its Financial Statements.

1. Basis of Preparation

These Financial Statements have been prepared in compliance with IAS 34 Interim Financial Reporting and relevant International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (the IASB).

These Financial Statements were prepared under the historical cost convention. The principal accounting policies applied in the presentation of the Financial Statements are set out below. These policies have been applied to all the periods presented except for the adoption of new accounting policies.

2. Revenue

Revenue is measured at fair value of the consideration received or receivable net of value added tax, excise duties, returns, customer discounts, and other sales related discounts.

Revenue from the sale of products is recognised in profit or loss when the contract has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance and collectability has been ascertained as probable. Collectability of customers payment is ascertained from the customers historical records, guarantees provided, and advance payments made, if any.

The five steps recognition process for revenue is listed below:

- identify the contract with a customer
- identify the performance obligation in the contract
- determine the transaction price
- allocate the price to the performance obligation
- recognize revenue.

3. Cost of Goods Sold

These are the costs of internally produced goods sold. The cost of internally produced goods includes directly attributable costs such as the costs of direct materials, direct labour, and energy costs, as well as production overheads, including depreciation of production facilities. The costs of goods sold include write-downs of inventories where necessary.

4. Selling and Distribution Expenses

Comprises the cost of marketing, cost of organizing the sales process and distribution.

5. Foreign Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which they operate ('the functional currency'). The functional currency and

Statement of Significant Accounting Policies contd.

presentation currency of the Company is the Nigerian Naira (₦).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from settlement of foreign currency transactions, and from the translation of exchange rates of monetary assets and denominated in currencies other than the Company's functional currency are recognized in the foreign exchange gain or loss in profit or loss.

6. Financial Instruments

Financial instruments represent the Company's financial assets and liabilities. Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. These instruments are typically held for liquidity, investment, trading, or hedging purposes. All financial instruments are initially recognized at fair value plus directly attributable transaction cost, except those carried at fair value through profit or loss where transaction cost is recognized immediately in profit or loss.

Financial instruments are recognized (derecognised) on the date the Company commits to purchase (sell) the instruments (trade date accounting).

Financial assets

Financial assets include trade and other receivables, cash and bank balances and certain other assets. Financial liabilities include term loans, bank overdraft, trade, and certain other liabilities. The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Company has not classified any of its financial assets as held to maturity.

Subsequent measurement

Subsequent to initial measurement, financial instruments are measured either at fair value or amortized cost, depending on their classifications below. The Company's accounting policy for each category is as follows:

i. Trade and Other Receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers, but also incorporate other types of contractual monetary assets. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortized cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognized when there is objective evidence (such as significant financial difficulties on the part of the counterparty of default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For trade receivables, which are reported net, such provisions are recorded in a separate allowance

Statement of Significant Accounting Policies contd.

account with the loss being recognized within administrative expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

ii. Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash.

Impairment of financial assets carried at amortized cost.

The Company assesses on each reporting date whether there is objective evidence that trade and other receivables are impaired. Trade and other receivables are impaired if objective evidence indicates that a loss event has occurred after initial recognition and that loss event has a negative effect on the estimated future cash flows of the receivables that can be estimated reliably. Criteria that are used by the Company in determining whether there is objective evidence of impairment include:

- known cash flow difficulties experienced by the customer
- a breach of contract, such as default or delinquency in repayment for goods and service
- breach of credit terms or conditions and
- it is becoming probable that the customer will enter bankruptcy or other financial reorganisation.

Financial liabilities

These include the following items:

i. Bank borrowings

Bank borrowings are initially recognized at fair value, net of any transaction costs incurred. Borrowings are subsequently carried at amortized costs; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the profit or loss over the period of the borrowings using the effective interest method.

General and specific borrowing costs directly attributable to acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

ii. Trade payables and other short-term monetary liabilities

These are initially recognised at fair value and subsequently carried at amortized cost using the effective interest method.

Statement of Significant Accounting Policies contd.

Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's-length transaction. The best evidence of the fair value of a financial instrument on initial recognition is the transaction price, i.e., the fair value of the consideration paid or received, unless the fair value is evidenced either by comparison with other observable current market transactions in the same instrument, without modification or repackaging or based on valuation techniques such as discounted cash flow models and option pricing models whose variables include only data from observable markets.

When such valuation models with only observable market data as inputs or the comparison with other observable current market transactions in the same instrument indicate that the fair value differs from the transaction price, the initial difference will be recognised in the profit or loss immediately. The Company does not have any financial instruments (derivatives, etc.) that warrant such valuation method.

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired or where the company has transferred its contractual rights to receive cash flows on the financial asset such that it has transferred substantially all the risks and rewards of ownership of the financial asset. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset.

Financial liabilities are derecognised when they are extinguished, i.e., when the obligation is discharged, cancelled, or expires. Where an existing financial liability is replaced by another from the same party on substantially different terms, or the terms of an existing financial liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, with the difference in the respective carrying amounts being recognised in profit or loss.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right is not contingent on future events and is enforceable in the normal course of business, and in event of default, insolvency or bankruptcy of the Company or counterparty.

7. Retirement Benefits

The Company operates two defined benefit schemes for its employees: Defined Contribution Scheme and Defined Benefit Scheme. The defined pension contribution plan is based on a percentage of pensionable earnings funded through contributions from the Company (10%) and employees (8%). The fund is administered by the Pension Fund's administrators. Contributions to this plan are recognised as an expense in the profit or loss in the periods during which services are rendered by employees.

Defined benefit schemes also referred to as employee end of service gratuities are regarded as post-employment benefits.

Statement of Significant Accounting Policies contd.

8. Intangible Assets

Licenses

Licenses are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Software

Cost associated with acquiring software programs are capitalised at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Exploration assets

Exploration assets are carried at cost less accumulated amortisation and impairment losses. The accumulated capitalised costs from exploration assets are amortised using straight line method.

The Company also amortises other intangible assets with a limited useful life using the straight-line method over the following periods:

	<u>Useful life (years)</u>
Exploration asset	7-40
Licenses	2-5
Software	3

9. Current Taxation

The tax for the period comprises current, education and deferred taxes. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively.

10. Deferred Taxation

Deferred tax is recognised where the carrying amount of an asset or liability in the statement of financial position differs from its tax base. Recognition of deferred tax is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised. The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities / (assets) are settled / (recovered).

