BUA Cement Plc
RC 119 3879

Unaudited Financial Statements

For the 9 months ended
30th September, 2022

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CONTENTS

Statement of Significant Account 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 duty returns, customer discounts, and other sales related discounts.

Revenue from the sale of products is recognized 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 customer payment is ascertained from the customers' historical records, guarantees provided and advance payments made, if any.

The four 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 labor, and energy costs, as well as production overheads, including depreciation of production facilities. The costs of goods sold includes write-downs of inventories, where necessary.

Statement of Significant Account Policies cont'd

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 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 (derecognized) 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:

Statement of Significant Account Policies cont'd

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 term's 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 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 at each reporting date whether there is objective evidence that trade and other receivables are impaired. Trade and other receivable 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 reorganization.

Financial liabilities

These include the following items:

Statement of Significant Account Policies cont'd

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 of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

ii. **Trade payables and other short-term monetary liabilities**

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

Fair value

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable and 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 recognized 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 derecognized 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 assets 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 recognized as a separate asset.

Statement of Significant Account Policies cont'd

Financial liabilities are derecognized 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 recognized 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 recognized 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 administrators. Contributions to this plan are recognized 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.

8. INTANGIBLE ASSETS

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

Software
Cost associated with acquiring software programmes 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.

Statement of Significant Account Policies cont'd

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

	Useful life (years)
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 recognized 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 utilized. 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 recognized when they become legally payable. Dividend distribution to the Company's shareholders is recognized 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 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 recognized 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

Statement of Significant Account Policies cont'd

accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance cost 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:

	Useful life (years)
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 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 de-recognised 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

Statement of Significant Account Policies cont'd

exploration are capitalized until the determination of minable reserves is evaluated. If it is determined that commercial discovery has been achieved, these costs are charged as expenses.

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 realizable value after providing for any obsolescence and damages 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 labor and other direct cost-plus attributable overheads based on standard costing
- Finished Goods: Direct cost plus all production overheads.

Inventories are initially recognized at cost, and subsequently at the lower of cost and net realizable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing inventories to their present location and condition. Net realizable 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 realizable 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

Statement of Significant Account Policies cont'd

- 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.

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 capitalized. All other borrowing costs are recognized 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

Statement of Significant Account Policies cont'd

- 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 building used as offices and warehouse. 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 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 but 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 the BUA Cement Leadership Team, which comprises of the Board of Directors and other Executive Officers.

21. GOVERNMENT GRANT

Grants from the government are recognized 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 recognized 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.

Statement of Significant Account Policies cont'd

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 of all its directors and other insiders and is not aware of any infringement of the policy during the period under review.

Description	30/09/2022		30/09/2021	
	Units	Percentage	Units	Percentage
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	19,044,995,225	56.24
BUA Cement Manufacturing Company Limited			11,490,595,760	33.93
Rabiu Alhaji Isiaku			2,072,085,309	6.12
BUA Industries Limited	13,562,681,069	40.05		
Total Substantial Shareholdings	**32,607,676,294**	**96.29**	**32,607,676,294**	**96.29**
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Rabiu Alhaji Abdulsamad - Indirect	645,665,918	1.91	680,784,918	2.01
Binji Yusuf H- Direct	827,093	0.00	820,000	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	820,000	0.00
Finn Arnoldsen- Direct	820,000	0.00	820,000	0.00
Shehu Abubakar- Direct	450,000	0.00	450,000	0.00
Total Directors' Shareholdings	**650,223,011**	**1.92**	**685,334,918**	**2.03**
Other Influential Shareholdings	-	-	-	-
Total Other Influential Shareholdings	-	-	-	
Free Float in Units and Percentage	**606,454,755**	**1.79**	**571,342,848**	**1.69**
Free Float in Value	**31,535,647,260**		**37,708,627,968**	

Declaration:

BUA Cement Plc with a free float value of ₦31,535,647,260 as at 30 September 2022, is compliant with the Nigerian Exchange Group's "the Exchange" free float requirements for companies listed on the Main Board.