11. Dividends

Dividends are recognised when they become legally payable. Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividend is approved by the Company's shareholders at the AGM or when paid.

12. Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less depreciation and any accumulated

Statement of Significant Accounting Policies contd.

impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item to the Company and the cost can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are charged to the profit or loss during the financial period in which they are incurred.

Capital work in progress is not depreciated. Depreciation of assets commences when assets are available for use. Depreciation on other assets is calculated using straight line method over their expected useful economic life as follows:

	<u>Useful life (years)</u>
Land	Not depreciable
Quarry Equipment	6 - 25
Buildings	30 - 50
Plant and Machinery	3 - 40
Furniture and Fittings	5
Tools and Laboratory equipment	5
Trucks	4
Computer and Office Equipment	5
Motor vehicles	4
Construction Work in Progress	Not depreciable

These assets residual values and useful lives are reviewed and adjusted if appropriate at the end of the reporting year.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the estimated selling price in the ordinary course of business less cost to sell and value in use. Impairment losses and reversal of previously recognised impairment losses are recognised within administrative expenses in profit or loss.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefit is expected from its use or disposal. Gains or losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within other income or other expenses-net in profit or loss.

Quarry exploration and evaluation expenditures are accounted for using the successful efforts method of accounting. Costs are accumulated on a quarry-by-quarry basis. Geological and geophysical costs are expensed as incurred. Costs directly associated with quarry and exploration are capitalised until the determination of minable reserves is evaluated. If it is determined that commercial discovery has been achieved, these costs are charged as expenses.

Statement of Significant Accounting Policies contd.

Capitalisation is made with property, plants and equipment or intangible assets according to the nature of the expenditure. Once commercial reserves are found, exploration and evaluation assets are tested for impairment and transferred to development tangible or intangible assets. No depreciation and/or amortisation is charged during the exploration and evaluation period.

13. Inventories

Inventories are stated at the lower of cost and net realisable value after providing for any obsolescence and damage determined by the management. Costs are those expenses incurred in bringing each product to its present location and condition which are computed as follows:

- **Raw materials, spare parts, and consumables:** Actual costs include transportation, handling charges and other related costs
- **Work in progress and finished goods:** Cost of direct materials, direct labour and other direct cost-plus attributable overheads based on standard costing
- **Finished Goods:** Direct cost plus all production overheads.

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated cost to sell.

Allowance is made for excessive, obsolete, and slow-moving items. Write-downs to net realisable value and inventory losses are expensed in the period in which the write-downs or losses occur.

14. Related Party Disclosures

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include:

- Entities over which the Company exercises significant influence
- Shareholders and key management personnel of the Company
- Close family members of key management personnel
- Post-employment benefit plan which is for the benefit of employees of the Company or of any entity that is a related party of the Company.

Key management personnel comprise the Board of Directors and key members of the management having authority and responsibility for planning, directing, and controlling the activities of the Company.

The Company enters into transactions with related parties on an arm's length basis. Prices for transactions with related parties are determined using the current market price or admissible valuation method.

15. Basic Earnings Per Share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding at the statement of financial position date.

Statement of Significant Accounting Policies contd.

16. Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation and the amount has been reliably estimated.

Provisions for restructuring costs are recognised when the Company has a detailed formal plan for the restructuring that has been communicated to affected parties. Provisions are not recognised for future operating losses.

17. Borrowing Costs Capitalised

Borrowing costs that relate to qualifying assets, i.e., assets that necessarily take a substantial period to get ready for their intended use or sale and which are not measured at fair value, are capitalised. All other borrowing costs are recognised in profit or loss.

18. Right of Use Asset

Rights of use assets are initially measured at cost comprising of the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date, less any lease incentives received
- any initial direct costs, and
- restoration costs.

The Right of use and lease liability are presented separately from other non-lease assets and liability in the statement of financial position.

19. Leases

The Company primarily leases buildings used as offices and warehouses. The lease terms are typically for fixed periods ranging from 1 to 2 years but may have extension options as described below. On renewal of the lease, the terms may be renegotiated.

Contracts may contain both lease and non-lease components. The Company has elected not to separate lease and non-lease components and instead accounts for them as a single lease component. Lease terms are negotiated on an individual basis and contain different terms and conditions including extension and termination options. The lease agreement does not impose any covenants; however, leased assets may not be used as security for borrowing purposes.

20. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The latter, who is responsible for allocating resources and assessing performance of the operating segments has been identified as BUA Cement Leadership Team which comprises of the Board of Directors and other Executive Officers.

Statement of Significant Accounting Policies contd.

21. Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the cost that they are intended to compensate.

22. Comparative Figures

Where necessary, comparative figures with notes have been restated to conform to changes in presentation in the current year.

23. Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers' Rules), BUA Cement maintains a Security Trading Policy which guides Directors, Audit members, employees, and all individuals categorized as insiders as to their dealing in the Company's securities. The policy is periodically reviewed by the Board and updated. The Company has made specific inquiries from all its Directors and other insiders and is not aware of any infringement of the policy during the period under review.

Statement of Significant Accounting Policies contd.

FREE FLOAT COMPUTATION

Company Name:	BUA CEMENT PLC			
Year End:	Dec-31		Dec-31	
Reporting Period:	Q3 2022		Q3 2023	
Share Price at end of reporting period:	N52		N85.50	
	30/09/2022		30/09/2023	
Description	Units	Percentage (In relation to Issued Share Capital)	Units	Percentage (In relation to Issued Share Capital)
Issued Share Capital	33,864,354,060	100%	33,864,354,060	100%
Details of Substantial Shareholdings (5% and above)				
Rabiu Alhaji Abdulsamad	19,044,995,225	56.24	19,019,995,225	56.17
BUA Industries Limited	13,562,681,069	40.05	13,462,681,069	39.75
Total Substantial Shareholdings	32,607,676,294	96.29	32,462,676,294	95.92
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Rabiu Alhaji Abdulsamad - Indirect	645,665,918	1.91	645,565,918	1.91
Binji Yusuf H- Direct	827,093	0.00	827,093	0.00
Jacques Piekarski- Direct	820,000	0.00	820,000	0.00
Kabiru Isyaku Rabiu- Direct	820,000	0.00	820,000	0.00
Kenneth Chimaobi Madukwe- Direct	820,000	0.00	845,450	0.00
Finn Arnoldsen- Direct	820,000	0.00	820,000	0.00
Shehu Abubakar- Direct	450,000	0.00	1,000,000	0.00
Khairat A. Gwadabe	-	-	-	-
Total Directors' Shareholdings	650,223,011	1.92	650,698,461	1.93
Free Float in Units and Percentage	606,454,755	1.79	730,979,305	2.15
Free Float in Value	31,535,647,260		62,498,730,577	

Declaration:

BUA Cement Plc with a free float value of N62,498,730,577 as at 30 September 2023, is compliant with The Exchange's free float requirements for companies listed on the Main Board.