Statement of Profit or Loss and Other Comprehensive Income

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

		UNAUDITED	UNAUDITED
		YTD Sept. 2022	YTD Sept. 2021
	Notes	=N=	=N=
Revenue	2	262,598,019,509	186,905,079,625
Cost of Sales	3	(142,829,303,760)	(99,654,608,332)
Gross Profit		**119,768,715,749**	**87,250,471,293**
Other Income	4	271,863,656	177,105,097
Selling and Distribution Costs	5	(12,613,456,879)	(5,601,844,619)
Administrative Expenses	6	(8,182,362,416)	(6,133,636,419)
Operating Profit		**99,244,760,110**	**75,692,095,352**
Net Finance Costs	7	(9,724,572,439)	(1,049,159,440)
Minimum Tax		(708,691,067)	(310,214,771)
Profit Before Taxes		**88,811,496,604**	**74,332,721,141**
Income and Deferred Taxes	8a	(14,796,998,476)	(8,426,509,871)
Profit After Taxes		**74,014,498,128**	**65,906,211,270**
Basic Earnings Per Share (Kobo)	**17**	**219**	**195**

Statement of Profit or Loss and Other Comprehensive Income

FOR THE THREE MONTHS ENDED 30TH SEPTEMBER 2022

	UNAUDITED	UNAUDITED
	Q3 2022	Q3 2021
	=N=	=N=
Revenue	74,036,514,122	62,627,087,936
Cost of Sales	(45,325,353,923)	(33,496,820,316)
Gross Profit	**28,711,160,199**	**29,130,267,620**
Other Income	71,725,798	104,528,663
Selling and Distribution Costs	(4,553,222,460)	(2,105,586,710)
Administrative Expenses	(2,721,415,881)	(1,961,289,688)
Operating Profit	**21,508,247,656**	**25,167,919,885**
Net Finance Costs	(6,879,298,688)	(225,047,545)
Minimum Tax	(195,227,869)	(176,898,805)
Profit Before Taxes	**14,433,721,099**	**24,765,973,535**
Income and Deferred Taxes	(1,782,976,008)	(2,255,751,510)
Profit After Taxes	**12,650,745,091**	**22,510,222,025**
Other Comprehensive Income:		
Re-measurement of defined benefit obligations (net of tax)	-	-
Total Comprehensive Income	**12,650,745,091**	**22,510,222,025**
Basic Earnings Per Share (Kobo)	**37**	**66**

Statement of Financial Position

AS AT 30TH SEPTEMBER 2022

		UNAUDITED	AUDITED
		30 Sept. 2022	31 Dec. 2021
	Notes	=N=	=N=
NON-CURRENT ASSETS			
Property, Plant, and Equipment	9	647,308,397,538	578,887,892,000
Right of Use Assets	11a	55,373,734	76,848,000
Intangible Assets	10	6,608,535,499	5,343,263,000
Total Non-Current Assets		**653,972,306,771**	**584,308,003,000**
CURRENT ASSETS			
Inventories	12	49,292,465,370	39,068,039,000
Trade and Other Receivables	13	43,014,913,466	38,016,838,000
Due from Related Companies	21a	4,586,771,285	4,776,195,000
Cash and Short Term Deposits	14	30,760,351,981	62,338,398,000
Total Current Assets		**127,654,502,102**	**144,199,470,000**
Total Assets		**781,626,808,873**	**728,507,473,000**
EQUITY			
Share Capital	15	16,932,177,000	16,932,177,000
Retained Earnings	p. 16	167,887,926,572	181,920,749,000
Reorganization Reserve	15.2	200,004,179,000	200,004,179,000
Actuarial Reserves	15.3	(740,357,000)	(740,357,000)
Total Equity		**384,083,925,572**	**398,116,748,000**
LIABILITIES AND EQUITY			
NON-CURRENT LIABILITIES			
Leases Liabilities	11b	20,690,639	39,595,000
Long Term Borrowing	16a	39,328,926,464	43,685,460,000
Debt Security Issued (bond)	16c	115,985,826,246	113,551,259,000
Deferred Tax Liabilities	8c	25,911,262,317	12,606,257,000
Government Grant	22	3,721,262,000	3,721,262,000
Employee Benefit Liability	18a	4,054,788,426	3,760,297,000
Decommissioning Liability	20	8,273,012,000	7,671,475,000
Total Non-Current Liabilities		**197,295,768,092**	**185,035,605,000**
CURRENT LIABILITIES			
Trade and Other Payables	19a	75,888,736,783	22,278,412,000
Contract Liabilities	19b	50,884,991,719	78,586,238,000
Due to Related Companies	21b	12,124,406,484	1,477,928,000
Income Tax Liability	8b	2,304,241,803	1,697,203,000
Short Term Borrowings	16b	58,133,977,324	39,810,241,000
Government Grant	22	910,761,096	910,761,000
Decommissioning Liability	20	-	594,337,000
Total Current Liabilities		**200,247,115,209**	**145,355,120,000**
Total Liabilities		**397,542,883,301**	**330,390,725,000**
Total Liabilities and Equity		**781,626,808,873**	**728,507,473,000**