Statement of Profit Or Loss and Other Comprehensive Income

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

	Notes	UNAUDITED YTD Sept 2023 N	UNAUDITED YTD Sept 2022 N
Revenue	2	335,862,906,092	262,598,019,509
Cost of Sales	3	(186,438,508,836)	(142,829,303,760)
Gross Profit		149,424,397,256	119,768,715,749
Other Income	4	1,116,737,526	271,863,656
Selling and Distribution Costs	5	(20,928,998,457)	(12,613,456,879)
Administrative Expenses	6	(9,929,196,992)	(8,182,362,416)
Operating Profit		119,682,939,333	99,244,760,110
Net Interest Expense	7	(6,999,828,207)	(4,461,466,424)
Net Exchange Gain / (Loss)	7	(26,934,840,151)	(5,263,106,015)
Minimum Tax	8a	-	(708,691,067)
Profit Before Taxes		85,748,270,975	88,811,496,604
Income and Deferred Taxes	8a	(9,683,116,581)	(14,796,998,476)
Profit After Taxes		76,065,154,394	74,014,498,128
Basic Earnings Per Share (Kobo)	17	225	219

Statement of Profit Or Loss and Other Comprehensive Income

FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2023


	UNAUDITED Q3 2023	UNAUDITED Q3 2022
	N	N
Revenue	114,796,377,888	74,036,514,122
Cost of Sales	(71,494,635,064)	(45,325,353,923)
Gross Profit	43,301,742,824	28,711,160,199
Other Income	133,394,224	71,725,798
Selling and Distribution Costs	(6,895,356,572)	(4,553,222,460)
Administrative Expenses	(3,796,842,210)	(2,721,415,881)
Operating Profit	32,742,938,266	21,508,247,656
Net Interest Income / (Expenses)	1,378,091,531	(2,669,858,308)
Net Exchange Gain / (Loss)	(24,797,459,280)	(4,209,440,380)
Minimum Tax	-	(195,227,869)
Profit Before Taxes	9,323,570,517	14,433,721,099
Income and Deferred Taxes	3,125,392,601	(1,782,976,008)
Profit After Taxes	12,448,963,118	12,650,745,091
Basic Earnings Per Share (Kobo)	37	37

Statement of Financial Position

AS AT 30 SEPTEMBER 2023

	Notes	UNAUDITED 30 Sept 2023	AUDITED 31 Dec 2022
ASSETS		N	N
NON-CURRENT ASSETS			
Property, Plant, and Equipment	9	707,144,752,665	669,013,354,000
Right of Use Assets	11a	138,638,048	89,141,000
Intangible Assets	10	10,840,050,005	7,138,904,000
TOTAL NON-CURRENT ASSETS		718,123,440,718	676,241,399,000
CURRENT ASSETS			
Inventories	12	75,304,876,612	52,468,290,000
Trade Receivables	13a	152,580,086	17,570,000
Prepayments and Other Receivables	13b	64,955,349,231	80,690,386,000
Due from Related Companies	21	-	16,547,592,000
Cash and Short Term Deposits	14	158,370,005,888	48,046,647,000
TOTAL CURRENT ASSETS		298,782,811,817	197,770,485,000
TOTAL ASSETS		1,016,906,252,535	874,011,884,000
EQUITY			
Share Capital	15	16,932,177,000	16,932,177,000
Retained Earnings	p. 16	176,129,017,026	194,884,054,000
Reorganization Reserve	15.2	200,004,179,000	200,004,179,000
Actuarial Reserves	15.3	(707,868,000)	(707,868,000)
TOTAL EQUITY		392,357,505,026	411,112,542,000
LIABILITIES AND EQUITY			
LIABILITIES			
NON-CURRENT LIABILITIES			
Long Term Borrowing	16a	197,304,226,916	44,740,089,000
Debt Security Issued (bond)	16c	116,390,556,864	113,932,939,000
Deferred Income Tax Liabilities	8c	28,233,929,524	29,696,822,000
Government Grant	22	2,810,501,000	2,810,501,000
Employee Benefit Liability	18a	4,222,076,226	3,954,979,000
Provision for decommissioning liabilities	20b	10,207,895,882	10,202,856,000
TOTAL NON-CURRENT LIABILITIES		359,169,186,412	205,338,186,000
CURRENT LIABILITIES			
Lease Liabilities	11b	105,799,149	55,788,000
Trade and Other Payables	19a	79,785,635,155	78,112,432,000
Contract Liabilities	19b	80,503,548,857	92,166,502,000
Income Tax Liability	8b	11,247,471,885	3,124,196,000
Short Term Borrowings	16b	60,952,597,226	80,695,381,000
Due to Related Company	21	29,321,773,854	-
Government Grant	22	910,761,000	910,761,000
Provision for decommissioning liabilities	20b	2,551,973,971	2,496,096,000
TOTAL CURRENT LIABILITIES		265,379,561,096	257,561,156,000
TOTAL LIABILITIES		624,548,747,508	462,899,342,000
TOTAL LIABILITIES AND EQUITY		1,016,906,252,534	874,011,884,000

The financial statements and notes on pages 11 - 27 were approved by the Board of Directors on 25th October, 2023 and signed on its behalf by:


ENGR. BINJI YUSUF
Managing Director/CEO
FRC/2013/NSE/00000001746


JACQUES PIEKARSKI
Chief Finance Officer
FRC/2021/003/00000023724


CHIKE AJAERO
Finance Director
FRC/2014/ICAN/00000010408

Statement of Changes In Equity

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

	SHARE CAPITAL	REORGANIZATION RESERVE	RESERVE ON ACTUARIAL VALUATION OF DEFINE BENEFIT PLAN	RETAINED EARNINGS	TOTAL EQUITY
	N	N	N	N	N
Balance at 1 Jan. 2023	16,932,177,000	200,004,179,000	(707,868,000)	194,884,054,000	411,112,542,000
Merger Shares	-	-	-	-	-
Profit for the period	-	-	-	76,065,154,394	76,065,154,394
Other comprehensive income for the period	-	-	-	-	-
Transactions with owners					
Dividend	-	-	-	(94,820,191,368)	(94,820,191,368)
Balance at 30 September 2023	16,932,177,000	200,004,179,000	(707,868,000)	176,129,017,026	392,357,505,026
Balance at 1 Jan. 2022	16,932,177,000	200,004,179,000	(740,357,000)	181,920,749,000	398,116,748,000
Profit for the period	-	-	-	101,010,626,000	101,010,626,000
Other comprehensive income for the period	-	-	32,489,000	-	32,489,000
Transactions with owners					
Issue of shares for business combination	-	-	-	-	-
Dividend paid	-	-	-	(88,047,321,000)	(88,047,321,000)
Balance at 31 Dec. 2022	16,932,177,000	200,004,179,000	(707,868,000)	194,884,054,000	411,112,542,000

Statement of Cash Flows

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

	UNAUDITED 30 Sept 2023	AUDITED 31 Dec 2022
	N	N
Cash Flows From Operating Activities		
Profit before income taxes	85,748,270,975	120,154,050,000
Non-cash adjustment to reconcile profit before tax to net cash flows:		
Depreciation and impairment of PPE	18,801,040,667	22,135,220,000
Amortisation and impairment of intangible assets	299,602,951	351,178,000
Unrealised foreign exchange loss/(gain)	26,934,840,151	5,462,791,000
Net impairment of assets	-	(276,000)
Finance income	(8,294,227,448)	(1,941,453,000)
Finance cost	15,294,055,655	10,553,365,000
Minimum Tax	-	953,855,000
Depreciation of right of use asset	73,681,829	73,441,000
Share based payment	-	-
Defined benefit plan amendment	-	(85,046,000)
Current service cost-defined benefit plan	253,979,250	348,380,000
Actuarial gain on defined benefit plan	-	(46,414,000)
Remeasurement of defined benefit obligation	-	32,489,000
Decommissioning liabilities adjustment	(90,861)	1,052,726,000
Write off of property, plant and equipment	-	139,657,000
Transfer of property, plant and equipment	-	316,731,000
Amortisation of government grants	-	(910,761,000)
Modification gain	-	(1,432,561,000)
Operating profit before working capital changes	139,111,153,169	157,157,372,000
Working Capital Adjustments:		
(Increase)/Decrease in trade and other receivables	(135,010,086)	101,692,000
(Increase)/Decrease in inventories	(22,836,586,612)	(13,400,251,000)
(Increase)/Decrease in prepayments and other asset	15,735,036,769	(42,792,534,000)
(Increase)/Decrease in due from related parties	16,547,592,000	(11,771,397,000)
Increase/(Decrease) in trade and other payables	(25,261,636,996)	50,118,117,000
Increase/(Decrease) in due to related parties	29,321,773,854	(1,663,268,000)
Increase/(Decrease) in contract liabilities	(11,662,953,143)	13,580,264,000
Cash generated from operations	140,819,368,955	151,329,995,000
Defined benefit paid during the year	(136,390,024)	(176,679,000)
Tax paid	(3,022,733,172)	(1,579,721,000)
Net cash flow from operating activities	137,660,245,759	149,573,595,000
Investing Activities		
Purchase of property, plant and equipment	(48,643,340,934)	(102,284,661,000)
Interest received	8,294,227,448	1,941,453,000
Increase right of use asset	(123,178,877)	-
Unclaimed dividend received	-	214,794,000
Intangible assets	(4,000,748,956)	(2,146,820,000)
Net cash flows used in investing activities	(44,473,041,319)	(102,275,234,000)
Financing Activities		
Increase/(repayment) on lease liability	50,011,149	(74,260,000)
Additions to decommissioning liability	-	(1,052,726,000)
Interest payment on overdraft	(2,291,892,210)	(457,933,000)
Dividend paid to equity holders	(94,820,191,368)	(88,047,321,000)
Proceed from borrowings	172,819,198,150	178,449,460,000
Principal repayment of borrowings	(47,664,780,529)	(136,982,278,000)
Interest repayment on borrowing	(10,956,191,542)	(4,838,374,000)
Interest repayment on debt security	-	(8,625,000,000)
Net cash flows used in financing activities	17,136,151,266	(61,628,432,000)
Net increase in cash and cash equivalents	110,323,358,888	(14,330,072,000)
Cash and cash equivalents at Beginning	48,046,647,000	62,338,398,000
Effect of exchange rate difference	-	38,321,000
Cash and cash equivalents at End (Note 12)	158,370,005,888	48,046,647,000

Capitalised Interest cost of ₦9.5 billion has been adjusted from the value of Property, Plant, and Equipment purchased during the period.

Notes to the Unaudited Financial Statements FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

2. NET REVENUE	YTD 30 Sept 2023	YTD 30 Sept 2022
	N	N
Sale of Cement	335,862,906,092	262,598,019,509
3. COST OF SALES		
Materials	63,414,578,381	43,037,108,128
Consumables	3,633,856,418	2,707,229,068
Energy cost	82,340,360,314	65,005,250,396
Staff cost	4,485,889,184	3,123,395,254
Repair and maintenance	9,366,540,466	6,920,221,259
Depreciation	14,391,099,577	12,295,741,038
Stock movement	(13,646,539,216)	(5,023,207,608)
Operations, maintenance and technical fees	20,094,697,128	12,690,689,236
Other production expenses	2,358,026,584	2,072,876,988
	186,438,508,836	142,829,303,759
4. OTHER INCOME		
Sundry income	223,073,937	90,331,532
Insurance claims	893,663,589	181,532,124
	1,116,737,526	271,863,656
5. SELLING & DISTRIBUTION COSTS		
Marketing Expenses & Other Overheads	119,363,877	62,334,348
Advertisement and promotion	378,183,589	11,738,238
Cement handling charges	579,556,005	571,368,528
Printing and stationery	16,885,737	14,340,805
Distribution costs	14,869,393,994	8,478,798,723
Depreciation	3,960,733,304	2,730,633,491
Salaries, Wages & Benefits	536,690,218	408,448,418
Others	468,191,733	335,794,328
	20,928,998,457	12,613,456,879
6. ADMINISTRATIVE EXPENSES		
Depreciation	822,492,210	681,830,867
Staff cost	2,513,850,625	1,644,024,431
Medical	144,890,421	95,176,574
Board of Directors expenses	306,134,006	315,878,750
Repair and maintenance	173,460,857	299,530,748
Bank charges	379,761,846	509,327,516
Security expenses	866,788,499	736,562,788
Registration & listing fees	261,023,149	229,431,831
Corporate Social Responsibility	916,444,629	763,056,431
Legal and other professional fees	517,191,933	173,567,958
Donation and Public relation	526,531,497	746,199,459
Audit fees	121,316,820	114,931,111
Commissioning expenses	-	258,046,860
Energy consumption	268,327,251	196,741,990
Vehicle running expenses	137,634,923	90,931,377
Insurance	161,240,358	101,225,191
Annual General Meeting	103,435,852	81,289,777
Tenements rates and business Permits	232,607,533	4,866,790
Other admin. expenses	1,476,064,583	1,139,741,967
	9,929,196,992	8,182,362,416