The financial statements and notes on pages 14 - 30 were approved by the Board of Directors on 24th October, 2022 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 30TH SEPTEMBER 2022

	Share Capital	Reorganization Reserve	Reserve on Actuarial Valuation of Define Benefit Plan	Retained Earnings	Total Equity
	=N=	=N=	=N=	=N=	=N=
Balance at 1st Jan. 2022	**16,932,177,000**	**200,004,179,000**	**(740,357,000)**	**181,920,749,000**	**398,116,748,000**
Merger Shares	-	-	-	-	-
Profit for the period	-	-	-	74,014,498,128	74,014,498,128
Other comprehensive income	-	-	-	-	-
Transactions with owners					
Dividend	-	-	-	(88,047,320,556)	(88,047,320,556)
Balance at 30th Sept. 2022	**16,932,177,000**	**200,004,179,000**	**(740,357,000)**	**167,887,926,572**	**384,083,925,572**
Balance at 1st Jan. 2021	**16,932,177,000**	**200,004,179,000**	**(897,136,000)**	**159,915,508,000**	**375,954,728,000**
Profit for the period	-	-	-	90,079,011,000	90,079,011,000
Other comprehensive income	-	-	156,779,000	-	156,779,000
Transactions with owners					
Issue of shares for business combination	-	-	-	1,926,230,000	1,926,230,000
Dividend paid	-	-	-	(70,000,000,000)	(70,000,000,000)
Balance at 31 Dec. 2021	**16,932,177,000**	**200,004,179,000**	**(740,357,000)**	**181,920,749,000**	**398,116,748,000**

Statement of Cashflows

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

	Unaudited	Audited
	30 Sept. 2022	31 December 2021
	=N=	=N=
Cash Flows From Operating Activities		
Profit before income taxes	88,811,496,604	102,873,325,000
Non-cash adjustment to reconcile profit before tax to net cash flows:		
Depreciation and impairment of PPE	15,396,418,057	15,344,074,000
Amortisation and impairment of intangible assets	248,213,810	44,898,000
Unrealised foreign exchange loss	-	890,656,000
Net impairment of assets	-	(5,394,000)
Finance Income	(1,713,410,727)	(620,604,000)
Finance cost	6,174,877,150	1,705,833,000
Minimum Tax	708,691,067	266,088,000
Depreciation of right of use asset	55,512,204	82,486,000
Share based payment	-	1,926,230,000
Provision for end of service benefit obligation	377,114,151	359,983,000
Provision for decommissioning liabilities	7,200,000	-
Amortisation of government grants	-	(900,695,000)
Modification gain	-	(1,434,056,000)
Operating profit before working capital changes	**110,066,112,316**	**120,532,824,000**
Working Capital Adjustments:		
(Increase)/Decrease in trade and other receivables	(4,998,075,466)	45,296,543,000
(Increase)/Decrease in inventories	(10,224,426,789)	(7,562,841,000)
(Increase)/Decrease in due from related parties	189,423,715	(4,776,195,000)
Increase/(Decrease) in trade and other payables	53,610,324,783	(1,610,058,000)
Increase/(Decrease) in due to related parties	10,646,478,484	(33,349,968,000)
Increase(Decrease) in contract liabilities	(27,701,246,281)	36,447,908,000
Cash generated from operations	**131,588,590,762**	**154,978,213,000**
Defined benefit paid during the year	(82,623,725)	(106,132,000)
Tax paid	(1,593,645,423)	(863,321,000)
Net cash flow from operating activities	**129,912,321,614**	**154,008,760,000**
Investing Activities		
Purchase of property, plant and equipment	(78,299,537,407)	(57,613,850,000)
Right of Use Assets	(34,037,938)	-
Transfer of property, plant and equipment	316,907,585	-
Interest received	1,713,410,727	620,604,000
Intangible assets	(1,513,486,309)	(1,103,175,000)
Net cash flows used in investing activities	**(77,816,743,342)**	**(58,096,421,000)**
Financing Activities		
Leased Liabilities decrease	(18,904,361)	(96,229,000)
Unclaimed dividend received	-	19,702,000
Dividend paid to equity holders	(88,047,320,556)	(70,000,000,000)
Proceed from borrowings	15,001,388,777	30,044,560,000
Interest repayment on debt security	(4,312,500,000)	(8,598,052,000)
Repayment of borrowings	(2,815,181,713)	(102,939,124,000)
Interest payment	(3,481,107,509)	(5,863,737,000)
Net cash flows used in financing activities	**(83,673,625,362)**	**(157,432,880,000)**
Net increase/(Decrease) in cash and cash equivalents	(31,578,046,019)	(61,520,541,000)
Cash and cash equivalents at Beginning	62,338,398,000	123,821,089,000
Effect of exchange rate difference	-	37,850,000
Cash and cash equivalents at End (Note 14)	**30,760,351,981**	**62,338,398,000**