Notes to the Unaudited Financial Statements FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

	YTD 30 Sept 2023	YTD 30 Sept 2022
	N	N
7. NET FINANCE COST		
Interest expenses	(15,294,055,655)	(6,174,877,151)
Net exchange gain/(loss)	(26,934,840,151)	(5,263,106,015)
Interest income	8,294,227,448	1,713,410,727
	<u>(33,934,668,358)</u>	<u>(9,724,572,439)</u>

8a. INCOME TAX CHARGE

The major components of income tax expense for the nine months ended 30 September 2023 and 31 December 2022 are:

As Per Income Statement:

Current Income Tax Charge:

Minimum tax	-	708,691,067
Companies Income Tax	9,130,547,433	-
Education Tax	2,011,174,210	1,487,517,103
Police Trust Fund	4,287,414	4,476,056
	11,146,009,057	1,491,993,159
Deferred Tax charge/(credit)	(1,462,892,476)	13,305,005,317
Total All Taxes	9,683,116,581	14,796,998,476

	YTD 30 Sept 2023	31 Dec 22
8B. CURRENT INCOME TAX LIABILITIES		
As at Beginning,	3,124,196,000	1,697,203,000
Provision for the period	11,141,721,643	3,014,583,000
Police Trust Fund	4,287,414	6,056,000
	14,270,205,057	4,717,842,000
Less: Payment during the period	(3,022,733,172)	(1,593,646,000)
As at End,	11,247,471,885	3,124,196,000
8C. DEFERRED TAX LIABILITIES		
As at Beginning,	29,696,822,000	12,606,257,000
Deferred tax charge/(credit) for the period	(1,462,892,476)	17,076,640,000
Deferred tax charge - OCI	-	13,925,000
As at End,	28,233,929,524	29,696,822,000

Notes to the Unaudited Financial Statements

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

9. PROPERTY, PLANT & EQUIPMENTS

COST / VALUATION	TOOLS, COMPUTERS, LABORATORY, OFFICE									
	LAND	BUILDING	PLANT & MACHINERY	FURNITURE & FITTINGS	QUARRY EQUIPMENTS	EQUIPMENTS	MOTOR VEHICLE	TRUCKS	CAPITAL WORK IN PROGRESS	TOTAL
	N	N	N	N	N	N	N	N	N	N
Balance as at 1 Jan. 2023	909,997,762	61,262,237,317	558,674,460,461	868,725,370	12,924,403,000	1,653,436,194	3,070,242,245	32,807,396,000	85,486,513,738	757,657,412,087
Addition	278,438,591	45,383,896	2,112,534,676	92,947,175		276,398,576	400,735,950	4,988,827,996	49,912,968,684	58,108,235,544
Disposals/Transfer	-	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-	-	-	-
Changes in Estimates	-	-	-	-	(1,175,794,950)	-	-	-	-	(1,175,794,950)
Balance at 30 Sept. 2023	1,188,436,353	61,307,621,213	560,786,995,137	961,672,545	11,748,608,050	1,929,834,770	3,470,978,195	37,796,223,996	135,399,482,422	814,589,852,681
Balance as at 1 Jan. 2022	531,799,762	59,400,473,317	358,880,193,461	686,110,370	8,274,109,000	1,333,324,194	1,942,601,245	8,693,067,000	205,696,069,000	645,437,747,349
Addition	378,198,000	1,082,490,000	472,077,000	182,615,000	34,766,000	320,112,000	1,127,641,000	9,160,152,000	95,343,493,000	108,101,544,000
Transfers	-	-	(341,802,000)	-	-	-	-	-	-	(341,802,000)
Reclassification	-	779,274,000	199,819,596,000	-	-	-	-	14,954,177,000	(215,553,048,262)	(1,262)
Write off	-	-	(155,604,000)	-	-	-	-	-	-	(155,604,000)
Changes in Estimates	-	-	-	-	4,615,528,000	-	-	-	-	4,615,528,000
Impairment	-	-	-	-	-	-	-	-	-	-
Balance as at 31 Dec. 2022	909,997,762	61,262,237,317	558,674,460,461	868,725,370	12,924,403,000	1,653,436,194	3,070,242,245	32,807,396,000	85,486,513,738	757,657,412,087
ACCUMULATED DEPRECIATION										
Balance as at 1 Jan. 2023	-	6,770,722,040	64,923,483,845	449,311,000	3,702,833,368	870,837,000	1,466,973,379	10,459,898,717	-	88,644,059,349
Charge for the period	-	924,037,734	12,567,700,855	76,019,077	707,799,000	169,373,758	395,376,939	3,960,733,304	-	18,801,040,667
Transfer	-	-	-	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-	-	-	-
Balance at 30 Sept. 2023	-	7,694,759,774	77,491,184,700	525,330,077	4,410,632,368	1,040,210,758	1,862,350,318	14,420,632,021	-	107,445,100,016
Balance as at 1 Jan. 2022	-	5,532,899,040	49,577,569,845	367,448,000	2,910,001,000	716,748,000	1,031,200,379	6,413,987,717	-	66,549,853,981
Charge for the period	-	1,237,823,000	15,386,932,000	81,863,000	792,832,368	154,089,000	435,773,000	4,045,911,000	-	22,135,223,368
Reclassification	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	(25,071,000)	-	-	-	-	-	-	(25,071,000)
Write off	-	-	(15,947,000)	-	-	-	-	-	-	(15,947,000)
Balance as at 31 Dec. 2022	-	6,770,722,040	64,923,483,845	449,311,000	3,702,833,368	870,837,000	1,466,973,379	10,459,898,717	-	88,644,059,349
NET BOOK VALUE										
Balance at 30 Sept. 2023	1,188,436,353	53,612,861,439	483,295,810,437	436,342,468	7,337,975,682	889,624,012	1,608,627,877	23,375,591,975	135,399,482,422	707,144,752,665
Balance as at 31 Dec. 2022	909,997,762	54,491,515,277	493,750,976,616	419,414,370	9,221,569,632	782,599,194	1,603,268,866	22,347,497,283	85,486,513,738	669,013,352,738

Notes to the Unaudited Financial Statements FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

9.1 REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

No recent revaluation has been done by the Company. The Directors are of the opinion that the carrying value of property, plant & machinery approximate its fair value.