Capitalised Interest cost of ₦5.8 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 30TH SEPTEMBER 2022

		YTD Sept. 2022	YTD Sept. 2021
		=N=	=N=
2.	**NET REVENUE**		
	Sale of Cement	262,598,019,509	186,905,079,625
3.	**COST OF SALES**		
	Materials	43,037,108,128	30,081,149,320
	Consumables	2,707,229,068	2,189,269,421
	Energy cost	65,005,250,396	40,605,735,880
	Staff cost	3,123,395,254	2,251,646,331
	Repair and maintenance	6,920,221,259	5,871,909,529
	Depreciation	12,295,741,038	9,651,411,775
	Operations, maintenance and technical fees	12,690,689,236	9,579,963,396
	Other production expenses	2,072,876,988	724,252,740
	Stock Movement	(5,023,207,608)	(1,300,730,060)
		142,829,303,760	**99,654,608,332**
4.	**OTHER INCOME**		
	Sundry income	90,331,532	119,221,246
	Insurance claims	181,532,124	57,883,851
		271,863,656	**177,105,097**
5.	**SELLING & DISTRIBUTION COSTS**		
	Marketing expenses & other overheads	62,334,348	36,493,224
	Advertisement and promotion	11,738,238	19,499,228
	Cement handling charges	202,963,688	183,409,744
	Printing and stationary	14,340,805	11,411,423
	Distribution Costs	8,478,798,723	2,818,148,368
	Depreciation	2,730,633,491	1,629,949,293
	Salaries, Wages & Benefits	776,853,258	848,963,161
	Others	335,794,328	53,970,178
		12,613,456,879	**5,601,844,619**
6.	**ADMINISTRATIVE EXPENSES**		
	Depreciation (Admin.)	681,830,867	470,868,758
	Staff cost	1,644,024,431	1,727,874,277
	Medical cost	95,176,574	101,192,076
	Board of directors expenses	315,878,750	220,537,000
	Repair and maintenance cost	299,530,748	175,408,391
	Bank charges	509,327,516	379,273,899
	Security expenses	736,562,788	512,779,818
	Registration and listing fees	229,431,831	207,190,987
	Corporate Social Responsibility cost	763,056,431	606,115,000
	Legal and other professional fees	173,567,957	137,718,102
	Donation and Public relation	746,199,459	283,585,951
	Audit fees	114,931,111	114,798,000
	Commissioning expenses	258,046,860	-
	Other admin expenses	1,614,797,092	1,196,294,161
		8,182,362,416	**6,133,636,419**

Notes to the Unaudited Financial Statements cont'd

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

7. NET FINANCE COST	YTD Sept. 2022	YTD Sept. 2021
	=N=	=N=
Interest expenses *	(6,174,877,151)	(1,196,655,480)
Exchange loss **	(5,263,106,015)	(295,000,000)
Interest income	1,713,410,727	442,496,040
	(9,724,572,439)	**(1,049,159,440)**

* Discontinuance of capitalization of bond and loan interest on Sokoto line 4 accounted for interest expenses increase
** Increase in exchange loss from the wide margin between auction bid rates and the I & E rates

8a. INCOME TAX CHARGE

The major components of income tax expense for the nine months ended 30th September 2022 and 31st December 2021 are:

	YTD Sept. 2022	YTD Sept. 2021
As Per Income Statement:		
Current Income Tax Charge:		
Minimum Tax	708,691,067	310,214,771
Education Tax	1,487,517,103	766,976,025
Police Trust Fund	4,476,056	1,697,936
	1,491,993,159	768,673,961
Deferred Tax charge/(Credit)	13,305,005,317	7,657,835,910
Total All Taxes	**14,796,998,476**	**8,426,509,871**

As Per Statement of Financial Position:

8b. Current Income Tax Liabilities	YTD Sept. 2022	31-Dec-21
As at Beginning	1,697,203,000	922,428,000
Minimum tax and tertiary education tax	2,196,208,170	1,633,018,000
Police trust fund	4,476,056	5,078,000
	3,897,887,226	2,560,524,000
Less: Payments during the year	(1,593,645,423)	(863,321,000)
As at End	**2,304,241,803**	**1,697,203,000**

8c. Deferred Tax Liabilities	YTD Sept. 2022	31-Dec-21
As at Beginning	12,606,257,000	1,120,222,000
Deferred tax charge/(credit) for the period - profit or loss	13,305,005,317	11,422,306,000
Deferred tax credit for the year-OCI	-	63,729,000
As at End	**25,911,262,317**	**12,606,257,000**

Notes to the Unaudited Financial Statements cont'd -
FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

9. PROPERTY, PLANT & EQUIPMENTS

Cost / Valuation	Land =N=	Building =N=	Plant And Machinery =N=	Furniture & Fittings =N=	Quarry Equipments =N=	Tools, Computers, Laboratory, Office Equipments =N=	Motor Vehicle =N=	Trucks =N=	Capital Work In Progress =N=	Total =N=
Balance as at 1st 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	70,000,000	517,873,261	666,104,738 `	141,777,688	34,766,000	155,117,472	981,766,001	4,563,912,000	77,601,318,700	84,732,635,860
Disposals/Transfer	-	-	(940,607,177)	-	-	-	-		-	(940,607,177)
Reclassification	-	786,295,095	199,812,574,460	-	-	-	-	14,954,177,000	(215,553,046,555)	-
Impairments	-	-	-	-	-	-	-	-	-	-
Changes in Estimates	-	-	-	-	-	-	-	-	-	-
Balance at 30th September 2022	**601,799,762**	**60,704,641,673**	**558,418,265,482**	**827,888,058**	**8,308,875,000**	**1,488,441,666**	**2,924,367,246**	**28,211,156,000**	**67,744,341,145**	**729,229,776,032**
Balance as at 1st Jan. 2021	**463,861,000**	**59,290,058,000**	**355,996,683,000**	**530,242,000**	**9,820,977,000**	**1,250,044,000**	**1,418,748,000**	**8,693,067,000**	**137,054,929,000**	**574,518,609,000**
Addition	226,981,150	384,504,508	2,349,074,372	156,116,670	-	184,336,404	523,853,245	-	68,641,141,000	72,466,007,349
Transfers	-	-	-	-	-	-	-	-	-	-
Reclassification	(159,042,388)	(274,089,191)	534,436,089	(248,300)	-	(101,056,210)	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Changes in Estimates	-	-	-	-	(1,546,868,000)	-	-	-	-	-
Balance as at 31st Dec. 2021	**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**	**205,696,070,000**	**645,437,748,349**
Accumulated Depreciation										
Balance as at 1st 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	-	916,043,128	11,223,779,206	58,689,233	56,835,195	105,127,907	305,309,901	2,730,633,487	-	15,396,418,057
Disposals	-	-	(24,894,592)	-		-	-		-	(24,894,592)
Impairments	-	-	-	-		-	-		-	-
Balance at 30th September 2022	**-**	**6,448,942,168**	**60,776,454,459**	**426,137,233**	**2,966,836,195**	**821,875,907**	**1,336,510,280**	**9,144,621,204**	**-**	**81,921,377,446**
Balance as at 1st Jan. 2021	**-**	**4,373,856,000**	**38,631,595,000**	**307,685,000**	**2,224,372,000**	**611,269,000**	**816,281,000**	**4,240,722,000**	**-**	**51,205,780,000**
Charge for the period	-	1,159,043,040	10,945,974,845	59,763,000	685,629,000	105,479,000	214,919,379	2,173,265,717	-	15,275,354,242
Reclassification	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-	-	-
Balance as at 31st Dec. 2021	**-**	**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**	**-**	**66,481,134,242**
Net Book Value										
Balance at 30th September 2022	**601,799,762**	**54,255,699,505**	**497,641,811,023**	**401,750,825**	**5,342,038,805**	**666,565,759**	**1,587,856,966**	**19,066,534,796**	**67,744,341,145**	**647,308,397,538**
Balance as at 31st Dec. 2021	**531,799,762**	**53,867,574,277**	**309,302,623,616**	**318,662,370**	**5,364,108,000**	**616,576,194**	**911,400,866**	**2,279,079,283**	**205,696,070,000**	**578,887,894,368**

Notes to the Unaudited Financial Statements cont'd

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

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 2022.