Included in Quarry Equipment is cost relating to restoration of quarry site being mined by the Company as at 30 September 2023.

9.2 DEPRECIATION CHARGED DURING THE YEAR ARE INCLUDED IN:

	30 Sept 23	31 Dec 2022
	N	N
Cost of Sales	14,116,642,038	12,616,037,000
Selling & Administrative Expenses	4,684,397,683	2,549,540,000
	<u>18,801,039,721</u>	<u>15,165,577,000</u>

10. INTANGIBLE ASSETS	EXPLORATION			
	LICENSES	ASSET	SOFTWARE	TOTAL
	N	N	N	N
Cost				
Balance as at 1 Jan. 2023	3,025,000	7,999,611,000	109,724,000	8,112,360,000
Additions	-	4,000,748,956	-	4,000,748,956
Disposals/ Transfers	-	-	-	-
Balance as at 30 Sept. 2023	3,025,000	12,000,359,956	109,724,000	12,113,108,956
Balance as at 1 Jan. 2022	3,025,000	5,875,945,000	86,570,000	5,965,540,000
Additions	-	2,123,666,000	23,154,000	2,146,820,000
Reclassification	-	-	-	-
Write offs	-	-	-	-
Balance as at 31 Dec. 2022	3,025,000	7,999,611,000	109,724,000	8,112,360,000
Amortisation				
Balance as at 1 Jan. 2023	3,025,000	909,973,000	60,458,000	973,456,000
Amortisation	-	274,457,539	25,145,412	299,602,951
Balance as at 30 Sept. 2023	3,025,000	1,184,430,539	85,603,412	1,273,058,951
Balance as at 1 Jan. 2022	3,025,000	585,773,000	33,480,000	622,278,000
Amortisation	-	324,200,000	26,978,000	351,178,000
Reclassification	-	-	-	-
Write offs	-	-	-	-
Balance as at 31 Dec. 2022	3,025,000	909,973,000	60,458,000	973,456,000
NET BOOK VALUE				
Balance as at 30 Sept. 2023	-	10,815,929,417	24,120,588	10,840,050,005
Balance as at 31 Dec. 2022	-	7,089,638,000	49,266,000	7,138,904,000

Intangible assets represent cost of quarry deposits, software license.

Software License

The software license relates to cost of license on software used by the Company which is for the period of 5 years. Software license is shown at amortised cost. The license have been acquired with the option to renew at the end of the period.

Notes to the Unaudited Financial Statements FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

11A. RIGHTS OF USE ASSETS	30 Sept 2023	31 Dec 22
	N	N
Opening balance	89,141,000	76,848,000
Additions	123,178,877	85,734,000
Depreciation of right of use assets	(73,681,829)	(73,441,000)
Balance at end of period	138,638,048	89,141,000
11B. LEASES LIABILITIES		
Opening balance	55,788,000	39,594,000
Additions	121,166,877	85,735,000
Interest expenses	9,020,472	4,719,000
Payments	(80,176,200)	(74,260,000)
	105,799,149	55,788,000
12. INVENTORIES		
Fuel	8,743,917,480	1,843,532,000
Engineering Spares	25,426,563,412	22,892,193,000
Packing materials	2,765,881,787	2,144,085,000
Raw materials	17,261,300,339	13,572,024,000
Goods in transit	3,735,552,744	4,291,658,000
Work in progress	14,583,034,419	7,205,105,000
Finished goods	2,788,626,431	519,693,000
	75,304,876,612	52,468,290,000

There is no write-down of inventories recognised as an expense during the period. None of the inventories of the Company were pledged as security for loans as at the reporting date.

13A. TRADE AND OTHER RECEIVABLES

Trade Receivables	155,843,588	20,833,000
Less loss allowance	(3,263,502)	(3,263,000)
	152,580,086	17,570,000

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value. The Company strictly deals on cash and carry basis with the exception of three corporate clients in the construction industry whom have a corporate guaranteed bond in place with a spelt out pre-agreed credit terms. Trade Receivables are not interest bearing. The average credit period of the company's sales is 30 days. The Company has financial risk management policies in place to ensure that all receivables are received within the pre-agreed credit terms.

13B. PREPAYMENT AND OTHER ASSETS

Other prepayments (*)	17,442,359,945	30,117,350,000
Prepayment for engineering and construction work	47,138,691,562	50,319,656,000
Advance to staff	374,297,724	253,380,000
	64,955,349,231	80,690,386,000

*Other prepayments relate to advance payments made to vendors for supply of products and spares.

Notes to the Unaudited Financial Statements FOR THE NINE MONTHS ENDED 31 SEPTEMBER 2023

14. CASH AND SHORT TERM DEPOSITS	30 Sept 23 N	31 Dec 22 N
Cash in Hand	7,065,304	10,004,000
Cash in Bank	41,777,821,746	35,356,604,000
Fixed deposits	116,585,118,838	12,680,039,000
	158,370,005,888	48,046,647,000

Short-term deposits are made for varying periods of between 1 day and 3 months depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

The Company has not pledged part of its short-term deposits in order to fulfil collateral requirements with any bank. Cash and Bank equivalent is exclusive of overdraft balance.

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following as at:

15. SHARE CAPITAL	30 Sept 23 N	31 Dec 22 N
15.1a AUTHORISED 40,000,000,000 Ordinary shares of 50k each	20,000,000,000	20,000,000,000
15.1b ISSUED AND FULLY PAID 33,864,354,864 Ordinary shares of 50k each	16,932,177,000	16,932,177,000

15.1c SHARE CAPITAL

In accounting for the merger between BUA Cement PLC and Cement Company of Northern Nigeria (CCNN) PLC in 2019, the balances in these financial statements, including share capital were presented as though the merger took effect from when both entities came under common control. As a result, the changes in the share capital of BUA Cement with respect to the business combination were applied retrospectively in 2018 & 2019 financial statements.