9.2 Depreciation charged during the year are included in:

	30-Sep-22	31-Dec-21
	=N=	=N=
Cost of Sales	12,067,234,217	12,616,037,000
Selling & Administrative Expenses	3,329,183,840	2,549,540,000
	15,396,418,057	**15,165,577,000**

10. INTANGIBLE ASSETS

	Licenses	Exploration Asset	Software	Total
Cost	=N=	=N=	=N=	=N=
Balance as at 1st Jan. 2022	**3,025,000**	**5,875,945,000**	**86,570,000**	**5,965,540,000**
Additions	-	1,510,332,715	3,153,594	1,513,486,309
Disposals/ Transfers	-	-	-	-
Balance as at 30th September 2022	**3,025,000**	**7,386,277,715**	**89,723,594**	**7,479,026,309**
Balance as at 1st Jan. 2021	**3,025,000**	**4,775,603,000**	**83,737,000**	**4,862,365,000**
Addition	-	1,100,342,000	2,833,000	1,103,175,000
Reclassification	-	-	-	-
Write offs	-	-	-	-
Balance as at 31st Dec. 2021	**3,025,000**	**5,875,945,000**	**86,570,000**	**5,965,540,000**
Amortisation				
Balance as at 1st Jan. 2022	**3,025,000**	**585,772,000**	**33,480,000**	**622,277,000**
Amortisation	-	228,506,821	19,706,989	248,213,810
Balance as at 30th September 2022	**3,025,000**	**814,278,821**	**53,186,989**	**870,490,810**
Balance as at 1st Jan. 2021	**3,025,000**	**565,277,000**	**9,077,000**	**577,379,000**
Amortisation	-	20,495,000	24,403,000	44,898,000
Reclassification	-	-	-	-
Write Offs	-	-	-	-
Balance as at 31st Dec. 2021	**3,025,000**	**585,772,000**	**33,480,000**	**622,277,000**
NET BOOK VALUE				
Balance as at 30th September 2022	**-**	**6,571,998,894**	**36,536,605**	**6,608,535,499**
Balance as at 31st Dec. 2021	**-**	**5,290,173,000**	**53,090,000**	**5,343,263,000**

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 cont'd

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

		30-Sep-22	31-Dec-21
11a.	**RIGHTS OF USE ASSET**		
	Opening balance building leases	76,848,000	70,490,000
	Additions	34,037,938	88,844,000
	Depreciation of right of use assets	(55,512,204)	(82,486,000)
	Closing balance	**55,373,734**	**76,848,000**
11b.	**Leases Liabilities**		
	Opening balance	39,594,000	37,317,000
	Additions	34,006,695	88,844,000
	Interest expenses	3,171,612	9,663,000
	Payments	(56,081,668)	(96,230,000)
	Closing balance	**20,690,639**	**39,594,000**
12.	**INVENTORIES**		
	Fuel	5,844,533,045	1,583,518,000
	Engineering Spares	21,960,461,617	15,422,153,000
	Packing materials	1,965,796,492	2,186,132,000
	Raw materials	12,129,959,007	14,783,197,000
	Goods in transit	2,177,170,512	2,555,596,000
	Work in progress	3,216,667,356	2,196,854,000
	Finished goods	1,997,877,341	340,589,000
		49,292,465,370	**39,068,039,000**

There is no amount of 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.

13.	**TRADE AND OTHER RECEIVABLES**		
	Trade Receivables	199,159,959	118,985,000
	Prepayments	2,216,908,998	1,433,576,000
	Advance to sundry and staff	381,972,195	53,253,000
	Other receivables *	40,216,872,314	36,411,024,000
		43,014,913,466	**38,016,838,000**

* Other receivables include payments made to EPC contractors for new lines and advances for supplies

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 who 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.

Notes to the Unaudited Financial Statements cont'd

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

14. CASH AND SHORT TERM DEPOSITS

	30-Sep-22	31-Dec-21
	=N=	=N=
Cash in Hand	15,657,000	11,999,465
Cash in Bank	22,928,472,111	42,812,289,278
Bond DSRA Account	4,686,143,630	4,447,782,559
EOSB Fixed Deposit	2,551,797,182	2,125,786,202
Fixed deposits	-	12,466,025,000
Unclaimed dividend	578,282,058	474,515,496
	30,760,351,981	**62,338,398,000**

Short-term deposits are made for varying periods of between one day and three 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:

	30-Sep-22	31-Dec-21
	=N=	=N=
Cash in Hand	15,657,000	11,999,000
Cash in Bank	28,192,897,799	49,860,374,000
Fixed Deposits	2,551,797,182	12,466,025,000
	30,760,351,981	62,338,398,000

15. SHARE CAPITAL

15.1a Authorised

	30-Sep-22	31-Dec-21
	=N=	=N=
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.

	30-Sep-22	31-Dec-21
15.2. Reorganization Reserve	=N=	=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.

Notes to the Unaudited Financial Statements cont'd
FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

15.3. Other Reserves

Reserve on Actuarial Valuation of Defined Benefit Plan	30-Sep-22	31-Dec-21
	=N=	=N=
Balance at the beginning of the year	(740,357,000)	(897,135,700)
Actuarial gain/(loss) on defined benefit plan (net of tax)	-	156,778,700
Balance at the end of the year	**(740,357,000)**	**(740,357,000)**

16. BORROWINGS	30-Sep-22	31-Dec-21
	=N=	=N=
16a. Long Term Loans		
Bank loans	39,328,926,464	43,685,460,000
16b Short term facilities		
Short term loans	58,133,977,324	39,810,241,000
Total Borrowings	**97,462,903,788**	**83,495,701,000**
16c. Debt Security Issued		
BUA Cement Series 1 Bond	**115,985,826,245**	**113,551,259,000**

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

Current	**Average Interest Rate**	**Maturity**	**=N=**	**=N=**
Coronation Merchant - Bank Facility	14%	31 October 2022	6,192,877	112,540,000
Union Bank - Trade Line Facility	15%	30 November 2022	6,126,651,641	13,837,805,000
First Bank - Import Finance facility	15.5%	31 October 2022	39,658,452,291	16,951,141,000
FCMB - Import Finance Facility	13.5%	30 November 2022	954,592,135	925,878,000
Fidelity Bank - RSSF loan	5% - 9%	30 September 2030	2,500,000,000	625,000,000
Union Bank - RSSF loan	5% - 9%	11 June 2030	1,875,000,000	857,877,000
First Bank - Term loan	15.5%	30 June 2024	7,013,088,380	6,500,000,000
			58,133,977,324	39,810,241,000
Non- Current				
First Bank - Term loan	15.5%	30 June 2024	6,562,262,283	9,807,648,000
Fidelity Bank - RSSF loan	5% - 9%	30 September 2030	15,951,241,908	16,917,936,000
Union Bank - RSSF loan	5% - 9%	11 June 2030	16,815,422,273	16,959,876,000
			39,328,926,464	43,685,460,000
Total Borrowing			**97,462,903,788**	**83,495,701,000**

Notes to the Unaudited Financial Statements cont'd

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

Movement in borrowings are analysed as follows:

Period Ended 30th September 2022	30-Sep-2022
	₦
Opening amount as at 1st January 2022	83,495,702,000
Additional borrowings	15,001,388,777
Repayments of borrowings	(2,815,181,713)
Interest capitalised	3,242,381,030
Interest paid	(1,461,386,306)
Closing amount as at 30th September 2022	**97,462,903,788**

Year Ended 31st December 2021	
Opening amount as at 1st January 2021	156,097,899,000
Additional drawdowns in the year	30,044,560,000
Principal repayments	(102,939,124,000)
Interest expenses	1,075,091,000
Interest capitalised	5,897,889,000
Interest paid	(5,863,737,000)
Movement to Government Grant due to review of rates	(1,434,056,000)
Exchange difference	617,180,000
Closing amount as at 31st December 2021	**83,495,702,000**

16d: Capitalised interest adjusted from value of Property, Plant and Equipment

	30-Sep-22	31-Dec-21
	=N=	=N=
Additions in the period	84,732,635,860	72,466,006,000
Capitalised interest cost	(5,834,293,453)	(14,852,156,000)
	78,898,342,407	**57,613,850,000**

First Bank of Nigeria - Term Loan
The loan was for part finance of construction of cement plant, importation of spare parts and raw materials. The loan was secured with a debenture on fixed and floating assets of BUA Cement PLC, corporate guarantee of BUA International Ltd and personal guarantee of Mr. Abdulsamad Rabiu.

Union Bank - Trade Line
The facility was obtained as a trade line facility for importation of spares and other material such as coal. It is a USD 10 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 - Real Sector Support Fund - Term Loan
This facility is a ₦20 billion loan for financing of capacity expansion. The loan is 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.

Notes to the Unaudited Financial Statements cont'd

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

Fidelity Bank - SRF/CCL/ULC Facility
This facility is ₦15 billion for financing of purchase of raw materials priced at 15.5% per annum.