15.2. REORGANIZATION RESERVE	30 Sept 23 N	31 Dec 22 N
At the beginning and at the end of the period	200,004,179,000	200,004,179,000

Reorganisation reserve consists of the Company's merger transactions with entities under common control.

15.3 OTHER RESERVES	30 Sept 23 N	31 Dec 22 N
Reserve on Actuarial Valuation of Defined Benefit Plan		
Balance at the beginning of the year	(707,868,000)	(740,357,000)
Actuarial gain/(loss) on defined benefit plan (net of tax)	-	32,489,000
Balance at the end of the year	(707,868,000)	(707,868,000)

Notes to the Unaudited Financial Statements FOR THE NINE MONTHS ENDED 31 SEPTEMBER 2023

16. BORROWINGS	30 Sept 23	31 Dec 22
	N	N
16A. LONG TERM LOANS		
Bank loans	197,304,226,916	44,740,089,000
16B. SHORT TERM FACILITIES		
Short term Loans	60,952,597,226	80,695,381,000
Total Borrowings	258,256,824,142	125,435,470,000
16C. DEBT SECURITY ISSUED		
Bond Series 1	116,390,556,864	113,932,939,000

The above borrowings are further classified based on average interest rate, maturity and provider of funds:

	Average Interest Rate	Maturity	N	N
Coronation Merchant - Bank Facility	25%	31 October 2023	1,580,889,277	6,540,000
Union Bank - Trade and Clean lines Facilities	21%	30 September 2024	4,534,785,229	3,300,109,000
Fidelity Bank - Import Finance Facility	21%	28 August 2024	2,231,782,398	-
First Bank of Nigeria - Import Finance Facility	19%	31 October 2023	48,717,010,362	61,254,259,000
Providus Bank - Import Finance Facility	SOFR+11%	31 October 2024	2,243,151,900	-
Sterling Bank	SOFR+9.5%	14 February 2024	1,644,978,060	-
FCMB - Import Finance Facility	20%	30 November 2023	-	1,007,766,000
			60,952,597,226	65,568,674,000
First Bank of Nigeria - Term loans 1 & 2	19%	30 June 2024/13 April 2025	25,341,709,802	24,604,473,000
IFC Syndicated loan (10 years)	SOFR+5.5%	April 2033	139,891,182,795	-
Fidelity Bank - RSSF loan (10 years)	5%/9%	30 September 2030	15,539,194,309	17,130,063,000
Union Bank - RSSF loan (10 years)	5%/9%	11 June 2030	16,532,140,010	18,132,260,000
			197,304,226,916	59,866,796,000
			258,256,824,142	125,435,470,000

Movement in borrowings are analysed as follows:

Period Ended 30 Sept. 2023

Opening amount as at 1 January 2023	125,435,470,000
Net additional borrowings	172,819,198,150
Repayments of borrowings	(47,664,780,530)
Interest expense	3,994,376,037
Interest capitalised	9,464,894,610
Interest repayments	(5,792,334,125)
Closing amount as at 30 Sept. 2023	258,256,824,142

Year Ended 31 December 2022

Opening amount as at 1 January 2022	83,495,702,000
Additional drawdowns in the year	178,449,460,000
Modification gain	(1,432,561,000)
Principal repayments	(136,982,278,000)
Interest expense	2,127,241,000
Interest capitalised	4,616,280,000
Interest repayment	(4,838,374,000)
Closing amount as at 31 December 2022	125,435,470,000

Notes to the Unaudited Financial Statements FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

16D: CAPITALISED INTEREST ADJUSTED FROM VALUE OF PROPERTY, PLANT AND EQUIPMENT

Additions in the period	58,108,235,544	108,101,544,000
Capitalised interest cost	(9,464,894,610)	(6,860,008,000)
	<u>48,643,340,934</u>	<u>101,241,536,000</u>

16. BORROWINGS (CONTINUED)

First Bank of Nigeria - Term Loans and overdraft

The facilities were for part finance of construction of cement plant, importation of spare parts and raw materials. All the facilities were secured with a debenture on fixed and floating assets of BUA Cement PLC, corporate guarantee of BUA International Ltd and personal guarantee of Alhaji Abdulsamad Rabiu.

Union Bank - Trade Line - Cash backed

The facility was obtained as a trade line facility for importation of machines and equipment. It is a \$28.4 million facility covered by an All Asset Debenture of the Company and personal guarantee of Mr. Abdulsamad Rabiu.

Union Bank - Trade Line - Clean Line

The facility was obtained as a trade clean line facility for importation of raw materials for cement production. It is a \$6 million facility covered by an All Asset Debenture of the Company and personal guarantee of Mr. Abdulsamad Rabiu.

Coronation Merchant Bank & First City Monument Bank - IFF- Forex

This is a clean line facility for offshore payment of letters of credit for future settlement.

Fidelity Bank and Union Bank - Real Sector Support Fund - Term Loans

These facilities are ₦20 billion loans each for financing of capacity expansion. The loans are for 10 years inclusive of moratorium of 2 years on principal. It is covered by an All Assets Debenture on the assets of BUA Cement PLC. This is a CBN intervention facility through commercial banks.

Fidelity - Import Finance line - Clean line

This is a \$5m cleanline facility for offshore payment of LCs for payment of raw materials and spares.

Sterling Bank - Trade Line - Clean line

This is a \$5m cleanline facility for offshore payment of LCs for payment of raw materials (gypsum) and spares importation.

Providus Bank - Clean line

This is a cleanline facility for offshore future payment of LCs for raw materials (gypsum) and spares importation.

BUA Cement Series 1 Bond

The Company issued a ₦115 billion semi-annual coupon bond at the rate of 7.5% per annum. The effective date of the bond is 30 December 2020. The Bond proceeds were used to reimburse the shareholder loan and for working capital finance.

IFC loan

The Company secured a \$500m loan from IFC approved in September 2022. The tenure of the loan is 10 years, 2.5 years grace period, interest: 6 months SOFR + 5.5% and the first tranche of \$300m was disbursed in April 2023.

17. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of ordinary shares outstanding at the end of reporting period.

Notes to the Unaudited Financial Statements FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

	30 Sept 23	30 Sept 22
	N	N
Net profit attributable to ordinary equity holders	76,065,154,394	74,014,498,128
	Number	Number
Weighted average number of ordinary shares	33,864,354,864	33,864,354,864
Basic Earning Per Ordinary Shares (Kobo)	225	219

	30 Sept 23	30 Sept 22
	N	N
Net profit attributable to ordinary equity holders	12,448,963,118	12,650,745,091
	Number	Number
Weighted average number of ordinary shares	33,864,354,864	33,864,354,864
Basic Earning Per Ordinary Shares (Kobo)	37	37

18A. EMPLOYEE BENEFITS OBLIGATION

	30 Sept 23	31 Dec 22
	N	N
Present value of defined benefit plan	4,222,076,226	3,954,979,000
Reconciliation of change in defined benefit obligation		
Defined benefit obligation opening	3,954,979,000	3,760,298,000
Current service cost	253,979,250	348,380,000
Interest cost	149,508,000	154,440,000
Defined benefit plan amendment(employee cost)	-	(85,046,000)
Actuarial (gains)/losses - Change in assumption - Net of tax	-	(46,745,000)
Actuarial (gains)/losses - Experience adjustment- Net of tax	-	331,000
Benefit Payment	(136,390,024)	(176,679,000)
As at Ending	4,222,076,226	3,954,979,000

Included in bank balance is N2,734,554,852 set aside in an End of Service Benefit account with Access Bank & Keystone to meet retirement commitments of the Company. The funded status of the Defined Benefit for the period in view is:

Defined benefit liability	4,222,076,226	3,954,979,000
Plan asset with banks	(2,898,632,288)	(2,730,810,483)
	1,323,443,938	1,224,168,517

Notes to the Unaudited Financial Statements FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

18B. AMOUNTS RECOGNISED IN OCI

	30 Sept 23	31 Dec 22
	N	N
Actuarial loss / (gain) on defined benefit plan:		
- Change in assumption	-	(46,745,000)
- Change in experience adjustment	-	331,000
	-	(46,414,000)
Deferred tax credit	-	13,925,000
Amount recognised in OCI (net of tax)	-	(32,489,000)

The Company operates a defined contribution pension scheme in line with the provisions of the Pension Reform Act 2004, with contributions based on the sum of employees' basic salary, housing and transport allowance in the ratio of 8% by the employee and 10% by the employer.

The Company's contributions to this scheme is charged to the profit and loss account in the period to which they relate. Contributions to the scheme are managed by appointed pension managers on behalf of the beneficiary staff in line with the provisions of the Pension Reform Act. Consequently, the Company has no legal or constructive obligations to pay further contributions if the funds do not hold sufficient assets to meet the related obligations to employees.

The Company also has a retirement benefits policy (unfunded) for all its full-time employees who have served the Company for a minimum of 5 years and above. The Company has a post-retirement programme for any employee who has attained the terminal age limit of 60 years.

The above tables summarise the movement in the retirement benefit as recognised in the income statement and the funded status and amounts recognised in the statement of financial position.

Notes to the Unaudited Financial Statements FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

19A. TRADE AND OTHER PAYABLES	30 Sept 23	31 Dec 22
	N	N
Trade payables (*)	43,753,770,546	52,579,817,000
Other payables and accrued expenses	16,093,584,315	4,517,703,000
Unclaimed dividend	573,151,263	689,536,000
Accrual, provision and other liabilities	315,573,000	581,100,000
Statutory obligations	19,049,556,031	19,744,276,000
	79,785,635,155	78,112,432,000

*Trade payable include ₦3.3billion retention charge payable on the EPC Contract of Sokoto Line 4.

19B. CONTRACT LIABILITIES

The Company has recognised the following liabilities relating to contract with customers:

Customers deposits	80,503,548,857	92,166,502,000
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19C. CHANGES IN TRADE PAYABLES IN THE STATEMENT OF CASH FLOWS IS AS FOLLOWS:

Movement in trade payables and other payables	1,673,203,155	55,834,020,000
Effect of unrealised exchange loss	(26,934,840,151)	(5,501,109,000)
Movement in unclaimed dividend received	-	(214,794,000)
	(25,261,636,996)	50,118,117,000

20. PROVISION FOR DECOMMISSIONING LIABILITIES (REHABILITATION)

Opening balance as at January 1,	12,698,952,000	8,265,812,000
Additional provision made	60,917,853	(1,052,726,000)
Increase/(Decrease) as a result of change in estimate	-	4,625,128,000
Unwinding of interest	-	860,738,000
Closing Balance	12,759,869,853	12,698,952,000

20B. PROVISION FOR DECOMMISSIONING LIABILITIES

Current	2,551,973,971	2,496,096,000
Non-current	10,207,895,882	10,202,856,000
	12,759,869,853	12,698,952,000

Provision for decommissioning liabilities

Quarry decommissioning provisions relates to expected cost of reclaiming excavated quarry sites into a habitable settlement for farming, local villagers settlement and other uses. It also includes provision for other environmental issues.

Notes to the Unaudited Financial Statements FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

21. RELATED PARTIES

Names of related companies

BUA International Ltd
PW Nigeria

Relationship

Sister company
Sister company

	Outstanding Balances	Due to Related Companies
	30 Sept 23	31 Dec 22
	N	N
BUA International Ltd	(32,973,486,801)	11,996,667,000
PW Nigeria	3,651,712,947	4,550,925,000
	(29,321,773,854)	16,547,592,000

The receivables from related parties represents advance payments for goods/services expected from related parties. Due to related party represents the amount of money obtained from related party to finance the operations of the Company.

22. GOVERNMENT GRANT

	30 Sept 23	31 Dec 22
	N	N
Current	910,761,000	910,761,000
Non Current	2,810,501,000	2,810,501,000
	3,721,262,000	3,721,262,000

Movement in Government Grants is analysed below:

	30 Sept 23	31 Dec 22
	N	N
Balance as at January 1,	3,721,262,000	4,632,023,000
Additions during the year	-	-
Amount recognised in the P&L	-	(910,761,000)
	3,721,262,000	3,721,262,000

Government grants have been estimated from N40 billion Real Sector Support Fund provided by the Central Bank of Nigeria through listed commercial banks at rates of between 5% to 9%.

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