Union Bank - Real Sector Support Fund - Term Loan
This facility is a ₦ 20 billion loan for financing of capacity expansion. The loan is 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.

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 December 30, 2020. The Bond proceeds were used to reimburse the shareholder loan and for working capital finance.

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.

	30-Sep-22	30-Sep-21
	=N=	=N=
Net profit attributable to ordinary equity holders	74,014,498,128	65,906,211,270
	Number	Number
Weighted average number of ordinary shares	33,864,354,864	33,864,354,864
Basic Earning Per Ordinary Shares (Kobo)	**219**	**195**

	30-Sep-22	30-Sep-21
	=N=	=N=
Net profit attributable to ordinary equity holders (3rd Quarter)	12,650,745,091	22,510,222,025
	Number	Number
Weighted average number of ordinary shares	33,864,354,864	33,864,354,864
Basic Earning Per Ordinary Shares (Kobo)	**37**	**66**

Notes to the Unaudited Financial Statements cont'd

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

18a. Employee Benefits Obligation	30-Sep-22	31-Dec-21
	=N=	=N=
Present value of defined benefit plan	4,054,788,426	3,760,298,000
Reconciliation of change in Defined Benefit Obligation		
Defined Benefit Obligation opening	3,760,298,000	3,645,893,000
Current service cost	261,284,154	359,983,000
Interest cost	115,829,997	81,061,000
Actuarial (gains)/losses - Change in assumption - Net of tax	-	(518,240,000)
Actuarial (gains)/losses - Experience adjustment- Net of tax	-	297,732,000
Benefit Payment	(82,623,725)	(106,131,000)
As at Ending	**4,054,788,426**	**3,760,298,000**

Included in bank balance is ₦2,421,426,135 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	4,054,788,426	3,706,297,985
Plan asset with banks	(2,551,797,182)	(2,125,786,000)
	1,502,991,244	**1,580,511,985**

18b. Amounts Recognised in OCI

Actuarial loss/(gain) on defined benefit plan:		
- Change in assumption	-	(518,240,000)
- Change in experience adjustment	-	297,732,000
	-	**(220,508,000)**
Deferred tax credit	-	63,729,300
Amount recognised in OCI (net of tax)	**-**	**(156,778,700)**

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 Stanbic IBTC pension manager and other 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 cont'd

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

19a. TRADE AND OTHER PAYABLES	30-Sep-22	31-Dec-21
	=N=	=N=
Trade payables	16,665,062,548	3,480,385,000
Other payables and accrued expenses *	42,252,806,986	2,789,997,000
Unclaimed dividend	578,282,058	474,742,000
Statutory obligations and other accruals	16,392,585,191	15,533,288,000
	75,888,736,783	**22,278,412,000**

* Other payables include ₦ 39bn retention charge payable on EPC contract of Sokoto Line 4.

19b. Contract Liabilities

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

Customers deposits	**50,884,991,719**	**78,586,238,000**

20. DECOMMISSIONING LIABILITY (Rehabilitation)

Opening balance as at 1st January 2022	8,265,812,000	9,291,470,000
Additional provision made	7,200,000	-
Increase/(Decrease) as a result of change in estimate	-	(1,537,268,000)
Unwinding of interest	-	511,610,000
Closing Balance	**8,273,012,000**	**8,265,812,000**

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.

21. RELATED PARTIES

Names of related companies	Relationship
BUA International Ltd	Sister company
PW Nigeria	Sister company

Outstanding Balances

21a. Due from Related Companies

PW Nigeria	4,586,771,285	4,776,195,000
	4,586,771,285	**4,776,195,000**

21b. Due to Related Companies

BUA International Ltd	12,124,406,484	1,477,928,000
	12,124,406,484	**1,477,928,000**

Dues to related parties represent the amount of money owed to related parties for services rendered to the Company.

Notes to the Unaudited Financial Statements cont'd

FOR THE NINE MONTHS ENDED 30TH SEPTEMBER 2022

22. GOVERNMENT GRANT	30-Sep-22	31-Dec-21
	=N=	=N=
Current	910,761,000	910,761,000
Non Current	3,721,262,000	3,721,262,000
	4,632,023,000	**4,632,023,000**

Movement in Government Grants is analysed below:	30-Sep-22	31-Dec-21
	=N=	=N=
Balance as at January 1	4,632,023,000	5,532,718,000
Additions during the year	-	-
Amount recognised in P&L	-	(900,695,000)
	4,632,023,000	**4,632,023,000**

Government grants have been estimated from ₦40 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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